



Pakistan

Quarterly Report

For the 1st Quarter ended
September 30, 2014
Un-Audited

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Company Information

Board of Directors

Mr. Rashid Abdulla
Chairman

Mr. Asad Abdulla
Chief Executive Officer

Mr. Zubair Palwala
Director

Mr. Ayaz Abdulla
Director

Mr. Munis Abdullah
Director

Mr. Tahir Saeed
Director

Mr. M. Salman Hussain Chawala
N.I.T Nominee

Company Secretary

Mr. Adnan Ahmed Feroze
Company Secretary

CFO

Mr. Sohail Hasnain Ahmed
Chief Financial Officer

Legal Advisor

A.K. Brohi & Co.
153-K, Block 2, PECHS, Karachi.

Audit Committee

Mr. Tahir Saeed
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

HR. Remuneration

Mr. Ayaz Abdulla
Chairman

Mr. Zubair Palwala
Member

Mr. Asad Abdulla
Member

Auditors

Baker Tilly Mehmood Idress Qammar
Chartered Accountant
4th Floor, Central Hotel Building Civil
Lines, Mereweather Road, Karachi

Bankers

Standard Chartered Bank Pakistan Limited.
Habib Metropolitan Bank Limited
Habib Bank Limited
Silk Bank Limited

Registered Office

United Distributors Pakistan Limited
9th Floor, NIC Building, Abbasi Shaheed
Road, | Off: Shahrah-e-Faisal, Karachi
Web: www.udpl.com.pk

Registrar

Central Depository Company of Pakistan Ltd.
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 first quarter ended September 30, 2014.

BUSINESS OVERVIEW

Your Company remains committed to deliver sustainable growth and able to increase its sales from Rs.114.86 million to Rs.122.62 million as compared to the same period last year. The gross margin has also improved from 24.29% to 26.15% in the period under review that helps to attain a positive bottom line.

The growth in earnings achieved by optimum product mix, effective utilization of resources and cost control measures taken by the Company's management.

FINANCIAL HIGHLIGHTS

	September 30, 2014	Restated September 30, 2013
	----- (Rupees in '000') -----	
Net sales	122,617	114,856
Gross profit	32,492	27,897
Profit / (loss) before taxation	3,812	(3,375)
Profit after taxation	2,385	(4,520)
EPS in Rs.	0.13	(0.25)

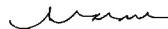
FUTURE OUTLOOK

We aim to carry on our journey of sustainable and profitable growth in the future. We continue to focus and invest on the fundamental strengths i.e. our team, new brands, product registrations, revamping of formulation facility, enhance the customer base, and reduction in operating expenses that will help us to achieve the objective set out by the management.

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



ASAD ABDULLA
Chief Executive Officer

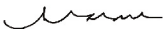
Karachi: October 22, 2014

Condensed Interim Balance Sheet

as at September 30, 2014

		(Un-audited) September 30, 2014	(Audited) June 30, 2014
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4.1	35,357	39,054
Intangible assets	4.2	508	594
		35,865	39,648
Long term investments	5	459,939	463,220
		495,804	502,868
CURRENT ASSETS			
Stock in trade		172,591	238,064
Trade debts		60,375	61,534
Taxations-net		20,557	20,481
Advances, deposits, prepayments and other receivables		9,864	22,294
Short-term investments		2,000	2,000
Cash and bank balances		7,873	4,559
		273,260	348,932
TOTAL ASSETS		769,064	851,800
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		183,679	183,679
General reserve		28,548	28,548
Unappropriated profit		391,078	388,693
		603,305	600,920
LIABILITIES			
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		2,005	3,517
Diminishing musharakah financing payables		8,118	9,341
Deferred taxation		5,853	5,853
		15,976	18,711
CURRENT LIABILITIES			
Current portion of liabilities against assets subject to finance lease		5,721	5,542
Current portion of diminishing musharakah financing		4,893	4,893
Trade and other payables		114,634	198,120
Short term borrowings - (secured)		18,027	16,295
Advances from dealers		6,508	7,319
		149,783	232,169
TOTAL LIABILITIES		165,759	250,880
Contingencies and commitments	6	-	-
TOTAL EQUITY AND LIABILITIES		769,064	851,800

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



ASAD ABDULLA
Chief Executive Officer



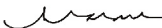
ZUBAIR PALWALA
Director

Condensed Interim Profit & Loss Account (Un-audited)

for the First Quarter ended September 30, 2014

	July to September 2014	Restated July to September 2013
----- (Rupees in '000') -----		
Sales	122,617	114,856
Cost of goods sold	(90,125)	(86,959)
Gross Profit	32,492	27,897
Selling expenses	(22,781)	(25,421)
Distribution expenses	(4,313)	(4,367)
Administrative and general expenses	(3,389)	(3,218)
	(30,483)	(33,006)
Operating Profit / (loss)	2,009	(5,109)
Other income	4,184	6,409
Finance cost	(2,381)	(4,675)
Share of profit of associates-net	-	-
Profit / (loss) before taxation	3,812	(3,375)
Provision for taxation	(1,427)	(1,145)
Profit / (Loss) after taxation	2,385	(4,520)
Other comprehensive income / (loss)	-	-
Total comprehensive income / (loss)	2,385	(4,520)
Earning / (loss) per share-basic and diluted (Rs.)	0.13	(0.25)

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



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Condensed Interim Statement of Changes in Equity

as at September 30, 2014

	Issued, Subscribed and Paid-up Share Capital	General Reserves	Unappropriated Profit / (Loss)	Total
----- (Rupees in '000') -----				
Balance as at July 01, 2012	91,839	30,000	12,868	134,707
Effect of change in accounting policy - Restated	-	-	(1,448)	(1,448)
Deferred tax impact of changes in accounting policy	-	-	145	145
	-	-	(1,303)	(1,303)
Balance as at July 01, 2012	91,839	30,000	11,565	133,404
Profit for the year ended June 30, 2013	-	-	277,174	277,174
Other comprehensive loss for year ended June 30, 2013	-	-	(1,798)	(1,798)
Deferred tax impact relating to other comprehensive income	-	-	180	180
Total comprehensive income			275,556	275,556
Balance as at June 30, 2013	91,839	30,000	287,121	408,960
Right share issue	91,840	-	-	91,840
Share issue cost	-	(1,452)	-	(1,452)
Profit for the year ended June 30, 2014	-	-	110,308	110,308
Other comprehensive loss for year ended June 30, 2014	-	-	(9,707)	(9,707)
Deferred tax impact relating to other comprehensive income	-	-	971	971
Total comprehensive income			101,572	101,572
Balance as at June 30, 2014	183,679	28,548	388,693	600,920
Balance as at June 30, 2014	183,679	28,548	388,693	600,920
Profit for the period ended September 30, 2014 (unaudited)	-	-	2,385	2,385
Balance as at September 30, 2014	183,679	28,548	391,078	603,305

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



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Condensed Interim Statement of Cash Flow (Un-audited)

for the First Quarter ended September 30, 2014

	(Restated)	
	September 2014	September 2013
----- (Rupees in '000') -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	3,812	(3,375)
Adjustments for non-cash charges and other items:		
Depreciation	2,886	3,013
Amortization of intangible assets	86	133
Provision for employee benefit	-	(179)
Profit on deposit account	(25)	-
Finance costs	2,381	4,675
(Gain) on disposal of property, plant & equipment	(1,725)	(5,348)
Dividend	(2,015)	(791)
	1,588	1,503
Cash generated from operating activities before working capital changes	5,400	(1,872)
(Decrease) in trade and other payables	(84,811)	(88,394)
Decrease in stock in trade	65,474	52,724
Decrease / (Increase) in trade debts	1,159	(3,623)
Decrease in advances, deposits, prepayments & other receivables	12,429	1,029
	(5,749)	(38,264)
Net cash utilized in operating activities before financial charges & income tax	(349)	(40,136)
Income tax paid-net	(1,503)	(1,687)
Finance cost paid	(1,867)	(4,782)
	(3,370)	(6,469)
Net cash (used) in operating activities	(3,719)	(46,605)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant & equipments	(153)	(298)
Profit on deposit account	25	-
Dividend	5,294	5,709
Proceeds from disposal of property, plant & equipment	2,689	7,067
Long term loans	-	(13)
Net cash generated from investing activities	7,855	12,465
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings-Secured	1,732	32,142
Musharakah financing	(1,223)	-
Payment for liabilities against assets subject to finance lease	(1,331)	(1,235)
Net cash generated / (used in) financing activities	(822)	30,907
Net increase / (decrease) in cash and cash equivalents	3,314	(3,233)
Cash and cash equivalents at the beginning of the period	4,559	9,723
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7,873	6,490

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



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Notes to the Condensed Interim Financial Statements

for the First Quarter ended September 30, 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 of the Company for the first quarter ended September 30, 2014 has been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and 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.

The disclosures in this condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements of the Company for the year ended June 30, 2014. Comparative condensed interim balance sheet is extracted from annual financial statements as of June 30, 2014 whereas comparative condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement are extracted from unaudited condensed interim financial information of the Company for the first quarter ended September 30, 2014.

This condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Islamabad, Karachi and Lahore Stock Exchanges.

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, 2014.

(Un-audited) September 30, 2014	(Audited) June 30, 2014
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4. FIXED ASSETS

Note ----- (Rupees in '000') -----

4.1 Property, plant and equipment

Opening written down value	39,054	36,896
Additions to owned assets and leased assets	153	20,737
Disposals	(2,725)	(29,132)
Depreciation on disposals	1,761	23,081
Depreciation charged	(2,886)	(12,528)
Closing written down value	35,357	39,054

4.2 Intangible assets

Opening written down value	594	1,078
Addition during the period	-	50
Amortization Charged for the period	(86)	(534)
Closing written down value	508	594

Notes to the Condensed Interim Financial Statements

for the First Quarter ended September 30, 2014

5. LONG TERM INVESTMENTS

Un-Quoted

FMC United (Private) Limited

(Un-audited)
September
30, 2014

(Audited)
June
30, 2014

----- (Rupees in '000') -----

Quoted

IBL HealthCare Limited

Investment available for sale

International Brands Limited

366,465	369,746
366,465	369,746
9,811	9,811
9,811	9,811
83,663	83,663
83,663	83,663
459,939	463,220

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

6. CONTINGENCIES & COMMITMENTS

The facility for opening letters of credit (LCs) as at September 30, 2014 amounted to Rs. 58.55 million (June 30, 2014: Rs. 11.94 million).

7. 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) September 2014	(Un-Audited) September 2013
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----- (Rupees in '000') -----

7.1 By Virtue of Investment in Holding Company and Common Directorship

International Brands (Private) Limited-Holding

Dividend

2,015

791

7.2 By Virtue of Investment in Associates and Common Directorship

IBL Operations (Private) Limited

Claimable expenses charged by UDPL

530

748

Claimable expenses charged by IBL

30

1,387

Current account Receipts / (Payments)

-

-

Current account (Receivable) / payable

(2,086)

2,740

FMC United (Private) Limited

Dividend received

3,279

4,918

Notes to the Condensed Interim Financial Statements

for the First Quarter ended September 30, 2014

(Un-audited) September 2014	(Un-Audited) September 2013
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Note ----- (Rupees in '000') -----

The Searle Company Limited

Claimable expenses charged by UDPL	163	149
Sale of fixed assets	2,010	-
Current account Receipts / (Payments)	2,010	458
Current account (Receivable) / payable	(424)	(149)

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

Profit / (loss) after tax (Rupees '000)	2,385	(4,520)
Weighted average ordinary shares (Numbers '000)	18,368	18,368
Earning / (loss) per share (Rupees)	0.13	(0.25)


9. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved by the board of directors of the Company and authorized for issue on October 22, 2014.

10. CORRESPONDING FIGURES

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

10.2 Some of the previous year figures have been rearranged and restated where necessary. For the purpose of comparison and to facilitate better presentation in the current period.



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

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