

# Spirit of Growth



## Financial Statement

For the Nine months year ended  
March 31, 2023 [un-audited]

UNITED DISTRIBUTORS PAKISTAN LIMITED

# Contents

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Company Information	02
Directors' Report to the Members	03
Condensed Interim Statement of Financial Position as at March 31, 2023	05
Condensed Interim Statement of Profit or Loss Account for the period ended March 31, 2023 - unaudited	06
Condensed Interim Statement of Comprehensive Income for the period ended March 31, 2023 - unaudited	07
Condensed Interim Statement of Cash Flow for the period ended March 31, 2023 - unaudited	08
Condensed Interim Statement of Changes in Equity for the period ended March 31, 2023 - unaudited	09
Notes to the Condensed Interim Financial Statement for the period ended March 31, 2023 - unaudited	10

# Company Information

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## Board of Directors

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Mr. Ayaz Abdulla  
Chairman

Mr. Asad Abdulla  
Director

Ms. Samia Zuberi  
Director

Mr. Abdul Samie Cashmiri  
Director

Mr. Saqib Abbas  
Director

Mr. M. Salman Hussain Chawala  
Director

Mr. Najmul Hassan  
Director

## Audit Committee

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Mr. Salman Hussain Chawala  
Chairman

Mr. Najmul Hassan  
Member

Mr. Ayaz Abdulla  
Member

## Legal Advisor

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Sarmad Aziz  
Advocates/Advisors

## CEO

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Mr. Mirza Asmer Beg  
Chief Executive Officer

## CFO

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Mr. Sohail Hasnain Ahmed  
Chief Financial Officer

## Company Secretary

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Mr. M. Imran  
Company Secretary

## Auditors

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BDO Ebrahim & Co.  
Chartered Accountants  
2nd Floor, Block C, Lakson Square,  
Building No. 1, Sarwar Shaheed Road  
Karachi - 74200 Pakistan.

## Registrar

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Central Depository Company of  
Pakistan Ltd.  
CDC House # 99-B, Block 'B'  
S.M.C.H.S, Main Shahrah-e-Faisal,  
Karachi

## H.R & Remuneration Committee

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Ms. Samia Zuberi  
Chairperson

Mr. Abdul Samie Cashmiri  
Member

Mr. Ayaz Abdulla  
Member

Mr. Saqib Abbas  
Member

## Bankers

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Habib Metropolitan Bank Limited  
Habib Bank Limited  
Bank Al Habib  
Silk Bank Limited  
MCB Bank Limited  
AL-Baraka Bank (Pakistan) Limited  
Meezan Bank Limited

## Registered Office

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United Distributors Pakistan Limited  
Plot # 105, Sector 7-A, Mehran Town  
Korangi Industrial Area, Karachi  
Web: [www.udpl.com.pk](http://www.udpl.com.pk)  
email: [info@udpl.com.pk](mailto:info@udpl.com.pk)

# Directors' Report

The Directors of United Distributors Pakistan Limited (UDPL) takes pleasure in presenting this report, together with the unaudited Financial Statements of the Company for the nine months ended March 31, 2023.

The Company has to operate the business in challenging economic and business environment during the period under review. The recent natural disaster of excessive monsoon rains caused unprecedented flood and damaged to key standing crops, livestock and infrastructure of the country. Further, the delay in establishment of LC, significant devaluation of PKR currency and higher inflation has also adversely impacted Company's revenue and bottom line.

Despite natural disaster in Q1 and prevailing economic down turn during all 3 quarters, Company was able to increase sales revenue by 21% vs SPLY, totaling to Rs. 547 million for the nine months ended March 31, 2023.

The gross profit amount of the Company has also increased by 6% vs SPLY. Company's gross margin which stood at 41% as compared to 46% in same period last year.

Particulars	July - March 31		Variance
	2023	2022	
----- (Rupees in '000') -----			
Net sales	547,264	452,844	20.9 %
Gross profit	222,163	208,716	6.4 %
Operating profit	25,818	58,632	-56.0 %
Finance cost	(40,865)	(13,081)	212.4 %
Share of (loss)/profit from Assoc.	(130,246)	(389,599)	-66.6 %
Loss before taxation	(145,293)	(344,048)	-57.8 %
Loss after taxation	(135,489)	(301,423)	-55.1 %
Loss per share	(Rs. 3.84)	(Rs. 8.55)	

The increase in operating cost is attributed to hike in fuel price and general inflation. Resultantly, the operating profit recorded at Rs. 26 Million for the nine months ended March 31, 2023. Moreover, finance cost has increased by 2.1x mainly due to huge exchange loss on import LC payments and higher interest cost on borrowing due to multiple increase in policy rate.

The associate company posted loss for the period under review due to significant reduction in gross margin, huge finance cost and exchange loss occurred during the year. Hence, the Company recorded share of loss from associate for the period under review up to the carrying amount of investment in the associate undertaking.

## FUTURE OUTLOOK

We aim to continue our journey for the betterment of farmers through best-in-class services and high-quality solutions to enable them in getting optimal crop yield and healthy food for growing population.

Despite challenges like unfavorable weather, post impact of flood, inflation, hike in interest rate, weakening currency, bullish trend of product prices and global supply chain issues will continue to pose threats to business revenue & profitability in the upcoming period, Company remains confident and focused on minimizing these negative impacts by leveraging its diversified product portfolio along with proactively cultivating growth to deliver top-quartile results in line with its core value of delivering enduring stakeholder returns.

## 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



**MIRZA ASMER BEG**  
Chief Executive officer



**ASAD ABDULLA**  
Director

Karachi: April 28, 2023

# ڈائریکٹرز رپورٹ

یونائیٹڈ ڈسٹری بیوٹرز پاکستان لمیٹڈ (یو ڈی پی ایل)

کے بورڈ آف ڈائریکٹرز کی جانب سے میں

غیر محصولاتی عبوری مالیاتی حسابات برائے

نوماہی مختتمہ ۳۱ مارچ ۲۰۲۳ء پیش کرتے

ہوئے خوشی محسوس کرتا ہوں

کمپنی کو زیر جائزہ مدت کے دوران ایک مشکل معاشی اور کاروباری ماحول میں کاروبار چلانا ہے۔ حالیہ قدرتی آفات، زیادہ مومن سون کی بارشیں، سیلاب نے ملک کی اہم کھڑی فصلوں، مویشیوں اور انفراسٹرکچر کو بے مثال نقصان پہنچایا۔ مزید برآں PAK کرنسی کی قدر میں نمایاں کمی اور زیادہ افراط زر نے بھی کمپنی کی آمدنی کو بری طرح متاثر کیا۔

اضافہ درآمدی ایل سی میچورٹیز پر بھاری زرمبادلہ کے نقصان کی وجہ سے ہے نتیجتاً نوماہی کے لئے آپریٹنگ منافع ۲۶ ملین روپے رہا۔

ایسوسی ایٹ کمپنی نے ریونیو میں کمی، بھاری مالیاتی لاگت اور درآمدی ادائیگیوں پر زرمبادلہ کے نقصان کی وجہ سے زیر جائزہ مدت کے لئے نقصان پوسٹ کیا لہذا کمپنی نے زیر جائزہ مدت کے لئے ایسوسی ایٹ سے نقصان کا حصہ ریکارڈ کیا۔

## مستقبل پر ایک نظر

ہمارا عزم ہے کہ ہم منفرد اور اعلیٰ معیاری مصنوعات متعارف کروا کر کسانوں کی فلاح و بہبود کا سفر جاری رکھیں گے تاکہ انہیں فصلوں سے بہترین پیداوار حاصل ہو اور انسانوں کو اعلیٰ معیاری غذا فراہم کر سکیں۔

ناموافق موسم، سیلاب کے بعد کے اثرات، مہنگائی، شرح سود میں اضافہ، کمزور ہوتی کرنسی، مصنوعات کی قیمتوں میں تیزی اور عالمی سپلائی چین کے مسائل آنے والے عرصے میں کاروباری آمدنی اور منافع کے لئے خطرات لاحق رہیں گے، کمپنی پر اعتماد ہے اور اپنے متنوع مصنوعات کے پورٹ فولیو سے فائدہ اٹھاتے ہوئے ان منفی اثرات کو کم کرنے پر توجہ مرکوز کرنے کے ساتھ ساتھ اسٹیک ہولڈر کو پائیدار منافع کی فراہمی کی بنیاد قدر کے مطابق اعلیٰ نتائج فراہم کرنے کے لئے مسلسل کوشاں ہے۔


## اعتراف

بورڈ آف ڈائریکٹرز کی جانب سے، میں اپنے تمام کسٹمرز، بینکرز اور دیگر مستفیدان کا شکریہ ادا کرتا ہوں جنہوں نے نہ صرف ہم سے مسلسل تعاون کیا بلکہ ہماری حوصلہ افزائی بھی کی اور میں کمپنی کے تمام ملازمین کی انتھک محنت کی قدر دانی کرتا ہوں۔

برائے اور بورڈ کی جانب سے



مرزا اسمیر بیگ  
چیف ایگزیکٹو آفیسر



اسد عبداللہ  
ڈائریکٹر

کراچی: ۲۸ اپریل ۲۰۲۳ء

تبدیلی	جولائی - مارچ		تفصیلات
	2022	2023	
	(روپے ہزاروں میں)		
20.9 %	452,844	547,264	خالص فروخت
6.4 %	208,716	222,163	خام منافع
-56.0 %	58,632	25,818	منافع آپریٹنگ سے
212.4 %	(13,081)	(40,865)	مالیاتی لاگت
-66.6 %	(389,599)	(130,246)	ایسوسی ایٹ سے نقصان کا حصہ
-57.8 %	(344,048)	(145,293)	نقصان قبل از ٹیکس
-55.1 %	(301,423)	(135,489)	نقصان بعد از ٹیکس
	(Rs. 8.55)	(Rs. 3.84)	نقصان فی حصص (روپے میں)

جہلی سہ ماہی میں قدرتی آفت اور تمام سہ ماہیوں کے دوران موجود معاشی تنزلی کے باوجود کمپنی ۳۱ مارچ ۲۰۲۳ کو ختم ہونے والی نوماہی کے لئے ۵۴۷ ملین روپے کی سیلز ریویو حاصل کرنے میں کامیاب رہی جس میں گزشتہ سال کی اسی مدت کے مقابلے میں ۲۱ فیصد اضافہ رہا۔

کمپنی کے مجموعی منافع میں پچھلے سال کی اسی مدت کے مقابلے میں ۶ فیصد اضافہ ہوا کمپنی کا مجموعی مارجن جو کہ گزشتہ سال اسی مدت کے مقابلے میں ۴۶ فیصد رہا۔

آپریٹنگ لاگت میں اضافہ عام افراط زر کی وجہ سے ہے اور مالیاتی لاگت میں نمایاں

# Condensed Interim Statement of Financial Position

as at March 31, 2023 [Un-audited]

		(Un-audited) March 31, 2023	[Audited] June 30, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	53,796	50,267
Intangible assets		300	413
Investment in associate	7	-	130,246
Long-term investments	8	573,491	997,102
Deferred taxation		32,614	15,625
Long-term deposits		3,472	3,122
		<b>663,673</b>	<b>1,196,775</b>
<b>CURRENT ASSETS</b>			
Inventories		223,851	294,853
Trade and other receivables	9	225,687	299,601
Loans, advances and prepayments		22,997	4,563
Current tax asset		21,062	19,399
Cash and bank balances		15,510	8,889
		<b>509,007</b>	<b>627,305</b>
		<b>1,172,680</b>	<b>1,824,080</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 50,000,000 (June 30, 2022: 50,000,000) shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital 35,271,133 (June 30, 2022: 35,271,133) ordinary shares of Rs. 10 each		352,713	352,713
<b>REVENUE RESERVE</b>			
Un-appropriated profits		(30,907)	104,582
General reserves		28,548	28,548
		(2,359)	133,130
Revaluation reserve on investment at fair value through other comprehensive income		481,946	905,557
		<b>832,300</b>	<b>1,391,400</b>
<b>NON - CURRENT LIABILITIES</b>			
Long-term portion of liability under diminishing musharakah financing		27,930	19,830
Long-term lease liability		1,809	3,725
Deferred income - Government grant		-	447
		<b>29,739</b>	<b>24,002</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	202,049	246,692
Current portion of liability under diminishing musharakah financing		7,117	6,342
Current portion of long-term lease liability	12	3,956	7,620
Short-term borrowings		96,686	147,191
Unclaimed dividend		833	833
		<b>310,641</b>	<b>408,678</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,172,680</b>	<b>1,824,080</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	13		

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements

MIRZA ASMER BEG  
Chief Executive Officer

ASAD ABDULLA  
Director

SOHAIL HASNAIN AHMED  
Chief Financial Officer

# Condensed Interim Statement of Profit or Loss Account

for the period ended March 31, 2023 [Un-audited]

	Note	Nine months ended		Quarter ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- (Rupees in '000') -----			
Revenue from contracts with customers	16	547,264	452,844	197,150	128,834
Cost of sales		(325,101)	(244,128)	(115,804)	(70,285)
Gross profit		222,163	208,716	81,346	58,549
Marketing and distribution expenses		(157,018)	(126,104)	(53,605)	(46,131)
Administrative and general expenses		(44,367)	(33,464)	(14,009)	(12,212)
Other operating expenses		(3,849)	(3,211)	(2,998)	(2,736)
Other income		8,889	12,695	1,560	9,232
Operating profit		25,818	58,632	12,294	6,702
Finance cost		(40,865)	(13,081)	(9,631)	(3,994)
Share of (Loss) / profit from associate		(130,246)	(389,599)	-	(467,092)
(Loss) / profit before income tax		(145,293)	(344,048)	2,663	(464,384)
Income tax		9,804	42,625	(875)	66,882
(Loss) / profit after income tax		(135,489)	(301,423)	1,788	(397,502)
Earnings per share - basic and diluted (Rupees)		Rs. (3.84)	(Rs. 8.55)	Rs. 0.05	(Rs. 11.27)

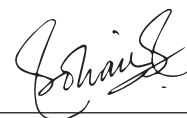
The annexed notes 1 to 23 form an integral part of these condensed interim financial statements



MIRZA ASMER BEG  
Chief Executive Officer



ASAD ABDULLA  
Director



SOHAIL HASNAIN AHMED  
Chief Financial Officer

# Condensed Interim Statement of Comprehensive Income

for the period ended March 31, 2023 [Un-audited]

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Rupees in '000') -----			
(Loss) / profit after income tax	(135,489)	(301,423)	1,788	(397,502)
Other comprehensive income / (loss)				
Items that will not be subsequently reclassified in profit or loss:				
Change in fair value of investment carried at fair value through other comprehensive income (OCI)	(423,611)	(517,267)	(154,868)	(162,237)
Total comprehensive Loss for the period	<u>(559,100)</u>	<u>(818,690)</u>	<u>(153,080)</u>	<u>(559,739)</u>


The annexed notes 1 to 23 form an integral part of these condensed interim financial statements



MIRZA ASMER BEG  
Chief Executive Officer



ASAD ABDULLA  
Director



SOHAIL HASNAIN AHMED  
Chief Financial Officer



# Condensed Interim Statement of Cash Flow

for the period ended March 31, 2023 [Un-audited]

		March 31, 2023	March 31, 2022
	Note	----- (Rupees in '000') -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	15	114,860	57,391
Finance cost paid		(40,021)	(11,832)
Income tax paid		(8,848)	(7,317)
Increase in long term loans and deposits		(350)	-
Net cash generated from operating activities		<b>65,641</b>	38,242
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for acquisition of property, plant and equipment		(19,093)	(25,491)
Short term investment		-	-
Dividend received		1,207	9,381
Proceeds from disposal of property, plant and equipment		7,155	6,442
Net cash (used in) / generated from investing activities		(10,731)	(9,668)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease rentals paid		(6,659)	(3,563)
Short term loan obtained / (paid)		(50,505)	(8,279)
Increase / (decrease) of liabilities against assets subject to diminishing musharakah financing arrangement		8,875	(2,044)
Net cash (used in) / generated from financing activities		(48,289)	15,390
Net increase in cash and cash equivalents		<b>6,621</b>	43,964
Cash and cash equivalents at the beginning of the period		8,889	(40,492)
Cash and cash equivalents at the end of the period	16	<b>15,510</b>	3,472

*The annexed notes 1 to 21 form an integral part of these condensed interim financial statements*



MIRZA ASMER BEG  
Chief Executive Officer



ASAD ABDULLA  
Director



SOHAIL HASNAIN AHMED  
Chief Financial Officer

# Condensed Interim Statement of Changes in Equity

for the period ended March 31, 2023 [Un-audited]

	SHARE CAPITAL	REVENUE RESERVE		Revaluation reserve on investments held at fair value through OCI	Total
	Issued, subscribed and paid up capital	General reserve	Unappropriated profit		
	----- (Rupees in '000') -----				
Balance as at July 1, 2021	352,713	28,548	467,239	1,397,855	2,246,355
Loss for the period ended March 31, 2022	-	-	(301,423)	-	(301,423)
Other comprehensive (loss) / income	-	-	-	(517,267)	(517,267)
Total comprehensive income/(loss)	-	-	(301,423)	(517,267)	(818,690)
Balance at March 31, 2022	352,713	28,548	165,816	880,588	1,427,665
Balance as at July 1, 2022	352,713	28,548	104,582	905,557	1,391,400
Loss for the period ended March 31, 2023	-	-	(135,489)	-	(135,489)
Other comprehensive loss	-	-	-	(423,611)	(423,611)
Total comprehensive loss	-	-	(135,489)	(423,611)	(559,100)
Balance at December 31, 2022 (unaudited)	352,713	28,548	(30,907)	481,946	832,300

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements



MIRZA ASMER BEG  
Chief Executive Officer



ASAD ABDULLA  
Director



SOHAIL HASNAIN AHMED  
Chief Financial Officer

# Notice to the Condensed Interim Financial Information

for the period ended March 31, 2022 [Un-audited]

## 1. STATUS AND NATURE OF BUSINESS

United Distributors Pakistan Limited (UDPL) "the Company" was incorporated in Pakistan as a public company limited by shares and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Plot No. 105, Sector 7-A, Mehran Town, Korangi Industrial Area, Karachi. Its principal business activities are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

## 2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The Company has a factory located at plot # 231, Sector 7/A, Korangi Industrial Area, Karachi.

- Hyderabad: Plot # D 3/4, Hali Road, Site Area, Hyderabad
- Quetta: House # 237, near Aisha Masjid Block # 4, Satellite Town, Quetta
- Multan: Plot # 548, Jahangirabad, NLC Chowk 6-KM Khanewal Road, Multan
- Peshawar: Suite No. A-2/1, Tazkar Plaza, Main Dala Zak Road, Peshawar

## 3. BASIS OF PREPARATION

### 3.1 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the period ended March 31, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and

'Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2022 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

### 3.2 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except for recognition of staff retirement benefits at present value based on actuarial valuation, investment at fair value through OCI and foreign currency liabilities which are stated at the exchange rate on the date of condensed interim statement of financial position.

These condensed interim financial statements have been prepared following accrual basis of accounting except for condensed interim statement of cash flows.

### 3.2 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention and foreign currency liabilities which are stated at the exchange rate on the date of condensed interim statement of financial position.

These condensed interim financial statements have been prepared following accrual basis of accounting except for condensed interim statement of cash flows.

### 3.3 FUNCTIONAL AND PRESENTATION CURRENCY

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

The figures have been rounded off to the nearest thousand of Rupees.

## 4. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements as at and for the year ended June 30, 2022.

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2022, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2023, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

## 5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2022.

## 6. PROPERTY, PLANT AND EQUIPMENT

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000') -----	
Owned operating assets	6.1	49,029	40,850
Right-of-use assets	6.2	4,767	9,417
		<u>53,796</u>	<u>50,267</u>

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
<b>6.1 Owned operating assets</b>	Note	----- (Rupees in '000') -----	
Opening net book value (NBV)	6.1.1	40,850	18,713
Additions during the period / year at cost		19,093	31,814
		59,943	50,527
Disposals during the period / year at NBV	6.1.2	-	(20)
Depreciation charge for the period / year		(10,912)	(9,657)
		(10,914)	(9,677)
Closing net book value (NBV)		49,029	40,850

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
<b>6.1.1 Detail of additions (at cost) during the period / year are as follows:</b>		----- (Rupees in '000') -----	
Plant and machinery		362	3,994
Computers		400	1,026
Office equipment		43	-
Furniture and fixture		51	-
Vehicles		18,237	26,794
		19,093	31,814

<b>6.1.2 Detail of disposals (at NBV) during the period / year are as follows:</b>			
Plant and machinery		-	4
Furniture & fixture		-	2
Office equipment		-	14
		-	20

<b>6.2 Right-of-use assets</b>			
Opening balance		9,417	9,064
Additions during the period / year at cost		-	6,520
		9,417	15,584
Depreciation charge for the period / year		(4,650)	(6,167)
Net book value		4,767	9,417

## 7. INVESTMENT IN ASSOCIATE

Balance at beginning of the period		130,246	609,351
Share of profit / (loss) for the period		(130,246)	(458,847)
Share of other comprehensive loss for the period		-	(12,061)
Less: Dividend income for the period		-	(8,197)
Balance at end of the period		-	130,246

- 71 This represents shareholding of 40% (June 30, 2022: 40%) comprising of 1,639,418 shares (June 30, 2022: 1,639,418 shares) of FMC United (Private) Limited, original cost of the shares was Rs. 16.39 million.
- 72 The amounts of share of profit and other comprehensive loss for the period are based on unaudited financial statements of FMC United (Private) Limited as at March 31, 2023.

## 8. LONG-TERM INVESTMENTS

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
Investments at fair value through other comprehensive income	Note	----- (Rupees in '000') -----	
— IBL HealthCare Limited - Listed	8.1	54,194	75,484
1,593,949 (June 30, 2022: 1,451,893) fully paid ordinary shares of Rs. 10 each Percentage holding 2.19% (June 30, 2022: 2.19%) Cost: Rs. 7,882,580 (June 30, 2022: Rs. 7,882,580)			
— International Brands (Private) - Unlisted	8.1, 8.2 & 8.3	519,297	921,618
11,079,852 (June 30, 2022: 11,079,852) fully paid ordinary shares of Rs. 10 each Percentage holding 4.71% (June 30, 2022: 4.71%) Cost: Rs. 83,663,056 (June 30, 2022: Rs. 83,663,056)			
		<b>573,491</b>	<b>997,102</b>

- 8.1 Shares held as at March 31, 2023 include 31,343 shares (2022: 31,343 shares) of IBL HealthCare Limited and 184,665 shares (2022: 184,665) of International Brands (Pvt.) Limited (Formerly named International Brands Limited - Unlisted) withheld by respective companies at the time of bonus declaration. The Company has included these shares in its portfolio pending decision of the Honourable High Court of Sindh on petitions filed by the Company in respect of tax on bonus shares.
- 8.2 The Company holds shares of International Brands (Pvt.) Limited (Formerly named International Brands Limited - Unlisted) which have been carried at fair value through OCI.
- 8.3 Valuation technique used to value investment in International Brands (Pvt.) Limited (Formerly named International Brands Limited - Unlisted) includes the use of quoted market prices for listed equity securities and the discounted future cash flows for unlisted equity securities held by International Brands Limited. The main level 3 inputs used are;
- discount rates for financial assets and financial liabilities determined using a capital asset pricing model to calculate a post-tax rate that reflects current market assessment of the time value of money and the risk specific to the asset; and
  - earning growth factors based on market information.

## 9. TRADE AND OTHER RECEIVABLES

These include Rs. 4 million (June 30, 2022: Nil) receivables from related parties.

## 10. SALARY REFINANCING

This represents salary refinancing obtained under SBP payroll refinance facility as a part of measures for countering economic hardships faced by the businesses during COVID-19 pandemic. The Company is required to pay a quarterly mark up at a discounted rate of 3% per annum, with eight equal quarterly installments commenced from January 2021

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
	----- (Rupees in '000') -----	
Salary refinancing	-	6,995
Current portion	-	6,995
Non-current portion	-	-

## 11. TRADE AND OTHER PAYABLES

These include Rs. 1.3 million (June 30, 2022: Rs. 0.256 million) payables to related parties.

## 12. SHORT-TERM BORROWINGS

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000') -----	
<b>Secured</b>	Note		
Short-term loan (Tijarah)	12.1	5,075	19,807
		5,075	19,807
<b>Unsecured</b>			
Current portion of salary refinancing	10	-	6,995
Short-term loan	12.2	91,611	120,389
		91,611	127,384
		<b>96,686</b>	<b>147,191</b>

12.1 The Company obtained short-term loan (Tijarah) Financing facility from Al Baraka Bank (Pakistan) Limited at KIBOR + 2.5% per annum (June 30, 2022: KIBOR + 2.5% per annum). This facility is secured by way of hypothecation of current assets of the Company.

12.2 This represent short term loan obtained from Genesis Holding (Private) Limited, the Holding Company.

## 13. CONTINGENCIES & COMMITMENTS

### 13.1 Contingencies

There was no contingent liability as at March 31, 2023.

### 13.2 Commitments

The facilities for opening letters of credit as at March 31, 2023 amounted to Rs. 200 million (June 30, 2022: Rs. 200 million). The amount remaining unutilised as at March 31, 2023 is Rs. 100.1 million (June 30, 2022: Rs. 154.5 million).

#### 14. REVENUE FROM CONTRACTS WITH CUSTOMERS

Gross revenue from sale of goods
Less: Discounts
Sales returns
Sales tax
Net revenue from sale of goods
Revenue from toll manufacturing

March 31, 2023	March 31, 2022
----- (Rupees in '000') -----	
766,589	564,493
(183,928)	(36,538)
(38,462)	(72,174)
-	(4,804)
544,199	450,977
3,065	1,867
<b>547,264</b>	<b>452,844</b>

#### 15. CASH GENERATED (USED IN) / FROM OPERATIONS

(Loss) / profit before income tax
Adjustment for non-cash incomes and expenses:
Depreciation and amortisation
Finance cost
Gain on disposal of property, plant and equipment
Dividend income
Other adjustments
Share of loss / (profit) from associate
Profit before changes in working capital
Changes in Working Capital:
Decrease / (increase) in current assets:
Inventories
Trade and other receivables
Loans, advances and prepayments
(Decrease) / increase in current liabilities:
Trade and other payables
Cash generated from operations

March 31, 2023	March 31, 2022
----- (Rupees in '000') -----	
(145,293)	(344,048)
15,679	13,251
40,865	13,081
(7,155)	(6,422)
(1,421)	(1,184)
-	-
130,246	389,599
178,214	408,325
<b>32,921</b>	<b>64,277</b>
71,002	(66,765)
74,014	(23,990)
(18,434)	(1,694)
126,582	(92,449)
(44,643)	85,563
<b>114,860</b>	<b>57,391</b>

#### 16. CASH AND CASH EQUIVALENTS

Cash and bank balances
Short-term borrowings

March 31, 2023	March 31, 2022
----- (Rupees in '000') -----	
15,510	19,375
-	(15,903)
<b>15,510</b>	<b>3,472</b>



## 17. TRANSACTIONS WITH RELATED PARTIES

171 The following transactions were carried out with related parties during the period:

Nature of relationship	Nature of transactions	March 31, 2023	March 31, 2022
----- [Rupees in '000'] -----			
i. Holding company	Corporate service charges	5,940	4,800
	Payment on behalf of Holding Company	24,284	18,865
	Receipts from Holding Company	16,684	11,143
	Loan paid on behalf of the Company	137,094	10,782
	Loan received from Holding Company	108,316	31,225
	Markup on short term borrowing	18,234	-
	Markup paid on short term borrowing	17,049	-
ii. Associated companies	Rent charged	306	280
	IT services	216	180
	Repairs and maintenance	1,206	80
	Utilities	202	180
iii. Employees' Provident Fund	Contribution paid	8,524	5,432
iv. Key Management Personnel	Salaries and other employee benefits	20,373	20,559
	Directors' fee	27	19

## 18. FAIR VALUE MEASUREMENT - FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

## 19. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

## 20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on **28 April 2023** by the Board of Directors of the Company.

## 21. GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.




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**MIRZA ASMER BEG**  
Chief Executive Officer



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**ASAD ABDULLA**  
Director



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**SOHAIL HASNAIN AHMED**  
Chief Financial Officer

## **United Distributors Pakistan Limited**

Plot No. 105, Sector 7-A, Mehran Town,  
Korangi Industrial Area, Karachi.

Telephone: +92-21-35116823

Corporate: +92-331-111-0835

web: [www.udpl.com.pk](http://www.udpl.com.pk)

e-mail: [info@udpl.com.pk](mailto:info@udpl.com.pk)