



Spirit of Growth



United Distributors Pakistan Limited

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Annual Report 2019

United Distributors Pakistan Limited

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Vision

Deliver high quality solutions from the world's best sources to support our farmers community and the agricultural sector.

Mission

UDL Pakistan is a dynamic company investing in the agricultural sector for the betterment of Farmer's through its unique services & high quality products so they can get the best crop yields & high quality food for Human beings.

Core Value

"Seeking Allah's pleasure in all that we do"

"Committing ourselves to enhancing Pakistan's image"

"Serving the needs of our customers with passion, dedication & by honoring our word"

"Striving for excellence in rural & urban marketing"

"Constantly upgrading our knowledge & skills to become better professionals"

"Enriching our work environment with high levels of performance, participation & creativity"

"Upholding the spirit of individual & collective accountability"

"Rewarding quality performance"

"Nurturing openness, trust & support to guide our business policies, individual & team conduct"

"Enhancing shareholder value through long-term profitability & improving performance ratios"

Company Information

Board of Directors

Mr. Rashid Abdulla
Chairman

Mr. Asad Abdulla
Chief Executive Officer

Mr. Zubair Palwala
Director

Mr. Ayaz Abdulla
Director

Mr. S. Nadeem Ahmed
Director

Mr. Tahir Saeed
Director

Mr. M. Salman Hussain Chawala
Director

Legal Advisor

Saleem & Khan
Law Associates
Advocates/Advisors

Registered Office

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

Company Secretary

Mr. Adnan Ahmed Feroze
Company Secretary

Audit Committee

Mr. Tahir Saeed
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

Auditors

A. F. Ferguson & Co.,
Chartered Accountants
State Life Building No. 1-C, I.I.
Chundrigar road, P.O. Box 4716,
Karachi - 74000, Pakistan

Registrar

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

CFO

Mr. Sohail Hasnain Ahmed
Chief Financial Officer

H.R & Remuneration Committee

Mr. M. Salman Hussain Chawala
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

Bankers

Standard Chartered Bank Pakistan
Habib Metropolitan Bank Limited
Habib Bank Limited
Bank Al Habib Limited
Silk Bank Limited
Muslim Commercial Bank Limited

Corporate Governance

Notice of Annual General Meeting

Notice is hereby given that the 37th Annual General Meeting of UNITED DISTRIBUTORS PAKISTAN LIMITED will be held at Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Karachi on Thursday, October 24, 2019 at 5:00 p.m. to transact the following business:

1. To confirm the minutes of the last Annual General Meeting held on October 25, 2018.
2. To receive, consider and approve the audited financial statements of the Company for the year ended June 30, 2019 together with the Directors' and Auditors' reports thereon.
3. To consider and approve payment of final cash dividend @2.5% i.e. Rs. 0.25 per Share, as recommended by the Board of Directors.
4. To appoint Auditors and fix their remuneration for the year 2019-2020. The present Auditors A.F Ferguson & Co., Chartered Accountants retire and being eligible, offer themselves for the re-appointment as auditors of the Company.

SPECIAL BUSINESS

5. To approve the issue of bonus shares in the ratio of fifteen shares for every hundred shares held i.e. 15% as recommended by the board of directors and, if thought appropriate to pass with or without modification(s) the following resolution as ordinary resolution:

"RESOLVED that a sum of RS. 46,005,820 out of the un-appropriated profits of the Company be capitalized and applied towards the issue of 4,600,582 ordinary shares of Rs. 10/- each and allotted as fully paid bonus shares to the members who are registered in the books of the Company as at the close of business on October 17, 2019, in proportion of fifteen shares for every hundred ordinary shares held and that such new shares shall rank pari passu with the existing ordinary shares

FURTHER RESOLVED that in the event of any member becoming entitled to a fraction of a share, the Directors be and are hereby authorized to consolidate all such fractions and sell the shares so constituted on the Stock Market and to pay the proceeds of the sale when realized to a recognized charitable institution as may be selected by the Directors of the Company

FURTHER RESOLVED that the Company Secretary be and is hereby authorized to take all necessary actions on behalf of the Company for allotment and distribution of the said bonus shares as he think fit."

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED that the transactions carried out by the Company in the normal course of business with related parties during the year ended June 30, 2019 be and are hereby ratified, approved and confirmed

FURTHER RESOLVED that the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in the normal course of business with the related parties till the next annual general meeting of the Company and in this connection the Chief Executive Officer of the Company be and is hereby authorized to take any or all necessary actions and sign/ execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

OTHER BUSINESS

7. To transact any other business with the permission of the Chair.

By Order of the Board



ADNAN AHMED FEROZE
Company Secretary

Karachi: October 03, 2019

Statement of material facts under section 134(3) of the Companies Act, 2017 regarding the Special Business:

ITEM 5 OF THE AGENDA

The Directors of the Company are of the view that the Company's financial position justifies issuance of bonus shares in the ratio of fifteen shares for every hundred shares held

The Directors are interested in the business to the extent of the entitlement of bonus shares as shareholders

ITEM 6 OF THE AGENDA

All transactions of the Company with the related parties were reviewed by the audit committee quarterly and now submitted for approval and adoption for full year.

All transactions with related parties to be ratified have been disclosed in the note 34 to the audited financial statements for the year ended June 30, 2019. Party-wise details of such related party transactions are given below:

Nature of relationship	Nature of transactions	2019 --- (Rupees in '000) ---
i. IBL (Holding Company)	Payments on behalf of Holding Company	21,298
IBL (Holding Company)	Corporate service charges	4,800
IBL (Holding Company)	Dividend income	9,991
IBL (Holding Company)	Receipts from Holding Company	16,764
IBL (Holding Company)	Dividend received	8,492
ii. The SEARLE Company Ltd	Receipts from associated companies	478
The SEARLE Company Ltd	Warehouse rent	486
IBL HealthCare Ltd	Dividend income	1,184
IBL Unisys (pvt.) Ltd	SAP maintenance fee and license	3,390
IBL Ops (pvt.) Ltd	Loan received	18,800
IBL Ops (pvt.) Ltd	Interest charged	138
IBL HealthCare Ltd	Dividend received	1,006
iii. Employees' Provident Fund	Contribution paid	6,776
iv. Key Management Personnel	Salaries and other employee benefits	21,125
	Loan disbursed	2,500
	Loan received	2,257
	Directors' fee	13

NOTES:

1. The Share transfer books of the Company will remain closed from October 18, 2019 to October 24, 2019(both days inclusive). Transfer (if any) should be received at the office of our Registrar M/ s Central Depository Company of Pakistan Limited, CDC House 99 B, Block B, S.M.C.H.S, Main Shahrah-e-Faisal Karachi, latest by the close of business on October 17, 2019.
2. A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on his/ her behalf. A proxy need not be a member of the Company.
3. Proxies in order to be effective must be received by the Company's Registrar not less than 48 hours before the meeting.
4. Members are requested to notify any changes in their addresses immediately to the Company's Share Registrar, M/s Central Depository Company of Pakistan Limited.
5. In pursuance of the Circular No. 1 of 2000 of SECP dated January 26th, 2000 beneficial owners of the shares registered in the name of Central Depository Company (CDC) and / or their proxies are required to produce their Computerized National Identity Card (CNIC) or passport for identification purpose at the time of attending the meeting.
6. Proxy form must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of the CNIC or passport of the beneficial owner and the proxy.
7. In case of corporate entity, the Board of Directors' resolution/ power of attorney with the specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
8. In accordance with the provisions of Section 242 of the Companies Act and Companies (Distribution of Dividends), Regulation 2017, a listed company is required to pay cash dividend to the Shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

The shareholders are requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of Valid CNIC to their respective CDC participant/ CDC Investor Account Services (in case of shareholding in Book Entry Form) or to Company's Share Registrar M/s Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B' S.M.C.H.S. Main Shahrah-e-Faisal, Karachi- 74400 (in case of shareholding in Physical Form)

1) Shareholders Details	
Name of Shareholder(s)	
Folio No./ CDS Account No.(s)	
CNIC No. (Copy attached)	
Mobile/ Landline No.	
2) Shareholders' Bank Details	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch's Name and Address	

In case of non-provision of IBAN, the Company will have to withhold the cash dividend according to SECP directives

9. Please note that under section 150 of the Income Tax Ordinance, 2001 prescribed withholding tax on dividend income to be conducted for 'Filer' and 'Non-Filer' shareholders @ 15% and 30% respectively. According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal Shareholder and Joint Holder(s) in respect of shares held by them to our Registrar. The required information must reach to our Share Registrar by October 22, 2018; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).

Shareholders are also requested to please check and ensure Filer status from Active Taxpayers List (ATL) available at FBR website <http://www.fbr.gov.pk/as> well as ensure that their CNIC/ Passport number has been recorded by the Participant/ Investor Services or by Share Registrar (in case of Physical Shareholding). Corporate bodies (non-individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/ Investor Account Services or in case of physical shareholding by Company's Share Registrar.

10. As per FBR Circulars C No. 1(29) WHT/2006 dated June 30, 2010 and C No. 1(43) DG WHT/2008-Vol. II-66417-R dated May 12, 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance 2001 (Tax on dividend amount) where the statutory exemption under Clause 47B of Part IV of Second Schedule is available The Shareholders who fall in the category mentioned in the above clause and want to avail

exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure, otherwise tax will be deducted on dividend as per applicable rates.

11. Members desiring non- deduction of zakat are requested to submit a valid declaration for non-deduction of zakat.
12. Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares are advised to contact our Share Registrar M/s Central Depository Company of Pakistan Limited, to collect/inquire about their unclaimed dividend or pending shares, if any please note that in compliance with Section 244 of the Companies act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years, from the due date and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities and Exchange Commission of Pakistan.
13. Members may participate in the meeting via video-link subject to availability of this facility in that city and consent from members (form titled as "Consent for Video Conference" is available on Company's website). The members must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the general meeting in order to participate in the meeting through video conference. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

Chairman's Review

Review report by the Chairman

The United Distributors Pakistan Ltd. complies with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 with respect to the composition, procedures and meetings of the Board of Directors and its committees. As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of the Company is in place. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed and implemented accordingly.

The overall performance of the Board measured on the basis of approved criteria for the year ended June 30, 2019 was satisfactory. The overall assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on the Board's role in achievement of Company's objectives:

1. **Vision, mission and values:** The Board members are familiar with the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.
2. **Engagement in strategic planning:** The Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, society at large) whom the Company serves. The Board has a strategic vision that how the Organization should evolve over the next three to five years. Further, the Board sets annual goals and targets for the management in all major performance areas.
3. **Diligence:** The Board members diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to Board and committee meetings. The Board met frequently enough to adequately discharge its responsibilities
4. **Monitoring of Organization's business activities:** The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.
5. **Diversity and mix:** The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The nonexecutive and independent directors were equally involved in important board decisions
6. **Governance and Control Environment:** The Board has effectively set the tone at the top, by putting in place a transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of Corporate Governance and by promoting ethical and fair behavior across the Company.

For and on behalf of the Board



RASHID ABDULLA
Chairman

Karachi: September 25, 2019

چیرمین کی جانب سے جائزہ رپورٹ

یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ کمپنیز ایکٹ ۲۰۱۷ اور مرتب کردہ کمپنی کے ضوابط (ادارتی انتظامی نظم وضبط)، ۲۰۱۷ء کے تمام درکار ضروریات کی پیروی کرتا ہے جو ساخت، طریقہ کار اور مجلس منتظمین کے اجلاس اور اس کی کمیٹیوں کے سلسلے میں ہے۔ کمپنی کی مجلس منتظمین ("بورڈ") کا ایک سالانہ تجزیہ موجود ہے جیسا کہ ادارتی انتظامی نظم وضبط کے تحت درکار ہے۔ اس تجزیے کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور اثرات کی جانچ کی جاتی ہے اور کمپنی کے طے کردہ اہداف کے ضمن میں اس کا موازنہ کیا جاتا ہے۔

بورڈ کی مجموعی کارکردگی کی جانچ منظور کردہ معیار اصول برائے اختتام سال ۲۰۱۹ء کی بنیاد پر کی گئی جو تسلی بخش تھی۔ یہ تسلی بخش مجموعی تجزیہ درج ذیل لازمی عناصر کے تجزیے کی بنیاد پر ہے جو درج ذیل ہیں:

۱۔ **نقطہ نظر، عزم اور اقدار:** بورڈ کے ارکان حالیہ نقطہ نظر، عزم اور اقدار سے آگاہ ہیں اور ان کی حمایت کرتے ہیں۔ بورڈ اس عزم اور نقطہ نظر کی تفصیلات پر وقتاً فوقتاً نظر ثانی کرتا ہے۔

۲۔ **حکمت عملی منصوبہ سے وابستگی:** بورڈ اپنے اسٹیک ہولڈرز (حصص یافتگان، صارفین، ملازمین، مالکان، خصوصاً معاشرہ) کی واضح سمجھ رکھتا ہے جن کیلئے کمپنی کام کرتی ہے۔ یہ بورڈ ایک حکمت عملی کا نقطہ نظر رکھتا ہے کہ اگلے تین یا پانچ

سالوں میں کمپنی کا ارتقاء کیسے ہونا چاہئے۔ مزید یہ کہ، بورڈ تمام اہم کارکردگی مقامات کے انتظام کیلئے سالانہ مقاصد اور اہداف طے کرتا ہے۔

۳۔ **جائفتاشی:** بورڈ کے ارکان نے اپنے فرائض جائفتاشی سے انجام دیئے اور مکمل طور پر جائزہ لیا، تبادلہ خیال کیا اور کاروباری حکمت عملی، ادارتی اہداف، منصوبے، بجٹ، مالیات تفصیلات اور دیگر رپورٹ کو منظور کیا۔ اس نے واضح اور جامع منصوبوں اور تحریری مواد کو مناسب وقت پر بورڈ اور کمیٹی کے اجلاس سے قبل حاصل کیا۔ بورڈ نے اپنے فرائض کی مناسب انجام دہی کیلئے اکثر اوقات ملاقات کی۔

۴۔ **ادارے کی کاروباری سرگرمیوں کی نگرانی:** بورڈ کمپنی کے مقاصد، اہداف، حکمت عملی اور مالیاتی کارکردگی کے حصول کے لئے انتظامیہ سے باقاعدہ احوال، اندرونی اور بیرونی محاسب کاروں اور دیگر آزاد مشیروں کے ذریعے باخبر رہا۔ بورڈ نے بروقت بنیاد پر موزوں ہدایات اور فروگزاشت مہیا کیں۔

۵۔ **یکسانیت اور ہم آہنگ:** بورڈ کے ارکان مؤثر طریقے سے بورڈ میں یکسانیت لاتے ہیں اور آزاد اور غیر انحصاری منتظمین میں ہم آہنگی تشکیل دیتے ہیں۔ غیر انحصاری عہدیدار اور آزاد منتظمین بورڈ کے اہم فیصلوں میں برابر کے شامل رہے۔

۶۔ **انتظامی اور ماحولیاتی نگرانی:** بورڈ نے شفاف اور مضبوط انتظامی نظام قائم کرتے ہوئے ایک مؤثر فراخ دلانہ ماحول طے کیا۔ یہ ایک مؤثر ماحولیاتی نگرانی، ادارتی انتظام کے کاموں پر بہتر تعمیل اور پوری کمپنی میں اخلاقیات اور شفاف طرز عمل کو فروغ دینے کا نتیجہ ہے۔

برائے اور بورڈ کی جانب سے



راشد عبداللہ
چیرمین

کراچی: ۲۵ ستمبر ۲۰۱۹ء

Directors' Report

* اُردو کے لئے آخری صفحات ملاحظہ فرمائیے۔

The Directors of United Distributors Pakistan Limited (UDPL) takes pleasure in presenting this report, together with the Audited Financial Statements of the Company for the year ended June 30, 2019. This report is to be submitted to the members at the 37th Annual General Meeting of the Company to be held on October 24, 2019.

THE COMPANY HAS COMPLIED WITH THE REQUIREMENTS OF THE REGULATIONS IN THE FOLLOWING MANNER:

S.No.	Directors:	Total Number of Directors
a).	Male	07
b).	Female	-

THE NAMES AND COMPOSITION OF BOARD OF DIRECTORS AS AT JUNE 30, 2019 ARE AS FOLLOWS:

S.No.	Composition:	Name of Directors
i).	Independent Directors	Mr. Tahir Saeed Mr. M. Salman Chawala
ii).	Other non-executive directors	Mr. Rashid Abdulla Mr. S. Nadeem Ahmed Mr. Zubair Palwala Mr. Ayaz Abdulla
iii).	Executive	Mr. Asad Abdulla

BUSINESS PERFORMANCE

The Company continued a positive outlook for the year under review and remains committed to deliver on its long term objectives of sustainable growth and maximizing value creation with outstanding products portfolio and services.

As a result of these efforts, the performance of the Company for the year ended June 30, 2019 has shown considerable improvement from the previous year and is in line with the plans and objectives of the Company.

A brief financial performance of the Company for the year ended June 30, 2019 is presented as under:

Particulars	FY 2018-19	FY 2017-18	% Changes
----- (Rupees in '000') -----			
Net sales	540,600	451,049	19.85 %
Gross profit	218,287	186,817	16.85 %
Operating profit	50,178	30,984	61.95 %
Profit before taxation	72,860	223,972	-67.41 %
Profit after taxation	50,371	166,439	69.74 %
Earning per share in Rs.	1.64	Restated 5.43	

- Net sales of the Company amounted to Rs 541 million, registering a growth of 19.85% over the corresponding period of the last year.
- Gross profit of the Company grew by 16.85% and stood at 40.37% as compared with 41.42% of the corresponding period of the prior year. The operating profit increased by 61.95% over the corresponding period of the last year
- The growth in sales and operating profit were mainly driven by good sales contribution of new brands, better product sales mix, and branding efforts by changing the outlook of the products along with marketing of high quality products and taken some other operational measures.

The profit before taxation and profit after taxation, of the company decreased significantly by 67.47% and 69.74% respectively. This reduction attributes due to reduction in share of profit from associates over the corresponding period last year and significant impact of exchange loss borne by the Company due to devaluation of Pak Rupee.

Marketing and distribution expenses increased by 7.37% over the corresponding period of last year which is attributable to higher sales volume, spending on expansion of territories and general inflation in expenses. Administrative expenses registered an increase of 18.81% over the corresponding period mainly due to an increase of amortization expense and general inflation. The significant increase in finance cost occurred due to exchange loss borne by the Company at settlement of imports payments.

EARNINGS PER SHARE

Basic earnings per share after taxation is Rs. 1.64 (2018: Rs. 5.43). The decline in EPS is due to the reduction of share of profit from associates.

There is no dilution effect on the basic earnings per share of the Company, as the Company doesn't have any convertible instruments in issue as at June 30, 2019 and 2018.

SHARE OF PROFIT FROM ASSOCIATES

During the year 2018-19, the Company recognized share of profit from associate - FMC United (Private) Limited in accordance with the International Accounting Standard 28 - 'Investment in Associates and Joint Ventures'. The share of profit from associate has significantly reduced due to declining in profitability of associate company-FMC United.

UDPL holds a 40% equity stake in FMC United (Private) Ltd.

EMPHASIS OF THE MATTER PARAGRAPH IN AUDITORS' REPORT

The auditors' in their report have drawn attention to Note #8.2 that the Company is holding 11,079,852 shares of the holding company.

This was not a direct investment in the holding company. The shareholders in their meeting held on February 14, 2011, approved a special resolution for swapping of its investment from one of its associates to IBL, and the same was also approved through a scheme of arrangement approved by the Honorable High Court of Sindh.

PRINCIPAL RISKS AND UNCERTAINTIES

Despite the fact that the Company's financial performance continues its pace towards improvements from the past few years and the Company successfully crossed all the barriers in its way to continue its journey of success.

The Company is exposed to certain inherent risks and uncertainties. However, we consider the market competition, adverse movement of foreign exchange rate and unfavorable weather for crops will be the vital factors that may have an impact on the future financial performance of the Company. The Company closely works to mitigate or reduce to these risks at acceptable level.

HOLDING COMPANY

International Brands Limited- IBL is the Holding Company of United

Distributors Pakistan Ltd which holds 70.46% shareholding in the Company. As at June 30, 2019, IBL holds 21,609,825 shares of Rs.10 each.

DIVIDEND

The Board of Directors has observed that the majority profit of the Company for the year ended June 30, 2019 comprises of income under the head 'Share of profit associate' which has not been realized in the form of dividend from the associate. However, the Board of Directors in its meeting held on September 25, 2019 has recommended 2.5 % (Rs. 0.25 per share) cash dividend and 15% (in the proportion 15 shares for every 100 held) Stock dividend for the year ended June 30, 2019.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

UDPL has a firm commitment for the betterment of all our stakeholders including the society we live in. We, at UDPL consider it as an important ingredient of long term success. Accordingly, during the year the Company made donations for health, education and other social activities.

INFORMATION TECHNOLOGY

The Company believes that Information technology allows the company to work more efficiently and help to maximize productivity.

The Company endeavors to upgrade its information systems in line with growing needs of the business along with rapid technological advancements taking place in the field of information technology. However, the Company has successfully implemented 'SAP' which is currently one of the most power full ERP system.

WEBSITE

All our stake holders and general public can visit the United Distributor Pakistan Limited (UDPL) website, www.udpl.com.pk which has a separate section for investor containing information related to company's annual, half yearly and quarterly financial statements.

SUBSEQUENT EVENT

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the Report.

CODE OF CONDUCT

The Board of Directors of the Company has adopted a code of conduct. All employees are informed and aware of this and are required to observe these rules of conduct in relation to business and regulations.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company has complied with all material requirements of the Listed Companies (Code of Corporate Governance) regulations 2017.

Following are the statements on financial and corporate governance framework:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of account.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been duly followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the Pakistan Stock Exchange Rule Book.
- The management of the Company is committed to good corporate governance and appropriate steps are taken to comply with best practices.
- There has been no material departure from the best practices of corporate governance as detailed in listing regulations.
- The pattern of shareholding has been included in this Annual Report.
- The key audited operating and financial results for the last six years have been included in this Annual Report.

DIRECTORS' TRAINING PROGRAM

The directors either have already attended the directors' training as required in previous years or meet the exemption criteria as contained in the Listed Companies (Code of Corporate Governance) Regulations, 2017.

EMPLOYEE'S RETIREMENT BENEFIT SCHEME

The Company provides terminal benefits to its employees in the form of provident fund. This funded benefit is maintained duly approved

Trusts. These Trusts are managed by the trustees who get the Funds audited.

The value of investment of provident fund based on their un-audited / audited accounts as on June 30, 2019 and as on June 30, 2018 respectively was as follows:

	2019	2018
	----- (Rupees in '000') -----	
Fair value of provident fund investment	101,598	115,418

AUDIT COMMITTEE

The Committee comprises of three members all of them are non-executive Directors including the Chairman of the Committee.

The terms of reference of the Committee have been determined by the Board of Directors in accordance with guidelines provided in the Pakistan Stock Exchange Rule Book and advised to the Committee for compliance. The Committee held four meetings during the year.

S.No.	Name Of Directors	Number of Meetings Attended
01.	Mr. Tahir Saeed	3
02.	Mr. Ayaz Abdulla	3
03.	Mr. Zubair Palwala	4

MEETINGS OF BOARD OF DIRECTORS

During the year, five meetings of the Board of Directors were held. Attendance by each Director was as under:

S.No.	Name Of Directors	Number of Meetings Attended
01.	Mr. Rashid Abdulla	4
02.	Mr. Asad Abdulla	3
03.	Mr. Zubair Palwala	4
04.	Mr. S. Nadeem Ahmed	4
05.	Mr. Ayaz Abdulla	2
06.	Mr. Tahir Saeed	3
07.	Mr. M. Salman Hussain Chawala	4

Further, Leave of absence was granted to the Directors who could not attend some of the Board Meetings.

HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Committee comprises of three non-executive members. The Chairman of the committee is an independent director. During the year, one meeting was held, the attendance of which is as follows:

- Mr. Muhammad Salman Hussain Chawala
- Mr. Ayaz Abdulla
- Mr. Zubair Palwala

Name of Directors	Composition:	Meeting Attended
Mr. M. Salman Hussain Chawala	Independent Directors-Chairman	1
Mr. Ayaz Abdulla	Non-Executive Director	1
Mr. Zubair Palwala	Non-Executive Director	1

DIRECTORS REMUNERATION

The significant features and key elements of directors' remuneration are as follows:

- Non-executive directors are only entitles to receive fees in lieu of remuneration in respect of the board and committee meetings attended by them.
- The board is authorized to determine the remuneration of its Directors for attending meetings of the board and committee.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In order to ensure that adequate internal controls are deployed by the Company for safeguarding of Company's assets, compliance with relevant laws and regulations and reliable financial reporting. The Board of Directors has outsourced the internal audit function to BDO Ebrahim & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedure of the Company.

STATUTORY AUDITORS

The present auditor, A.F Ferguson & Co., Chartered Accountants, retires and being eligible, offer themselves for re-appointment. The Board of Directors endorses recommendation of the Audit Committee for their re-appointment as statutory auditors of the Company for the financial year ending June 30, 2020 at a fee to be mutually agreed.

PATTERN OF SHAREHOLDING

The pattern of Shareholding of the Company as at June 30th, 2019, along with the necessary information is annexed to this report.

There were 1476 shareholders on the record of the Company as at 30th June 2019.

FUTURE OUTLOOK

We aim to keep on our journey for the betterment of farmers through

our best services and high quality solutions to enable them in getting the best crop yields and high quality foods for human beings. Keeping in view of economic environment affecting the Company, we anticipate the rupee devaluation, inflationary pressure and price hike may have an adverse impact on margins, profitability and cash flow of the Company. However, the adequate measures have been taken and implemented to mitigate the challenges at the best level.

The Company would continue its efforts to improve productivity, cost containment and operational excellence in order to sustain performance and attain the 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


ASAD ABDULLA
Chief Executive officer


SYED NADEEM AHMED
Director

Karachi: September 25, 2019

SUMMARY OF KEY OPERATING AND FINANCIAL DATA OF SIX YEARS AT A GLANCE

Below is a summary of key operating and financial results for six years and includes the financial results for the year under review:

	2019	2018	2017	2016	2015	2014
----- (Rupees in '000') -----						
ASSETS EMPLOYED						
Property, plant and equipment	28,580	19,537	27,402	19,910	35,001	39,054
Intangible assets	6,971	5,915	5,317	4,158	248	594
Long-term investments	2,334,849	1,257,612	1,153,542	1,004,720	790,774	581,908
Long-term loans and deposits	3,436	4,424	3,942	2,550	2,325	2,766
Net current assets	93,302	112,801	79,306	75,261	82,332	113,997
Total assets employed	2,467,138	1,400,289	1,269,509	1,106,599	910,680	738,319
FINANCED BY						
Issued, subscribed and paid up capital	306,707	266,702	242,456	202,047	183,679	183,679
Reserve and un-appropriated profit	2,016,101	998,056	929,180	831,610	676,276	525,944
Shareholder's equity	2,322,808	1,264,758	1,171,636	1,033,657	859,955	709,623
Long term and deferred liabilities	144,330	135,531	97,873	72,942	50,725	28,696
Total capital employed	2,467,138	1,400,289	1,269,509	1,106,599	910,680	738,319
Turnover	540,600	451,049	399,687	335,352	339,619	402,921
Profit before tax	72,860	223,972	185,526	150,894	137,683	94,844
Profit after tax	50,371	166,439	156,249	109,768	116,942	110,308
Earning per share - Rs.	1.64	5.43	5.09	3.58	3.81	3.60
Profit % of turnover	9.32%	36.90%	39.09%	32.73%	34.43%	27.38%
Profit % of capital employed	2.04%	11.89%	12.31%	9.92%	12.84%	14.94%
DIVIDEND						
Cash (%)	2.5%	2.5%	0%	0%	0%	0%
Stock (%)	15%	15%	10%	20%	10%	0%
Bonus stock amount	46,006	40,005	24,246	40,409	18,368	0%

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017

for the year ended June 30, 2019

The Company has complied with the requirements of the Regulations in the following manner:

- The total number of directors are 7 as per the following:

Directors	Total No. of Directors
a) Male	07 (Seven)
b) Female	None

- The composition of the board is as follows:

Category	Name of Director
Independent Director	Mr. Muhammad Salman Hussain Chawala Mr. Tahir Saeed
Executive Directors	Mr. Asad Abdulla
Non-Executive Directors	Mr. Rashid Abdulla Mr. S. Nadeem Ahmed Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla

- The Directors have confirmed that none of them is serving as a director on the board of more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
- The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along

with the dates on which they were approved or amended has been maintained.

- All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in his absence, by the Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board.
- The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- All directors (except one) are either exempted or have attended the required training in prior years.
- The board has approved the appointment of the CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
- CFO and CEO duly endorsed the financial statements before approval of the board.
- The board has formed committees comprising of members given below:

Audit Committee

Name	Category
Mr. Tahir Saeed Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla	Chairperson Member Member

HR and Remuneration Committee

Name	Category
Mr. Muhammad Salman Hussain Chawala Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla	Chairperson Member Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per the following:
 - a) Audit Committee: Four quarterly meetings during the financial year ended June 30, 2019
 - b) HR & R Committee: One meeting during the financial year ended June 30, 2019
15. The Board has outsourced the internal audit function to BDO Ebrahim & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

Karachi: September 27, 2019


RASHID ABDULLA
 Chairman

Review report to the Members



Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of United Distributors Pakistan Limited for the year ended June 30, 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

A.F. FERGUSON & CO.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the Regulations as applicable to the Company for the year ended June 30, 2019.



Chartered Accountants
 Karachi
 Date: September 27, 2019

Auditors' Report to the Members

Report on the Audit of the Financial Statements



A.F. FERGUSON & CO.

We have audited the annexed financial statements of United Distributors Pakistan Limited (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to note 8.2 to the financial statements. As stated in the note, as at June 30, 2019 the company is holding 11,079,852 shares of International Brands Limited (Holding Company), amounting to Rs. 1,162,349,341. Our conclusion is not qualified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

FOLLOWING IS THE KEY AUDIT MATTER:

S/No.	Key Audit Matter	How the matter was addressed in our audit
1.	First time adoption of IFRS 9 "Financial Instruments" (Refer notes 3 and 8 to the financial statements)	Our audit procedures included the following: - considered the management's process to assess the impact of adoption of IFRS 9 on the Company's financial statements; - assessed management's controls relating to measurement of unlisted equity investment; - reviewed the valuation model used by management comprising of discounted projected cash flows for unlisted companies and market rates for listed equity securities held by International Brands Limited; - evaluated projected cash flows used for valuation of unlisted companies are consistent with the industry trend; - reviewed discount rates used in discounted projected cash flows for unlisted companies; - reviewed earnings growth factors used for projected terminal cash flows of unlisted companies; and - assessed the adequacy of the disclosures made in the financial statements.

IFRS 9 'Financial Instruments' became effective for the Company for the first time during the current year and replaces the financial instruments standard IAS 39 'Financial Instruments: Recognition and Measurement'.

IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. The classification and measurement approach reflects the business model in which the financial assets are managed and the underlying cash flow characteristics. Accordingly, in respect of the investments in equity instruments other than subsidiaries, the Company at date of transition has made an irrevocable option to present subsequent changes in fair value in Other Comprehensive Income.

The Company has adopted IFRS 9 using the allowed modified retrospective approach and measured equity investment in International Brands Limited at fair value, recognising change due to fair valuation of investments of Rs 2,116 million in opening equity as at July 1, 2018 and Rs (1,094) million for year ended June 30, 2019.

We considered this as key audit matter due to the significant management-determined judgments including the reclassification of financial assets in accordance with the Company's business model, complexities of the calculation of fair value of investment.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other

matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Syed Fahim ul Hasan.

Affirmation 3/6

Chartered Accountants
Karachi

Date: September 30, 2019

Financial Statements

Statement of Financial Position

as at June 30, 2019

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment
Intangible assets
Investment in associate
Long-term investments
Long-term loans
Long-term deposits

CURRENT ASSETS

Inventories
Trade and other receivables
Loans, advances and prepayments
Current tax asset
Cash and bank balances

TOTAL ASSETS

SHARE CAPITAL AND RESERVES

SHARE CAPITAL

Issued, subscribed and paid up capital

REVENUE RESERVE

Un-appropriated profits
General reserve

Revaluation of available-for-sale investment
Revaluation reserve on investment carried at fair value through OCI

NON-CURRENT LIABILITIES

Liabilities against assets subject to finance lease
Deferred tax liability

CURRENT LIABILITIES

Trade and other payables
Current portion of liabilities against assets subject to finance lease
Short-term borrowings
Unclaimed dividend

TOTAL LIABILITIES

COMMITMENTS

TOTAL EQUITY AND LIABILITIES

The annexed notes 1 to 42 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director

		2019	2018
		(Rupees in '000')	
Note			
5		28,580	19,537
6		6,971	5,915
7		1,131,793	1,076,459
8		1,203,056	181,153
9		314	874
10		3,122	3,550
		2,373,836	1,287,488
11		282,237	152,040
12		80,272	78,655
13		4,368	4,497
		37,328	32,734
14		6,246	13,076
		410,451	281,002
		2,784,287	1,568,490
15		306,707	266,702
		876,042	879,900
		28,548	28,548
		904,590	908,448
16		-	89,608
17		1,111,511	-
		2,322,808	1,264,758
18		11,530	6,143
20		132,800	129,388
		144,330	135,531
21		223,775	163,760
		7,202	3,708
18		85,654	-
19		518	733
		317,149	168,201
		461,479	303,732
22		2,784,287	1,568,490



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Profit or Loss

for the year ended June 30, 2019

Revenue from contracts with customers
Cost of Sales

Gross profit

Marketing and distribution expenses
Administrative and general expenses
Other operating expenses
Other income

Operating profit

Finance cost
Share of profit from associate

Profit before income tax

Income tax expense

Profit for the year

Earnings per share

The annexed notes 1 to 42 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director

		2019	2018
		(Rupees in '000')	
Note			
23		540,600	451,049
24		(322,313)	(264,232)
		218,287	186,817
25		(148,848)	(138,635)
26		(31,430)	(26,455)
27		(172)	(226)
28		12,341	9,483
		50,178	30,984
29		(41,542)	(9,035)
7		64,224	202,023
		72,860	223,972
30		(22,489)	(57,533)
		50,371	166,439
			(Restated)
31		Rs 1.64	Rs 5.43



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Comprehensive Income

for the year ended June 30, 2019

	2019	2018
Note	----- (Rupees in '000') -----	
Profit for the year	50,371	166,439
Other comprehensive income/(loss):		
Items that will not be subsequently reclassified in Profit or Loss:		
Share of remeasurements of post employment benefit obligations of associate	(8,890)	(42,354)
Deferred tax relating to component of other comprehensive loss	1,334	6,604
	(7,556)	(35,750)
Change in fair value of investments carried at fair value through OCI	(1,094,316)	-
Items that may be subsequently reclassified in Profit or Loss:		
Loss on revaluation of available for sale investment	-	(37,567)
Total comprehensive (loss)/income for the year	(1,051,501)	93,122

The annexed notes 1 to 42 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Changes in Equity

for the year ended June 30, 2019

	RESERVES					
	Share Capital Issued, subscribed and paid up capital	General reserve	Unappropriated Profit	Revaluation reserve on available-for-sale investment	Revaluation reserve on investments held at fair value through OCI	Total
	----- (Rupees in '000') -----					
Balance as at July 1, 2017	242,456	28,548	773,457	127,175	-	1,171,636
Bonus shares issued during the year in the ratio of 2 shares for every 10 shares held	24,246	-	(24,246)	-	-	-
Profit for the year ended June 30, 2018	-	-	166,439	-	-	166,439
Other comprehensive (loss) for the year ended June 30, 2018	-	-	(35,750)	(37,567)	-	(73,317)
Total comprehensive income/(loss)	-	-	130,689	(37,567)	-	93,122
Balance at June 30, 2018 as originally presented	266,702	28,548	879,900	89,608	-	1,264,758
IFRS 9 reclassification	-	-	-	(89,608)	89,608	-
IFRS 9 transition	-	-	-	-	2,116,219	2,116,219
Restated total equity as at June 30, 2018	266,702	28,548	879,900	-	2,205,827	3,380,977
15% Bonus issue	40,005	-	(40,005)	-	-	-
Cash dividend paid	-	-	(6,668)	-	-	(6,668)
Profit for the year ended June 30, 2019	-	-	50,371	-	-	50,371
Other comprehensive (loss) for the year ended June 30, 2019	-	-	(7,556)	-	(1,094,316)	(1,101,872)
Total comprehensive income/(loss)	-	-	42,815	-	(1,094,316)	(1,051,501)
Balance at June 30, 2019	306,707	28,548	876,042	-	1,111,511	2,322,808

The annexed notes 1 to 42 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Cash Flow

for the year ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Cash (used in) / generated from operations
Income tax paid
Finance cost paid
Decrease in long-term loans
Decrease / (Increase) in long-term deposits
Net cash used in operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for acquisition of property, plant and equipment
Payments for acquisition of intangible asset
Payments for acquisition of short term investments
Proceeds from sale of short term investments
Dividend received
Proceeds from disposal of property and equipment
Net cash (outflow)/inflow from investing activities

CASH FLOW FROM FINANCING ACTIVITY

Dividend paid
Short Term Loan obtained
Increase / (decrease) of liabilities against assets subject to finance lease
Net (decrease) / increase in cash and cash equivalents
Cash and cash equivalents at beginning of the year
Cash and cash equivalents at end of the year

The annexed notes 1 to 42 form an integral part of these financial statements.

	2019	2018
Note	----- (Rupees in '000') -----	
32	(37,222)	10,886
	(22,337)	(16,151)
	(22,666)	(4,613)
	560	518
	428	(1,000)
	(81,237)	(10,360)
	(19,374)	(4,651)
	(3,390)	(637)
	-	(18,000)
	-	18,056
	11,175	25,650
	107	1,708
	(11,482)	22,126
	(6,668)	-
	18,800	-
	6,903	(4,719)
	(73,684)	7,047
	13,076	6,029
33	(60,608)	13,076



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Notes to and forming part of the Financial Statements

for the year ended June 30, 2019

1. THE COMPANY AND ITS OPERATIONS

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 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. Its principal business activities are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

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

The Company also has following branch offices:

- Hyderabad: Plot # D 3/4, Hali Road, Site Area, Hyderabad
- Sukkur: Plot # B-95, near Model Worker School, Site Area, Sukkur
- 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

In 2011, the IBL Group decided to adopt the holding company structure wherein International Brands Limited holds at least 55% shareholding in all the subsidiary companies. This restructuring was undertaken to provide the platform to manage the long term Group expansion strategy, corporate compliance, operational efficiency, financial arrangements and tax benefits, thereby, resulting in improved returns to the shareholders.

After the approval of the Scheme of Arrangement by the Honourable High Court of Sindh on May 25, 2011, International Brands Limited became the Group holding company. The operating activities of the Group Holding Company were transferred to IBL Operations (Private) Limited and separate books were opened effective July 01, 2011. As a consequence of the above restructuring, United Distributors Pakistan Limited received 5,504,149 shares of International Brands Limited (the holding company) which are held on the statement of financial position under long term investments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

2.1.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- provisions of and directives issued under the Companies Act, 2017.

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

2.1.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The matter involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the financial statements is income tax.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have been no critical judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements except the following:

- valuation of long term investments held at fair value through OCI.
- deferred taxation.
- recognition of bonus shares received under investments.

2.1.3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit loss model that replaces the current incurred loss impairment model.

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The impact of changes laid down by these standards are detailed in note 3 and 4.

The Securities and Exchange Commission of Pakistan (SECP) through its, notification dated July 29, 2019 brought certain alterations in fifth schedule to the Companies Act 2017 (the Act) with regards to the preparation and presentation of financial statements. These alterations resulted in elimination of certain disclosures in the financial statements of the Company as at June 30, 2019.

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2018 are considered not to be relevant to the Company's financial statements and hence have not been detailed here.

c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

The following is the new standard, that will be effective for the periods beginning on or after January 1, 2019 that may have an impact on the financial statements of the Company:

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The management is in the process of assessing the impact of changes laid down by the standard on its financial statements.

2.2 OVERALL VALUATION POLICY

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

2.3 PROPERTY, PLANT AND EQUIPMENT

2.3.1 OWNED ASSETS

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation on property, plant and equipment is charged to statement of profit or loss applying the straight-line method over the estimated useful lives of related assets. The useful lives of the assets as estimated by the management are as follows:

— Leasehold improvements	10 years
— Plant and machinery	4 to 10 years
— Office equipments	3 to 10 years
— Furniture and fixtures	7 years
— Motor vehicles	5 to 10 years

Depreciation on additions to property, plant and equipment is charged from the month in which property, plant and equipment is put to use. For disposal during the year depreciation is charged up to the end of month preceding the month in which property, plant and equipment is disposed off.

Subsequent costs are included in the assets' carrying amount when it is probable that future economic benefits associated with the item will increase as a result of that expenditure, will flow to the Company and the cost can be measured reliably.

Gains and losses on disposal of fixed assets are included in statement of profit or loss.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

2.3.2 LEASED ASSETS

Lease that transfers substantially all the risks and rewards incidental to ownership of assets are classified as finance lease. Finance lease is capitalised at the inception of the lease term at the lower of fair value of the leased assets and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to similar owned asset. Outstanding obligations under the lease less finance cost allocated to future periods are shown as a liability.

Finance cost under lease agreements are allocated to the periods during the lease term so as to produce a constant periodic rate of finance cost on the remaining balance of principal liability for each period.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

2.4 INTANGIBLE ASSETS

These are stated at cost less accumulated amortisation and impairment, if any. Generally, costs associated with maintaining computer software programs are recognised as an expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefit exceeding one year are recognised as intangible assets. Direct costs include the purchase cost of software and related overhead cost.

Intangible assets are amortised from the point at which the asset is ready for use. Amortisation charge is based on the straight-line method whereby the cost of an intangible asset is written off over its estimated useful life of 4 years.

2.5 INVESTMENTS IN ASSOCIATES

Associates are all entities over which the Company has significant influence but not control. Investment in associates are accounted for using the equity method.

Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of post-acquisition profits or losses of the investee in the statement of profit or loss, and the Company's share of movements in statement of comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investment is tested for impairment in accordance with the policy described in note below.

6. FINANCIAL INSTRUMENTS - INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

Associates are all entities over which the Company has significant influence but not control. Investment in associates are accounted for using the equity method.

a) Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case may be.

b) Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

c) Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or

- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

d) Subsequent measurement

I) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, these are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income.

II) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

III) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income. Currently, there are no financial liabilities designated at FVTPL.

e) Impairment of financial asset

The Company recognises lifetime expected credit losses for trade receivables that do not constitute a financing transaction. Expected credit losses (ECLs) are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive). Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. For all other financial assets, expected credit losses are measured at an amount equal to 12 months' ECLs i.e. ECLs that result from default event that are possible within 12 months after the reporting date.

f) Derecognition

I) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

II) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

g) **IFinancial assets and liabilities - policy upto June 30, 2018**

All financial assets and financial liabilities were initially measured at cost, which was the fair value of the consideration given and received respectively. These financial assets and liabilities were subsequently measured at fair value, amortised cost or cost, as the case may be.

2.7 OFF-SETTING OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised at fair value of consideration receivable. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

2.9 LOANS, DEPOSITS AND OTHER DEBTS

These are initially measured at cost which is the fair value of the consideration given and are subsequently measured at amortised cost.

2.10 INVENTORIES

Inventories are valued at lower of cost, determined on first-in first-out basis, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of work in process and finished goods comprise direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure.

Stock-in-transit is valued at cost accumulated to the reporting date. Provision is made for slow moving and obsolete items based on management's judgement.

2.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of statement of cash flows, cash and cash equivalents comprise cash-in-hand, cheques, demand drafts in hand, running finance under mark up arrangements and balances with banks on current and deposit accounts with maturity of less than 90 days.

2.12 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.13 TAXATION

I) **Current**

The charge for current tax is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

II) **Deferred**

Deferred tax is accounted for using the statement of financial position liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is

generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is determined using tax rates and prevailing laws for taxation on income that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

2.14 STAFF RETIREMENT BENEFITS

The Company operates an approved contributory provident fund scheme for all eligible employees who have completed the minimum qualifying period of service. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% of basic salary.

2.15 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

2.16 PROVISIONS

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

2.17 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded in Pak Rupee at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupee using the exchange rates approximating those prevailing at the reporting date. Exchange differences are included in statement of profit or loss.

The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Pak Rupee.

2.18 REVENUE RECOGNITION

Revenue is recognised when control of the goods is transferred, being when the goods are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Revenue is recognised on dispatch of goods to customers i.e. when the significant risks and rewards of ownership have been transferred to the customer.

No element of financing is present as the sales are made with a credit term of upto 365 days, which is consistent with the market practice.

2.19 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying asset, if any, are capitalised as part of the cost of that asset.

2.20 DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as liability in the financial statements in the period in which the dividend is approved.

2.21 METHOD OF PREPARATION OF STATEMENT OF CASH FLOWS

Method of preparation of statement of cash flows

3. CHANGES IN ACCOUNTING POLICIES - IFRS 9

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments from 01 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in note 3.6 above. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated and any adjustment to carrying amount of financial assets and liabilities were recognised in the opening retained earnings as of the transition date.

Classifications and remeasurement

On July 1, 2018 (the date of initial application of IFRS 9), the Company's management has assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate IFRS 9 categories. The main effects resulting from this reclassifications and adjustments are as follows:

Financial assets - July 1, 2018		Carrying amount as reported under IFRS 9 July1, 2018	Reclassification due to IFRS - 9	Remeasurement allowance: ECL	Remeasurement of fair value due to IFRS - 9	Carrying amount as reported under IFRS 9 July1, 2018
Note		(Rupees in '000')				
Long-term investments		181,153	181,153	-	2,116,219	2,297,372
Trade and other receivables	a)	78,655	-	-	-	78,655
Loans, advances, prepayments and deposits		8,921	-	-	-	8,921
Cash and bank balances		13,076	-	-	-	13,076

The impact of these changes on the Company's statement of changes in equity is as follows:

	2019
	--- (Rupees in '000') ---
Opening balance - IAS 39	1,264,758
Reclassification of Long term investment from available for sale to FVOCI	2,116,219
Opening balance - IFRS 9	<u>3,380,977</u>

- a) IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The Company has determined that the application of IFRS 9's impairment requirement at July 1, 2018 results in no additional allowance for trade receivables.

Financial assets		Original Classification under IAS - 39	New Classification under IFRS - 9	Original amount under IAS - 39	New carrying amount under IFRS - 9	Difference
		(Rupees in '000')				
Long-term investments	Available for sale	Fair value through other comprehensive income		181,153	2,297,372	(2,116,219)
Trade and other receivables	Loans & receivables	Amortised cost		78,655	78,655	-
Loans, advances, prepayments & deposits	Loans & receivables	Amortised cost		8,921	8,921	-
Cash and bank balances	Loans & receivables	Amortised cost		13,076	13,076	-
Financial liabilities						
Trade and other payables	Amortised cost	Amortised cost		163,760	163,760	-
Short term borrowings	Amortised cost	Amortised cost		-	-	-
Unclaimed Dividend	Amortised cost	Amortised cost		733	733	-

4. CHANGES IN ACCOUNTING POLICIES - IFRS 15

The Company has adopted IFRS 15 - Revenue from Contracts with Customers from July 1, 2018. IFRS 15 replaced IAS 18 - Revenue, IAS 11 - Construction Contracts and the related interpretations. According to IFRS 15, revenue is recognized, when control of goods or services has been transferred to the customers, in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 establishes a five step model that will apply to revenue earned from a contract with a customer. IFRS 15 allows for two methods of adoption:

- retrospectively to each prior period presented with or without practical expedients, or
- retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings in the period of adoption.

The Company has evaluated the impact of the new revenue standard and has concluded that there is no significant adjustment that needs to be given effect in the financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets- note 5.1

2019	2018
----- (Rupees in '000') -----	
<u>28,580</u>	<u>19,537</u>

5.1 OPERATING ASSETS

Year ended June 30, 2019

	Leasehold improvements	Plant and machinery	Office & other equipments	Furniture and fixtures	Owned Motor Vehicles	Leased	Total
(Rupees in '000')							
Opening net book value	177	2,889	1,243	116	3,405	11,707	19,537
Additions	-	2,140	281	44	1,300	15,609	19,374
Disposals							
Cost	-	(507)	(16)	-	-	-	(523)
Accumulated depreciation	-	388	10	-	-	-	398
	-	(119)	(6)	-	-	-	(125)
Depreciation charge (note- 5.2)	(76)	(1,683)	(619)	(36)	(2,796)	(4,996)	(10,206)
Closing net book value	101	3,227	899	124	1,909	22,320	28,580

Gross carrying value basis
At June 30, 2019

Cost	762	12,854	6,707	958	42,686	31,868	95,835
Accumulated depreciation	(661)	(9,627)	(5,808)	(834)	(40,777)	(9,548)	(67,255)
Net book value	101	3,227	899	124	1,909	22,320	28,580

Net carrying value basis
Year ended June 30, 2018

Opening net book value	253	3,522	1,309	48	5,731	16,539	27,402
Additions	-	476	586	88	-	3,501	4,651
Disposals							
Cost	-	-	(810)	(14)	-	(1,813)	(2,637)
Accumulated depreciation	-	-	806	14	-	151	971
	-	-	(4)	-	-	(1,662)	(1,666)
Transfers							
Cost	-	-	-	-	9,680	(9,680)	-
Accumulated depreciation	-	-	-	-	(8,158)	8,158	-
	-	-	-	-	1,522	(1,522)	-
Depreciation charge	(76)	(1,109)	(648)	(20)	(3,848)	(5,149)	(10,850)
Closing net book value	177	2,889	1,243	116	3,405	11,707	19,537

Gross carrying value basis
At June 30, 2018

Cost	762	11,221	6,442	914	41,386	16,259	76,984
Accumulated depreciation	(585)	(8,332)	(5,199)	(798)	(37,981)	(4,552)	(57,447)
Net book value	177	2,889	1,243	116	3,405	11,707	19,537

Depreciation Rate per annum

10%	10% to 25%	10% to 33%	15%	10% to 20%
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5.2 DEPRECIATION FOR THE YEAR HAS BEEN ALLOCATED AS FOLLOWS:

Cost of Sales - note 24
Marketing and distribution expenses- note 25
Administrative and general expenses- note 26

6. INTANGIBLE ASSETS

Computer software - note 6.1
Intangible asset - note 6.1 & 6.2

6.1 MOVEMENT IN INTANGIBLE ASSETS

Year ended 30 June 2019

Opening net book value
Additions during the year - note 6.2
Transfers from Intangibles under development
Amortisation charge for the year

Closing net book value

At 30 June 2019

Cost
Accumulated amortisation

Net book value

Year ended 30 June 2018

Opening net book value
Additions during the year
Amortisation charge for the year

Closing net book value

At 30 June 2018

Cost
Accumulated amortisation

Net book value

Useful life in years

6.2 THESE REPRESENT COST OF LICENSES AND CONSULTATION FEE FOR THE IMPLEMENTATION OF SAP ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM.

6.3 AMORTISATION FOR THE YEAR HAS BEEN ALLOCATED AS FOLLOWS:

Marketing and distribution expenses - note 25
Administrative and general expenses - note 26

2019	2018
(Rupees in '000')	
1,905	1,279
8,078	9,360
223	211
10,206	10,850
6,971	74
-	5,841
6,971	5,915

Computer Software	Intangible Asset under development	Total
(Rupees in '000')		
74	5,841	5,915
3,390	-	3,390
5,841	(5,841)	-
(2,334)	-	(2,334)
6,971	5,841	6,971
10,722	-	10,722
(3,751)	-	(3,751)
6,971	-	6,971
113	5,204	5,317
-	637	637
(39)	-	(39)
74	5,841	5,915
1,491	5,841	7,332
(1,417)	-	(1,417)
74	5,841	5,915
4	-	-

7. INVESTMENT IN ASSOCIATE

Balance at beginning of the year	1,076,459	934,822
Share of profit for the year	64,224	202,023
Share of other comprehensive loss for the year	(8,890)	(42,354)
Less: Dividend income for the year	-	(18,032)
Balance at end of the year	1,131,793	1,076,459

71 THIS REPRESENTS SHAREHOLDING OF 40% (2018: 40%) COMPRISING OF 1,639,418 SHARES (2018: 1,639,418 SHARES) OF FMC UNITED (PRIVATE) LIMITED, ORIGINAL COST OF THE SHARES WAS RS. 16.39 MILLION.

7.2 FINANCIAL DETAILS / POSITION OF ASSOCIATE

	2019	2018
	----- (Rupees in '000') -----	
Total assets	12,931,551	7,787,660
Total liabilities	10,102,070	5,063,725
Revenues	11,283,034	7,450,797
Profit for the year	160,560	505,057

The financial year end of FMC United (Private) Limited is December 31. Total assets and liabilities disclosed above are based on unaudited condensed interim financial information for the half year ended June 30, 2019, whereas revenues and total comprehensive income disclosed above is based on audited financial statements for the years ended December 31, 2018 and December 31, 2017 and unaudited financial information for the half years ended June 30, 2019 and June 30, 2018.

7.3 FMC UNITED (PRIVATE) LIMITED IS PRINCIPALLY ENGAGED IN THE MANUFACTURING, REPACKAGING AND MARKETING OF PESTICIDES, FERTILIZERS AND SEEDS.

8. LONG-TERM INVESTMENTS

Investments held at fair value through OCI

— IBL HealthCare Limited - Listed - note 8.1	40,707	-
1,215,135 fully paid ordinary shares of Rs. 10 each		
Percentage holding 2.19%		
Cost: Rs. 7,882,580		
— International Brands Limited (Holding Company) - Unlisted - note 8.1, 8.2 and 8.3	1,162,349	-
11,079,852 fully paid ordinary shares of Rs. 10 each		
Percentage holding 4.71%		
Cost: Rs. 83,663,056		
	1,203,056	-

Available for sale investments

— IBL HealthCare Limited - Listed - note 8.2	-	9 7,490
2018: 1,215,135 fully paid ordinary shares of Rs. 10 each		
Percentage holding 2.19%		
Cost: Rs. 7,882,580		
— International Brands Limited (Holding Company) - Unlisted - note 8.1, 8.2 and 8.3	-	83,663
2018: 11,079,852 fully paid ordinary shares of Rs. 10 each		
Percentage holding 4.71%		
Cost: Rs. 83,663,056		
	-	1 81,153
	1,203,056	1 81,153

8.1 SHARES HELD AS AT JUNE 30, 2019 INCLUDE 31,343 SHARES (2018: 31,343 SHARES) OF IBL HEALTHCARE LIMITED AND 184,665 SHARES (2018: 184,665) OF INTERNATIONAL BRANDS LIMITED 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 AS EXPLAINED IN NOTE 1, THE COMPANY HOLDS SHARES OF INTERNATIONAL BRANDS LIMITED (HOLDING COMPANY) WHICH HAVE BEEN CARRIED AT FAIR VALUE THROUGH OCI.

8.3 VALUATION TECHNIQUE USED TO VALUE INVESTMENT IN INTERNATIONAL BRANDS LIMITED INCLUDE THE USE OF QUOTED MARKET PRICES FOR LISTED EQUITY SECURITIES HELD BY INTERNATIONAL BRANDS LIMITED 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.
- earning growth factors based on market information.

9. LONG-TERM LOANS

	2019	2018
	----- (Rupees in '000') -----	
Loan to employees - note 9.1	2,143	2,076
Less: Recoverable within one year - note 13	(1,829)	(1,202)
	314	874

9.1 NAMES OF EMPLOYEES WHOSE OUTSTANDING BALANCE IS ABOVE RS. 1 MILLION AT THE END OF JUNE 30, 2019 ARE AS FOLLOWS:

Name of Employee

Mr. Sohail Hasnain Ahmed	785	1,605
Mr. Raja Imran Hussain	1,269	-

9.2 INTEREST FREE LOANS UNDER THE SCHEMES HAVE BEEN PROVIDED TO FACILITATE EXPENDITURES FOR DOMESTIC PURPOSES. THE LOANS ARE INTEREST FREE AND SECURED AGAINST EMPLOYEES' RETIREMENT FUND BALANCES.

10. LONG-TERM DEPOSITS

	2019	2018
	----- (Rupees in '000') -----	
Rent deposit	2,275	2,275
Others	847	1,275
	3,122	3,550

10.1 THESE DEPOSITS DO NOT CARRY ANY MARK-UP.

11. INVENTORIES

	2019	2018
	----- (Rupees in '000') -----	
Raw materials - note 11.1	21,174	27,297
Packing materials - note 11.2	5,177	5,727
Finished goods - including in transit Rs. 14.76 million (2018: Rs. 3.18 million)	259,547	122,824
	285,898	155,848
	(3,661)	(3,808)
	282,237	152,040

Less: Provision for slow moving and obsolete inventories - note 11.3

11.1 THESE INCLUDE RAW MATERIALS AMOUNTING TO RS. 6.29 MILLION (2018: RS. 10.28 MILLION) HELD WITH THIRD PARTY.

11.2 THESE INCLUDE PACKING MATERIALS AMOUNTING TO RS. 0.607 MILLION (2018: RS. 1.37 MILLION) HELD WITH THIRD PARTY.

11.3 MOVEMENT OF PROVISION FOR SLOW MOVING AND OBSOLETE INVENTORIES

	2019	2018
	----- (Rupees in '000') -----	
Opening	3,808	4,239
Reversal during the year	(147)	(431)
Closing balance	<u>3,661</u>	<u>3,808</u>

12. TRADE AND OTHER RECEIVABLES

	2019	2018
	----- (Rupees in '000') -----	
Trade Receivables - note 12.1	77,782	76,724
Other Receivables - note 12.2	2,490	1,931
	<u>80,272</u>	<u>78,655</u>

12.1 TRADE RECEIVABLES

	2019	2018
Secured	10,281	4,913
Unsecured	67,501	71,811
	<u>77,782</u>	<u>76,724</u>

12.1.1 THE AGE ANALYSIS OF TRADE RECEIVABLES IS AS FOLLOWS:

	2019	2018
1 to 3 months	57,636	60,233
3 to 6 months	14,922	8,081
More than 6 months	5,436	8,410
	<u>77,782</u>	<u>76,724</u>

12.2 OTHER RECEIVABLES

	2019	2018
Receivable from related parties - note 12.3	897	1,156
Sales tax receivable	1,593	531
Others	-	244
	<u>2,490</u>	<u>1,931</u>

12.3 OTHER RECEIVABLES INCLUDE RECEIVABLES FROM THE FOLLOWING RELATED PARTIES:

	2019	2018
	----- (Rupees in '000') -----	
International Brands Limited - holding company	730	997
The Searle Company Limited - associated company	167	159
	<u>897</u>	<u>1,156</u>

12.3.1 THE AGE ANALYSIS OF RECEIVABLES FROM RELATED PARTIES IS AS FOLLOWS:

	2019	2018
1 to 3 months	897	1,156
3 to 6 months	-	-
	<u>897</u>	<u>1,156</u>

12.3.2 THE MAXIMUM AGGREGATE AMOUNT DUE FROM THE RELATED PARTIES AT THE END OF ANY MONTH DURING THE YEAR WAS RS. 9.95 MILLION (2018: RS. 7.40 MILLION).

13. LOANS, ADVANCES AND PREPAYMENTS

Advance to suppliers - note 13.1
Advances to employees against expenses- note 13.1 & 13.2
Current portion of long term loan - note 9
Prepayments

2019	2018
----- (Rupees in '000') -----	
1,391	2,259
761	888
1,829	1,202
387	148
<u>4,368</u>	<u>4,497</u>

13.1 THESE LOANS AND ADVANCES DO NOT CARRY MARK-UP.

13.2 THESE ADVANCES ARE SECURED AGAINST EMPLOYEES' RETIREMENT FUND BALANCES.

14. CASH AND BANK BALANCES

Cash at bank - current accounts - note 14.1
Cash in hand
Cheques in hand

2019	2018
----- (Rupees in '000') -----	
5,969	11,860
277	70
-	1,146
<u>6,246</u>	<u>13,076</u>

14.1 THESE INCLUDE CURRENT ACCOUNT HAVING BALANCE OF RS. 0.190 MILLION (2018: RS. 0.166 MILLION) MAINTAINED WITH AN ISLAMIC BANK.

15. SHARE CAPITAL

15.1 AUTHORISED SHARE CAPITAL

50,000,000 ordinary shares of Rs. 10 each (2018: 50,000,000 ordinary shares of Rs. 10 each)

2019	2018
----- (Rupees in '000') -----	
<u>500,000</u>	<u>500,000</u>

15.2 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Ordinary shares of Rs 10 each			2019	2018
	2019	2018		
	----- (Number of shares in '000') -----		----- (Rupees in '000') -----	
5,000	5,000	Ordinary shares of Rs. 10 each Shares issued for consideration paid in cash.	50,000	50,000
16,487	12,486	Shares issued as bonus shares	164,867	124,862
9,184	9,184	Shares issued as right shares	91,840	91,840
<u>30,671</u>	<u>26,670</u>		<u>306,707</u>	<u>266,702</u>

15.3 MOVEMENT IN ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Ordinary shares of Rs 10 each				
2019	2018		2019	2018
----- (Number of shares in '000') -----			----- (Rupees in '000') -----	
26,670	24,246	Opening shares outstanding	266,702	242,456
4,001	2,424	Bonus shares issued	40,005	24,246
30,671	26,670		306,707	266,702

15.4 AS AT JUNE 30, 2019 INTERNATIONAL BRANDS LIMITED, THE HOLDING COMPANY HELD 21,609,825 (2018: 18,791,153) SHARES OF RS. 10 EACH.

16. REVALUATION RESERVE ON AVAILABLE FOR SALE INVESTMENT

	2019	2018
	----- (Rupees in '000') -----	
Balance at July 1, 2018	89,608	127,175
Reclassification due to IFRS 9	(89,608)	-
Deficit arising on revaluation of investment	-	(37,567)
Balance at June 30, 2019	-	89,608

17. REVALUATION RESERVE ON INVESTMENTS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2019	2018
	----- (Rupees in '000') -----	
Balance at July 1, 2018	-	-
Reclassification due to IFRS 9	89,608	-
IFRS 9 Transition	2,116,219	-
Deficit arising on revaluation of investment	(1,094,316)	-
Balance at June 30, 2019	1,111,511	-

18. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2019			2018		
	Minimum lease payments	Financial charges for future periods	Principal outstanding	Minimum lease payments	Financial charges for future periods	Principal outstanding
	----- (Rupees in '000') -----					
Not later than one year	9,113	1,911	7,202	4,371	663	3,708
Later than one year but not later than five years	13,184	1,654	11,530	6,584	441	6,143
	22,297	3,565	18,732	10,955	1,104	9,851

18.1 THESE REPRESENT RS. 18.73 MILLION (2018: RS. 9.85 MILLION) OUTSTANDING UNDER DIMINISHING MUSHARAKAH FINANCING ARRANGEMENT.

19. SHORT-TERM BORROWINGS

	2019	2018
	----- (Rupees in '000') -----	
Running finance under mark-up arrangement - note 19.1	66,854	-
Short-term loan - note 19.2	18,800	-
	85,654	-

19.1 RUNNING FINANCE UNDER MARK-UP ARRANGEMENT

The Company obtained running finance facility from Habib Metropolitan Bank Limited at KIBOR + 2% per annum (June 30, 2018: Nil). This facility is secured by way of hypothecation on current assets of the Company.

19.2 SHORT-TERM LOAN

This represents short term loan from IBL Operations (Private) Limited, a related party, payable within one year at 6 months KIBOR + 2.5%

20. DEFERRED TAXATION

	2019	2018
	----- (Rupees in '000') -----	
Credit balances arising in respect of		
— Long term investments	158,194	151,150
— Assets held under finance lease	3,477	1,292
Debit balances arising in respect of		
— Obligations under finance lease	(2,919)	(1,087)
— Carried forward tax losses	(18,917)	(17,013)
— Minimum tax	(3,631)	(2,489)
— Property, plant and equipment	(2,834)	(1,978)
— Provision for slow moving and obsolete inventory	(570)	(487)
	132,800	129,388

20.1 ANALYSIS OF CHANGE IN DEFERRED TAX

	Accelerated tax depreciation	Finance Lease Obligation	Investment in Associated Company	Retirement Benefit Obligation in Associated Company	Unused tax losses and minimum tax	Provision for Slow Moving and Obsolete inventory	Total
	----- (Rupees in '000') -----						
Balance as at July 01, 2017	(159)	(1,423)	114,802	(1,255)	(22,319)	(450)	89,196
(Charge) / credit to profit or loss for the year	(527)	336	44,207	-	2,817	(37)	46,796
Charge to other comprehensive income for the year	-	-	-	(6,604)	-	-	(6,604)
Balance at June 30, 2018	(686)	(1,087)	159,009	(7,859)	(19,502)	(487)	129,388
(Charge) / credit to profit or loss for the year	1,329	(1,832)	8,376	-	(3,045)	(83)	4,745
Charge to other comprehensive income for the year	-	-	-	(1,333)	-	-	(1,333)
Balance at June 30, 2019	643	(2,919)	167,385	(9,192)	(22,547)	(570)	132,800

20.2 THE DEFERRED TAX ASSET FOR UNUSED TAX LOSSES AS AT JUNE 30, 2019 AMOUNTS TO RS. 18.92 MILLION (2018: RS. 17.01 MILLION). UNUSED TAX LOSSES IN RESPECT OF BUSINESS LOSSES WILL EXPIRE ON JUNE 30, 2022.

20.3 THE DEFERRED TAX ASSET FOR MINIMUM TAX CARRIED FORWARD AMOUNTS TO RS. 3.63 MILLION (2018: RS. 2.5 MILLION), WHICH WILL EXPIRE ON JUNE 30, 2023.

20.4 UNDER THE INCOME TAX ORDINANCE, 2001, THE TAX RATE FOR CORPORATES WAS GRADUALLY REDUCING BY 1% OVER THE PAST 6 YEARS. HOWEVER, UNDER THE FINANCE ACT, 2019, THE GOVERNMENT HAS DISCONTINUED THIS REDUCING TREND AND KEPT THE RATE AT 29%. THEREFORE, DEFERRED TAX ASSETS AND LIABILITIES HAVE BEEN RECOGNISED ACCORDINGLY USING THE EXPECTED APPLICABLE RATE.

21. TRADE AND OTHER PAYABLES

	2019	2018
----- (Rupees in '000') -----		
Creditors - note 21.1	165,709	127,165
Accrued liabilities	40,426	15,940
Advances from customers -note 21.2	11,718	16,856
Taxes deducted at source	3,393	1,373
Payable to provident fund- note 21.3	567	637
Workers' Welfare Fund	1,962	1,789
	<u>223,775</u>	<u>163,760</u>
21.1 CREDITORS INCLUDE PAYABLE TO THE FOLLOWING RELATED PARTY:		
IBL Unisys (Private) Limited	<u>5,271</u>	<u>1,752</u>

21.2 ADVANCES RECEIVED FROM CUSTOMERS IS RECOGNISED AS REVENUE WHEN THE PERFORMANCE OBLIGATION IN ACCORDANCE WITH THE POLICY AS DESCRIBED IN NOTE 21.8 IS SATISFIED.

	2019	2018
----- (Rupees in '000') -----		
Opening balance	16,856	17,477
Advance received during the year	235,760	187,739
Revenue recognised during the year	(240,898)	(188,360)
Closing balance	<u>11,718</u>	<u>16,856</u>

21.3 THE INVESTMENTS OUT OF PROVIDENT FUND HAVE BEEN MADE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 218 OF THE COMPANIES ACT, 2017 AND THE RULES FORMULATED FOR THIS PURPOSE.

22. COMMITMENTS

The facilities for opening letters of credit and guarantees as at June 30, 2019 amounted to Rs. 300 million (2018: Rs. 150 million) of which unutilised balance at year end amounted to Rs. 150.35 million (2018: Rs. 67.02 million).

23. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2019	2018
----- (Rupees in '000') -----		
Gross Revenue	635,069	596,478
Less: Discounts	(62,060)	(94,367)
Sales returns	(28,910)	(26,085)
Sales tax	(3,499)	(24,977)
	<u>540,600</u>	<u>451,049</u>

24. COST OF SALES

Raw materials consumed	210,081	103,714
Manufacturing charges to third party	7,241	4,657
Salaries, wages and benefits	4,672	3,276
Charge for defined contribution plan	82	71
Rent, rates and taxes	4,848	3,522
Depreciation	1,905	1,279
Utilities and communication	403	387
Printing and stationery	20	10
Freight expense	3,704	4,253
Repairs and maintenance	1,261	297
Entertainment expenses	207	129
Security expense	-	231
Travelling and conveyance	68	96
Insurance expense	107	180
Sampling	68	520
Others	184	29
Reversal of provision for slow moving and obsolete Inventories	(147)	(431)
Cost of goods manufactured	<u>234,704</u>	<u>122,220</u>
Add: Opening inventory of finished goods	122,824	133,818
Add: Purchases	224,332	131,018
Less: Closing inventory of finished goods	(259,547)	(122,824)

25. MARKETING AND DISTRIBUTION EXPENSES

Salaries, wages and benefits	69,252	62,139
Contributions to defined contribution plan	1,855	1,628
Rent, rates and taxes	5,120	4,575
Depreciation and amortisation	8,085	9,399
Safety and security	1,037	1,074
Sales promotion and advertisement	8,150	9,145
Distribution freight	8,635	7,061
Vehicle running	23,312	19,585
Utilities and communication	1,813	1,496
Travelling and transportation	4,423	3,115
Entertainment expenses	767	774
Repairs and maintenance	773	396
Printing and stationery	214	318
Fee, subscription and periodicals	238	65
Commission and incentives	10,236	14,097
Research and development	3,069	1,843
Insurance expense	1,478	1,242
Legal and professional charges	391	683
	<u>148,848</u>	<u>138,635</u>

26. ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, wages and benefits	10,495	9,513
Contributions to defined contribution plan	524	485
Depreciation and amortisation	2,550	211
Legal and professional charges	1,515	1,493
Travelling and conveyance	803	1,251
Utilities and communication	436	387
Vehicle running	657	1,439
Printing and stationery	434	516
Auditors' remuneration- note 26.1	2,996	1,899
Entertainment expenses	120	77
Repairs and maintenance	119	120
Fee, subscription and periodicals	2,071	1,589
Training and development	-	275
Sales promotion and advertisement	288	-
Insurance expense	13	-
Corporate expenses	4,800	4,200
Donations note - 26.2	1,809	3,000
Others	1,800	-

2019	2018
----- (Rupees in '000') -----	
10,495	9,513
524	485
2,550	211
1,515	1,493
803	1,251
436	387
657	1,439
434	516
2,996	1,899
120	77
119	120
2,071	1,589
-	275
288	-
13	-
4,800	4,200
1,809	3,000
1,800	-
31,430	26,455

26.1 AUDITORS' REMUNERATION

Audit fee	856	600
Fee for review of half yearly financial statements, special certifications and others	491	646
Taxation services	1,494	558
Out of pocket expenses	155	95

2019	2018
----- (Rupees in '000') -----	
856	600
491	646
1,494	558
155	95
2,996	1,899

26.2 DONATION

These includes Rs. 1.25 million (2018: Rs. 1.75 million) given to The Hunar Foundation to facilitate the technical training of illiterate, semi-literate and literate citizens. Further, Donations of Rs. 0.55 million (2018; Rs. 1.25 million) were given to various needy individuals. None of the directors or their spouses had any interest in the donees.

27. OTHER OPERATING EXPENSES

Sindh Workers' Welfare Fund

2019	2018
----- (Rupees in '000') -----	
172	226
172	226

28. OTHER INCOME

Income from financial assets

Gain on disposal of short term investments	-	56
Dividend income on investments - note 28.1	11,175	7,618

Income from non-financial assets

(Loss)/gain on disposal of property, plant and equipment	(18)	42
--	------	----

Others

Scrap sales	240	262
Rental income	486	921
Others	458	584

2019	2018
----- (Rupees in '000') -----	
-	56
11,175	7,618
11,175	7,674
(18)	42
(18)	42
240	262
486	921
458	584
1,184	1,767
12,341	9,483

28.1 THIS REPRESENTS DIVIDEND INCOME FROM INTERNATIONAL BRANDS LIMITED AND IBL HEALTHCARE LIMITED AMOUNTING TO RS. 9.99 MILLION (2018: RS. 6.54 MILLION) AND RS.118 MILLION (2018: RS. 1.08 MILLION) RESPECTIVELY.

29. FINANCE COST

Finance lease charges	-	216
Diminishing musharakah financing	1,978	947
Mark-up on running finance	4,302	-
Exchange loss - Net	34,876	7,549
Interest on short-term loan	138	-
Bank charges and commission	248	323

2019	2018
----- (Rupees in '000') -----	
-	216
1,978	947
4,302	-
34,876	7,549
138	-
248	323
41,542	9,035

30. INCOME TAX

Current	15,255	10,737
- for the year	2,489	-
- for prior year	17,744	10,737

Deferred

2019	2018
----- (Rupees in '000') -----	
15,255	10,737
2,489	-
17,744	10,737
4,745	46,796
22,489	57,533

30.1 CURRENT INCOME TAX EXPENSE IS CALCULATED ON GROSS REVENUE AND COMMERCIAL IMPORTS UNDER MINIMUM TAX AND FINAL TAX REGIME.

30.2 RELATIONSHIP BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT HAS NOT BEEN PRESENTED AS TAX HAS BEEN COMPUTED UNDER SECTION 113 OF THE INCOME TAX ORDINANCE, 2001 I.E., UNDER MINIMUM TAX AND FINAL TAX REGIME.

31. EARNINGS PER SHARE

	2019	2018
----- (Rupees in '000') -----		
Basic		
Profit for the year attributable to ordinary shareholders	50,371	166,439
Weighted average number of shares in issue during the year (in thousand) - Restated	30,671	30,671
Earnings per share - Restated	Rs 1.64	Rs 5.43

Diluted

271 A DILUTED EARNINGS PER SHARE HAS NOT BEEN PRESENTED AS THE COMPANY DOES NOT HAVE ANY CONVERTIBLE INSTRUMENTS IN ISSUE AS AT JUNE 30, 2019 AND 2018 WHICH WOULD HAVE ANY EFFECT ON THE EARNINGS PER SHARE IF THE OPTION TO CONVERT IS EXERCISED.

32. CASH (USED IN) / GENERATED FROM OPERATIONS

	2019	2018
----- (Rupees in '000') -----		
Profit before income tax	72,860	223,972
Adjustments for non-cash incomes and expenses:		
Depreciation and amortisation	12,540	10,889
Finance cost	41,542	9,035
Loss/(gain) on disposal of property, plant and equipment	18	(42)
Dividend income	(11,175)	(7,618)
Share of profit from associate	(64,224)	(202,023)
Provision for slow moving and obsolete inventories	(147)	(431)
Gain on disposal of short term investments	-	(56)
	51,414	33,726
Changes in Working Capital:		
(Increase)/decrease in current assets		
Inventories	(130,050)	(7,061)
Trade and other receivables	(1,617)	(3,247)
Loans, advances and prepayments	129	(407)
	(131,538)	(10,715)
(Decrease) / increase in current liabilities		
Trade and other payables	43,117	(12,263)
Unclaimed dividend	(215)	138
	42,902	(12,125)
	37,222	10,886

33. CASH AND CASH EQUIVALENTS

	2019	2018
----- (Rupees in '000') -----		
Cash and bank balances - note 14	6,246	13,076
Running finance under mark-up arrangement - note 19	(66,854)	-
	60,608	13,076

34. RELATED PARTY TRANSACTIONS

34.1 THE COMPANY ENTERED INTO TRANSACTIONS AND HAS ARRANGEMENTS / AGREEMENTS IN PLACE WITH THE FOLLOWING RELATED PARTIES.

S.No.	Company	Basis of Association	Aggregate % of Shareholding
1.	International Brands Limited	Holding Company	70.46%
2.	IBL Operations (Private) Limited	Group Company	N/A
3.	The Searle Company Limited	Group Company	N/A
4.	IBL Unisys (Private) Limited	Group Company	N/A
5.	IBL Healthcare Limited	Group Company	N/A
6.	FMC United (Private) Limited	Associate	40%

34.2 THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES DURING THE YEAR:

	Nature of relationship	Nature of transactions	2019	2018
----- (Rupees in '000') -----				
i.	Holding Company	Payments on behalf of Holding Company	21,298	14,379
		Corporate service charges	4,800	4,200
		Dividend income	9,991	6,537
		Receipts from Holding Company	16,764	9,403
		Dividend received	8,492	5,600
ii.	Associated Companies	Receipts from associated companies	478	4,810
		Warehouse rent	486	920
		Dividend income	1,184	1,081
		SAP maintenance fee and license	3,390	637
		Loan received	18,800	-
		Interest charged	138	-
		Dividend received	1,006	18,034
iii.	Employees' Provident Fund	Contribution paid	6,776	6,217
iv.	Key Management Personnel	Salaries and other employee benefits	21,125	18,824
		Loan disbursed	2,500	480
		Loan received	2,257	200
		Directors' fee	13	16

34.3 THE STATUS OF OUTSTANDING BALANCES WITH RELATED PARTIES AS AT JUNE 30, 2019 IS INCLUDED IN THE RESPECTIVE NOTES TO THE FINANCIAL STATEMENTS. THESE ARE SETTLED IN THE ORDINARY COURSE OF BUSINESS.

35. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Director		Executives	
	2019	2018	2019	2018	2019	2018
----- (Rupees in '000') -----						
Managerial remuneration	-	-	-	-	7,638	6,855
Bonus	-	-	-	-	1,830	512
Company's contribution to provident fund	-	-	-	-	764	686
House rent allowance	-	-	-	-	3,465	3,110
Utilities allowance	-	-	-	-	628	564
Car rental	-	-	-	-	1,515	711
Leave encashment	-	-	-	-	261	672
EOBI	-	-	-	-	24	23
Commission and incentives	-	-	-	-	5,000	5,691
					21,125	18,824
Number of Persons	1	1	6	6	3	3

There was no remuneration paid to the Chief Executive and Directors since the same has been paid by related parties in the capacity of them being the Chief Executive and Directors of the related parties.

Fee paid to five directors for attending Board of Directors meetings during the year amounted to Rs. 13,000 (2018: Rs. 16,000).

36. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

i) Financial assets and liabilities by category and their respective maturities

	Interest / Mark-up bearing			Non interest bearing			Total
	Maturity up to one year	Maturity after one year	Sub-total	Maturity up to one year	Maturity after one year	Sub-total	
----- (Rupees in '000') -----							
FINANCIAL ASSETS							
Loans and receivables							
Trade and Other Receivables	-	-	-	80,272	-	80,272	80,272
Loans, advances, prepayments and deposits	-	-	-	3,981	3,436	7,417	7,417
Tax refunds due from Govt.	-	-	-	-	-	-	-
Cash and bank balances	-	-	-	6,246	-	6,246	6,246
Long-term investments	-	-	-	-	1,203,056	1,203,056	1,203,056
2019	-	-	-	90,499	1,206,492	1,296,991	1,296,991
2018	-	-	-	96,080	185,577	281,657	281,657
FINANCIAL LIABILITIES							
Trade and other payables	-	-	-	206,135	-	206,135	206,135
Short term borrowings	66,854	-	66,854	18,800	-	18,800	85,654
Unclaimed Dividend	-	-	-	518	-	518	518
2019	66,854	-	66,854	225,453	-	225,453	292,307
2018	-	-	-	143,838	-	143,838	143,838
Off balance sheet items							
Letters of credit and guarantee							
2019							149,652
2018							86,159

ii) CREDIT RISK

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. Out of the total financial assets of Rs. 1,297 million (2018: Rs. 282 million) the financial assets exposed to the credit risk amount to Rs. 1,297 million (2018: Rs. 282 million) which mainly comprise of long-term investments.

The Company attempts to control credit risk associated with the carrying amount of its receivables by monitoring credit sales limits and securing credits through bank and personal guarantees.

The cash and bank balances represent low credit risk as major balances are placed with banks having credit ratings of A or above as assigned by credit rating agencies.

Loans to employees are not exposed to any material credit risk as these are secured against the employees retirement benefits.

The management does not expect any losses from non-performance by these counterparts.

iii) LIQUIDITY RISK

Liquidity risk reflects the Company's inability in raising funds to meet commitments. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. Management monitors rolling forecast of the Company's liquidity reserve which comprises of undrawn borrowing facility and cash and cash equivalents on the basis of expected cash flow.

iv) MARKET RISK

a) Foreign exchange risk

Foreign currency risk arises mainly where payables and receivables exist due to transactions in foreign currencies. The Company's exposure to exchange risk comprises mainly due to accounts payable in foreign currency. At June 30, 2019, trade and other payables of Rs. 131.70 million (2018: Rs. 86.20 million) are exposed to foreign currency risk.

As at June 30, 2019, if the Pak Rupee had weakened / strengthened by 9% against US Dollar with all other variables held constant, profit before income tax for the year would have been lower / higher by Rs. 5.74 million (2018: Rs. 3.85 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated trade and other payables.

b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. As at June 30, 2019, the Company is not materially exposed to interest rate risk.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to equity securities price risk arises from investment held by the Company in IBL Healthcare Limited and International Brands Limited and classified in the statement of financial position as fair value through OCI (2018: available-for-sale). The maximum exposure to price risk as at June 30, 2019 amounts to Rs. 40.71 million and Rs. 1,162 million (2018: Rs. 9749 million and Rs. 0.84 million) respectively.

As at June 30, 2019, if the market prices of the equity securities had increased / decreased by 1% with all other variables held constant, other comprehensive income for the year would have been higher / lower by Rs. 12.03 million (2018: Rs. 1.81 million).

v) FAIR VALUES OF THE FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2019, all financial assets and financial liabilities are carried at amortised cost except for investments in IBL HealthCare Limited and International Brands Limited which are being carried at fair value.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- a) Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- a) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (eg. significant increases / decreases in activity); and
- changes in inputs used in valuation techniques (eg. inputs becoming / ceasing to be observable in the market).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The valuation technique used is as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: Inputs that are observable either directly or indirectly

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: Unobservable inputs

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2019:

FINANCIAL ASSETS

Investments - held at fair value through OCI

2019			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000') -----			
40,707	-	1,162,349	1,203,056

FINANCIAL ASSETS

Investments - available for sale

2018			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000') -----			
97,490	-	-	97,490

37. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard Company's ability to continue as a going concern in order to provide adequate returns for shareholders and benefit for other stakeholders. The Company finances its operations through equity.

38. PLANT CAPACITY AND PRODUCTION

Packaging

Powder Products
Granular Products

Annual Capacity		Annual Production	
2019	2018	2019	2018
----- (Kilograms) -----			
197,127	197,127	58,371	56,683
1,351,728	1,351,728	763,882	596,709
----- (Litres) -----			
1,633,338	1,633,338	107,909	70,384

Production during the year was as per market demand.

39. NUMBER OF EMPLOYEES

Number of employees as at June 30, 2019

Average number of employees during the year

2019	2018
93	80
92	82

40. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in their meeting held on September 25, 2019 have proposed a cash dividend of Rs. 0.25 per share (2018: 0.25 per share) amounting to Rs. 7.6 million (2018: 6.6 million) and a bonus issue at 15% (2018: 15%) amounting to Rs. 46 million (2018: Rs 40 million) subject to approval of the Company in the forthcoming annual general meeting.

41. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

Reclassification from component	Reclassification to component	(Rupees in '000')
Statement of Financial Position		
Long-term investments	Investment in associate	1,076,459
Other operating expenses	Finance cost	7,549

42. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 25, 2019 by the Board of Directors.



ASAD ABDULLA
Chief Executive Officer

SYED NADEEM AHMED
Director

SOHAIL HASNAIN AHMED
Chief Financial Officer



Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered
-  Stock trading simulator (based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device
-  Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

 jamapunji.pk

 @jamapunji_pk

*Mobile apps are also available for download for android and ios devices

Stakeholders Information

Pattern of Shareholding

as at June 30, 2019

Categories of Shareholders	Shareholders	Shares Held	% age
DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN			
Syed Nadeem Ahmed	1	1,639	0.01
Rashid Abdulla	1	2,072	0.01
Shakila Rashid	1	590,966	1.93
Asad Abdulla	1	26,520	0.09
Ayaz Abdulla	1	2,072	0.01
Rashid Abdulla	1	394	0.00
Zubair Razzak Palwala	1	2,072	0.01
Shakila Rashid	1	1,491	0.00
Tahirsaeed	1	834	0.00
ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES			
International Brands Limited	2	21,609,825	70.46
EXECUTIVES			
	2	15,527	0.05
PUBLIC SECTOR COMPANIES AND CORPORATIONS			
	4	1,167	0.00
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS			
	8	1,787,044	5.83
MUTUAL FUNDS			
Cdc - Trustee National Investment (Unit) Trust	1	1,471,201	4.80
GENERAL PUBLIC			
a. Local	1434	4,945,032	16.12
b. Foreign	-	-	-
FOREIGN COMPANIES			
	1	454	0.00
OTHERS			
	15	212,241	0.69
Totals	1476	30,670,551	100.00
Share holders holding 5% or more			
International Brands Limited		21,609,825	70.46
First Udl Modaraba		1,621,722	5.29

DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN

S.No.	Folio No.	Name of Shareholder	Number of Shares	% age
1	02113-3397	Syed Nadeem Ahmed	1,639	0.01
2	03277-11384	Rashid Abdulla	2,466	0.01
3	03277-12714	Shakila Rashid	592,457	1.93
4	03277-20909	Asad Abdulla	26,520	0.09
5	03277-21385	Ayaz Abdulla	2,072	0.01
6	03277-93293	Zubair Razzak Palwala	2,072	0.01
7	07179-5250	Tahir Saeed	834	0.00
7			628,060	2.05

ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES

01.	03277-2937	International Brands Limited	21,280,125	69.38
02.	2347	International Brands Limited	329,700	1.07
2			21,609,825	70.46

EXECUTIVE

01.	03277-25981	Adnan Ahmed Feroze	6,333	0.02
02.	1740	Adnan Ahmed Feroze	9,194	0.03
2			15,527	0.05

PUBLIC SECTOR COMPANIES AND CORPORATIONS

01.	33	National Bank of Pakistan Trustee Wing	326	0.00
02.	1799	Industrial Development Bank of Pakistan (ICP Unit)	326	0.00
03.	00083-36	IDBL (ICP Unit)	93	0.00
04.	03889-28	National Bank of Pakistan	422	0.00
4			1,167	0.00

BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS

01.	2640	Crescent Investment Bank Ltd.	566	0.00
02.	2520	Crescent Standard Modaraba	19,192	0.06
03.	02113-21	First Equity Modaraba	18,888	0.06
04.	2666	First IBL Modaraba	34,782	0.11
05.	2529	First UDL Modaraba	101	0.00
06.	03277-1651	First UDL Modaraba	1,621,621	5.29
07.	02139-29	Premier Insurance Limited	24,035	0.08
08.	03277-78335	Trustee National Bank Of Pakistan Employees Pension Fund	67,859	0.22
8			1,787,044	5.83

MUTUAL FUNDS

S.No.	Folio No.	Name Of Shareholder	Number Of Shares	% age
01.	14902-21	CDC - Trustee National Investment (Unit) Trust	1,471,201	4.80
1			1,471,201	4.80

GENERAL PUBLIC FOREIGN

NIL			-	-
-			-	-

FOREIGN COMPANIES

01.	2351	Boston Safe Deposit & Trust Co	454	0.00
1			454	0.00

OTHERS

01.	01917-33	Prudential Securities Limited	17	0.00
02.	03277-45147	Eduljee Dinshaw (Pvt.) Limited	38,334	0.12
03.	03277-82127	Trustee National Bank of Pakistan Emp Benevolent Fund Trust	2,378	0.01
04.	03293-38	S.H. Bukhari Securities (Pvt) Limited	363	0.00
05.	03525-87235	Maple Leaf Capital Limited	1	0.00
06.	05587-48203	Stock Master Securities (Pvt.) Ltd	80	0.00
07.	05868-28	Cliktrade Limited	161	0.00
08.	10181-24	Horizon Securities Limited	1	0.00
09.	14241-22	Fikree's (pvt.) Ltd.	4,945	0.02
10.	04705-87224	Federal Board of Revenue	23,596	0.08
11.	02113-3850	Capital Financial Services (Pvt.) Limited	2,300	0.01
12.	14753-20	Arif Habib Limited - MF	117,000	0.38
13.	16857-26	Mra Securities Limited - MF	12,500	0.04
14.	03277-89483	Trustees of First UDL Modaraba Staff Provident Fund	8,840	0.03
15.	04903-23	Ample Securities (Private) Limited	1,725	0.01
15			212,241	0.69

GENERAL PUBLIC LOCAL

1434			4,945,032	16.12
1476			30,670,551	100.00

TOTAL

No. of Shareholders	Shareholdings'Slab			Total Shares Held
679	1	to	100	6,948
259	101	to	500	67,687
138	501	to	1000	98,202
267	1001	to	5000	603,540
50	5001	to	10000	340,987
18	10001	to	15000	212,082
18	15001	to	20000	308,706
5	20001	to	25000	115,152
7	25001	to	30000	192,174
5	30001	to	35000	167,235
4	35001	to	40000	150,189
1	40001	to	45000	42,579
3	45001	to	50000	140,972
1	50001	to	55000	51,763
2	65001	to	70000	137,243
1	75001	to	80000	78,200
2	80001	to	85000	165,668
1	95001	to	100000	99,334
1	100001	to	105000	104,003
2	105001	to	110000	217,755
1	115001	to	120000	117,000
1	150001	to	155000	152,375
1	165001	to	170000	167,305
1	170001	to	175000	173,000
1	200001	to	205000	200,041
1	325001	to	330000	329,700
1	470001	to	475000	472,742
1	590001	to	595000	590,966
1	790001	to	795000	794,056
1	1470001	to	1475000	1,471,201
1	1620001	to	1625000	1,621,621
1	21280001		21285000	21,280,125
1476				30,670,551

Proxy Form

The Company Secretary
United Distributors Pakistan Limited
9th floor, NIC Building, Abbasi Shaheed Road,
Karachi.

I / We _____
son / daughter / wife / husband of _____
shareholder of **United Distributors Pakistan Limited** holding _____
ordinary shares hereby appoint _____
who is my _____ [state relationship (if any) with the proxy; required by Government regulations]
and the son / daughter / wife / husband of _____, (holding _____
ordinary shares in the Company under Folio No. _____) [required by Government] as my / our proxy, to
attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 24, 2019
and / or any adjournment thereof.

Signed this _____ day of _____ 2019.

Witnesses: (A)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Signature on Revenue
Stamp of Rs. 5/-

Signature of Member(s)

Witnesses: (B)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Folio No. _____

CDC Participation I.D. No. _____

Sub Account No. _____

IMPORTANT:

- The member is requested:
 - To affix Revenue Stamp of Rs. 5/- at the place indicated above.
 - To sign across the revenue Stamp in the same style of signature as is registered with the Company.
 - To write down his Folio Number.
- In order to be valid, this proxy must be received at the registered office of the Company at least 48 hours before the time fixed for the Meeting, duly completed in all respects.
- CDC Shareholders or their proxies should bring their original Computerized National Identity Card or Passport along with the Participant's ID Number and their Account Number to facilitate their identification. Detailed procedure is given in the Notes to the Notice of AGM.



Pakistan

AFFIX
CORRECT
POSTAGE

The Company Secretary
United Distributors Pakistan Limited
9th floor, NIC Building, Abbasi Shaheed Road,
Off: Shahrah-e-Faisal, Karachi.



Pakistan

AFFIX
CORRECT
POSTAGE

دی کمپنی سیکریٹری
یونائیٹڈ ڈسٹری بیوٹرز پاکستان لمیٹڈ
۹ ویں منزل، این آئی سی بلڈنگ، عباسی شہید روڈ
شاہراہ فیصل، کراچی۔

چھ سالہ کلیدی افعال اور مالیاتی اعداد و شمار ایک نظر میں

درج ذیل اختصار چھ سالوں کے کلیدی مالیاتی افعال اور بشمول مالیاتی نتائج برائے زیر جائزہ سال شامل ہے:

2019	2018	2017	2016	2015	2014
----- (Rupees in '000') -----					
28,580	19,537	27,402	19,910	35,001	39,054
6,971	5,915	5,317	4,158	248	594
2,334,849	1,257,612	1,153,542	1,004,720	790,774	581,908
3,436	4,424	3,942	2,550	2,325	2,766
93,302	112,801	79,306	75,261	82,332	113,997
2,467,138	1,400,289	1,269,509	1,106,599	910,680	738,319
306,707	266,702	242,456	202,047	183,679	183,679
2,016,101	998,056	929,180	831,610	676,276	525,944
2,322,808	1,264,758	1,171,636	1,033,657	859,955	709,623
144,330	135,531	97,873	72,942	50,725	28,696
2,467,138	1,400,289	1,269,509	1,106,599	910,680	738,319
540,600	451,049	399,687	335,352	339,619	402,921
72,860	223,972	185,526	150,894	137,683	94,844
50,371	166,439	156,249	109,768	116,942	110,308
1.64	5.43	5.09	3.58	3.81	3.60
9.32%	36.90%	39.09%	32.73%	34.43%	27.38%
2.04%	11.89%	12.31%	9.92%	12.84%	14.94%
2.5%	2.5%	0%	0%	0%	0%
15%	15%	10%	20%	10%	0%
46,006	40,005	24,246	40,409	18,368	0%

استعمال کئے گئے اثاثے

جائیداد، پلائٹ اور سامان
غیر مادی اثاثہ جات
طویل المدت سرمایہ کاریاں
طویل المدت قرضہ اور محمد قوم
مجموعی حالیہ اثاثہ جات
لگائے گئے کل اثاثہ جات

مالیاتی حاصل مقامیاب

جاری کردہ تائیدی اور ادا شدہ سرمایہ
محفوظ اور غیر معینہ منافع
حصص یافتگان کے حقوق
طویل المدت اور زبرائواء واجبات
کل لگایا گیا سرمایہ

محوری آمدنی

منافع قبل از ٹیکس
منافع بعد از ٹیکس
آمدنی فی حصص
محوری آمدنی کا فیصد منافع
لگائے گئے سرمایہ کا فیصد منافع

نقد (%)

ذخیرہ (%)

مستر ذخیرہ رقم

پراکسی فارم

دی کمپنی سیکریٹری

یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ

۹ ویں منزل، این آئی سی بلڈنگ، عباسی شہید روڈ

کراچی۔

میں / ہم۔

پسر / دختر / زوجہ / خاوند۔

شیئر ہولڈر۔

بابت یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ حامل۔

عمومی شیئرز بذریعہ ہذا۔

جو میر / امیری۔ (رشتے کی نوعیت بیان کریں) (اگر کوئی ہو) مع پراکسی حکومتی ضوابط کے

مطابق ضروری) اور پسر / دختر / زوجہ / خاوند۔ حامل۔ کمپنی کے عمومی شیئرز

فولیو نمبر۔ (کے تحت) حکومت کی جانب سے درکار [بطور میر / ہمارا پراکسی کمپنی کے مورخہ ۲۳ اکتوبر ۲۰۱۹ کو منعقد ہونے والے

سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ اجلاس میں میرے / ہمارے لئے اور میری / ہماری جانب سے شرکت اور ووٹ ڈالنے / گے اور / یا کسی دوسری کاروائی میں حصہ لے گا / گی۔

دستخط آج بروز۔ بتاریخ۔ ۲۰۱۹ء

گواہ (اے):

دستخط:

نام:

پتہ:

سی این آئی سی / پاسپورٹ نمبر:

گواہ (بی):

دستخط:

نام:

پتہ:

سی این آئی سی / پاسپورٹ نمبر:

اہم نکات:

۱۔ ممبران سے درخواست ہے کہ:

i. جس مذکورہ بالا جگہ پر نشاندہی کی گئی ہے وہاں۔ / ۵ روپے کارپونیا سٹیپ چسپاں کریں۔

ii. رپونیا سٹیپ پراسی طرح دستخط کریں جس طرز میں کمپنی کے پاس رجسٹرڈ ہو۔

iii. اس کا فولیو نمبر درج کریں۔

۲۔ منوثر بنانے کے لئے یہ پراکسی لازماً کمپنی کے رجسٹرڈ آفس میں ہر طرح سے مکمل صورت میں اجلاس کے لئے طے شدہ وقت سے کم از کم ۴۸ گھنٹے قبل موصول ہو جائے۔

۳۔ سی ڈی سی شیئر ہولڈرز یا ان کے پراکسیز اپنی شناخت میں سہولت کے لئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ بشمول پارٹیشنٹ کا آئی ڈی نمبر اور ان کے اکاؤنٹ نمبر لازماً ساتھ لائیں۔

مفصل طریقہ کار غیر معمولی اجلاس عام کی اطلاع کے نوٹس میں دیا گیا ہے۔

۵ روپے کارپونیا سٹیپ

دستخط ممبر (ممبران)

شیئر ہولڈر (ہولڈرز) فولیو نمبر۔ اور / یا

سی ڈی سی پارٹیشن آئی ڈی نمبر۔ اور

ذیلی اکاؤنٹ نمبر۔

ضابطہ اخلاق

کمپنی کے مجلس منتظمین نے ایک ضابطہٴ اخلاق اپنایا ہے۔ تمام ملازمین کو اس سے باخبر اور آگاہ رکھا جاتا ہے اور کاروبار اور ضابطوں کے ضمن میں ان ضابطہٴ اخلاق کی پابندی درکار ہوتی ہے۔

ادارتی اور مالیاتی معلوماتی خاکہ

کمپنی نے فہرست شدہ (ضابطہ ادارتی انتظام) کی تمام درکار ٹھوس ضروریات کی تعمیل کی ہے۔

مالیاتی اور ادارتی انتظام کے لائحہ عمل کی تفصیلات درج ذیل ہیں:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی تفصیلات اپنے معاملات ، ادارتی نتائج، نقد گوشوارے، اور ایکویٹی میں تبدیلی کو شفاف طریقے سے پیش کرتی ہے۔
- کمپنی نے باقاعدہ کتابی کھاتے ترتیب دیئے ہیں۔
- مالیاتی تفصیلات کی تیاری میں موزوں کھاتے داری نظام کا بدستور اطلاق کیا گیا اور مالیاتی تفصیلات اور کھاتہ داری تخمینہ معقول اور زریک فیصلے کی بنیاد پر ہیں۔
- بین الاقوامی مالیاتی گوشوارہ معیار، جیسا کہ پاکستان میں رائج ہے، جسے مالیاتی تفصیلات کی تیاری میں اپنایا گیا۔
- داخلی نگرانی کا نظام وضع کے لحاظ سے مستحکم ہے اور اسے مؤثر طریقے سے اپنایا گیا اور اسکا مشاہدہ کیا گیا ہے۔ داخلی انتظامی نظام کے مشاہدہ کا طریقہ کار نگرانی کو مزید استحکام دینے اور نظام میں بہتری لانے کیلئے اس مقصد کے ساتھ جاری رہے گا۔
- کاروباری تسلسل کیلئے فنڈز کی حیثیت پر کوئی شبہ نہیں ہے۔
- ادارتی انتظامی لحاظ سے کوئی میئرل ڈیپارچمنٹس ہیں جیسا کہ پاکستان اسٹاک ایکسچینج رول بک میں تفصیل سے درج ہے۔
- کمپنی کی انتظامیہ بہتر ادارتی انتظام پر کار بند ہے اور مناسب عملدرآمد کی تعمیل میں بہتر اقدامات کئے جا رہے ہیں۔
- حصص کاری کا نمونہ سالانہ رپورٹ میں شامل کیا گیا ہے۔
- چھ سالوں کے کلیدی جانچ کردہ افعال اور مالیاتی نتائج اس سالانہ رپورٹ میں شامل کیئے گئے ہیں۔

منتظمین کا تربیتی پروگرام

منتظمین جو پہلے سے منتظمین کی تربیت میں شرکت کر چکے ہوں یا درج شدہ کمپنیز (ادارتی انتظامی ضابطہ) قواعد 2017 میں درکار اہلیت سے مستثنیٰ قرار دیئے جاتے ہیں۔

ملازمین کے اختتام ملازمت پر فوائد کا منصوبہ

کمپنی اپنے ملازمین کو اختتامی فوائد پرویڈنٹ فنڈ کی شکل میں فراہم کرتی ہے۔ ان امدادی فوائد کو باقاعدہ ٹرسٹ کی منظوری سے ترتیب دیا جاتا ہے۔ یہ ٹرسٹ تشکیل دیئے جاتے ہیں ٹرسٹیز کی جانب سے جو ان فنڈز کی جانچ پڑتال کراتے ہیں۔

پروویڈنٹ فنڈ کی سرمایہ کاری لاگت ان کے محاسب کردہ کھاتوں کی بنیاد پر بمطابق ۳۰ /جون ۲۰۱۹ء اور بمطابق ۳۰ جون ۲۰۱۸ء بالترتیب درج ذیل تھی:

2019	2018
----- (روپے، ہزاروں میں) -----	
101,589	115,418
پروویڈنٹ فنڈ سرمایہ کاری کی شفاف لاگت	

محاسب کمیٹی

یہ کمیٹی تین ممبران پر مشتمل ہے جو تمام غیر اعلیٰ منتظمین ہیں بشمول سربراہ کمیٹی۔

مجلس منتظمین کی جانب سے کمیٹی کی حوالہ شرائط کا تعین پاکستان اسٹاک ایکسچینج رول بک میں مہیا کردہ ہدایات کے مطابق کیا گیا اور کمیٹی کو اس پرمملدرآمد کا مشورہ دیا گیا۔ کمیٹی نے دوران سال چاراجلاس منعقد کئے۔

نمبر شمارہ	نام منتظم	شرکت کردہ اجلاس
01. 02. 03.	جناب طاہر سعید جناب ایاز عبداللہ جناب زہیر پال والا	3 3 4

مجلس منتظمین کے اجلاس

دوران سال، مجلس منتظمین کے پانچ اجلاس منعقد کئے گئے۔ ہر ایک منتظم کی شرکت درج ذیل تھی:

نمبر شمارہ	نام منتظم	شرکت کردہ اجلاس
01. 02. 03. 04. 05. 06. 07.	جناب راشد عبداللہ جناب اسد عبداللہ جناب زہیر پال والا جناب الٹس۔ ندیم احمد جناب ایاز عبداللہ جناب طاہر سعید جناب محمد سلمان حسین چاؤلہ	4 3 4 4 2 3 4

مزید یہ کہ، غیر حاضری کی چھٹی ان منتظمین کو جاری کی گئی جو بورڈ کے کچھ اجلاس میں شرکت نہیں کر سکے۔

کمیٹی برائے انسانی وسائل اور معاوضہ جات

کمیٹی تین غیر اعلیٰ ارکان پر مشتمل ہے۔ اس کمیٹی کے چیئرمین ایک آزاد منتظم ہیں۔

دوران سال، ایک اجلاس منعقد کیا گیا، جن کی شرکت درج ذیل ہے:

نمبر شمارہ	نام منتظم	تشکیل	شرکت کردہ اجلاس
01. 02. 03.	جناب محمد سلمان حسین چاؤلہ جناب ایاز عبداللہ جناب زہیر پال والا	آزاد منتظم۔ سرپرست غیر اعلیٰ منتظم غیر اعلیٰ منتظم	1 1 1

منتظمین کے معاوضہ جات

منتظمین کے معاوضہ جات کی نمایاں کیفیت اور کلیدی عناصر درج ذیل ہیں:

- غیر اعلیٰ منتظمین صرف فیس بطور معاوضہ وصول کرنے کے حقدار ہیں جو ان کی جانب سے بورڈ اور کمیٹی میں شرکت کردہ اجلاس کی مد میں ہے۔
- بورڈ اپنے منتظمین کیلئے بورڈ اور کمیٹی میں شرکت کا معاوضہ طے کرنے کا مجاز ہے۔

داخلی مالیاتی انضباط کی موزونیت

کمپنی کے اثاثہ جات کے تحفظ کو یقینی بنانے کیلئے موزوں داخلی انضباطی نظام فعال کیا گیا ہے، جو متعلقہ قوانین و ضابطوں کی تعمیل اور قابل اعتماد مالیاتی تفصیلات کے مطابق ہے۔ مجلس منتظمین نے داخلی جانچ پڑتال کیلئے بیرونی ذرائع سے بی ڈی او ابراہیم اینڈ کمپنی ، چارٹرڈ اکاؤنٹینٹس کی خدمات حاصل کی ہیں جنہیں اس غرض سے موزوں طور پر قابل اور تجربہ کار سمجھا جاتا ہے اور کمپنی کے لائحہ عمل اور طریقہ کار سے واقف ہیں۔

قانونی محاسبہ کار

موجودہ محاسبہ کار، اے ایف فرگوسن اینڈ کمپنی ، چارٹرڈ اکاؤنٹینٹس ، ریٹائر اور بحیثیت اہل ہونے کے، خود دوبارہ تقرری کے لئے پیش کرتے ہیں۔ مجلس منتظمین ان کی دوبارہ تقرری بطور کمپنی کے قانونی محاسبہ کار، محاسبہ کمپنی کی تجویز کی توثیق کرتی ہے برائے مالیاتی اختتام سال ۳۰ /جون ۲۰۲۰ء باہمی طے شدہ فیس پر۔

حصص میں شراکتی داری کا نمونہ

کمپنی میں حصص کاری کا نمونہ بطور ۳۰ /جون ۲۰۱۹ء، بشمول ضروری معلومات ہمراہ رپورٹ ہذا منسلک ہے۔

مستقبل کا خاکہ

ہمارا مقصد کسانوں کی بہتری کے لئے اپنے سفر کو جاری رکھنا ہے بذریعہ ہماری بہترین خدمات اور اعلیٰ معیاری مصنوعات انہیں بہتر فصل اور انسانوں کو اعلیٰ معیاری غذا میں حاصل کرنے کے قابل بنانے کیلئے۔ کمپنی پر پڑنے والے معاشرتی اثرات کو مد نظر رکھتے ہوئے ، ہمیں توقع ہے کہ روپے کی قدر میں کمی ، افراط زر کا دباؤ اور بڑھتی ہوئی قیمت سے کمپنی کی شرح منافع ، مجموعی نفع اور نقدی بہاؤ پر منفی اثر پڑ سکتا ہے۔ تاہم ان دشواریوں کو کم کرنے کیلئے بہتر سطح موزوں اقدامات کئے گئے اور ان پرمملدرآمد کیا گیا ہے۔

کمپنی کارکردگی کو برقرار رکھنے اور اہداف حاصل کرنے کیلئے اپنی پیداواری صلاحیت ، اخراجاتی لاگت اور عملی مہارت میں بہتری کی جدوجہد کو جاری رکھے گی۔

توثیق

منتظمین اپنے صارفین، بینکرز اور دیگر حصص یافتگان کا ان کی مسلسل حمایت اور حوصلہ افزائی پر شکریہ کا اظہار کرتے ہیں اور کمپنی کے ملازمین کی جانب سے ان کی گرانقدر خدمات کو سراہتے ہیں۔

برائے اور بورڈ کی جانب سے

اسد عبداللہ

چیف ایگزیکٹو آفیسر

سید ندیم احمد

ڈائریکٹر

کراچی: ۲۵ ستمبر ۲۰۱۹ء

ڈائریکٹرز رپورٹ

یونائیٹڈ ڈسٹری بیوٹرز پاکستان لمیٹڈ (یوڈی پی ایل) کی مجلس منتظمین کو رپورٹ ہذا پیش کرتے ہوئے خوشی ہے، بشمول کمپنی کی محاسب کردہ مالیاتی تفصیلات برائے اختتام سال ۲۰۱۹ء۔

رپورٹ ہذا کو کمپنی کی سالانہ عمومی مجلس منعقد مورخہ ۲۵ اکتوبر ۲۰۱۹ء میں ارکان کو پیش کی جانی ہے۔

کمپنی نے درج ذیل طریقے سے درکار قواعد کی تعمیل کی ہے۔

نمبر شمارہ	ڈائریکٹرز	منتظمین کی کل تعداد
(الف)	مرد	07
(ب)	خاتون	-

مجلس منتظمین کے نام اور تشکیل بر مطابق ۲۰۱۹ء درج ذیل ہیں۔

نمبر شمارہ	تشکیل	منتظمین کی کل تعداد
۱۔	آزاد منتظمین	جناب طاہر سعید جناب محمد سلمان حسین چاؤلہ
۲۔	دیگر غیر اعلیٰ منتظمین	جناب راشد عبداللہ جناب الیس۔ عدیم احمد جناب زہیر یال والا جناب یاز عبداللہ
۳۔	اعلیٰ افسران	جناب اسد عبداللہ

کاروباری کارکردگی

کمپنی نے زیر جائزہ سال کا ایک مثبت خاکہ جاری رکھا اور قابل ذکر مصنوعات کی اقسام اور

خدمات کے ساتھ پائیدار نشو و نما اور اقداری تخلیق کے طویل المدت عزائم کا اعادہ کیا۔

ان کوششوں کے نتیجے میں، کمپنی کی کارکردگی نے برائے اختتام سال ۲۰۱۹ء گزشتہ سال کی نسبت قابل غور بہتری ظاہر کی ہے جو کمپنی کے منصویوں اور عزائم کے عین مطابق ہے۔

کمپنی کی مالیاتی کارکردگی برائے اختتام سال ۲۰۱۹ء مختصر اُدرج ذیل ہے:

	FY 2017-18	FY 2018-19	% Changes
			----- (روپے، ہزاروں میں) -----
مجموعی فروخت	451,049	540,600	19.85 %
جملہ منافع	186,817	218,287	16.85 %
فعال منافع	30,984	50,178	61.95 %
منافع قبل از ادائیگی ٹیکس	223,972	72,860	-67.41 %
منافع بعد از ادائیگی ٹیکس	166,439	50,371	69.74 %
آمدنی فی شخص روپے میں	Restated 5.43	1.64	

- کمپنی کی مجموعی فروخت ۵۴۱ ملین، جو گزشتہ سال کے مقابلے میں ۱۹.۸۵ فیصد اضافہ درج ہو رہی ہے۔

- کمپنی کا جملہ منافع ۱۶.۸۵ فیصد کے حساب سے بڑھا اور ۲۰.۳۷ فیصد پر برقرار رہا نسبت گزشتہ رواں سال کے ۲۱.۴۲ فیصد کے مقابلے میں۔ فعال منافع گزشتہ رواں سال کے مقابلے میں ۶۱.۹۵ فیصد کے حساب سے بڑھا۔

- فروخت میں اضافہ اور فعال منافع کی وجہ نئے برانڈاز کی بہتر تقسیم کاری، مصنوعات کی بہتر مجموعی فروخت اور مصنوعاتی خاکہ میں تبدیلی اور معیاری مصنوعات کی ترسیل اور دیگر فعال اقدامات کے ذریعے فروغ کی کوششیں ہیں۔

ترسیل اور تقسیم کاری اخراجات گزشتہ سال کی رواں مدت کے مقابلے میں ۷.۳۷ فیصد سے بڑھے جو زیادہ فروختی حجم، خطوں کے پھیلاؤ اور اخراجات میں عمومی افراط زر کے باعث ہے۔ انتظامی اخراجات میں رواں سالہ مدت کے مقابلے میں ۱۸.۸۱ فیصد اضافہ درج ہوا جو قرضہ جات کی بے باقی کے اخراجات، عطیاتی ادائیگی اور عام افراط زر کی وجہ سے ہے۔ مالیاتی لاگت میں نمایاں اضافہ کمپنی کی جانب سے درآمدی ادائیگیوں کی مد میں زرمبادلہ کا نقصان برداشت کرنے کے باعث

واقع ہوا۔

آمدنی فی حصص

بنیادی آمدنی فی حصص بعد از ادائیگی ٹیکس ۱.۶۲ روپے (۲۰۱۸ء: ۵.۴۳ روپے) ہے۔ ای پی ایلس میں کمی شراکت داروں سے منافع کے حصص میں کمی کے باعث ہے۔

کمپنی کے فی حصص کی بنیادی آمدنی میں کوئی تخفیفی اثر نہیں پڑا، جیسا کہ کمپنی کے پاس ۲۰۱۹ء اور ۲۰۱۸ء تک کوئی قابل منتقل دستاویزات نہیں ہیں۔

شراکت داران کی جانب سے منافع کا حصہ

سال ۱۹۔۲۰۱۸ء کے دوران، کمپنی نے شراکت دار۔ ایف ایم سی یونائیٹڈ (پرائیویٹ) لمیٹڈ سے منافع کے حصص تسلیم کئے بر مطابق بین الاقوامی حسابی معیار ۲۸۔ انویسٹمنٹ ان ایسوسی ایٹس اینڈ جوائنٹ وینچر۔ یوڈی پی ایل کے پاس ایم ایف سی یونائیٹڈ (پرائیویٹ) لمیٹڈ میں ۴۰% فیصد ایکویٹی اسٹیک ہیں۔

محاسبین کی رپورٹ میں عبارتی مسئلہ پر تاکید

محاسبین نے نوٹ نمبر ۸.۲ پر توجہ دلائی ہے کہ کمپنی کے پاس حامل کمپنی کے ۸۲۵،۰۷۹،۱۱ حصص موجود ہیں۔

یہ حامل کمپنی میں براہ راست سرمایہ کاری نہیں تھی۔ حصص یافتگان نے اپنی میٹنگ منعقد ۱۴ فروری ۲۰۱۱ء میں اپنے شراکت داروں میں سے ایک کے سرمائے کو آئی پی ایل میں بدلنے کیلئے مخصوص قرار دے منظور کی، اور اسی کو معزز سندھ ہائی کورٹ کی جانب سے منظور کردہ ایک انتظامی منصوبہ کے ذریعے منظور کیا گیا۔

اہم خطرات اور غیر یقینی صورتحال

اس حقیقت کے باوجود کہ کمپنی کی مالیاتی کارکردگی گزشتہ چند سالوں سے بہتری کی جانب گامزن ہے کمپنی نے اپنے کامیابی کے سفر کو جاری رکھنے کیلئے اپنے راستے کی تمام رکاوٹوں کو کامیابی سے عبور کیا ہے۔

کمپنی کو معینہ خطرات اور غیر یقینی صورتحال کا سامنا ہے، تاہم، ہم سمجھتے ہیں کہ کاروباری مسابقت، شرح زرمبادلہ کی برعکس حرکت اور فصلوں کے لئے غیر سازگار ماحول نہایت اہم عناصر ہوں گے جو کمپنی کی مستقل کی مالیاتی کارکردگی سے متصادم ہو سکتے ہیں۔ کمپنی ان خطرات کو قابل قبول حد تک یاتخفیف کرنے پر مشترک کام کرتی ہے۔

حامل کمپنی

انٹرنیشنل برانڈز لمیٹڈ۔ آئی بی ایل، جو یونائیٹڈ ڈسٹری بیوٹرز پاکستان لمیٹڈ کی حامل کمپنی ہے جس کے پاس اس کمپنی میں ۴۶.۰ فیصد حصص ہیں۔ بر مطابق ۲۰۱۹ء، آئی بی ایل کے پاس ۱۰ روپے والے ۸۲۵،۶۰۹،۲۱ حصص ہیں۔

ڈیویڈنڈ

مجلس منتظمین نے مشاہدہ کیا کہ کمپنی کا اکثریتی منافع برائے اختتام سال ۲۰۱۹ء جو مشتمل ہے آمدنی بعنوان ”شیرز آف پروفٹ ایسوسی ایٹ“ جسے ایسوسی ایٹ کی جانب سے ڈیویڈنڈ کی شکل میں منظور نہیں کیا گیا ہے۔ تاہم، مجلس منتظمین نے اپنی میٹنگ منعقدہ مورخہ ۲۵ ستمبر ۲۰۱۹ء میں %۲.۵ فیصد (۰.۲۵ روپے فی حصص) نقد ڈیویڈنڈ تجویز کیا اور %۱۵ فیصد (۰.۱۰ حصص کیلئے ۵ حصص کے تناسب سے) اسٹاک ڈیویڈنڈ اختتام سال ۲۰۱۹ء جون، ۲۰۱۹ء۔

ادارتی سماجی ذمہ داری (سی ایل آر)

یوڈی پی ایل اپنے تمام متعلقین بشمول معاشرہ جس میں ہم رستے ہیں کی بہبود کیلئے پختہ عزم رکھتی ہے۔ ہم، یوڈی پی ایل پر، اسے طویل المدت کامیابی کا ایک اہم جز سمجھتے ہیں، لہذا دوران سال کمپنی نے صحت، تعلیم اور دیگر سماجی سرگرمیوں میں عطیات دیئے ہیں۔

معلوماتی صنعت و حرفت

کمپنی یقین رکھتی ہے کہ معلوماتی صنعت و حرفت کمپنی کو زیادہ موثر طریقے سے کام کرنے اور پیداواری صلاحیت کو بڑھانے میں معاون ہے۔

کمپنی اپنے معلوماتی نظام کو کاروبار کی بڑھتی ہوئی ضروریات کے تحت ترقی دینے میں کوشاں ہے بشمول معلوماتی صنعت و حرفت کے میدان میں ہونے والی تیز رفتار تکنیکی ترقی۔ تاہم کمپنی نے کامیابی سے ایس اے پی، پر عملدرآمد کیا ہے جو موجودہ ای آر پی کے طاقتور نظام میں سے ایک ہے۔

ویب سائٹ

ہمارے تمام متعلقین اور عوام الناس یونائیٹڈ ڈسٹری بیوٹر پاکستان لمیٹڈ (یوڈی پی ایل) کی ویب سائٹ www.udpl.com.pk ملاحظہ کر سکتے ہیں جس میں سرمایہ کار کیلئے ایک علیحدہ حصہ ہے جو کمپنی کے سالانہ، ششماہی اور سہ ماہی مالیاتی تفصیلات کی معلومات سے متعلق ہے۔

اختتامی تقریب

کوئی ٹھوس تبدیلی یا معاہدات واقع نہیں ہوئے جو کمپنی کی مالیاتی حیثیت پر اثر انداز ہوں، دوران اختتام مالیاتی سال اور اس رپورٹ کی تاریخ تک۔