

UNITED
DISTRIBUTORS
PAKISTAN LIMITED

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Quarterly Report

*For the 3rd Quarter ended
March 31, 2013
Un-Audited*



Pakistan

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UNITED DISTRIBUTORS PAKISTAN LIMITED.

9th Floor, N.I.C. Building, Abbasi Shaheed Road,
Karachi-75530, Pakistan.

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UNITED DISTRIBUTORS PAKISTAN LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS



The Board of Directors of United Distributors Pakistan Limited (UDPL) is pleased to present the un-audited financial statements of the Company for the period ended March 31, 2013.

The Directors' Report is prepared under section 236 of the Companies Ordinance, 1984 and Clause xvi of the Code of Corporate Governance.

FINANCIAL PERFORMANCE

	July - March 2013 (Rupees 000)	July - March 2012
Net Sales	249,334	366,068
Gross Profit	54,361	57,776
Profit before tax	197,360	33,398
Profit after tax	157,624	20,464
Earning per share - in Rupees	17.16	2.23

OVERVIEW

The Company was able to achieve the profitability of Rs. 157.62 million as compared to Rs. 20.46 million for the same period last year due to disposal of one its investments made in Pioneer Seeds Pakistan Ltd. The deal went very well and the Company not only made healthy profits but was also able to significantly pay off its liabilities.

On the operating side the gross margin has increased to 22% from 16% for the same period last year. However, the challenging economic conditions and adverse effect on overall agricultural sector observed during the year 2012 have impacted the sales of the Company for the period resulting in Rs. 249.33 million as compared to Rs. 366.07 million for the same period last year.

FUTURE OUTLOOK

The Company is continuing to focus on improving its sales margins by developing its own brands. The management is also focused on building a strong team that will drive a profitable business as per the company's objective.

ACKNOWLEDGEMENTS

The Directors would like to express their gratitude to the Customer, Bankers and other Stakeholders for their continued support and encouragement and also place on record the appreciation of the valuable services rendered by the employees of the Company.

For and on behalf of the Board

ZUBAIR PALWALA
CHIEF EXECUTIVE

Karachi: April 18, 2013

UNITED DISTRIBUTORS PAKISTAN LIMITED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2013



	Note	(Un-audited) March 31, 2013	(Audited) June 30, 2012
.....Rupees 000			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4.1	39,425	38,624
Intangible assets	4.2	1,212	1,131
Long term investments	5	251,226	325,745
Long term lease deposits		-	1,517
Long term loans - staff (secured)		130	23
		291,993	367,040
CURRENT ASSETS			
Stock-in-trade		220,760	207,857
Trade debts - secured		24,248	6,628
Taxations - net		-	6,894
Advances, deposits, prepayments and other receivables		18,670	12,178
Cash and bank balances		27,516	40,514
		291,194	274,071
TOTAL ASSETS		583,187	641,111
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		91,839	91,839
General reserves		30,000	30,000
Unappropriated profit		170,492	12,868
		292,331	134,707
LIABILITIES			
Non Current Liabilities			
Liabilities against assets subject to finance lease		8,753	262
Retirement benefit obligation - gratuity		7,001	5,467
Deferred taxation		3,794	4,121
		19,548	9,850
Current Liabilities			
Current portion of liabilities against assets - -subject to finance lease		4,984	8,739
Trade and other payables		185,735	279,512
Short term borrowings - (Secured)		11,547	196,912
Provision for taxation-net		55,818	-
Advance from dealers		13,224	11,391
		271,308	496,554
Contingencies and commitments	6	-	-
Total Liabilities		290,856	506,404
TOTAL EQUITY AND LIABILITIES		583,187	641,111

The annexed notes 1 to 10 form an integral part of condensed interim financial information.

ZUBAIR PALWALA
CHIEF EXECUTIVE

ASAD ABDULLA
DIRECTOR

UNITED DISTRIBUTORS PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2013



Pakistan

Note	Quarter Ended		For the period Ended	
	January to March	January to March	July to March	July to March
	2013	2012	2013	2012
	Rupees 000		Rupees 000	
Sales - net	89,085	43,189	249,334	366,068
Cost of goods sold	(68,593)	(39,270)	(194,973)	(308,292)
Gross profit	20,492	3,919	54,361	57,776
Selling expenses	(34,062)	(15,405)	(64,599)	(88,431)
Distribution expenses	(4,667)	(4,119)	(13,562)	(14,071)
Administrative and general expenses	(4,503)	(3,327)	(13,856)	(10,978)
	(43,232)	(22,851)	(92,017)	(113,480)
Operating Profit/(loss)	(22,740)	(18,932)	(37,656)	(55,704)
Other income	493	3,125	69,016	32,167
Finance cost	(833)	(15,695)	(24,921)	(43,500)
Gain on dis-investment	-	-	190,921	-
Share of profit of associates-net	-	58,867	-	100,435
Profit / (Loss) before taxation	(23,080)	27,365	197,360	33,398
Provision for taxation	(891)	(9,140)	(39,736)	(12,935)
Profit / (Loss) after taxation	(23,971)	18,225	157,624	20,464
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income/(loss)	(23,971)	18,225	157,624	20,464
Earning/(loss) per share-basic and diluted				
Company and associates (Rupees) 8.1	(2.61)	1.98	17.16	2.23
Company (Rupees) 8.2	(2.61)	(4.43)	17.16	(8.71)

The annexed notes 1 to 10 form an integral part of condensed interim financial information.

UNITED DISTRIBUTORS PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2013



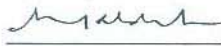
Pakistan

	Issued subscribed and paid-up share capital	General reserves	Unappropriated profit	Total
	Rupees 000			
Balance as at June 30, 2011	91,839	30,000	(48,450)	73,389
Profit for the year ended June 30, 2012	-	-	61,318	61,318
Balance as at June 30, 2012	91,839	30,000	12,868	134,707
Profit for the quarter ended March 31, 2013 (Un-audited)	-	-	157,624	157,624
Balance as at March 31, 2013	91,839	30,000	170,492	292,331

The annexed notes 1 to 10 form an integral part of condensed interim financial information.

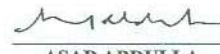

ZUBAIR PALWALA
CHIEF EXECUTIVE

(5)


ASAD ABDULLA
DIRECTOR


ZUBAIR PALWALA
CHIEF EXECUTIVE

(6)


ASAD ABDULLA
DIRECTOR

UNITED DISTRIBUTORS PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2013



Pakistan

	March 2013	March 2012
..... Rupees 000		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	197,360	33,398
Adjustments for non-cash charges and other items:		
Depreciation	9,808	15,464
Amortization of software cost	355	263
Provision for employee benefit	1,739	
Profit on deposit account	(1)	(10)
Financial costs	24,921	43,500
Loss/(Gain) on disposal of property, plant & equipment	1,355	(23,084)
Deferred income	-	(513)
Dividend	(70,117)	(7,691)
Gain against disposal of investment	(190,921)	-
Share of profit of associates	-	(100,435)
	(222,861)	(72,506)
Cash generated from operating activities before working capital changes	(25,501)	(39,108)
Decrease in trade and other payables	(73,176)	(279,691)
Increase in stock-in-trade	(12,902)	197,639
(Increase)/decrease in trade debts	(17,620)	11,503
Increase in advances, deposits, prepayments and other receivables	(6,494)	13,257
	(110,192)	(57,292)
Net cash generated from operating activities before financial charges and income tax	(135,693)	(96,400)
Income tax paid - net	22,650	(3,938)
Finance cost paid	(43,689)	(30,799)
Gratuity paid	(205)	(93)
	(21,244)	(34,830)
Net cash (used in) operating activities	(156,937)	(131,230)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property plant & equipment	(1,148)	(363)
Purchase of intangible assets	(436)	(900)
Profit on deposit account	1	10
Dividend received	74,529	7,691
Proceeds from disposal of property, plant & equipment	3,960	48,839
Long term loans	(107)	27
Proceed against disposal of investment	261,028	-
Long term lease deposits	1,517	3,585
Net cash used in investing activities	339,344	58,889
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - secured	(185,365)	97,933
Payment for liabilities against assets subject to finance lease	(10,040)	(26,935)
Net cash used in financing activities	(195,405)	70,998
Net (decrease)/increase in cash and cash equivalents	(12,998)	(1,342)
Cash and cash equivalents at the beginning of the period	40,514	6,638
Cash and cash equivalents at the end of the period	27,516	5,296

The annexed notes 1 to 10 form an integral part of condensed interim financial information.


ZUBAIR PALWALA
 CHIEF EXECUTIVE


ASAD ABDULLA
 DIRECTOR

(7)

UNITED DISTRIBUTORS PAKISTAN LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2013



Pakistan

1. NATURE OF BUSINESS

United Distributors Pakistan Limited (UDPL) was incorporated in Pakistan as a public limited by shares and is listed on Karachi Stock Exchange. The registered office of the Company is situated at 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. The principal business activities of the Company are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

2. STATEMENT OF COMPLIANCE

This condensed interim report (condensed interim financial information/condensed interim financial statements) of the Company for the nine months period ended March 31, 2013 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, Interim Financial Reporting and the provisions of the directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This un-audited condensed interim financial information constitutes separate condensed interim financial statements of the Company and are being presented and submitted to the shareholders as required by Listing Regulations of Karachi and Islamabad stock exchanges and under section 245 of the Companies Ordinance, 1984. The condensed interim financial information do not include all information and disclosures required in the financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2012.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of the statement of financial information of the Company for the year ended June 30, 2012.

There are no IFRSs of IFRIC interpretations becoming effective during the period that would be expected to have a material impact on the company's condensed interim financial information.

Un-audited March 31, 2013	Audited June 30, 2012
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..... Rupees 000

4. PROPERTY, PLANT AND EQUIPMENTS

4.1 Tangible fixed assets

Opening written down value	38,624	89,453
Addition to owned assets and leased assets	15,923	2,035
Disposals	(14,151)	(76,228)
Depreciation Charged	(9,808)	(19,387)
Depreciation on Disposals	8,837	42,751
Closing written down value	39,425	38,624

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UNITED DISTRIBUTORS PAKISTAN LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
 FOR THE PERIOD ENDED MARCH 31, 2013



Pakistan

	Un-audited March 31, 2013	Audited June 30, 2012
 Rupees 000	
4.2 Intangible assets		
Opening written down value	1,131	600
Addition during the period	436	900
Amortization Charged	(355)	(369)
Closing written down value	<u>1,212</u>	<u>1,131</u>
6. LONG TERM INVESTMENT IN ASSOCIATED COMPANIES		
Un-Quoted		
FMC United (Private) Limited	162,726	166,005
Pioneer Seeds Pakistan Limited	-	70,106
	<u>162,726</u>	<u>236,111</u>
Listed		
IBL HealthCare Pakistan Limited	4,837	5,971
	<u>4,837</u>	<u>5,971</u>
Investments Available for Sale		
International Brands (Private) Limited	83,663	83,663
	<u>83,663</u>	<u>83,663</u>
	<u>251,226</u>	<u>325,745</u>

- 5.1 Investment made in Pioneer Seeds Pakistan Ltd. has been disposed off during the period.
 5.2 Share of Profit of associates Companies are based on the latest available financial statements.

6. CONTINGENCIES & COMMITMENTS

Letter of credit	NIL	16,500
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7. TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

Related party comprises associated company, holding company, companies with common directorship, key management personnel etc. Transaction of the Company with related parties and balance outstanding at the period ended are as follows.

	March 2013	March 2012
 Rupees 000	
7.1 By Virtue of common directorship/holding:		
International Operations (Private) Limited		
Claimable expenses receivable	-	(1,657)
Current account Receipts/Payments-net	-	(8,279)
Current account receivable/(payable)	-	139

UNITED DISTRIBUTORS PAKISTAN LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
 FOR THE PERIOD ENDED MARCH 31, 2013



Pakistan

	March 2013	March 2012
 Rupees 000	
7.2 By Virtue of Investment in Associates & Common directorship:		
IBL Operations (Private) Limited		
Claimable expenses charged by IBL operations (Private) Limited	(3,107)	-
Current account (payable)/receivable	(1,317)	-
FMC United (Pvt.) Ltd.		
Dividend received	3,279	6,558
Share of Profit	-	83,441
Searle Pakistan Limited		
Claimable expenses charged by the Searle Company Ltd.	55	612
Group tax relief	35,998	-
Current account receipts/payments-net	38,399	(3,878)
Current account receivable / (payable)	11	-
Pioneer Pakistan Seed Limited		
Share of Profit/(loss) for the period	-	23,664
Proceed against disposal of investment	261,028	-
Dividend received	70,117	-
IBL HealthCare Limited		
Claimable Expense	1,392	(813)
Share of Profit	-	1,020
Dividend received	1,133	1,133
Current account Receipts / Payments (net)	1,389	800
Current account receivable / (payable)	176	13
8. EARNING PER SHARE - BASIC AND DILUTED		
8.1 Company and associates		
Profit after taxation (Rupees '000)	157,624	20,464
Weighted average ordinary shares (Numbers '000)	9,184	9,184
Earning per share (Rupees)	<u>17.16</u>	<u>2.23</u>
8.2 Company		
Profit / (loss) after tax (Rupees '000)	157,624	20,464
Less: Share of profit of associates	-	(100,435)
	157,624	(79,971)
Weighted average ordinary shares (Numbers '000)	9,184	9,184
Earning / (loss) per share (Rupees)	<u>17.16</u>	<u>(8.71)</u>
9. DATE OF AUTHORIZATION FOR ISSUE		
These financial statements were approved by the Board of Directors of the Company in their meeting and authorize for issue on April 18, 2013.		
10. FIGURES		
Figures have been rounded off to the nearest rupees in thousand.		


ZUBAIR PALWALA
 CHIEF EXECUTIVE


ASAD ABDULLA
 DIRECTOR