



Pakistan

Spirit of Growth

Annual Report 2017

United Distributors Pakistan Limited

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United Distributors Pakistan Limited

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Vision

We deliver high quality solutions from the world's best sources to support our farmer 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 of 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: Shahrah-e-Faisal,
Karachi
Web: www.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 Shahrah-e-Faisal,
Karachi

CFO

Mr. Mudassir Habib Khan
Chief Financial Officer

HR, & Remuneration Committee

Mr. Ayaz Abdulla
Chairman

Mr. Zubair Palwala
Member

Mr. Asad Abdulla
Member

Bankers

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

Corporate Governance

United Distributors Pakistan Limited

Notice of Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting of UNITED DISTRIBUTORS PAKISTAN LIMITED will be held at Second Floor IBL Building Center Plot No. 1 Block 7/8, DMMCHS, Tipu Sultan Road, Karachi on Wednesday, October 25, 2017 at 4:00 p.m. to transact the following business:

1. To confirm the minutes of the last Extraordinary General Meeting held on May 24, 2017
2. To receive, consider and approve the audited financial statements of the Company for the year ended June 30, 2017 together with the Directors' and Auditors' reports thereon.
3. To appoint Auditors and fix their remuneration for the year 2017-2018. 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

4. To approve the issue of bonus shares in the ratio of ten shares for every hundred shares held i.e. 10% 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. 24,245,496/- out of the un-appropriated profits of the Company be capitalized and applied towards the issue of 2,424,549 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 18, 2017, in proportion of ten 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."

5. To approve the remuneration of the Chief Executive of the Company and, if thought appropriate, to pass with or without modification(s) the following resolution as ordinary resolution:

"RESOLVED that the Company be and hereby approves and authorizes the payment of remuneration to the Chief Executive for a total sum not exceeding Rs. 18 Million per annum exclusive of perquisites and retirement benefits, admissible under the Company's Rules

OTHER BUSINESS

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

By Order of the Board



ADNAN AHMED FEROUZE
Company Secretary

Karachi: October 04, 2017

Notice of Annual General Meeting

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

ITEM 4 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 ten 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 5 OF THE AGENDA

The approval is being sought for fixing the remuneration of the Chief Executive of the Company in accordance with their terms and conditions of service

The Chief Executive is interested only in the remuneration payable to him

NOTES:

1. The Share transfer books of the Company will remain closed from October 19, 2017 to October 25, 2017 (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 18, 2017.
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. The members are requested to deposit tax equivalent to five percent of the value of the bonus shares issued to the shareholders determined on the basis of day-end price on the first day of the closure of books within fifteen days from the first day of the closure of books.
9. If a member fails to make the payment of tax within fifteen days, the Company shall deposit the Bonus Shares in the Central Depository Company of Pakistan Limited or any other entity as may be prescribed.
10. Bonus Shares deposited in the Central Depository Company of Pakistan Limited shall be disposed of in the mode and manner as may be prescribed and the proceeds thereof shall be paid to the Commissioner, by way of credit to the Federal Government.

Chairman's Review

On behalf of Board of Directors, I am pleased to present the Company's 35th Annual Report which includes review of the Company's operations and audited financial statements for the year ended June 30, 2017.

The Chairman Review Report is prepared under section 223(6) of the Companies Act, 2017.

This report is to be submitted to the members at the 35th Annual General Meeting of the Company to be held on October 25, 2017.

BUSINESS AND INDUSTRY OVERVIEW

Our company operates in the agriculture sector which is the lifeline of Pakistan's economy. It accounts for 19.5 percent of the Gross Domestic Product (GDP) and employs 42.3 percent of the labor force. It is a source of providing food to a population of 200 million people along with raw material for several value-added sectors. Our dynamic and robust business strategy is driving our growth in line with our plans and objectives. In 2016-17, Company continued its trend of steady growth by achieving a growth of 19% in sales and 42% in net profit. This growth was driven by launch of diverse range of new products catering to the changing needs of the farmers, addition of new geographical locations, growth of existing product portfolio and decrease in finance cost through improved cash flow management.

FUTURE OUTLOOK

We aim to keep on our journey of steady and sustainable growth for the betterment of agriculture community through our high quality products. We strive to enable our farmers in getting the best crop yields and high quality of food for human beings. Along with intense competition, company is currently facing challenge of frequent changes in the regulatory framework under which agriculture related companies operate. However, despite of these challenges company is taking measures to enhance its competitive position and fuel its growth. The company is well prepared to respond to the rapidly changing dynamics of the business and industry.

ACKNOWLEDGMENTS

On behalf of the board of directors, I would like to express gratitude to our Customers, 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



RASHID ABDULLA
Chairman

Karachi: September 26, 2017

چیرمین کا جائزہ

بورڈ آف ڈائریکٹرز کی طرف سے میں کمپنی کی ۳۵ ویں سالانہ رپورٹ پیش کرتے ہوئے مسرت کا اظہار کرتا ہوں جس میں کمپنی کے آپریشنز اور ختمہ سال ۲۰۱۷ کے آڈٹ شدہ مالیاتی گوشواروں کا جائزہ لیا گیا ہے۔

چیرمین کی جائزہ رپورٹ کمپنیز ایکٹ ۲۰۱۷ کی دفعہ (۶) ۲۲۳ کے تحت تیار کی گئی ہے۔

۱۲۵ اکتوبر ۲۰۱۷ کو منعقد ہونے والے ۳۵ ویں سالانہ اجلاس عام میں یہ رپورٹ ممبران کو پیش کی جائے گی۔

صنعت اور کاروبار کا عمومی جائزہ

ہماری کمپنی کے آپریشنز کا تعلق زراعتی سیکٹر سے ہے جو پاکستانی معیشت کی جان ہے۔ یہ کل گروس ڈومیسٹک پروڈکٹ کا ۱۹.۵ فیصد ہے اور اس میں ۳۲.۳ لیبر فورس موجود ہے۔ یہ سیکٹر نہ صرف ۲۰ کروڑ افراد کی آبادی کی غذائی ضروریات کو پورا کرتا ہے بلکہ قیمتی اشیاء بنانے والے کچھ سیکٹرز کو خام مال فراہم کرتا ہے۔ ہماری متحرک اور تیز رفتار کاروباری حکمت عملیاں ہمارے مقاصد اور منصوبوں میں معاون ہیں جن کی وجہ سے ہمارے ادارے میں نمو ہوئی۔ ۲۰۱۶-۱۷ میں کمپنی نے نمو کے تیز رفتار رجحان کو برقرار رکھا جس کی وجہ سے فروخت میں ۱۹ فیصد اور خالص منافع میں ۴۲ فیصد اضافہ ہوا۔ یہ نمو اس وجہ سے حاصل ہوئی کہ کسانوں کی بدلتی ہوئی ضروریات کو پورا کرنے کے لئے مختلف النوع مصنوعات کو متعارف کرایا گیا، نئی جغرافیائی محل وقوع میں اضافہ کیا گیا، موجودہ مصنوعات کے پورٹ فولیو میں اضافہ کیا گیا اور کمیشن کی آمدورفت کے بہتر انتظام کے ذریعے مالیاتی لاگت میں کمی لائی گئی۔

مستقبل کا منظر نامہ

ہم اپنی اعلیٰ معیاری مصنوعات کے ذریعے زرعی کمیونٹی کی بہتری کے لئے پائیدار اور تیز رفتار نمو کا سفر جاری رکھیں گے۔ ہم اس بات کے لئے کوشاں ہیں کہ ہمارے کسانوں کو بہتر پیداوار حاصل ہو اور انسانوں کو ہم اعلیٰ معیاری غذا فراہم کر سکیں۔ مسابقت کے علاوہ زراعت سے متعلق کمپنیوں کو روز بروز بدلتے ہوئے نگران قوانین کا سامنا ہے۔ تاہم، ان چیلنجز کے باوجود کمپنی نے اپنی مسابقتی درجہ میں اضافہ کیا ہے اور اس کی نمو کو ایندھن فراہم کیا ہے۔ کاروبار اور صنعت میں تیزی سے تبدیل ہونے والے تحریکات کا مقابلہ کرنے کے لئے کمپنی مکمل طور پر تیار ہے۔

اعتراف

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

برائے اور بورڈ کی جانب سے



راشد عبداللہ
چیرمین

کراچی، ۲۶ ستمبر ۲۰۱۷ء

Directors' Report

The Board of 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, 2017.

The Directors' Report is prepared under section 227 of the Companies Act, 2017, Pakistan Stock Exchange Limited regulation 5.19.11 and clause xvi of the Code of Corporate Governance

This report is to be submitted to the members at the 35th Annual General Meeting of the Company to be held on October 25, 2017.

FINANCIAL PERFORMANCE

	2017	2016
	----- (Rupees in '000') -----	
Net sales	399,687	335,352
Gross profit	154,749	98,326
Profit/ (loss) from operations	19,809	(6,677)
Profit before taxation	185,526	150,894
Profit after taxation	156,249	109,768
EPS in Rs.	6.44	4.53

* اُردو کے لئے آخری صفحات ملاحظہ فرمائیے۔

BUSINESS OVERVIEW

The year 2016-17 was a favorable year for our shareholders and farmer community which we serve. UDPL is continuously striving to become a strong, dynamic and vibrant Company in the agriculture sector of Pakistan. The performance of the year ended June 30, 2017 has shown remarkable improvement from the previous year and is in line with the plans and objectives of the Company. Financial highlights of the year ended June 30, 2017 are summarized below:

- Net sales of the Company amounted to Rs 399.68 million, registering a growth of 19.2% over the corresponding period of the last year.
- Gross profit margin of the Company grew by 94% and stood at 38.7% as compared with 29.3% of the corresponding period of the prior year.
- Operating profit, profit before taxation and profit after taxation, of the company increased significantly by 3.97 times, 23% and 42% respectively.

The growth in sales and profitability was driven by introduction of some new pesticides mixtures, richer product mix by addition of new molecules, branding efforts by changing the outlook of the products and reduction in finance cost by 60%. Further, strict controls over costs and expenses have also contributed in improving the financial performance of the company.

EARNINGS PER SHARE

Earnings per share after taxation is Rs.6.44 (2016: Rs. 4.53). This increase in EPS is due to the increase in operating profit and share of profit from associates.

SHARE OF PROFIT FROM ASSOCIATES

During the year 2016-17, 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'.

Directors' Report

EMPHASIS OF THE MATTER PARAGRAPH IN AUDITORS' REPORT

The auditors' in their report have drawn attention to Note # 54 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.

HOLDING COMPANY

International Brands Limited- IBL is the Holding Company of United Distributors Pakistan Ltd. As at June 30, 2017 and IBL holds 17,160,872 shares of Rs.10 each.

DIVIDEND

The Board of Directors has observed that profit of the Company for the year ended June 30, 2017 comprises of significant amount of income under the head 'Share of profit associate' which has not been realized in the form of dividend income from the associate. However, the Board of Directors in its meeting held on September 26, 2017 has recommended to issue Bonus share in the proportion 10 shares for every 100 shares held i.e. 10% for the year ended June 30, 2017.

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, a CSR plan is in plan to for the welfare of its employees along with society in general.

INFORMATION TECHNOLOGY

The Company believes that Information technology allows the company to work more efficiently and to maximize productivity. Information technology facilitates faster communication, sharing of information, analysis of data and decision making.

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. The major investment in information technology which we are working on is the implementation of 'SAP' which is currently one of most power full information management system.

WEBSITE

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

SUBSEQUENT EVENT

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

COMPLIANCE WITH THE BEST PRACTICES OF CORPORATE GOVERNANCE AS PER CLAUSE XVI OF CODE OF CORPORATE GOVERNANCE

The Board is pleased to state that the management of the Company is compliant with the best practices of Corporate Governance. The Board acknowledges its responsibilities in respect of the corporate and financial reporting framework and thus states that:

- 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.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

Directors' Report

- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and deviation from these if any has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- 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.
- The details of outstanding statutory payment have been adequately disclosed in the financial statements. The company had made provision against workers welfare fund but the payment has not been made due to sufficient advance tax available to set off this liability.
- There has been no material departure from the best practices of corporate governance except that the previous CFO did not comply with the qualification criteria as specified in 5.19.9 (a) of the Code and rule 14B of the Companies (General Provisions & Forms) Rules respectively. The Board has subsequently approved appointment of new CFO including their remuneration and terms and conditions of employment.

DIRECTORS' TRAINING PROGRAM

All Directors' on UDPL board is appropriately certified from SECP approved institution. Mr. Rashid Abdulla is exempt from the training requirement of SECP due to his 40 years vast experience as the CEO of the group of companies. The following Directors hold certification from SECP approved institution:

- Mr. S. Nadeem Ahmed

- Mr. Zubair Palwala
- Mr. Asad Abdulla
- Mr. Ayaz Abdulla
- Mr. Salman Chawala
- Mr. Tahir Saeed

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 audited accounts as on June 30, 2017 and as on June 30, 2016 respectively was as follows:

	2017	2016
	----- (Rupees in '000') -----	
Fair value of provident fund investment	129,902	107,457

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	4
02.	Mr. Ayaz Abdulla	4
03.	Mr. Zubair Palwala	4

Directors' Report

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	3
02.	Mr. Asad Abdulla	5
03.	Mr. Zubair Palwala	5
04.	Mr. S. Nadeem Ahmed	5
05.	Mr. Ayaz Abdulla	5
06.	Mr. Tahir Saeed	5
07.	Mr. 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 Board in accordance with the Code of Corporate Governance has also constituted a Human Resource and Remuneration Committee, comprising of the following three Directors:

- Mr. Ayaz Abdulla
- Mr. Asad Abdulla
- Mr. Zubair Palwala

INTERNAL AUDITORS

The internal control framework has been effectively implemented through outsourcing the Internal Audit function to BDO Ebrahim & Co., Chartered Accountants which is independent of the External Audit function.

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, 2018 at a fee to be mutually agreed.

PATTERN OF SHAREHOLDING

Pattern of Shareholding of the Company as at June 30th, 2017, along with the necessary information is annexed to this report.

There were 1,533 shareholders on the record of the Company as at 30th June 2017.

FUTURE OUTLOOK

We aim to keep on our journey for the betterment of farmers through our unique services and high quality products to enable them in getting the best crop yields and high quality of food for human beings. Although, the competitive scenario of the agriculture sector has intensified, the Company is taking measures to enhance its competitive position and fuel its growth.

We expect to evolve as a company with an enriched mix of pesticides and fertilizers.

We continue to focus and invest on fundamental strengths i.e. our team, new brands, product registrations, enhancing the customer base, and reduction in operating expenses which will enable us to achieve sustainable growth.

ACKNOWLEDGMENTS

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

For and on behalf of the Board



ASAD ABDULLA
Chief Executive officer

Karachi: September 26, 2017

Directors' Report

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:

	2017	2016	2015	2014	2013	2012
----- (Rupees in '000') -----						
ASSETS EMPLOYED						
Property, plant and equipment	27,402	19,910	35,001	39,054	36,896	38,624
Intangible assets	5,317	4,158	248	594	1,078	1,131
Long-term investments	1,153,542	1,004,720	790,774	581,908	369,734	325,745
Long-term loans and deposits	3,942	2,550	2,325	2,766	15	1,540
Net current assets	79,306	75,261	82,332	113,997	22,399	(222,483)
Total assets employed	1,269,509	1,106,599	910,680	738,319	430,122	144,557
FINANCED BY						
Issued, subscribed and paid up capital	242,456	202,047	183,679	183,679	91,839	91,839
Reserve and un-appropriated profit	929,180	831,610	676,276	525,944	317,121	42,868
Shareholder's equity	1,171,636	1,033,657	859,955	709,623	408,960	134,707
Long term and deferred liabilities	97,873	72,942	50,725	28,696	21,162	9,850
Total capital employed	1,269,509	1,106,599	910,680	738,319	430,122	144,557
Turnover	399,687	335,352	339,619	402,921	369,847	502,354
Profit before tax	185,526	150,894	137,683	94,844	277,673	36,721
Profit after tax	156,249	109,768	116,942	110,308	277,174	61,318
Earning per share - Rs.	6.44	4.53	5.79	8.23	23.58	6.68
Profit % of turnover	39.09%	32.73%	34.43%	27.38%	74.94%	12.21%
Profit % of capital employed	12.31%	9.92%	12.84%	14.94%	64.44%	42.42%
DIVIDEND						
Cash (%)	0%	0%	0%	0%	0%	0%
Bonus share (%)	10%	20%	10%	0%	0%	0%
Bonus share amount	24,246	40,409	18,368	0%	0%	0%

Statement of Compliance with the Code of Corporate Governance

For the year ended June 30, 2017

This statement is being presented to comply with the Code of Corporate Governance, contained in Regulation No. 5.19.24 of the listing regulations of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

- The company encourages the representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes.

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

The independent directors meets the criteria of independence under clause 5.19.1 (b) of the CCG.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
- All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFII or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- No Casual Vacancy occurred during the year ended June 30, 2017.
- 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 decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.
- The meetings of the board were presided over by the Chairman and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
- The Company has arranged an orientation course for its directors during the year to acquaint them with the necessary skills and knowledge to carry out duties and responsibilities as director of the Company. Rashid Abdullah meets the exemption criteria of the Directors' Training Program, while rests of the six directors have acquired certification under the said program.

Statement of Compliance with the Code of Corporate Governance

For the year ended June 30, 2017

10. There was no appointment of Company Secretary during the year. During the year Chief Financial Officer of the Company Mr. Sohail Hasnain Ahmed resigned and Mr. Mudassir Habib Khan was appointed as Chief Financial Officer of the Company. Mr. Muhammad Ali Rasheed is appointed as the Head of Internal Audit of the Company. The Board has approved remuneration and terms and condition of employment of CFO, Company Secretary and Head of Internal Audit.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the board.
13. The director, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises of three members including Chairman of the committee, of whom all are non-executive directors and the chairman of the committee is an independent director
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises three members including Chairman of the committee, of whom majority are non-executive directors and the chairman of the committee is a non-executive director
18. 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 conversant with the policies and procedures of the company.
19. 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, 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
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. The related party transactions have been placed before the audit committee and approved by the Board of Directors along with pricing methods for transactions carries out on terms equivalent to those that prevail in the arm's length transactions.
25. We confirm that all other material principles enshrined in the CCG have been complied with.



ASAD ABDULLA
Chief Executive Officer

Karachi: October 04, 2017

Review report to the Members

on Statement of Compliance with the Code of Corporate Governance



We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of United Distributors Pakistan Limited for the year ended June 30, 2017 to comply with the Code contained in Regulation No. 5.19 of the Pakistan Stock Exchange Limited Regulations where the company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

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 Code requires 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. 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 any procedures to determine 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 best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.



Chartered Accountants
Karachi
Date: October 04, 2017

Auditors' Report to the Members



We have audited the annexed balance sheet of United Distributors Pakistan Limited as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984
- b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2017 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

EMPHASIS OF MATTER

We draw attention to note 54 to the financial statements. As stated in the note, as at June 30, 2017 the Company is holding 11,079,852 shares of International Brands Limited (Holding Company), amounting to Rs. 83,663,056. Our opinion is not qualified in respect of this matter.

Chartered Accountants

Karachi

Date: October 04, 2017

Engagement Partner: **FARRUKH REHMAN**

Financial Statements

United Distributors Pakistan Limited

Balance Sheet

as at June 30, 2017

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	3	27,402	19,910
Intangible assets	4	5,317	4,158
Long-term investments	5	1,153,542	1,004,720
Long-term loans	6	1,392	-
Long-term deposits	7	2,550	2,550

CURRENT ASSETS

Stock-in-trade	8	144,548	146,986
Trade debts	9	74,502	43,790
Loans, advances and prepayments	10	4,090	935
Other receivables	11	906	24,532
Taxation - payments less provisions		27,320	25,247
Tax refunds due from Government - Sales tax		-	2,906
Cash and bank balances	12	6,029	10,561

TOTAL ASSETS

	2017	2016
	----- (Rupees in '000') -----	
	1,190,203	1,031,338
	1,447,598	1,286,295

SHARE CAPITAL AND RESERVES

Share capital	13	242,456	202,047
Reserves		929,180	831,610
		1,171,636	1,033,657

NON-CURRENT LIABILITIES

Liabilities against assets subject to finance lease	14	8,677	1,692
Deferred taxation	15	89,196	71,250
		97,873	72,942

CURRENT LIABILITIES

Trade and other payables	16	173,359	176,169
Accrued mark-up		-	42
Current portion of liabilities against assets subject to finance lease	14	4,730	3,485
		178,089	179,696
		275,962	252,638

TOTAL LIABILITIES

COMMITMENTS

TOTAL EQUITY AND LIABILITIES

		1,447,598	1,286,295
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The annexed notes 1 to 36 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

Profit and Loss Accounts

for the year ended June 30, 2017

Sales	18	399,687	335,352
Cost of goods sold	19	(244,938)	(237,026)
Gross Profit		154,749	98,326

Distribution cost	20	(121,304)	(100,367)
Administrative expenses	21	(22,084)	(20,024)
Other expense		(175)	-
Other income	22	8,623	15,388
Operating profit / (loss)		19,809	(6,677)

Finance cost	23	(1,382)	(3,455)
Share of profit from associate	5	167,099	161,026
Profit before taxation		185,526	150,894

Taxation

Profit after taxation

Earnings per share

	2017	2016
	----- (Rupees in '000') -----	
	154,749	98,326
	19,809	(6,677)
	185,526	150,894
	156,249	109,768
	Rs 6.44	Rs 4.53

The annexed notes 1 to 36 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

Statement of Comprehensive Income

for the year ended June 30, 2017

	2017	2016
	----- (Rupees in '000') -----	
Profit after taxation	156,249	109,768
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to Profit or Loss		
Share of remeasurements of post employment benefit obligations of associate	(59)	(9,982)
Deferred tax relating to component of other comprehensive loss	7	1,248
	(52)	(8,734)
Items that may be subsequently reclassified to Profit or Loss		
(Loss)/Gain on revaluation of available for sale investment	(18,218)	72,668
Total comprehensive income for the year	137,979	173,702

The annexed notes 1 to 36 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

Statement of Cash Flow

for the year ended June 30, 2017

	2017	2016
	----- (Rupees in '000') -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used in) / generated from operations	(1,535)	47,186
Income tax paid	(13,398)	(9,170)
Mark-up paid	(515)	(2,608)
Increase in long-term loan	(1,392)	-
Decrease in long-term deposits	-	(225)
Net cash (outflow) / inflow from operating activities	(16,840)	35,183
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(18,274)	(1,616)
Purchase of intangible asset	(1,221)	(4,088)
Return received on deposit account	527	-
Dividend received	21,448	1,340
Right shares purchased	-	(3,349)
Sale proceeds on disposal of property, plant and equipment	2,506	7,959
Net cash inflow from investing activities	4,986	246
CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) of liabilities against assets subject to finance leases	7,322	(15,456)
Net (decrease) / increase in cash and cash equivalents	(4,532)	19,973
Cash and cash equivalents at beginning of the year	10,561	(9,412)
Cash and cash equivalents at end of the year	6,029	10,561

The annexed notes 1 to 36 form an integral part of these financial statements



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

Statement of Changes in Equity

for the year ended June 30, 2017

	RESERVES				Total
	Share Capital	General reserve	Unappropriated Profit	Gain on revaluation of available-for-sale investment	
	----- (Rupees in '000) -----				
Balance as at July 1, 2015	183,679	28,548	575,003	72,725	859,955
Bonus shares issued during the period in the ratio of 1 share for every 10 shares held	18,368	-	(18,368)	-	-
Profit for the year ended June 30, 2016	-	-	109,768	-	109,768
Other comprehensive income for the year ended June 30, 2016	-	-	(8,734)	72,668	63,934
Total comprehensive income	-	-	101,034	72,668	173,702
Balance at June 30, 2016	202,047	28,548	657,669	145,393	1,033,657
Bonus shares issued during the period in the ratio of 2 share for every 10 shares held	40,409	-	(40,409)	-	-
Profit for the year ended June 30, 2017	-	-	156,249	-	156,249
Other comprehensive loss for the year ended June 30, 2017	-	-	(52)	(18,218)	(18,270)
Total comprehensive income	-	-	156,197	(18,218)	137,979
Balance at June 30, 2017	242,456	28,548	773,457	127,175	1,171,636

The annexed notes 1 to 36 form an integral part of these financial statements



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

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 of Pakistan. The registered office of the Company is situated at 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. Its principal business activities are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

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 Honorable Sindh High Court on May 25, 2011, International Brands Limited became the Group holding company. The operating activities of the 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).

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

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP) that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

Accordingly, approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

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 deferred taxation which is dependent on future profitability of the Company.

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.

2.1.1 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

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

Following amendments to existing standards and interpretations have been published and are mandatory for accounting periods beginning on or after January 1, 2016 and are considered to be relevant to the Company's operations.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

'IAS 1, 'Presentation of financial statements' aims to improve presentation and disclosure in financial reports by emphasising the importance of understandability, comparability and clarity in presentation.

The amendments provides clarification on number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in IAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- Other Comprehensive Income (OCI) - arising from investments accounted for under the equity method - the share of the OCI arising from equity - accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of comprehensive income.

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

Except as stated above, the new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant for 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

IAS7, 'Statement of cashflows' amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved.

In addition to the foregoing, the Companies Act 2017 which is not effective on these financial statements, has added certain disclosure requirements which will be applicable in future.

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 accumulated impairment losses, if any.

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

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

– Leasehold improvements	10 years
– Plant and machinery	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 profit and loss account.

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

2.3.2 Leased assets

Leases that transfer substantially all the risks and rewards incidental to ownership of assets are classified as finance leases. Finance leases are 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 programmes 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 is written off over its estimated useful life of four years.

2.5 INVESTMENTS

The Company determines the appropriate classification of its investment at the time of purchase. Investments of the Company are classified into the following categories:

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

2.5.1 Available for sale investments

Investments are designated as available for sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. These are initially measured at fair value including the transaction costs. Subsequent measurement of investments whose fair value can be reliably measured is stated at fair value with gains or losses taken to other comprehensive income.

Available for sale investments in unlisted securities whose fair value can not be reliably measured are carried at cost less impairment, if any.

2.5.2 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 of accounting.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other 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 investments is tested for impairment in accordance with the policy described in note 2.10.

2.6 TRADE DEBTS AND OTHER RECEIVABLES

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

2.7 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.

2.8 STOCK-IN-TRADE

Stock-in-trade is valued at lower of cost, determined on first-in first-out basis, and net realizable 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 comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure.

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

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash, cheques, demand drafts in hand, running finance under markup arrangements and balances with banks on current and deposit accounts.

2.10 IMPAIRMENT OF 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.

2.11 TAXATION

i) Current

The charge for current taxation 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 balance sheet 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 balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

2.12 STAFF RETIREMENT BENEFITS

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company.

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.

2.13 FINANCIAL ASSETS AND LIABILITIES

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

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognised amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at cost which is the fair value of the consideration received. These are subsequently measured at amortised cost.

2.15 PROVISIONS

Provisions are recognised in the balance sheet 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 balance sheet date and adjusted to reflect current best estimate.

2.16 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded in Pakistan Rupee at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupee using the exchange rates approximating those prevailing at the balance sheet date. Exchange differences are included in income currently.

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

2.17 REVENUE RECOGNITION

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of government levies, discounts and incentives.

Dividend income on investments is recognised when the Company's right to receive dividend is established.

2.18 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.

2.19 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.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

3. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Plant and machinery	Office & other equipments (note - 3.1)	Furniture and fixtures	Owned	Leased	Total
					Motor Vehicles (note - 3.1)		
Year ended June 30, 2017							
(Rupees in '000')							
Opening net book value	329	3,094	1,368	72	4,280	10,767	19,910
Additions	-	1,302	667	27	1,708	14,570	18,274
Disposals							
Cost	-	(32)	(829)	(11)	(2,486)	(2,162)	(5,520)
Accumulated depreciation	-	19	754	11	2,462	1,549	4,795
	-	(13)	(75)	-	(24)	(613)	(725)
Transfers							
Cost	-	-	-	-	9,659	(9,659)	-
Accumulated depreciation	-	-	-	-	(5,796)	5,796	-
	-	-	-	-	3,863	(3,863)	-
Depreciation charge	(76)	(861)	(651)	(51)	(4,096)	(4,322)	(10,057)
Closing net book value	253	3,522	1,309	48	5,731	16,539	27,402
Gross carrying value basis							
At June 30, 2017							
Cost	762	10,745	6,666	840	31,706	24,251	74,970
Accumulated depreciation	(509)	(7,223)	(5,357)	(792)	(25,975)	(7,712)	(47,568)
Net book value	253	3,522	1,309	48	5,731	16,539	27,402
Net carrying value basis							
Year ended June 30, 2016							
Opening net book value	405	2,627	1,571	182	818	29,398	35,001
Additions	-	1,189	427	-	-	-	1,616
Disposals							
Cost	-	-	(103)	(23)	(1,380)	(8,063)	(9,569)
Accumulated depreciation	-	-	77	19	1,311	1,478	2,885
	-	-	(26)	(4)	(69)	(6,585)	(6,684)
Transfers							
Cost	-	-	-	-	12,805	(12,805)	-
Accumulated depreciation	-	-	-	-	(7,470)	7,470	-
	-	-	-	-	5,335	(5,335)	-
Depreciation charge	(76)	(722)	(604)	(106)	(1,804)	(6,711)	(10,023)
Closing net book value	329	3,094	1,368	72	4,280	10,767	19,910
Gross carrying value basis							
At June 30, 2016							
Cost	762	9,475	6,828	824	22,825	21,502	62,216
Accumulated depreciation	(433)	(6,381)	(5,460)	(752)	(18,545)	(10,735)	(42,306)
Net book value	329	3,094	1,368	72	4,280	10,767	19,910

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

3.1 Details of fixed assets disposed of during the year:

	Cost	Acc. Dep	Book Value	Sale Proceeds	Mode of Disposal	Particulars of Purchaser
----- (Rupees in '000') -----						
Motor Vehicles	2,162	1,549	613	484	Negotiation	IBL Operations (Private) Limited
Aggregate of assets disposed of having book value less than Rs. 50,000 each:						
Motor vehicles	2,486	2,462	24	1,913		
Office equipments	829	754	75	92		
Furniture and fixtures	11	11	-	3		
Plant & Machinery	32	19	13	14		
	<u>5,520</u>	<u>4,795</u>	<u>725</u>	<u>2,506</u>		

4. INTANGIBLE ASSETS

Computer software - note 4.1
Intangible asset under development - note 4.2

4.1 Computer software

Net carrying value basis

Opening net book value
Additions
Amortisation
Closing net book value

Gross carrying value basis

Cost
Accumulated amortisation
Net book value
Remaining useful life in years

	2017	2016
----- (Rupees in '000') -----		
	113	70
	5,204	4,088
	<u>5,317</u>	<u>4,158</u>
	70	248
	105	-
	(62)	(178)
	<u>113</u>	<u>70</u>
	1,491	1,386
	(1,378)	(1,316)
	<u>113</u>	<u>70</u>
	<u>3</u>	<u>1</u>

4.2 This represents cost of licenses and consultation fee for the implementation of SAP Enterprise Resource Planning (ERP) System.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

5. LONG-TERM INVESTMENTS

Investment in associate

- FMC United (Private) Limited (FMC)- note 5.1
1,639,418 (2016: 1,639,418) fully paid ordinary shares of Rs. 10 each
Percentage holding 40% (2016: 40%)
Cost Rs. 16,394,180 (2016: Rs. 16,394,180)

Available for sale investments

- IBL Healthcare Limited - Listed - note 5.2 & 5.3
1,107,026 (2016: 965,088) fully paid ordinary shares of Rs. 10 each
Percentage holding 2.25% (2016: 2.26%)
Cost Rs. 7,882,580 (2016: Rs. 7,882,580)
- International Brands Limited (Holding Company) - Unlisted - note 5.4
11,079,852 (2016: 7,386,568) fully paid ordinary shares of Rs. 10 each
Percentage holding 4.71% (2016: 4.71%)
Cost Rs. 83,663,056 (2016: Rs. 83,663,056)

5.1 MOVEMENT OF INVESTMENT IN ASSOCIATE

Balance at the beginning of the year
Share of profit for the year
Share of other comprehensive loss for the year
Less: Dividend income for the year
Balance at the end of the year

5.1.1 FINANCIAL DETAILS / POSITION OF ASSOCIATE

Total assets

Total liabilities

Revenue

Profit after tax

	2017	2016
----- (Rupees in '000') -----		
	934,822	767,782
	135,057	153,275
	83,663	83,663
	<u>218,720</u>	<u>236,938</u>
	<u>1,153,542</u>	<u>1,004,720</u>
	767,782	629,853
	167,099	161,026
	(59)	(9,982)
	-	(13,115)
	<u>934,822</u>	<u>767,782</u>
	7,004,116	6,506,320
	4,667,056	4,586,860
	6,406,504	5,662,780
	417,747	402,569

The financial year end for FMC is December 31. Total assets and liabilities disclosed above are based on unaudited condensed interim financial information for the half year ended June 30, 2017, whereas revenues and total comprehensive income disclosed above is based on audited financial statements for the years ended December 31, 2016 and December 31, 2015 and unaudited financial information for the half years ended June 30, 2017, June 30, 2016 and June 30, 2015.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

5.1.2 FMC United (Private) Limited is principally engaged in the manufacturing, repacking and marketing of pesticides.

5.2 Shares held as at June 30, 2017 include 25,937 shares (2016: 18,840 shares) of IBL HealthCare Limited and 184,665 shares (2016: Nil shares) of International Brands Limited withheld 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.

5.3 This includes 453,318 shares pledged with Silk Bank Limited for banking facility.

5.4 As explained in note 1, the Company is holding shares of International Brands Limited (Holding Company) which has been carried at cost. During the current year, the Holding Company announced issue of 50% bonus issue.

6. LONG-TERM LOANS

Loan to employees
Less: Recoverable within one year - Note 10

	2017	2016
	----- (Rupees in '000') -----	
	2,200	-
	808	-
	<u>1,392</u>	<u>-</u>

7. LONG-TERM DEPOSITS

Rent deposit
Others

	2017	2016
	2,275	2,275
	275	275
	<u>2,550</u>	<u>2,550</u>

7.1 These deposits do not carry any mark-up arrangement.

8. STOCK-IN-TRADE

Raw materials - including in transit Rs. 1.5 million (2016: Rs. Nil) - note 8.1
Packing materials - note 8.2
Work-in-process
Finished goods - including in transit Rs. 5.3 million (2016: Rs. 18 million)

	2017	2016
	9,349	5,947
	5,620	4,510
	-	1,063
	133,818	138,656
	<u>148,787</u>	<u>150,176</u>
	(4,239)	(3,190)
	<u>144,548</u>	<u>146,986</u>

8.1 This includes raw materials amounting to Rs. 5.62 million (2016: Rs. 4.09 million) held by third party.

8.2 This includes packing materials amounting to Rs. 1.12 million (2016: Rs. 0.52 million) held by third party.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

9. TRADE DEBTS - CONSIDERED GOOD

Secured
Unsecured

	2017	2016
	----- (Rupees in '000') -----	
	3,610	2,836
	70,892	40,954
	<u>74,502</u>	<u>43,790</u>

9.1 The age analysis of trade debts is as follows:

1 to 3 months
3 to 6 months
More than 6 months

	2017	2016
	61,951	35,524
	9,741	4,025
	2,810	4,241
	<u>74,502</u>	<u>43,790</u>

10. LOANS, ADVANCES AND PREPAYMENTS

Advance to supplier
Advances to employees against expenses
Current portion of long term loan - Note 6
Prepayments

	2017	2016
	2,231	-
	823	800
	808	-
	228	98
	<u>4,090</u>	<u>898</u>

10.1 These loans and advances do not carry any mark-up arrangement.

11. OTHER RECEIVABLES

Receivable from related parties - note 11.1
Others

	2017	2016
	560	24,500
	346	32
	<u>906</u>	<u>24,532</u>

11.1 Other receivables include receivables from the following related parties:

International Brands Limited - note 11.2
The Searle Company Limited
FMC United (Private) Limited - note 11.3

	2017	2016
	265	9,120
	295	2,265
	-	13,115
	<u>560</u>	<u>24,500</u>

11.2 This includes dividend receivable amounting to Rs. Nil (2016: Rs. 7.39 million).

11.3 This represents dividend receivable.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

12. CASH AND BANK BALANCES

Cash at bank - current accounts - note 121
Cash in hand
Cheques in hand

	2017	2016
	----- (Rupees in '000') -----	
	5,201	8,917
	97	260
	731	1,384
	6,029	10,561

12.1 This includes current account having balance of Rs. 0.27 million (2016: Rs. Nil) maintained with Islamic Bank.

13. SHARE CAPITAL

13.1 Authorised Share Capital
50,000,000 ordinary shares of Rs. 10 each
(2016: 25,000,000 ordinary shares of Rs. 10 each)

	2017	2016
	500,000	250,000

13.2 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Ordinary shares of Rs 10 each		
2017	2016	
----- (Number of shares in '000') -----		
5,000	5,000	Ordinary shares of Rs. 10 each
10,062	6,021	Shares allotted as bonus shares
9,184	9,184	Right shares issued
24,246	20,205	

	2017	2016
	----- (Rupees in '000') -----	
	50,000	50,000
	100,616	60,207
	91,840	91,840
	242,456	202,047

13.3 MOVEMENT IN ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Ordinary shares of Rs 10 each		
2017	2016	
----- (Number of shares in '000') -----		
20,205	18,368	Opening shares outstanding
4,041	1,837	Bonus shares allotted
24,246	20,205	

	2017	2016
	----- (Rupees in '000') -----	
	202,047	183,679
	40,409	18,368
	242,456	202,047

13.4 As at June 30, 2017 International Brands Limited, the holding company held 17,160,872 (2016: 14,420,901) shares of Rs. 10 each.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

14. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Not later than one year
Later than one year but not later than five years

	2017			2016		
	Minimum lease payments	Financial charges for future periods	Principal outstanding	Minimum lease payments	Financial charges for future periods	Principal outstanding
	----- (Rupees in '000') -----					
	5,641	911	4,730	3,842	357	3,485
	9,629	952	8,677	1,760	68	1,692
	15,270	1,863	13,407	5,602	425	5,177

14.1 This represents Rs.13,407 (2016: Rs. 4,433) outstanding in respect of diminishing musharikhah financing.

15. DEFERRED TAXATION

Credit balances arising in respect of

- Long term investments
- Assets held under finance lease

Debit balances arising in respect of

- Obligations under finance lease
- Carried forward tax losses
- Minimum tax
- Property, plant and equipment
- Provision for slow moving and obsolete inventory

	2017	2016
	----- (Rupees in '000') -----	
	113,547	96,158
	1,756	2,381
	(1,423)	(1,145)
	(21,961)	(20,453)
	(358)	-
	(1,915)	(4,985)
	(450)	(706)
	89,196	71,250

16. TRADE AND OTHER PAYABLES

Creditors - note 16.1
Accrued liabilities
Sale tax payable
Advances from customers / dealers
Taxes deducted at source
Payable to provident fund
Dividend payable
Workers' Welfare Fund

	135,254	138,508
	13,193	11,745
	2,848	-
	17,477	23,081
	2,056	852
	373	-
	595	595
	1,563	1,388
	173,359	176,169

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

16.1 Creditors include payable to the following related parties:

IBL Unisys (Private) Limited
IBL Operations (Private) Limited
Mycart (Private) Limited

	2017	2016
	----- (Rupees in '000') -----	
	1,115	3,960
	-	10
	17	12
	<u>1,132</u>	<u>3,982</u>

17. COMMITMENTS

The facilities for opening letters of credit and guarantees as at June 30, 2017 amounted to Rs. 150 million (2016: Rs. 250 million) of which unutilised balance at year end amounted to Rs. 63.38 million (2016: Rs.139.54 million).

The above arrangements are secured by way of pledge of shares of associated companies along-with pari-passu charge against hypothecation of Company's stock-in-trade and book debts.

18. SALES

Gross sales
Less: Discounts and returns
Sales tax

Gross sales	582,891	439,688
Less: Discounts and returns	(163,792)	(66,014)
Sales tax	(19,412)	(38,322)
	<u>399,687</u>	<u>335,352</u>

19. COST OF GOODS SOLD

Raw materials and packing materials consumed
Manufacturing charges to third party
Salaries, wages and benefits
Charge for defined contribution plan
Rent, rates and taxes
Depreciation
Utilities
Freight expense
Repairs and maintenance
Others
Charge/(Reversal) of provision for slow moving and obsolete stock-in-trade

Raw materials and packing materials consumed	82,087	94,434
Manufacturing charges to third party	4,591	4,661
Salaries, wages and benefits	2,785	3,563
Charge for defined contribution plan	64	76
Rent, rates and taxes	4,249	4,043
Depreciation	1,072	960
Utilities	394	650
Freight expense	3,678	-
Repairs and maintenance	141	577
Others	904	962
Charge/(Reversal) of provision for slow moving and obsolete stock-in-trade	1,049	(1,220)
	<u>101,014</u>	<u>108,706</u>
Add: Opening stock of work-in-process	1,063	752
Less: Closing stock of work-in-process	-	(1,063)
	<u>102,077</u>	<u>108,395</u>
Cost of goods manufactured	102,077	108,395
Add: Opening stock of finished goods	138,656	143,470
Add: Purchases	138,023	123,817
Less: Closing stock of finished goods	(133,818)	(138,656)
	<u>142,861</u>	<u>128,631</u>
	<u>244,938</u>	<u>237,026</u>

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

20. DISTRIBUTION COST

Salaries, wages and benefits
Charge for defined contribution plan
Rent, rates and taxes
Depreciation and amortisation
Safety and security
Sales promotion and advertisement
Distribution freight
Vehicle running
Utilities
Travelling and conveyance
Entertainment
Repairs and maintenance
Communication
Printing and stationery
Fee, subscription and periodicals
Commission and incentives
Research and development
Insurance
Others

Note	2017	2016
	----- (Rupees in '000') -----	
	53,662	44,868
	1,572	1,520
	3,901	3,778
	8,812	7,552
	998	914
	8,832	6,607
	8,245	9,673
	15,943	12,932
	393	438
	3,375	3,752
	663	682
	331	329
	1,474	1,104
	292	208
	117	179
	9,739	3,450
	2,496	1,086
	388	1,242
	71	53
	<u>121,304</u>	<u>100,367</u>

21. ADMINISTRATIVE EXPENSES

Salaries, wages and benefits
Charge for defined contribution plan
Rent, rates and taxes
Depreciation and amortisation
Legal and professional charges
Travelling and conveyance
Communication
Vehicle running
Printing and stationery
Auditors' remuneration
Utilities
Entertainment
Repairs and maintenance
Fee, subscription and periodicals
Training and development
Corporate expenses

	8,252	6,451
	477	321
	160	480
	235	1,689
	1,968	3,356
	674	558
	282	563
	1,180	657
	488	418
21.1	2,970	1,614
	145	120
	122	151
	158	156
	2,483	930
	90	160
	2,400	2,400
	<u>22,084</u>	<u>20,024</u>

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

	Note	2017	2016
----- (Rupees in '000) -----			
21.1 AUDITORS' REMUNERATION			
Audit fee		600	600
Fee for review of half yearly financial statements, special certifications and others		500	500
Taxation services		1,787	375
Out of pocket expenses		83	139
		2,970	1,614
22. OTHER INCOME			
Income from financial assets			
Gain on disposal of short term investment		527	-
Exchange gain	22.1	1,543	-
Dividend income		946	8,727
		3,016	8,727
Income from non-financial assets			
Profit on disposal of property, plant and equipment		1,781	1,275
Liabilities no longer required written back		1,808	-
		3,589	1,275
Others			
Scrap sales		266	222
Rent income		1,256	1,446
Others		496	3,718
		2,018	5,386
		8,623	15,388

22.1 This represents dividend income from International Brands Limited and IBL HealthCare Limited amounting to Rs. Nil (Rs. 739 million) and Rs.0.95 million (2016: 1.34 million)

23. FINANCE COST

Finance lease charges	39	159
Diminishing musharakah financing	870	1,270
Bank charges and commission	473	415
Markup on short term borrowing	-	1,156
Exchange loss	-	455
	1,382	3,455

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

	2017	2016
----- (Rupees in '000) -----		
24. TAXATION		
Current		
- for the year	8,791	8,837
- for prior year	2,532	-
	11,323	8,837
Deferred		
	17,954	32,289
	29,277	41,126

24.1 Relationship between tax expense and accounting profit has not been presented as tax has been computed under section 113 of Income Tax Ordinance, 2001 i.e., Minimum tax and Final Tax Regime.

25. EARNINGS PER SHARE

Profit after taxation attributable to ordinary shareholders	156,249	109,768
Weighted average number of shares in issue during the year (in thousand)	24,246	24,246
Earnings per share	Rs 6.44	Rs 4.53

25.1 A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2017 and 2016 which would have any effect on the earnings per share if the option to convert exercised.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

26. CASH GENERATED FROM OPERATIONS

	2017	2016
	----- (Rupees in '000') -----	
Profit before taxation	185,526	150,894
Add / (less): Adjustment for non-cash charges and other items		
Depreciation and amortisation	10,119	10,201
Finance cost	1,382	3,455
Gain on disposal of property, plant and equipment	(1,781)	(1,275)
Dividend income	(946)	(8,727)
Share of profit from associate	(167,099)	(161,026)
Provision for slow moving and obsolete stock-in-trade	1,049	(1,220)
Gain on disposal of short term investment	(527)	-
	27,723	(7,698)
Effect on cash flows due to working capital changes		
Decrease / (increase) in current assets		
Stock-in-trade	1,389	33,605
Trade debts	(30,712)	(29,804)
Loans, advances and prepayments	(3,155)	(239)
Other receivables	3,124	963
Refunds due from the Government	2,906	(2,344)
(decrease) / Increase in current liabilities	(26,448)	2,181
Trade and other payables	(2,810)	52,703
	(29,258)	54,884
	(1,535)	47,186

27. CASH AND CASH EQUIVALENTS

	2017	2016
	----- (Rupees in '000') -----	
Cash in hand	97	260
Cash at Bank - Current accounts	5,201	8,917
Cheques in hand	731	1,384
	6,029	10,561

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

28. RELATED PARTY TRANSACTIONS

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

Nature of relationship	Nature of transactions	2017	2016
		----- (Rupees in '000') -----	
i. Holding company	Payment on behalf of Holding Company	-	1,793
	Corporate service charges	2,400	2,400
	Dividend income	-	7,387
	Receipts from Holding Company	1,133	443
	Dividend received	7,387	-
	Other expenses	-	84
ii. Associated companies	Dividend income	946	14,455
	Receipts from associated companies	3,767	3,219
	Dividend received	14,061	-
	Sale of fixed assets	484	6,812
	Information Technology services	-	120
	Warehouse rent	1,256	1,446
	Other income	298	328
	Other expenses	-	152
iii. Employees' provident fund	Contribution paid	3,853	4,296
iv. Key management personnel	Salaries and other employee benefits	21,869	17,066
	Directors' fee	21	22
	Sale of fixed assets	-	1,075

The status of outstanding balances with related parties as at June 30, 2017 is included in the respective notes to the financial statements. These are settled in the ordinary course of business.

29. 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	
	2017	2016	2017	2016	2017	2016
	----- (Rupees in '000') -----					
Managerial remuneration	-	-	-	-	11,291	9,435
Bonus	-	-	-	-	1,506	990
Company's contribution to provident fund	-	-	-	-	1,068	882
House rent allowance	-	-	-	-	4,517	3,774
Utilities allowance	-	-	-	-	1,129	943
Other benefits	-	-	-	-	2,358	1,042
					21,869	17,066
Number of Persons	1	1	6	6	11	10

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

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

Aggregate amount charged to profit and loss account for the year in respect of fee paid to five directors for attending Board of Directors meetings was Rs. 20,500 (2016: Rs. 22,000).

30. 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 debts,	-	-	-	74,502	-	74,502	74,502
Loans, advances, and deposits	-	-	-	3,862	3,942	7,804	7,804
Other receivables	-	-	-	906	-	906	906
Cash and bank balances	-	-	-	6,029	-	6,029	6,029
Long-term investments	-	-	-	-	1,153,542	1,153,542	1,153,542
	2017	-	-	85,299	1,157,484	1,242,783	1,242,783
	2016	-	-	79,818	1,007,270	1,087,088	1,087,088
FINANCIAL LIABILITIES							
Trade and other payables							
	2017	-	-	155,882	-	155,882	155,882
	2016	-	-	176,169	-	176,169	176,169
Off balance sheet items							
Letters of credit and guarantee							
	2017						86,620
	2016						110,460

ii) CONCENTRATIONS OF 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. 1,242.8 million (2016: Rs. 1,087 million) the financial assets exposed to the credit risk amount to Rs. 1,242.8 million (2016: Rs. 1,087 million) which mainly comprise of long-term investments.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

The Company attempts to control credit risk associated with the carrying amount of its receivables by reducing 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 PACRA or JCR-VIS.

Loans to employees are not exposed to any material credit risk and are secured against the retirement benefits of the respective employees.

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. As at June 30, 2017 there is no maturity mismatch between financial assets and liabilities that expose the company to liquidity problems as described in maturity table.

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 comprise mainly due to accounts payable in foreign currency. At June 30, 2017, trade and other payables of Rs. 86.62 million (2016: Rs. 97.82 million) are exposed to foreign currency risk.

As at June 30, 2017, if the Pakistan Rupee had weakened / strengthened by 2% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 1.9 million (2016: Rs. 4 million), mainly as a result of foreign exchange gains / losses on translation of US Dollar denominated trade and other payables, and trade debts.

The sensitivity of foreign exchange rates looks at the outstanding foreign exchange balances of the Company only as at the balance sheet date and assumes this is the position for a full twelve-month period. The volatility percentages for movement in foreign exchange rates have been used due to the fact that historically (five years) rates have moved on average basis by the mentioned percentages per annum.

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, 2017, 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.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

The Company's exposure to equity securities price risk arises from investment held by the Company in IBL Healthcare Limited and classified in the balance sheet as available-for-sale. The maximum exposure to price risk as at June 30, 2017 amounts to Rs. 135.06 million (2016: Rs. 153.28 million).

As at June 30, 2017, 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. 1.35 million (2016: Rs. 1.53 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, 2017, all financial assets and financial liabilities are carried at amortised cost except for investment in IBL HealthCare Limited which is 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- 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).
- 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)
- 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 is based on the market value of the shares at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2017:

	2017			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
FINANCIAL ASSETS				
Investments - available for sale	135,057	-	-	135,057
	2016			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
FINANCIAL ASSETS				
Investments - available for sale	153,275	-	-	153,275

31. 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 returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

32. PLANT CAPACITY AND PRODUCTION

	Annual Capacity		Annual Production	
	2017	2016	2017	2016
(Kilograms)				
OWN MANUFACTURE				
Powder Products	197,127	197,127	42,346	37,383
Granular Products	1,351,728	1,351,728	335,576	357,136
(Litres)				
Liquid Products	1,633,338	1,633,338	35,035	83,522

During the year, actual production has varied in line with shift in orientation towards trading of products.

33. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on latest audited financial statements of the Provident Funds (the Funds):

	2017	2016
(Rupees in '000)		
Size of the Funds - Total assets	130,621	109,401
Fair value of investments	129,902	107,457
Percentage of investments made	99.4%	98.2%

The cost of above investments amounted to Rs 55.3 million (2016: Rs. 42.4 million).

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2017

The break-up of fair value of investments is as follows:

	2017	2016	2017	2016
	Percentage		Rupees in thousand	
Mutual Funds	100.0%	100.0%	129,902	107,457

SECP has issued "Employees' Provident Fund (Investment in Listed Securities) Rules, 2016" through SRO 770 (1) / 2016, dated August 17, 2016 in relation to investments made out of provident fund. Section 1 (3) of the said rules states that "within two years from the commencement of these rules, all investments from provident funds or trust shall be brought in conformity with the provision of these rules".

34. NUMBER OF EMPLOYEES

Number of employees including contractual employees at the end of year

Average number of employees including contractual employees during the year

	2017	2016
Number of employees including contractual employees at the end of year	86	82
Average number of employees including contractual employees during the year	84	78

35. SUBSEQUENT EVENTS

The Board of Directors in their meeting held on September 26, 2017 have proposed a bonus issue at 10% (2016: 20%) amounting to Rs. 24.25 (2016: Rs 40.41 million) subject to approval of the Company in the forthcoming annual general meeting.

Finance Act, 2017 introduced income tax at the rate of 7.5% on accounting profit before tax on every public company that derives profit for a tax year but does not distribute at least forty percent of its after tax profits within six months of the end of the tax year through cash or bonus shares. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

36. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 26, 2017 by the Board of Directors.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



MUDASSIR HABIB KHAN
Chief Financial Officer

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

Stakeholders Information

United Distributors Pakistan Limited

Pattern of Shareholding

as at June 30, 2017

CATEGORIES OF SHAREHOLDERS

Categories of Shareholders	Shareholders	Shares Held	% age
DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN			
Rashid Abdulla	2	1,960	0.01
Shakila Rashid	2	470,486	1.94
Asad Abdulla	1	9,147	0.04
Ayaz Abdulla	1	1,646	0.01
Zubair Razzak Palwala	1	1,646	0.01
Syed Nadeem Ahmed	1	1,303	0.01
Tahir Saeed	1	660	0.00
ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES			
International Brands Limited	2	17,160,872	70.78
EXECUTIVES			
	-	-	-
PUBLIC SECTOR COMPANIES AND CORPORATIONS			
	4	928	0.00
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS			
	11	1,398,367	5.77
MUTUAL FUNDS			
CDC - Trustee National Investment (Unit) Trust	1	1,168,316	4.82
GENERAL PUBLIC			
a. Local	1480	3,523,085	14.52
b. Foreign	-	-	-
FOREIGN COMPANIES			
	1	361	0.00
OTHERS			
	25	506,719	2.09
Totals	1533	24,245,496	100.00

Share holders holding 5% or more	Shares Held	Percentage
International Brands Limited	17,160,872	70.78

Pattern of Shareholding

as at June 30, 2017

DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN

S.No.	Folio No.	Name of Shareholder	Number of Shares	% age
01.	2	Rashid Abdulla	314	0.00
02.	03277-11384	Rashid Abdulla	1,646	0.01
03.	8	Shakila Rashid	1,185	0.00
04.	032877-12714	Shakila Rashid	469,301	1.94
05.	03277-20909	Asad Abdulla	9,147	0.04
06.	03277-21385	Ayaz Abdulla	1,646	0.01
07.	02113-1037	Zubair Razzak Palwala	1,646	0.01
08.	02113-3397	Syed Nadeem Ahmed	1,303	0.01
09.	07179-5250	Tahir Saeed	660	0.00
			9	486,848
				2.02

ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES

01.	2347	International Brands Limited	261,823	1.08
02.	03277-2937	International Brands Limited	16,899,048	69.70
			2	17,160,872
				70.78

EXECUTIVE

		NIL	-	-
			-	-

PUBLIC SECTOR COMPANIES AND CORPORATIONS

01.	33	National Bank of Pakistan Trustee Wing	260	0.00
02.	1799	Industrial Development Bank of Pakistan (ICP Unit)	260	0.00
03.	00083-36	IDBL (ICP Unit)	74	0.00
04.	03889-28	National Bank of Pakistan	334	0.00
			4	928
				0.00

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

01.	2640	Crescent Investment Bank Ltd.	451	0.00
02.	2520	Crescent Standard Modaraba	15,242	0.06
03.	2529	First UDL Modaraba	81	0.00
04.	2666	First IBL Modaraba	27,622	0.11
05.	03277-1651	First UDL Modaraba	1,160,082	4.78
06.	03277-78335	Trustee National Bank of Pakistan Employees Pension Fund	53,889	0.22
07.	02139-29	Premier Insurance Limited	19,000	0.08
08.	03228-34562	United Insurance Company Of Pakistan Limited	3,000	0.01
09.	03277-73166	Pak Qatar Family Takaful Limited	12,500	0.05
10.	02113-21	First Equity Modaraba	15,000	0.06
11.	02113-708	First UDL Modaraba	91,500	0.38
			11	1,398,367
				5.77

Pattern of Shareholding

as at June 30, 2017

MUTUAL FUNDS

S.No.	Folio No.	Name Of Shareholder	Number Of Shares	% age
01.	14902-21	CDC - Trustee National Investment (Unit) Trust	1,168,316	4.82
			1	1,168,316
				4.82

GENERAL PUBLIC FOREIGN

		NIL	-	-
			-	-

FOREIGN COMPANIES

01.	2351	Boston Safe Deposit & Trust Co	361	0.00
			1	361
				0.00

OTHERS

01.	01917-33	Prudential Securities Limited	14	0.00
02.	03277-45147	Edujee Dinshaw (Pvt.) Limited	30,304	0.12
03.	03277-82127	Trustee National Bank Of Pakistan Emp Benevolent Fund Trust	1,889	0.01
04.	03293-38	S.H. Bukhari Securities (Pvt) Limited	289	0.00
05.	03525-87235	Maple Leaf Capital Limited	1	0.00
06.	03657-25	Continental Capital Management (Pvt) Ltd	23,000	0.09
07.	05587-48203	Stock Master Securities (Pvt.) Ltd	64	0.00
08.	05868-28	Cliktrade Limited	128	0.00
09.	10181-24	Horizon Securities Limited	1	0.00
10.	14241-22	Fikree's (Smc-pvt) Ltd.	3,306	0.01
11.	00539-17174	Pak Qatar Individual Family Participant Investment Fund	12,500	0.05
12.	00364-141034	Central Depository Company Of Pakistan Limited.	5	0.00
13.	12997-24	Topline Securities Limited - MF	10,000	0.04
14.	14753-20	Arif Habib Limited - MF	118,500	0.49
15.	16576-20	Intermarket Securities Limited - MF	5,000	0.02
16.	16857-26	Mra Securities Limited - MF	23,000	0.09
17.	16881-23	Sakarwala Capital Securities (Private) Limited - MF	5,000	0.02
18.	3015	Mr. The Company Secretary (B-2015)	555	0.00
19.	3026	M/s. Temporary Folio-withhold Bonus Shares Of Court Cases (B-2015)	85,928	0.35
20.	3027	M/s. Fbr-nominee Shareholding.against Tax On Bonus Shares (B-2015)	6,690	0.03
21.	3031	Mr. The Company Secretary (B-2016)	549	0.00
22.	3036	Temporary Folio-withhold Bonus Shares Of Court Cases (B-2016)	158,858	0.66
23.	3037	FBR-Nominee Shareholding Against Tax On Bonus Shares (B-2016)	8,638	0.04
24.	03277-89483	Trustees Of First Udl Modaraba Staff Provident Fund	10,500	0.04
25.	02113-3611	First Udl Modaraba Staff Provident Fund	2,000	0.01
			25	506,719
				2.09

GENERAL PUBLIC LOCAL

			1480	3,523,085
				14.52

TOTAL

			1533	24,245,496
				100.00

Pattern of Shareholding

as at June 30, 2017

No. of Shareholders	Shareholdings Slab			Total Shares Held
797	1	to	100	9,637
274	101	to	500	80,970
137	501	to	1000	108,420
214	1001	to	5000	514,461
42	5001	to	10000	315,624
22	10001	to	15000	285,850
9	15001	to	20000	149,034
3	20001	to	25000	69,000
7	25001	to	30000	189,476
2	30001	to	35000	63,964
5	35001	to	40000	188,199
1	40001	to	45000	40,920
1	50001	to	55000	53,889
1	55001	to	60000	55,100
2	60001	to	65000	127,260
1	75001	to	80000	78,526
1	80001	to	85000	82,217
1	85001	to	90000	85,928
1	90001	to	95000	91,500
1	95001	to	100000	96,340
1	115001	to	120000	118,500
1	130001	to	135000	132,258
1	155001	to	160000	158,858
1	180001	to	185000	185,000
1	260001	to	265000	261,823
1	375001	to	380000	375,416
1	465001	to	470000	469,301
1	630001	to	635000	630,579
1	1160001	to	1165000	1,160,082
1	1165001	to	1170000	1,168,316
1	16895001	to	16900000	16,899,048
1533				24,245,496

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 25, 2017
 and / or any adjournment thereof.

Signed this _____ day of _____ 2017.

Witnesses: (A)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Witnesses: (B)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Signature on Revenue
 Stamp of Rs. 5/-

Signature of Member(s)

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

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

AFFIX
CORRECT
POSTAGE



Pakistan

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

AFFIX
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ڈائریکٹرز رپورٹ

گزشتہ چھ سالوں کا اہم مالیاتی اور کاروباری معلومات کا مختصر آئسرسری جائزہ

گزشتہ چھ سالوں کا اہم مالیاتی اور کاروباری معلومات کا مختصر آئسرسری جائزہ بشمول جائزہ سال کے مالیاتی نتائج درج ذیل ہے:

2012	2013	2014	2015	2016	2017
38,624	36,896	39,054	35,001	19,910	27,402
1,131	1,078	594	248	4,158	5,317
325,745	369,734	581,908	790,774	1,004,720	1,153,542
1,540	15	2,766	2,325	2,550	3,942
(222,483)	22,399	113,997	82,332	75,261	79,306
144,557	430,122	738,319	910,680	1,106,599	1,269,509
91,839	91,839	183,679	183,679	202,047	242,456
42,868	317,121	525,944	676,276	831,610	929,180
134,707	408,960	709,623	859,955	1,033,657	1,171,636
9,850	21,162	28,696	50,725	72,942	97,873
144,557	430,122	738,319	910,680	1,106,599	1,269,509
502,354	369,847	402,921	339,619	335,352	399,687
36,721	277,673	94,844	137,683	150,894	185,526
61,318	277,174	110,308	116,942	109,768	156,249
6.68	23.58	8.23	5.79	4.53	6.44
12.21%	74.94%	27.38%	34.43%	32.73%	39.09%
42.42%	64.44%	14.94%	12.84%	9.92%	12.31%
0%	0%	0%	0%	0%	0%
0%	0%	0%	10%	20%	10%
0%	0%	0%	18,368	40,409	24,246

[روپے، ہزاروں میں]

استعمال کئے گئے اثاثے

پراپرٹی، پلانٹ اینڈ ایکویٹمنٹ
غیر سرئی اثاثے
طویل المیعاد سرمایہ کاری
طویل المیعاد قرضے اور جمع شدہ رقمات
خالص رواں اثاثے
مجموعی استعمال کئے گئے اثاثے

سرمایہ کے وسائل

جاری کردہ، طے شدہ اور ادا شدہ سرمایہ
محفوظ سرمایہ اور غیر مختص شدہ منافع
حصص یافتگان کی ایکویٹی
طویل المیعاد اور التوائی واجبات
مجموعی استعمال شدہ سرمایہ

کل فروخت

منافع قبل از ٹیکس
منافع بعد از ٹیکس
فی حصص منافع (روپے میں)
مجموعی فروخت کا شرح فیصد
مجموعی استعمال شدہ سرمائے کا شرح فیصد

نقد (فیصد)

بولس شیئر (فیصد)
بولس شیئر کی رقم

پراکسی فارم

دی کمپنی سیکریٹری

یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ

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

کراچی۔

میں / ہم

پسر ادختر ازوجہ / خاوند

شیئر ہولڈر

بابت یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ حامل

عمومی شیئرز بذریعہ ہذا

کا تقرر کرتا ہوں / کرتے ہیں

جو میرا ہمیری

(رشتے کی نوعیت بیان کریں) (اگر کوئی ہو)

مطابق ضروری) اور پسر ادختر ازوجہ / خاوند

حامل

فولیو نمبر

سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ اجلاس میں میرے / ہمارے لئے اور میری / ہماری جانب سے شرکت اور ووٹ ڈالنے کا

سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ اجلاس میں میرے / ہمارے لئے اور میری / ہماری جانب سے شرکت اور ووٹ ڈالنے کا

دستخط آج بروز _____ بتاریخ _____ ۲۰۱۷ء

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 کار یونیوا سٹیٹ چپاں کریں۔

ii. ریونیوا سٹیٹ چپاں کی طرح دستخط کریں جس طرز میں کمپنی کے پاس رجسٹرڈ ہو۔

iii. اس کا فولیو نمبر درج کریں۔

۲۔ منوٹر 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 پارٹیشنڈ 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 کار یونیوا سٹیٹ

دستخط ممبر (ممبران)

شیئر ہولڈر (ہولڈرز) فولیو نمبر _____ اور / یا

سی ڈی سی پارٹیشنڈ آئی ڈی نمبر _____ اور

ذیلی اکاؤنٹ نمبر _____

ڈائریکٹرز رپورٹ

ڈائریکٹرز کا تربیتی پروگرام

UDPL کے تمام ڈائریکٹر SECP سے منظور شدہ ادارے سے تصدیق شدہ ہیں۔ جناب راشد عبداللہ کو SECP کی اس تربیتی مطلوبات سے مستثنیٰ قرار دیا گیا کیونکہ انہیں گروپ آف کمپنیز کے CEO کی حیثیت سے ۴۰ سالہ وسیع تجربہ ہے۔ مندرجہ ذیل ڈائریکٹر SECP کے منظور شدہ ادارے سے تصدیق شدہ ہیں:

- جناب ایس ندیم احمد
- جناب زبیر پال والا
- جناب اسد عبداللہ
- جناب ایاز عبداللہ
- جناب سلمان چاؤلہ
- جناب طاہر سعید

ملازمین کی ریٹائرمنٹ کے لئے مراعات کی اسکیم

کمپنی پروویڈنٹ فنڈ کی شکل میں ریٹائر ہونے والے ملازمین کو فوائد دیتی ہے۔ اس مفاد فیڈ کا انتظام منظور شدہ ٹرسٹ چلاتا ہے۔ اس ٹرسٹ کا انتظام متولیان چلاتے ہیں جو کہ فنڈ کو آڈٹ کرواتے ہیں۔ پراویڈنٹ فنڈ کے آڈٹ شدہ اکاؤنٹس سال ۳۰ جون ۲۰۱۷ اور ۳۰ جون ۲۰۱۶ میں فنڈ میں کی گئی سرمایہ کاری کی مالیت بالترتیب درج ذیل ہے:

2016	2017
----- (روپے، ہزاروں میں) -----	
107,457	129,902

پراویڈنٹ فنڈ کی واضح مالیت

آڈٹ کمیٹی

یہ کمیٹی تین ممبران پر مشتمل ہے جو کہ تمام کے تمام نان ایگزیکٹو ڈائریکٹرز سے بشمول چیئرمین کمیٹی کے۔

کمیٹی کی تفصیلی شرائط کا تعین بورڈ آف ڈائریکٹرز پاکستان اسٹاک ایکسچینج کی رول بک کے رہنما اصولوں کے مطابق کرے گا اور کمیٹی کو مشورہ دے گا کہ وہ ان کی پاسداری کریں۔ سال کے دوران کمیٹی کے چار اجلاس ہوئے۔

نمبر شمارہ	ڈائریکٹر کا نام	اجلاس میں حاضری
01.	جناب طاہر سعید	4
02.	جناب ایاز عبداللہ	4
03.	جناب زبیر پال والا	4

بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے ۵ اجلاس منعقد ہوئے اور ہر ایک ڈائریکٹر کی شرکت درج ذیل کے مطابق تھی:

نمبر شمارہ	ڈائریکٹر کا نام	اجلاس میں حاضری
01.	جناب راشد عبداللہ	3
02.	جناب اسد عبداللہ	5
03.	جناب زبیر پال والا	5
04.	جناب ایس ندیم احمد	5
05.	جناب ایاز عبداللہ	5
06.	جناب طاہر سعید	5
07.	جناب سلمان حسین چاؤلہ	4

مزید یہ کہ جو ڈائریکٹرز بورڈ کی میٹنگ میں حاضر نہ ہو سکے انہیں رخصت دے دی گئی۔

ہیومن ریسورس اور ریویژن کمیٹی

کمیٹی نے کاروباری نظم و نسق کے ضابطوں کے مطابق انسانی وسائل اور معاوضہ کمیٹی تشکیل دی ہے، جس میں مندرجہ ذیل ڈائریکٹر شامل ہیں:

- جناب ایاز عبداللہ
- جناب اسد عبداللہ
- جناب زبیر پال والا

ڈائریکٹرز رپورٹ

انٹرنل آڈیٹرز

اندرونی گرفت کے نظام کو موثر انداز میں نافذ کرنے کے لئے اندرونی آڈٹ کے افعال بی ڈی او ابراہیم اینڈ کو کے سپرد کر دیئے گئے ہیں جو کہ بیرونی آڈٹ فنکشن کے ماتحت نہیں ہیں۔

قانونی آڈیٹرز

موجودہ آڈیٹرز، اے ایف فرگوسن اینڈ کو، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہلیت کی بنیاد پر انہوں نے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے مالی سال ختمہ ۳۰ جون ۲۰۱۸ کے لئے ان کی بحیثیت آئی بی آڈیٹرز کی تقرری تصدیق کر دی ہے جن کا معاوضہ باہمی مفاہمت سے طے کر لیا جائے گا۔

حصص داری کی ساخت

کمپنی کی حصص داری کی ساخت برائے ۳۰ جون ۲۰۱۷ بح ضروری معلومات کے اس رپورٹ کے ساتھ منسلک کر دی گئی ہے۔

کمپنی کے ریکارڈ کے مطابق ۳۰ جون ۲۰۱۷ کو حصص یافتگان کی تعداد ۵۳۳،۱۰۱ تھی۔

مستقبل پر ایک نظر

ہمارا عزم ہے کہ ہم منفرد اور اعلیٰ معیاری مصنوعات متعارف کروا کر کسانوں کی فلاح و بہبود کا سفر جاری رکھیں گے تاکہ انہیں فصلوں سے بہترین پیداوار حاصل ہو اور انسانوں / شہریوں کو اعلیٰ معیاری غذا فراہم کر سکیں۔ اگرچہ کہ زراعت کے میدان میں مسابقت شدت اختیار کر گئی ہے، لیکن کمپنی ایسے اقدامات کر رہی ہے جس اس کی مسابقتی پوزیشن بہتر ہو جائے اور اپنی نمونہ میں اضافہ کر سکے۔

ہمیں امید ہے کہ کمپنی بہترین کرم کش اور کھاد کی مصنوعات کا مرکب سامنے لائے گی۔

ہم اپنی مسلسل توجہ اور سرمایہ بنیادی قوتوں پر مرکوز رکھیں گے جیسے کہ ہماری ٹیم، نئے برانڈ، مصنوعات کی رجسٹریشن، کمپنوں کی تعداد میں اضافہ اور کاروبار چلانے کے اخراجات میں کمی لائیں گی جس سے ہمیں پائیدار مواصلہ حاصل ہوگی۔

اعتراف

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

برائے اور بورڈ کی جانب سے



اسد عبداللہ

چیف ایگزیکٹو آفیسر

کراچی، ۲۶ ستمبر ۲۰۱۷ء

