

Quarterly Report

*For the 3rd Quarter ended
March 31, 2014
Un-Audited*



Pakistan

UNITED DISTRIBUTORS PAKISTAN LIMITED

CONTENTS

	Page
Company Information	01
Directors' Report to the Shareholders	02
Condensed Interim Balance Sheet	03
Condensed Interim Profit and Loss Account	04
Condensed Interim Statement of Changes in Equity	05
Condensed Interim Statement of Cash Flow	06
Notes to the Condensed Interim Financial Statements	07



Pakistan

UNITED DISTRIBUTORS PAKISTAN LIMITED

COMPANY INFORMATION



<i>BOARD OF DIRECTORS</i>	Mr. Rashid Abdulla Mr. S. Qaiser Abbas Naqvi Mr. Zubair Palwala Mr. Asad Abdulla Mr. Ayaz Abdulla Mr. Munis Abdulla Mr. S. Nadeem Ahmed Mr. Abdullah Ghulam Ali	Chairman C.E.O. Director Director Director Director Director N.I.T. Nominee
<i>AUDIT COMMITTEE</i>	Mr. S. Nadeem Ahmed Mr. Zubair Palwala Mr. Ayaz Abdulla	Chairman Member Member
<i>CHIEF FINANCIAL OFFICER</i>	Mr. Sohail Hasnain Ahmed	
<i>COMPANY SECRETARY</i>	Mr. Adnan Ahmed Feroze	
<i>AUDITORS</i>	Baker Tilly Mehmood Idrees Qamar (Chartered Accountants)	
<i>LEGAL ADVISOR</i>	A. K. Brohi & Co.	
<i>BANKERS</i>	Standard Chartered Bank (Pakistan) Limited Habib Metropolitan Bank Limited Habib Bank Limited Silk Bank Limited	
<i>REGISTERED OFFICE</i>	9th Floor, N.I.C. Building, Abbasi Shaheed Road, Off. Shahrah-e- Faisal, Karachi.	
<i>REGISTRAR</i>	Central Depository Company of Pakistan Limited CDC House # 99-B, Block B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.	

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, 2014.

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

FINANCIAL PERFORMANCE REVIEW

	July - March 2014	July - March 2013
(Rupees 000).....	
Net sales	296,770	249,334
Gross profit	79,989	54,361
Operating (loss)	(25,567)	(37,656)
Profit / (Loss) before taxation	(17,852)	197,360
Profit/ (loss) after taxation	(2,181)	157,624
EPS (in Rupees)	(0.12)	*8.58
* Previous period EPS restated		

BUSINESS OVERVIEW

The Company posted sales revenue of Rs. 296.77 million for the period ended March 31, 2014 as compared to Rs. 249.33 million resulting 19% growth in sales during the same period last year. The gross margin has also improved by 5% during the period under review. The increase in profit margin is achieved through the higher contribution of fertilizer brands during the period ended March 31, 2014.

Further, the Company has received the subscription amount in the month of March 2014, which has been reserved for new business line and arrangement of high margin products.

FUTURE OUTLOOK

The Company looks to change its sales strategies by focusing on improvement in sales margins by developing its own brands. For this initiative, the management has given a relook to the quality and range of the products it is selling and is in the process of identifying new products and supply sources to further improve quality. The management has also focused on building a strong team that will drive a profitable business as per the company's objectives.

ACKNOWLEDGMENTS

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


SYED QAISER ABBAS NAQVI
Chief Executive officer

Karachi: April 24, 2014

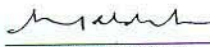
CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2014

	Note	(Un-audited) March 31, 2014	(Audited) June 30, 2013
..... Rupees 000			
ASSETS			
Non Current Assets			
Fixed Assets			
Property, plant and equipment	4.1	42,634	36,896
Intangible assets	4.2	678	1,078
		<u>43,312</u>	<u>37,974</u>
Long term investments	5	375,891	381,490
Long term loans- staff (secured)		-	15
		<u>419,203</u>	<u>419,479</u>
Current Assets			
Stock in trade		126,549	159,383
Trade debts		63,603	40,057
Taxations-net		13,180	-
Advances, deposits, prepayments and other receivables		10,132	9,863
Short-term investments		30,000	-
Cash and bank balances		14,395	9,723
		<u>257,859</u>	<u>219,026</u>
TOTAL ASSETS		<u>677,062</u>	<u>638,505</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share capital	6	183,678	91,839
General reserve		28,652	30,000
Unappropriated profit		295,520	297,701
		<u>507,850</u>	<u>419,540</u>
LIABILITIES			
Non Current Liabilities			
Liabilities against assets subject to finance lease		5,131	9,248
Diminishing musharakah financing payables		10,564	-
Retirement benefit obligation - gratuity		-	3,853
Deferred taxation		9,237	9,237
		<u>24,932</u>	<u>22,338</u>
Current Liabilities			
Current portion of liabilities against assets subject to finance lease		5,216	5,070
Current portion of diminishing musharakah financing		4,893	-
Trade and other payables		124,163	177,983
Short term borrowings - (secured)		-	324
Taxation-net		-	9,147
Advances from dealers		10,008	4,103
		<u>144,280</u>	<u>196,627</u>
Total Liabilities		<u>169,212</u>	<u>218,965</u>
Contingencies and commitments	7	-	-
TOTAL EQUITY AND LIABILITIES		<u>677,062</u>	<u>638,505</u>

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.


SYED KAISER ABBAS NAQVI
 CHIEF EXECUTIVE OFFICER


ASAD ABDULLA
 DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2014

Note	Quarter Ended		For the period Ended	
	January - March		July - March	
	2014	2013	2014	2013
 Rupees 000 Rupees 000	
Sales - net	69,965	89,085	296,770	249,334
Cost of sales	(49,315)	(68,593)	(216,781)	(194,973)
Gross profit	20,650	20,492	79,989	54,361
Selling expenses	(32,064)	(34,062)	(80,407)	(64,599)
Distribution expenses	(4,644)	(4,667)	(13,447)	(13,562)
Administrative and general expenses	(4,064)	(4,503)	(11,702)	(13,856)
	(40,772)	(43,232)	(105,556)	(92,017)
Operating (loss)	(20,122)	(22,740)	(25,567)	(37,656)
Other income	4,413	493	17,889	69,016
Finance cost	(2,292)	(833)	(10,174)	(24,921)
Gain on disposal of investment	-	-	-	190,921
Share of profit of associates -net 5.1	-	-	-	-
Profit/ (loss) before taxation	(18,001)	(23,080)	(17,852)	197,360
Provision for taxation	18,431	(891)	15,671	(39,736)
Profit/(loss) after taxation	430	(23,971)	(2,181)	157,624
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss)	430	(23,971)	(2,181)	157,624
Earning/(loss) per share-basic and diluted (Rs.)	0.02	*(1.31)	(0.12)	*8.58

* (EPS restated due to effect of right issue)

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.


SYED QAISER ABBAS NAQVI
CHIEF EXECUTIVE OFFICER

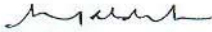

ASAD ABDULLA
DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2014

	March 2014	March 2013
 Rupees 000.....	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(17,7852)	197,360
Adjustments for non-cash charges and other items:		
Depreciation	9,407	9,808
Amortization of Intangible Assets	400	355
Provision for employee benefit	26	1,739
Profit on deposit account	-	(1)
Finance costs	10,174	24,921
(Gain) / Loss on disposal of property, plant & equipment	(12,761)	1,355
Dividend	(3,826)	(70,117)
Gain on disposal of investment	-	(190,921)
	3,420	(222,861)
Cash generated from operating activities before working capital changes	(14,432)	(25,501)
Decrease in trade and other payables	(47,860)	(73,176)
Increase in stock in trade	32,834	(12,902)
(Increase) in trade debts	(23,546)	(17,620)
Increase in advances, deposits, prepayments and other receivables	(270)	(6,494)
	(38,842)	(110,192)
Net cash utilized in operating activities before financial charges and income tax	(53,274)	(135,693)
Income tax (paid) / refund	(6,655)	22,650
Finance cost paid	(10,227)	(43,689)
Gratuity paid	(3,880)	(205)
	(20,762)	(21,244)
Net cash (used) in operating activities	(74,035)	(156,937)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant & equipments	(20,025)	(1,148)
Proceeds of right issue	91,839	-
Issuance cost of right shares	(1,348)	-
Short term Investment	(30,000)	-
Purchase of intangible assets	-	(436)
Profit on deposit account	-	1
Dividend received	9,424	74,529
Proceeds from disposal of property, plant & equipment	17,640	3,960
Long term loans	15	(107)
Proceed against disposal of investment	-	261,028
Long term lease deposits	-	1,517
Net cash generated from investing activities	67,545	339,344
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings- Secured	(324)	(185,365)
Musharakah financing	15,457	-
Payment for liabilities against assets subject to finance lease	(3,971)	(10,040)
Net cash generated / (used in) financing activities	11,162	(195,405)
Net increase / (decrease) in cash and cash equivalents	4,672	(12,998)
Cash and cash equivalents at the beginning of the period	9,723	40,514
Cash and cash equivalents at the end of the period	14,395	27,516

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.


SYED QAISER ABBAS NAQVI
 CHIEF EXECUTIVE OFFICER


ASAD ABDULLA
 DIRECTOR

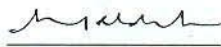
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2014

	Issued subscribed and paid-up share capital	General reserves	Unappropriated Profit / (Loss)	Total
..... Rupees 000				
Balance as at June 30, 2012	91,839	30,000	12,868	134,707
Profit for the year ended June 30, 2013	-	-	284,833	284,833
Balance as at June 30, 2013	91,839	30,000	297,701	419,540
Issue of right shares	91,839	-	-	91,839
Right share issue expenses	-	(1,348)	-	(1,348)
(Loss) for the period ended March 31, 2014 (unaudited)	-	-	(2,181)	(2,181)
Balance as at March 31, 2014	183,678	28,652	295,520	507,850

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.



SYED QAISER ABBAS NAQVI
CHIEF EXECUTIVE OFFICER



ASAD ABDULLA
DIRECTOR

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2014**

1. NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and are being submitted to the shareholders as required under section 245 of the companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting" as applicable in Pakistan.

3. 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, 2013.

Note	(Un-audited) March 31, 2014	(Audited) June 30, 2013
 Rupees 000	
4 Fixed Assets		
4.1 Property, plant and equipment		
Opening net book value	36,896	38,624
Additions to assets		
Owned assets	20,025	1,148
Leased assets	-	14,775
Disposals - net book value	(4,879)	(7,843)
Depreciation charged for the period	(9,407)	(9,808)
Closing written down value	42,634	36,896
4.2 Intangible assets		
Opening written down value	1,078	1,131
Addition during the period	-	436
Amortization Charged for the period	(400)	(489)
Closing written down value	678	1,078
	(Un-audited) March 31, 2014	(Audited) June 30, 2013
 Rupees 000	
5 LONG TERM INVESTMENTS		
Un-Quoted		
FMC United (Private) Limited	285,790	290,709
Quoted		
IBL HealthCare Limited	6,438	7,118
Investment available for sale		
International Brands Limited	83,663	83,663
	375,891	381,490

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2014**

- 5.1 Share of profit of associated companies account for on the basis of latest audited financial statements. However, there is no audited financial statements of associated companies available to record share of profit of associates in the period.

6 SHARE CAPITAL

March 31, 2014	June 30, 2013	Authorized:	March 31, 2014	June 30, 2013
Number of shares ('000')		 Rupees 000	
<u>25,000</u>	<u>10,000</u>	Ordinary share @ Rs 10/- each	<u>250,000</u>	<u>100,000</u>
Issued, subscribed and paid-up:				
5,000	5,000	Ordinary shares issued as fully paid in cash @ Rs 10/- each	50,000	50,000
4,184	4,184	Ordinary shares issued as fully paid bonus shares @ Rs 10/- each	41,839	41,839
9,184	-	Issued during the year as right shares at par	91,839	-
<u>18,368</u>	<u>9,184</u>		<u>183,678</u>	<u>91,839</u>

- 6.1 During the period, the company has increased authorized capital to 25,000,000 shares at the rate of Rs 10/- each.
- 6.2 The Company issued 9,183,900 ordinary shares of Rs 10/- each as right shares at par value of Rs 10/- per share in the 3rd quarter ended March 31, 2014 as approved by the Board of Directors in its meeting held on September 19, 2013. These shares are also listed on Karachi, Lahore and Islamabad stock exchanges where the existing shares are listed and carry same characteristics as existing shares of the company. The effect of these shares has been taken in the calculation of basic and diluted earnings per share of current and prior year.

7. CONTINGENCIES & COMMITMENTS

The facility for opening letters of credit (LCs) acceptances as at March 31, 2014 amounted to Rs. 103 million (June 30, 2013: Rs. Nil).

8. TRANSACTIONS WITH RELATED PARTIES

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

	(Un-Audited) March 2014	(Un-Audited) March 2013
 Rupees 000	
8.1 By Virtue of Investment in Holding Company and Common Directorship Internatioanal Brands (Private) Limited- Holding		
Dividend Received	3,826	-

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2014**

(Un-Audited) (Un-Audited)
March March
2014 2013

..... Rupees 000

8.2 By Virtue of Investment in Associates and Common Directorship

IBL Operations (Private) Limited

Claimable expenses charged by IBL	1,577	1,805
Claimable expenses charged by UDPL	2,280	1,972
Current account Receipts / (Payments)	(2,410)	(3,274)
Current account Receivable / (payable)	1,011	(1,317)

FMC United (Private) Limited

Dividend received	4,918	3,279
Share of profit for the year	-	-

The Searle Company Limited

Claimable Exepense charged by The Searle Company Limited	-	264
Claimable Exepense charged by UDPL	831	209
Group tax relief received	-	35,998
Current account Receipts / (Payments)	1,019	38,399
Current account Receivable / (payable)	270	11

Pioneer Pakistan Seed Limited

Share of Profit / (loss) for the period	-	-
Proceed againsts disposal of investment	-	261,028
Dividend received	-	70,117

IBL Healthcare Limited

Claimable Exepense charged by UDPL	-	1,552
Share of profit (net)	-	-
Dividend received	680	1,133
Current account Receipts / (Payments)	-	1,389
Current account Receivable / (payable)	-	176

9. EARNING/(LOSS) PER SHARE - BASIC AND DILUTED

(Loss) / Profit after tax (Rupees'000)	(2,181)	157,623
Weighted average ordinary shares (Numbers'000)	18,368	18,368
Earning / (loss) per share (Rupees)	(0.12)	*8.58
* (EPS restated due to right issue)		

10. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved by the board of directors of the Company and authorized for issue on April 24, 2014.

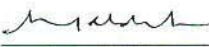
11. CORRESPONDING FIGURES

11.1 Figures have been rounded off to the nearest thousand rupees.

11.2 Some of the previous year figures have been restated to facilitate better resenation in the current period.



SYED QAISER ABBAS NAQVI
CHIEF EXECUTIVE OFFICER



ASAD ABDULLA
DIRECTOR

UNITED
DISTRIBUTORS
PAKISTAN LIMITED

under certificate
of posting

Book Post

If undelivered please return to:

UNITED DISTRIBUTORS PAKISTAN LIMITED.

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

Tel: 021-35635514-16 Fax: 021-35635518