

Health  
comes *First*





# Health comes First

There is no concept of quality life without health. Being in HealthCare industry...who would understand this concept better than us? Our focus on providing the best HealthCare products is evident that to us Health comes first.

Keeping up with the developments of the HealthCare field and the demands of the market, we are ever more dedicated in bringing nothing but the best.

For the aim of quality life, to us Health comes first.

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## Our Vision

To become the leading HealthCare products and service providers of Pakistan.

## Our Mission

We are committed to contribute in the betterment of society by providing a versatile range of HealthCare and nutritional products. We aim to grow by relentlessly providing better products and services to our customers, better returns to our stakeholders and a better quality of life to the employees.

A photograph of a blue and white umbrella on a green lawn, positioned on the left side of the page. The umbrella is partially open, and the background is a blurred green field.

# Company Information

## Board of Directors

Mr. Rashid Abdulla (Chairman)  
Mr. Mufti Zia ul Islam (Chief Executive Officer)  
Mr. S. Nadeem Ahmed  
Mr. Zubair Palwala  
Mr. Munis Abdullah  
Mr. Asad Abdulla  
Mr. Ayaz Abdulla  
Ms. Shaista Khaliq Rehman  
Mr. Adnan Asdar Ali

## Chief Financial Officer and Company Secretary

Mr. Muhammad Tariq

## Audit Committee

Ms. Shaista Khaliq Rehman (Chairperson)  
Mr. Zubair Palwala  
Mr. Asad Abdulla

## Human Resource and Remuneration Committee

Mr. Asad Abdulla (Chairman)  
Mr. Mufti Zia ul Islam  
Mr. Zubair Palwala

## Chief Internal Auditor

Mr. Muhammad Ali Rasheed

## External Auditors

Grant Thornton Anjum Asim Shahid Rahman & Co.

## Internal Auditors

BDO Ebrahim & Co.

## Legal Advisors

Mohsin Tayebaly & Co.

## Bankers

Habib Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
National Bank of Pakistan  
Silk Bank Limited

## Registered Office

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

## Registrar

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block "B", S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi - 74400, Pakistan.

# Health comes from the Start

Our products are specifically designed to support pregnant or breast feeding women.





# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 17th annual general meeting of IBL HealthCare Limited will be held on Friday, October 24, 2014, at 05:00 p.m. at the Institute of Chartered Accountants of Pakistan, Clifton, Karachi, to transact the following business:

## ORDINARY BUSINESS

1. To confirm the minutes of the last general meeting held on June 03, 2014.
2. To receive, consider and adopt the audited financial statements for the year ended June 30, 2014 together with the directors' and auditors' reports thereon.
3. To consider and approve final cash dividend for the year ended June 30, 2014, at the rate of Re.1.00 per share, equivalent to 10%.
4. To consider the appointment of external auditors for the year ending June 30, 2015 and to fix their remuneration. The present auditors, Grant Thornton Anjum Asim Shahid Rehman & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment.

## SPECIAL BUSINESS

5. To approve the issue of bonus shares in the ratio of thirty shares for every hundred shares held i.e. 30% as recommended by the Board of Directors and, if thought appropriate, to pass with or without modification(s) the following resolutions as ordinary resolution:

"RESOLVED that a sum of Rs.69,000,000/- out of the un-appropriated profits of the Company be capitalized and applied towards the issue of 6,900,000 ordinary shares of Rs.10/- each and allotted as fully paid bonus shares to the members who are registered in the books of the Company as at the close of business on October 17, 2014, in the proportion of thirty shares for every hundred ordinary shares held and that such new shares shall rank pari passu with the existing ordinary shares but shall not be eligible for the cash dividend declared for the year ended June 30, 2014.

FURTHER RESOLVED that in the event of any member becoming entitled to a fraction of a share, the Directors be and are hereby authorised 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 thinks fit."

## OTHER BUSINESS

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

By order of the Board



Muhammad Tariq  
Company Secretary

Karachi  
October 2, 2014

A statement as required by section 160 (1) (b) of the Companies Ordinance 1984 in respect of the special business is being sent to the Members, along with a copy of this notice.



## Statement of material facts under section 160 (1) (b) of the Companies Ordinance, 1984 regarding the Special Business

### Item 5

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

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

### Notes:

1. Share Transfer Books will be closed from October 18, 2014 to October 24, 2014 (both days inclusive).
2. A member of the Company entitled to attend, speak and vote at this meeting may appoint a proxy to attend, speak and vote on his / her behalf. Proxies in order to be effective must be duly signed, witnessed and deposited at the registered office of the Company not less than 48 hours before the time of the meeting.
3. CDC account holders will have to follow the under mentioned guidelines as laid down in Circular # 1 dated January 26, 2000 of the Securities and Exchange Commission of Pakistan for attending the meeting.
  - a) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
  - b) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.
4. In accordance with the notification of the Securities and Exchange Commission of Pakistan, 831 (I) 2012 dated 5 July 2012 dividend, warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, members who have not yet submitted copy of their valid CNIC / NTN (in case of corporate entities) are requested to submit the same to the Company, with members' folio no. mentioned thereon, before book closure date. It may kindly be noted that in case of non-receipt of the copy of valid CNIC, the Company would be constrained to withhold dispatch of dividend warrants.
5. In pursuance of Finance Act 2014, the withholding tax rates have been revised and it has been directed that all non-filers of income tax return will be taxed @ 15%. However, the regular filers of income tax return will continue to be taxed @ 10%.

Shareholders are therefore requested to send the information related to their National Tax Number along with documentary evidence of the latest e-filed tax return, in case their name is not appearing in the active tax payer list available at, and updated by Federal Board of Revenue (FBR) from time to time, at FBR website <http://www.fbr.com.gov.pk>.

In this connection, if we do not receive response along with documentary evidence by October 17, 2014, we will have no option but to deduct 15% withholding tax from dividend of shareholder, not complying with this requirement.

6. Shareholders are requested to notify change of their addresses, if any, to Share Registrar Department, Central Depository Company of Pakistan Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400.

### Consent for video conference facility

Members can also avail video conference facility in {name of cities where facility can be provided keeping in view geographical dispersal of members}. In this regard, please fill the following and submit to registered office of the Company at least ten (10) days before the date of holding of annual general meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least five (5) days before the date of annual general meeting along with complete information necessary to enable them to access such facility.

I / We \_\_\_\_\_ of \_\_\_\_\_, being a member of IBL HealthCare Limited, holder of \_\_\_\_\_ ordinary share(s) as per register folio no. \_\_\_\_\_, hereby opt for video conference facility at \_\_\_\_\_.

Signature of member

# Health from the Initial days

We provide special formulas and solutions that cater to common feeding issues, such as fussiness and gas.





# DIRECTORS' REPORT

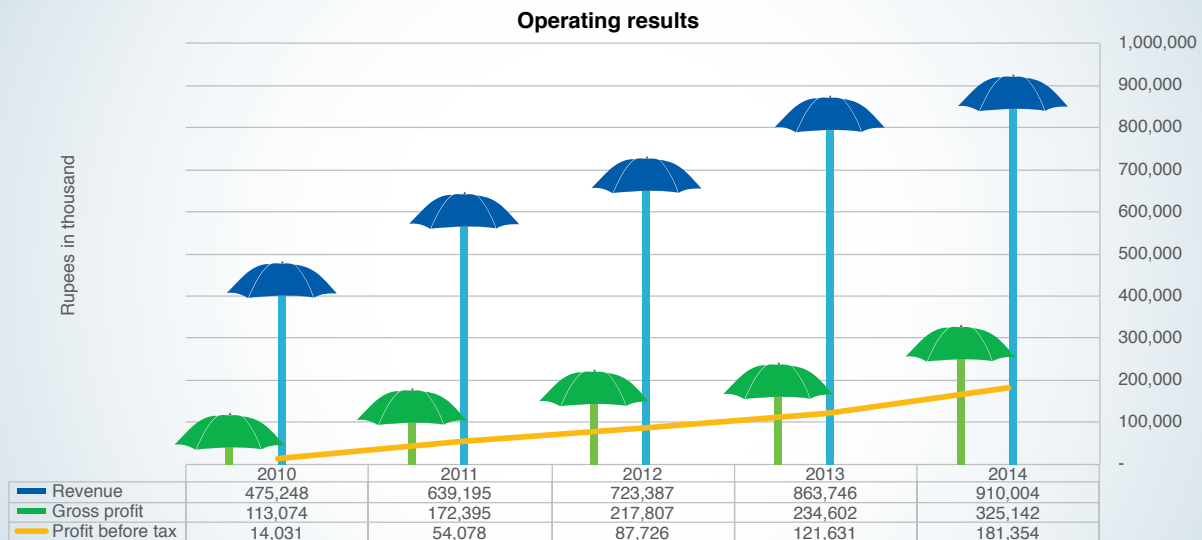
The Board of Directors of IBL HealthCare Limited takes pleasure to present before you the 2014 Annual Report together with the audited financial statements of the Company for the year ended June 30, 2014.

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

## Summary of Financial Performance

	2013	2012
	(Rupees in thousand)	
Revenue	910,004	863,746
Gross profit	325,142	234,602
Gross profit as a percentage of revenue	35.7%	27.2%
Operating expenses	154,656	116,004
Operating profit	170,486	118,598
Profit before taxation	181,354	121,631
Profit after taxation	148,837	100,617

Despite unfavorable economic conditions and difficult law and order situation in the country, the performance of your company is very good, and the results for financial year under review showed significant improvement in terms of profitability. The revenue has increased by 5.4% over last year, whereas the gross profit has shown an increase of 38.6% compared to last year. The profit after tax also grew by 47.9%. This significant increase in profit after tax is mainly due to improvement in gross profit. However, the launch of new products and aggressive promotional activities resulted in an overall increase in operating expenses.



## Holding Company

The Searle Company Limited is the Holding Company of IBL HealthCare Limited. As at June 30, 2014, The Searle Company Limited held 11,499,991 shares of Rs.10 each.

## Basic Earnings Per Share

Earnings per share Rs.6.47 (2013: Rs.4.37)

## Dividend

The Board of Directors has recommended a cash dividend of 10% and a stock dividend of 30% for the year ended June 30, 2014 (2013: 15% cash and 15% stock dividend).

## Statement of Ethics and Business Practices

Performance with integrity is central to operating at IBL HealthCare. The Board of Directors has adopted a statement of ethics and business practices. All employees are informed and aware of this and are required to observe these rules of conduct in relation to business and regulations.

## Board of Directors Meeting and Attendance

During the year 2014, five Board meetings were held and were attended as follows:

Director	No. of meetings attended
Mr. Rashid Abdulla	5
Mr. Mufti Zia ul Islam	5
Mr. S. Nadeem Ahmed	3
Mr. Zubair Palwala	5
Mr. Asad Abdulla	3
Mr. Ayaz Abdulla	4
Mr. Adnan Asdar Ali	3

Election of directors was held on June 03, 2014 and the following nine directors were elected on the board:

Mr. Rashid Abdulla	Mr. Asad Abdulla
Mr. Mufti Zia ul Islam	Mr. Ayaz Abdulla
Mr. S. Nadeem Ahmed	Ms. Shaista Khaliq Rehman
Mr. Zubair Palwala	Mr. Adnan Asdar Ali
Mr. Munis Abdullah	

# DIRECTORS' REPORT

Subsequent to the election, Mr. Rashid Abdulla was elected as the Chairman and Mr. Mufti Zia ul Islam as Chief Executive Officer on June 12, 2014.

## Audit Committee

The Committee comprises of three members, all are non-executive directors and the Chairman of the Committee is an independent director.

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

An independent audit function reporting to the Board's audit committee reviews risks and controls across the organization. The Board has outsourced the Internal Audit function to BDO Ebrahim & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

During the year 2014, four audit committee meetings were held and were attended as follows:

Director	No. of meetings attended
Mr. Asad Abdulla	4
Mr. Zubair Palwala	4
Mr. Mufti Zia ul Islam	4

Subsequent to the election of directors, audit committee and human resource & remuneration committee were reconstituted and the following members were selected for the committees:

Audit Committee	Human Resource & Remuneration Committee
Ms. Shaista Khaliq Rehman - Chairperson	Mr. Asad Abdulla – Chairman
Mr. Asad Abdulla	Mr. Zubair Palwala
Mr. Zubair Palwala	Mr. Mufti Zia ul Islam

## Auditors

The present auditors, Grant Thornton Anjum Asim Shahid Rehman & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Board of Directors endorses recommendation of the Audit Committee for their re-appointment as auditors of the Company for the financial year ending June 30, 2015 at a fee to be mutually agreed.

## Subsequent Events

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this report.

## Value of Investments of Provident Fund

The cost of investment of Employees Provident Fund as per its financial statements at June 30, 2014 is Rs 19,000,000 (June 30, 2013 is Rs NIL).

## Corporate and Financial Reporting Framework

- ▶ The financial statements prepared by the management of the Company, present fairly its state of affairs, the results 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.
- ▶ The financial statements are prepared in accordance with International Financial Reporting Standards, as applicable in Pakistan.
- ▶ The Company maintains a sound internal control system which gives reasonable assurance against any material misstatement or loss. The internal control system is regularly reviewed. This has been formalized by the Board's Audit Committee and is updated as and when needed.
- ▶ 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 Code of Corporate Governance as detailed in the listing regulations.

## Future Outlook

The Management clearly sees remarkable growth in IBL HealthCare in the future. Our sales force is continuously focusing on providing high quality premium products to all potential HealthCare Professionals. Extending our coverage of the infant nutrition division, and new launches in adult nutrition and medical disposable divisions in 2015 will not only increase our market share in these categories, but will also result in an increase in the Company's sales growth.

Both our infant and adult nutrition divisions' performance and sales results are very encouraging, and we plan to maintain this high growth trend by better penetration in existing markets.

We are confident that we can generate increased value for shareholders as well as deliver better products and services to our customers. In accomplishing this, we would like to appreciate their enormous cooperation and support, without which we will not be able to achieve these results.

We also take this opportunity to thank our employees for their continuing contribution in the achievement of Company's results.

## Shareholding Information

The Company's shares are traded in Karachi Stock Exchange. The pattern of shareholding as at June 30, 2014 and other related information is set out on pages 18 to 22.

None of the Directors, CEO, CFO and Company Secretary and their spouses and minor children has carried out any trades in the shares of the Company except as reported hereunder:

Ms. Shaista Khaliq Rehman w/o Syed Sadiq Abdul Rehman – (purchase) 10 shares

# Health

from the **Growing** days

Our products provide high quality nutrients for growing child's better physical and mental development.







# OPERATING & FINANCIAL HIGHLIGHTS

	Unit	2014	2013	2012	2011	2010	2009
<b>FINANCIAL POSITION</b>							
<b>Balance sheet</b>							
Property, plant and equipment	Rs in TH	1,545	7,529	7,475	126,502	121,067	4,490
Investment property	Rs in TH	123,588	123,588	120,952	-	-	-
Other non current assets	Rs in TH	14,507	35,249	44,043	52,726	61,383	70,626
Current assets	Rs in TH	470,910	339,792	433,563	368,468	188,943	268,184
Total assets	Rs in TH	610,550	506,158	606,033	547,696	371,393	343,300
Share capital	Rs in TH	230,000	200,000	200,000	200,000	200,000	200,000
Unappropriated profit	Rs in TH	291,690	202,853	152,236	93,634	48,118	39,025
Total equity	Rs in TH	521,690	402,853	352,236	293,634	248,118	239,025
Non current liabilities	Rs in TH	-	1,096	14,866	14,093	7,953	7,372
Current liabilities	Rs in TH	88,860	102,209	238,931	239,968	115,322	96,903
Total liabilities	Rs in TH	88,860	103,305	253,797	254,061	123,275	104,275
Total equity and liabilities	Rs in TH	610,550	506,158	606,033	547,695	371,393	343,300
Net current assets	Rs in TH	382,050	237,583	194,632	128,500	73,621	171,281
<b>OPERATING AND FINANCIAL TREND</b>							
<b>Profit and loss</b>							
Revenue	Rs in TH	910,004	863,746	723,387	639,195	475,248	414,882
Gross profit	Rs in TH	325,142	234,602	217,807	172,395	113,074	38,896
Operating profit / (loss)	Rs in TH	170,486	118,598	97,065	60,319	11,996	(9,474)
Finance cost	Rs in TH	2,602	3,314	11,991	5,509	450	(1,135)
Profit / (loss) before taxation	Rs in TH	181,354	121,631	87,726	54,078	14,031	(8,339)
Profit / (loss) after taxation	Rs in TH	148,837	100,617	78,360	45,516	9,093	(19,555)
<b>Cash flows</b>							
Operating activities	Rs in TH	76,446	59,598	128,665	(86,047)	105,419	31,105
Investing activities	Rs in TH	(27,510)	(2,660)	(5,098)	(6,815)	(117,911)	1,360
Financing activities	Rs in TH	(38,715)	(55,450)	(51,069)	5,375	(1,706)	(1,446)
<b>FINANCIAL POSITION</b>							
<b>Rate of return</b>							
Pre tax return on equity	%	34.76	30.19	24.91	18.42	5.65	(3.49)
Post tax return on equity	%	28.53	24.98	22.25	15.50	3.66	(8.18)
Interest cover	times	69.70	36.70	7.32	9.82	31.18	7.35

	Unit	2014	2013	2012	2011	2010	2009
<b>Profitability</b>							
Gross profit margin	%	35.73	27.16	30.11	26.97	23.79	9.38
Pre tax profit to sales	%	19.93	14.08	12.13	8.46	2.95	(2.01)
Post tax profit to sales	%	16.36	11.65	10.83	7.12	1.91	(4.71)
<b>Liquidity</b>							
Current ratio		5.30	3.32	1.81	1.54	1.64	2.77
Quick ratio		2.96	1.83	0.89	0.56	0.67	1.60
<b>Financial gearing</b>							
Debt equity ratio		0.17	0.26	0.72	0.87	0.50	0.44
<b>Capital efficiency</b>							
Debtors turnover	days	71	64	60	51	26	57
Inventory turnover	days	130	89	173	184	112	110
Total assets turnover	times	1.49	1.71	1.19	1.17	1.28	1.21
Property, plant and equipment turnover	times	589.00	114.72	96.77	5.05	3.93	92.40
<b>Investment</b>							
Earnings	Rs	6.47	4.37	3.92	2.28	0.45	(0.98)

# PATTERN OF SHAREHOLDING

As of June 30, 2014

# Of Shareholders	Shareholdings'Slab			Total Shares Held
2271	1	to	100	51,656
1121	101	to	500	294,659
272	501	to	1000	204,089
296	1001	to	5000	662,857
42	5001	to	10000	292,117
23	10001	to	15000	275,557
9	15001	to	20000	161,095
12	20001	to	25000	272,897
1	25001	to	30000	27,600
5	30001	to	35000	159,673
2	35001	to	40000	75,582
2	40001	to	45000	85,895
1	45001	to	50000	47,498
2	55001	to	60000	111,223
1	65001	to	70000	68,500
1	75001	to	80000	80,000
1	80001	to	85000	80,390
1	90001	to	95000	94,182
1	95001	to	100000	97,253
2	115001	to	120000	232,770
1	120001	to	125000	123,625
1	125001	to	130000	130,000
1	180001	to	185000	182,130
1	340001	to	345000	345,000
1	380001	to	385000	380,500
1	520001	to	525000	521,315
1	570001	to	575000	570,972
1	635001	to	640000	635,148
1	5235001	to	5240000	5,235,826
1	11495001	to	11500000	11,499,991
4076				23,000,000

Categories of Shareholders	Shareholders	Shares Held	Percentage
<b>Directors and their spouse(s) and minor children</b>			
RASHID ABDULLA	2	42,396	0.18
SYED NADEEM AHMED	2	216	0.00
ZUBAIR RAZZAK PALWALA	2	524	0.00
ASAD ABDULLA	2	18,731	0.08
AYAZ ABDULLA	2	18,731	0.08
MUFTI ZIA UL ISLAM	1	426	0.00
ADNAN ASDAR ALI	1	1	0.00
SHAISTA KHALIQ REHMAN	1	10	0.00
SHAKILA RASHID	1	570,972	2.48
<b>Associated Companies, undertakings and related parties</b>			
THE SEARLE COMPANY LIMITED	1	11,499,991	50.00
TRUSTEE SEARLE PAKISTAN LIMITED PROVIDENT FUND	1	635,148	2.76
INTERNATIONAL BRANDS LIMITED	1	5,235,826	22.76
UNITED DISTRIBUTORS PAKISTAN LIMITED	1	521,315	2.27
<b>Executives</b>	-	-	-
<b>Public Sector Companies and Corporations</b>	2	182,320	0.79
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds	12	467,859	2.03
<b>Mutual Funds</b>			
FIRST CAPITAL MUTUAL FUND LTD.	1	3,184	0.01
SAFeway MUTUAL FUND LIMITED	1	36	0.00
<b>General Public</b>			
a. Local	3990	3,564,706	15.50
b. Foreign	3	182,717	0.79
<b>Foreign Companies</b>	21	9,921	0.04
<b>Others</b>	28	44,970	0.20
<b>Totals</b>	<b>4076</b>	<b>23,000,000</b>	<b>100.00</b>
<b>Share holders holding 5% or more</b>		<b>Shares Held</b>	<b>Percentage</b>
THE SEARLE COMPANY LIMITED		11,499,991	50.00
INTERNATIONAL BRANDS LIMITED		5,235,826	22.76

# PATTERN OF SHAREHOLDING

As of June 30, 2014

S.No.	Folio #	Name of shareholder	Number of shares
<b>Directors and their spouse(s) and minor children</b>			
1	2	RASHID ABDULLA	1
2	03277-11384	RASHID ABDULLA	42,395
3	8	S. NADEEM AHMED	1
4	2435	SYED NADEEM AHMED	215
5	7	ZUBAIR PALWALA	1
6	02113-1037	ZUBAIR RAZZAK PALWALA	523
7	5	ASAD ABDULLA	1
8	03277-20909	ASAD ABDULLA	18,730
9	6	AYAZ ABDULLA	1
10	03277-21385	AYAZ ABDULLA	18,730
11	03277-56270	MUFTI ZIA UL ISLAM	426
12	2522	ADNAN ASDAR ALI	1
13	00539-16655	SHAISTA KHALIQ REHMAN	10
14	03277-12714	SHAKILA RASHID	570,972
			14
			652,007

## Associated companies, undertakings and related parties

1	1	THE SEARLE COMPANY LIMITED	11,499,991
2	02113-3439	TRUSTEE SEARLE PAKISTAN LIMITED PROVIDENT FUND	635,148
3	03277-2937	INTERNATIONAL BRANDS LIMITED	5,235,826
4	03277-62621	UNITED DISTRIBUTORS PAKISTAN LIMITED	521,315
			4
			17,892,280

## Executive

NIL

- -

## Public sector companies and corporations

1	03889-28	NATIONAL BANK OF PAKISTAN	190
2	02683-23	STATE LIFE INSURANCE CORP. OF PAKISTAN	182,130
			2
			182,320

## Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds

1	1414	ATLAS INVESTMENT BANK LTD.	17
2	1419	ASSET INVESTMENT BANK LIMITED	3
3	1871	CRESCENT INVESTMENT BANK LTD	240
4	2471	INDUS BANK LIMITED	3,142
5	2475	BANK ALFALAH LIMITED	949
7	11940-4410	ESCORTS INVESTMENT BANK LIMITED	47
8	03277-2538	EFU LIFE ASSURANCE LTD	380,500
9	03277-9404	ALLIANZ EFU HEALTH INSURANCE LIMITED	40,000
10	1876	FIRST UDL MODARABA	34
11	1878	FIRST UDL MODARABA	11,781

S.No.	Folio #	Name of shareholder	Number of shares
12	1950	FIRST IBL MODARABA	105
13	03277-78335	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	31,041
			12
			467,859

#### Mutual Funds

1	1870	FIRST CAPITAL MUTUAL FUND LTD.	3,184
2	2009	SAFEBAY MUTUAL FUND LIMITED	36
			2
			3,220

#### General Public Foreign

1	1671	C.C. SIRGIOVANNI	20,111
2	00364-137057	DR. OMAR ABDUL MONEM YOUSUF AL ZAWAWI	115,108
3	00364-137065	DR. OMAR ABDUL MONEM YOUSUF AL ZAWAWI	47,498
			3
			182,717

#### Foreign Companies

1	00547-716	THE NORTHERN TRUST COMPANY	371
2	1271	MIDLAND BANK TRUST CORP. (JERSEY) LTD	74
3	1620	INVESTORS BANK & TRUST COMPANY	207
4	1622	DAY LIMITED	108
5	1623	SMITH NEW COURT FAR EAST LIMITED	20
6	1653	INVESTORS BANK & TRUST COMPANY	764
7	1654	MORGAN STANLEY TRUST COMPANY	1,484
8	1656	AETNA INVESTMENT MGMT B.V.I NOMINEES LTD	837
9	1657	STATE STREET BANK AND TRUST CO. U.S.A.	671
10	1664	THE NORTHERN TRUST COMPANY	210
11	1677	CHASE MANHATTAN BANK (IRELAND) PLC	59
12	1680	THE AETNA CASUALTY AND SURETY COMPANY	175
13	1775	SOMERS NOMINEES (FAR EAST) LTD	262
14	1776	SMITH NEW COURT FAR EAST LTD	18
15	1779	THE NORTHERN TRUST COMPANY	173
16	1781	CHEM BANK NOMINEES LTD	20
17	1782	H.S.B.C. INTERNATIONAL TRUSTEE LIMITED	75
18	1884	CHEM BANK NOMINEES LTD.	115
19	1961	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.	470
20	1981	THE BANK OF NEWYORK	3,773
21	2140	INVESCO (BVI) NOMINEES LIMITED	35
			21
			9,921

# PATTERN OF SHAREHOLDING

As of June 30, 2014

S.No.	Folio #	Name of shareholder	Number of shares
Others			
1	1736	SHAFI (PRIVATE) LTD.	131
3	1875	PROFESSIONAL SECURITIES MANAGEMENT (PVT) LTD.	249
4	2024	SADIQ TRADERS (PVT) LTD.	435
5	2474	S.H. BUKHARI SECURITIES	184
6	2476	SHAZ INVESTMENT CORPORATION	89
7	2477	AAG SECURITIES (PVT) LTD.	86
8	2480	LASANI SECURITIES (PVT) LTD.	17
9	2481	BAGASRA SECURITIES (PVT) LTD	2
10	2483	ISMAIL ABDUL SHAKOOR SEC.	20
12	01552-45	FIRST CAPITAL EQUITIES LIMITED	85
13	03228-43	ABBASI & COMPANY (PRIVATE) LIMITED	15,000
14	03277-7421	TRUSTEES SAEEDA AMIN WAKF	6,034
15	03277-82127	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	1,089
16	03459-20	ASKARI SECURITIES LIMITED	213
17	03525-63416	H M INVESTMENTS (PVT) LIMITED	65
18	03525-63817	NH SECURITIES (PVT) LIMITED.	85
19	04457-78	FDM CAPITAL SECURITIES (PVT) LIMITED	10,000
20	04481-26	DOSSLANI'S SECURITIES (PVT) LIMITED	13
21	05546-26	STOCK MASTER SECURITIES (PRIVATE) LTD.	3,791
22	05736-15	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	1,000
23	06650-22	SAAO CAPITAL (PVT) LIMITED	500
24	06700-41	SUMMIT CAPITAL (PRIVATE) LIMITED	64
25	06882-25	AWJ SECURITIES (PRIVATE) LIMITED.	500
26	07005-29	MAM SECURITIES (PVT) LIMITED	37
27	07294-26	AL-HAQ SECURITIES (PVT) LTD.	33
28	14241-22	FIKREE'S (SMC-PVT) LTD.	5,106
29	05587-6474	PROGRESSIVE INVESTMENT MANAGEMENT (PVT)L	118
30	14274-29	MUHAMMAD AMER RIAZ SECURITIES (PVT) LTD.	24
			28
			44,970

Karachi  
September 16, 2014



Mufti Zia ul Islam  
Chief Executive Officer



---

The performance of your company is very good; the profit after tax grew by 47.9%. The Management clearly sees remarkable growth in the future. Extending our coverage of the infant nutrition and new launches in adult nutrition and medical disposable, will not only increase our market share in these categories, but will also result in an increase in the Company's sales growth.

---



# Health for the Special times

Our products for toddlers feature specialized nutrition including the DHA and iron milk lacks to help support healthy growth and development.





# STATEMENT OF COMPLIANCE

## WITH THE CODE OF CORPORATE GOVERNANCE

Name of the Company : IBL HealthCare Limited  
Year ended : June 30, 2014

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in Regulation no. 35 of the listing regulations of Karachi Stock Exchange Limited, 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 Code of Corporate Governance in the following manner:

1. The Company encourages representation of independent non-executive directors on its board of directors. At present the board includes:

CATEGORY	NAME OF DIRECTORS
Independent Director	Ms. Shaista Khaliq Rehman
Executive Director	Mr. Mufti Zia ul Islam
Non-executive Directors	Mr. Rashid Abdulla Syed Nadeem Ahmed Mr. Zubair Palwala Mr. Munis Abdullah Mr. Asad Abdulla Mr. Ayaz Abdulla Mr. Adnan Asdar Ali

The independent directors meets the criteria of independence under clause i (b) of the Code of Corporate Governance.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
3. 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 NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred on the Board during the period.

5. 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.

6. 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 date on which they were approved or amended has been maintained.

7. All the powers of the board have been duly exercised and decisions 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.

8. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose 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.

9. As the Board has been recently appointed, therefore trainings will be obtained accordingly; so far one director obtained the training during the period.

10. The board has approved appointment of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.

11. The directors' report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance, 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 directors, 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 Code of Corporate Governance.
  15. The board has formed an Audit Committee. The Committee comprises of three members, 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 Code of Corporate Governance. The terms of reference of the committee have been formed and advised to the committee for compliance.
  17. The board has formed a Human Resource and Remuneration Committee. It comprises of three non-executive directors including the Chairman of the Committee.
  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 are 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 Institute of Chartered Accountants of Pakistan (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. We confirm that all other material principles enshrined in the Code of Corporate Governance have been complied with.



Mufti Zia ul Islam  
Chief Executive Officer

# Health for Convenience

Nutritionally complete diet for both tube-feeding and oral supplementation, to meet the special nutritional needs of compromised patients.





# REVIEW REPORT TO THE MEMBERS

## ON STATEMENT OF COMPLIANCE OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance (the Statement) with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of IBL HealthCare Limited (the Company) for the year ended June 30, 2014 to comply with the requirements of Listing Regulations No 35(xi) of the Karachi Stock Exchange where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors (the Board) 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 part of our audit of 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's 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 procedure and risk.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, to place before the Board 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 the requirement to the extent of approval of the related party transactions by the Board of Directors on 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 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, 2014.

Date: September 16, 2014  
Karachi



Anjum Asim Shahid Rahman

Chartered Accountants

Muhammad Shaukat Naseeb



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF IBL HEALTHCARE LIMITED

We have audited the annexed balance sheet of IBL HealthCare Limited (the Company) as at June 30, 2014 and the related profit and loss account, statement of comprehensive income, statement of changes in equity and statement of cash flows 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 account 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, statement of changes in equity and statement of cash flows 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, 2014 and of the profit, its compressive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion Zakat deductible at source under the Zakat and Usher Ordinance, 1980(XVIII), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

### Other Matter

The financial statements of the Company for the year ended June 30, 2013 were audited by another firm of Chartered Accountants, who through their report dated September 09, 2013 expressed an unmodified opinion thereon.

Date: September 16, 2014  
Karachi



Anjum Asim Shahid Rahman  
Chartered Accountants  
Muhammad Shaukat Naseeb

# Health for Comfort

Complete nutritional formula to improve blood glucose control, providing energy and strength when the body needs it most.





# Balance Sheet

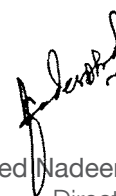
As at June 30, 2014

	Note	2014	2013 (Re-stated)	July 01, 2012 (Re-stated)
		-----	(Rupees in '000)	-----
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Fixed assets</b>				
Property and equipment	4	1,545	7,529	7,475
Intangible assets	5	14,131	35,064	43,541
		15,676	42,593	51,016
Investment property	6	123,588	123,588	120,952
Long term loans	7	376	185	502
<b>Total non-current assets</b>		<b>139,640</b>	<b>166,366</b>	<b>172,470</b>
<b>Current assets</b>				
Stock - in - trade	8	207,676	152,835	221,114
Trade debts	9	177,571	151,757	118,884
Current portion of long term loans	7	631	355	512
Short term investments	10	41,042	-	-
Advances, deposits and other receivables	11	13,997	16,004	18,809
Advance income tax		4,633	3,702	2,920
Cash and bank balances	12	25,360	15,139	71,324
<b>Total current assets</b>		<b>470,910</b>	<b>339,792</b>	<b>433,563</b>
<b>Total assets</b>		<b>610,550</b>	<b>506,158</b>	<b>606,033</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Share capital and reserves</b>				
Authorised share capital	13	500,000	210,000	210,000
Issued, subscribed and paid-up share capital	13	230,000	200,000	200,000
Unappropriated profit		291,690	202,853	152,236
<b>Total shareholders' equity</b>		<b>521,690</b>	<b>402,853</b>	<b>352,236</b>
<b>Non-current liabilities</b>				
Liabilities against assets subject to finance lease	14	-	1,096	3,312
Deferred liabilities		-	-	11,554
<b>Total non-current liabilities</b>		<b>-</b>	<b>1,096</b>	<b>14,866</b>
<b>Current liabilities</b>				
Trade and other payables	15	88,860	100,892	180,007
Current maturity against assets subject to finance lease	14	-	1,317	1,251
Short term running finance		-	-	57,673
<b>Total current liabilities</b>		<b>88,860</b>	<b>102,209</b>	<b>238,931</b>
<b>Total liabilities</b>		<b>88,860</b>	<b>103,305</b>	<b>253,797</b>
CONTINGENCIES AND COMMITMENTS	16	-	-	-
<b>Total equity and liabilities</b>		<b>610,550</b>	<b>506,158</b>	<b>606,033</b>

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



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director

# Profit and Loss Account

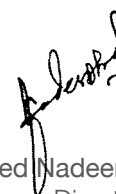
For the year ended June 30, 2014

	Note	2014	2013
		-----Rupees in '000-----	
SALES - NET	17	910,004	863,746
COST OF SALES	18	(584,862)	(629,144)
GROSS PROFIT		325,142	234,602
Selling and distribution expenses	19	(109,631)	(91,860)
Administrative expenses	20	(36,078)	(15,332)
Amortization of intangible assets	5	(8,947)	(8,812)
		(154,656)	(116,004)
OPERATING PROFIT		170,486	118,598
Other income - net	21	16,642	8,829
Finance cost	22	(2,602)	(3,314)
Workers' welfare fund		(3,172)	(2,482)
		10,868	3,033
PROFIT BEFORE INCOME TAX		181,354	121,631
Income tax expense	23	(32,517)	(21,014)
PROFIT FOR THE YEAR		148,837	100,617
			(Re-stated)
EARNINGS PER SHARE BASIC AND DILUTED (Rupees)	24	6.47	4.37

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



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director

# Statement of Comprehensive Income

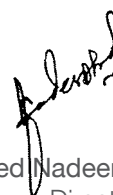
For the year ended June 30, 2014

	2014	2013
	-----Rupees in '000-----	
PROFIT FOR THE YEAR	148,837	100,617
Other comprehensive income	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>148,837</b>	<b>100,617</b>

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



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director

# Statement of Changes in Equity

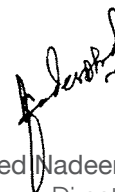
For the year ended June 30, 2014

	Note	Issued, subscribed and paid-up share capital	Reserve for issue of bonus shares	Unap- propriated profit	Total share holders' equity
------(Rupees in '000)-----					
Balance as at July 1, 2012 as previously stated		200,000	-	121,994	321,994
Effect of restatement	32	-	-	30,242	30,242
<b>Balance as at July 1, 2012 - Re-stated</b>		<b>200,000</b>	<b>-</b>	<b>152,236</b>	<b>352,236</b>
Total comprehensive income for the year ended June 30, 2013		-	-	100,617	100,617
<b>Transactions with owners</b>					
Cash dividend paid for the year ended June 30, 2012 @ Rs. 2.5 per share		-	-	(50,000)	(50,000)
<b>Balance as at June 30, 2013</b>		<b>200,000</b>	<b>-</b>	<b>202,853</b>	<b>402,853</b>
Total comprehensive income for the year ended June 30, 2014		-	-	148,837	148,837
Transfer to reserve for issue of bonus shares		-	30,000	(30,000)	-
<b>Transactions with owners</b>					
Bonus shares issued @ 15% in the ratio of 15 shares for every 100 shares held		30,000	(30,000)	-	-
Cash dividend paid for the year ended June 30, 2013 @ Rs. 1.5 per share		-	-	(30,000)	(30,000)
<b>Balance as at June 30, 2014</b>		<b>230,000</b>	<b>-</b>	<b>291,690</b>	<b>521,690</b>

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



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director

# Statement of Cash Flows

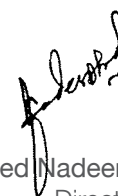
For the year ended June 30, 2014

	Note	2014	2013
		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax		181,354	121,631
<b>Adjustments for non-cash items:</b>			
Depreciation	4.1	1,343	2,323
Gain on disposal of property and equipment	4.2.1	(8,992)	(2,688)
Amortization of intangible asset	5	8,947	8,812
Impairment of intangibles	5	12,129	-
Unrealized gain on investments classified as fair value through profit and loss	10	(42)	-
Provision for staff retirement gratuity		-	788
		194,739	130,866
<b>Changes in working capital</b>			
Stock in trade	8	(54,841)	68,279
Trade debts	9	(25,814)	(32,873)
Advances, deposits and other receivables	11	2,007	2,805
Trade and other payables	15	(5,730)	(88,154)
		(84,378)	(49,943)
<b>Cash generated from operations</b>		110,361	80,923
Income tax paid		(33,448)	(21,796)
Loans to employees		(467)	471
<b>Net cash flows generated from operating activities</b>		76,446	59,598
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property and equipment	4	(409)	(2,622)
Purchase of intangibles	5	(143)	(335)
Purchase of investment property	6	-	(2,636)
Short term investments	10	(41,000)	-
Sale proceeds from sale of property and equipment	4.2	14,042	2,933
<b>Net cash used in investing activities</b>		(27,510)	(2,660)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Liabilities against assets subject to finance lease	14	(2,413)	(2,149)
Gratuity paid	15.1	(6,302)	(3,301)
Dividends paid		(30,000)	(50,000)
<b>Net cash flows used in financing activities</b>		(38,715)	(55,450)
<b>Net increase in cash and cash equivalents</b>		10,221	1,488
Cash and cash equivalents at the beginning of the year		15,139	13,651
<b>Cash and cash equivalents at the end of the year</b>	25	25,360	15,139

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



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director



# Notes to the Financial Statements

For the year ended June 30, 2014

## 1 LEGAL STATUS AND OPERATIONS

IBL HealthCare (the Company) was incorporated in Pakistan as a private limited company on July 14, 1997. In November 2008 the Company was converted into a public limited company. Its shares are quoted on Karachi Stock Exchange. The principal business activities of the Company are marketing, selling and distribution of healthcare products. The address of its registered office is 9th Floor, N.I.C. Building, Abbasi Shaheed Road, Karachi.

The Company is a subsidiary of The Searle Company Limited, which holds 50 % shares in the Company.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention.

### 2.3 Critical assumptions and estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the Company's financial statements and estimates and assumptions with significant risk of material adjustment in the future period are included in the following notes:

	Note
a) Depreciation for the year	3.1
b) Estimates of recoverable amounts of inventories	3.4
c) Loans and advances	3.5
d) Impairment	3.19

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

# Notes to the Financial Statements

For the year ended June 30, 2014

## 2.4 Standards, interpretation and amendments to published approved accounting standards

The requirements under the SECP's S.R.O. 24(1)/2012 dated January 16, 2012 and S.R.O. 633(1)/2014 dated July 10, 2014 have been considered while determining the application of a standard, amendment or an interpretation to an existing standard.

### 2.4.1 Standards, amendments to published standards and interpretations that became effective in 2013 and are relevant to the Company.

#### a) The following standard and amendment to published standard are applied for the financial year beginning on July 1, 2013:

i) The main change arising from the amendment in IAS 1 'Financial Statement Presentation' is a requirement for entities to group items presented in 'Other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendment does not address which items are presented in OCI. The amendment only affects the disclosures in the Company's financial statements.

ii) IAS 19 – 'Employee Benefits' was revised in June 2011. The revised standard require that (i) actuarial gains and losses are recognized in 'statement of comprehensive income' as other comprehensive income (OCI) in the periods in which they occur, (ii) amounts recorded in the profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income (expense), and (iii) all other changes in the net defined benefit obligation are recognized directly in other comprehensive income with no subsequent recycling through the profit and loss account. Previously, actuarial gains and losses were recognized as income/(expense), under the corridor approach, when the cumulative unrecognized actuarial gains/(losses) at the balance sheet date exceeded ten percent of the higher of present value of defined benefit obligation and fair value of the plan assets at end of the previous reporting period. These gains/(losses) were recognized over the expected remaining average working lives of the employees participating in the plans.

The standard replaces the 'interest cost on the defined benefit obligation' and the 'expected return on plan assets' with a 'net interest cost' based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year. There is no change to determining the discount rate; this continues to reflect the yield on high-quality corporate bonds. Further, there is a new term 'remeasurements', which is made up/cumulative effect of actuarial gains and losses arising on both the present value of defined benefit obligation and the fair value of plan assets.

#### b) Amendments to following standards as a result of annual improvements to IFRSs are applied for the financial year beginning on July 1, 2013:

i) IAS 1 'Presentation of Financial Statements' is amended to clarify that only one comparative period – which is the preceding period – is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the 'third statement of financial position', when required, is only required if the effect of restatement is material to statement of financial position.

- ii) IAS 16 'Property, Plant and Equipment' is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of 'Property, Plant and Equipment' in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 'Inventories'.
- iii) IAS 32 (Amendment) 'Financial Instruments: Presentation'. The amendment clarifies that the treatment of income tax relating to distributions and transaction costs is in accordance with IAS 12. So, income tax related to distributions is to be recognised in the statement of comprehensive income, and income tax related to the costs of equity transactions is to be recognized in equity.
- iv) IAS 34 (Amendment) 'Interim Financial Reporting'. The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements. The amendment brings IAS 34 in line with the requirements of IFRS 8, 'Operating Segments' whereby a measure of total assets and liabilities is required for an operating segment in interim financial statements if such information is regularly provided to the chief operating decision maker and there has been a material change in those measures since the last annual financial statements.

#### 2.4.2 Standards, amendments to published standards and interpretations that are effective in 2013 but not relevant to the Company.

The other new standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2013 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

#### 2.4.3 Standards, amendments to published standards and interpretations that are not effective

- a) The following new standards and amendments to published standards are not effective for the financial year beginning on July 1, 2013 and have not been early adopted by the Company:
  - i) IFRS 9 'Financial Instruments' (effective for periods beginning on or after January 1, 2015). This standard is yet to be notified by the SECP. IFRS 9 replaces the parts of IAS 39, 'Financial Instruments: Recognition and Measurement' that relate to classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories; those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the requirements of IAS 39. The main change is that, in case the fair value option is taken for financial liabilities, the part of a fair value change due to entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess of IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS when completed by the IASB Board. However, the initial indications are that it may not affect the Company's financial statements significantly.
  - ii) IFRS 10, 'Consolidated Financial Statements'. This standard is notified by the SECP to be effective for periods beginning on or after January 1, 2015. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in determination of control where this is difficult to assess. It is unlikely that the standard will have any significant impact on the Company's financial statements.

# Notes to the Financial Statements

For the year ended June 30, 2014

- iii) IFRS 11, 'Joint Arrangements'. This standard is notified by the SECP to be effective for periods beginning on or after January 1, 2015. This standard focuses on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement a joint operator accounts for its share in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint ventures is no longer allowed.
  - iv) IFRS 12, 'Disclosures of Interests in Other Entities'. This standard is notified by the SECP to be effective for periods beginning on or after January 1, 2015. The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles.
  - v) IFRS 13 'Fair Value Measurement'. This standard is notified by the SECP to be effective for periods beginning on or after January 1, 2015. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.
  - vi) IAS 19 (Amendment) regarding defined benefit plans (effective for the periods beginning on or after July 1, 2014). These amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The amendment is not relevant to the Company as the Company has no funded defined benefit plans.
  - vii) IAS 32 (Amendment), 'Financial Instruments: Presentation' (effective for periods beginning on or after January 1, 2014). This amendment updates the application guidance in IAS 32 'Financial Instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet date. It is unlikely that the standard will have any significant impact on the Company's financial statements.
  - viii) IAS 36 (Amendment) 'Impairment of Assets' (effective for the periods beginning on or after January 1, 2014). These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment will only affect the disclosures in the Company's financial statements in the event of impairment.
- b) [Amendment to following standards as a result of annual improvements to International Financial Reporting Standards 2012 issued by IASB:](#)
- i) IFRS 3 (Amendment), 'Business Combinations', (effective for business combinations where the acquisition date is on or after July 1, 2014). This amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of definitions in IAS 32, 'Financial instruments: Presentation'. The standard is further amended to clarify that all non equity contingent considerations, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognized in profit and loss. Consequential changes are also made to IFRS 9, IAS 37 and IAS 39. It is unlikely that the amendment will have any significant impact on the Company's financial statements.

- ii) IFRS 13 (Amendment), 'Fair Value Measurement' (effective for annual periods beginning on or after July 1, 2014). When IFRS 13 was published, it led to a concern that entities no longer had the ability to measure short-term receivables and payables at invoice amounts where the impact of not discounting is immaterial. The amendment clarifies that it did not intend to remove the ability to measure short-term receivables and payables at invoice amounts in such cases.
  - iii) IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' (effective for annual periods beginning on or after July 1, 2014) - clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount. An entity shall apply that amendment for annual periods beginning on or after 1 July 2014. It is unlikely that the amendment will have any significant impact on the Company's financial statements.
  - iv) IAS 24 'Related Party Disclosures' (effective for annual periods beginning on or after July 1, 2014) has amended to include in the definition of related party, an entity, or any member of a group of which it is a part, if it provides key management personnel services to the reporting entity or to the parent of the reporting entity. Further the amendment has also clarified how payments to entities providing management services are to be disclosed.
- c) There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

#### 3.1 Property and equipment

##### Initial recognition

An item of property and equipment is initially recognized at cost which is equal to the fair value of consideration paid at the time of acquisition or construction of the asset.

The Company accounts for property and equipment acquired under finance leases by recording the assets and the related liabilities. These amounts are determined at the inception of lease, on the basis of the lower of the fair value and the present value of minimum lease payments. Financial charges are allocated to the accounting period in a manner so as to provide a constant rate of charge on the outstanding liability.

##### Measurement subsequent to initial recognition

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

##### Depreciation

Depreciation on assets is charged to income applying the straight-line method whereby the cost of an asset is written off over its useful life. Same basis and estimates for depreciation are applied to owned assets and assets acquired under finance lease.

Depreciation on additions is charged from the month during which the asset is available for use. For disposals during the year, depreciation is charged up to the end of the month preceding the month of disposal.

# Notes to the Financial Statements

For the year ended June 30, 2014

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Gain and loss on disposal of property and equipment is included in income currently.

Depreciation is charged at the rates given below:

Office equipments	33.33%
Owned vehicles	20%
Furniture and fixtures	10%
Leased vehicles	20%

## 3.2 Investment property

The Company carries investment properties at their respective costs under the cost model in accordance with IAS 40 - 'Investment Property'. The fair values are determined by the independent valuation experts and such valuations are carried out every year to determine the recoverable amount.

Leasehold land classified under investment properties is carried at its respective cost less accumulated impairment losses, if any.

## 3.3 Intangible assets

Patent rights and licenses have a finite useful life and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization is charged to income on the straight line method to allocate the cost of patent rights and licenses over their useful lives. Amortization is charged from the month in which an asset is available for use while no amortization is charged from the month in which asset is disposed off.

Amortization is charged at the rates given below:

- Patent rights	- 4.50%
- Windows license	- 33.33%

These assets' useful lives are continually reviewed by the Company and adjusted, if impact on amortization is significant.

## 3.4 Stock in trade

Stock-in-trade except for stock in transit is valued at the lower of cost and net realizable value. Cost is determined using the First-In-First Out (FIFO) basis. Cost of stock in transit comprises of invoice value plus other charges accumulated to the balance sheet date.

Net realizable value represents the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale.

## 3.5 Loans and advances

Interest free loans to employees are stated at cost and recovered in equal monthly installments through salary of the employees.

Loans and advances are non derivative financial assets with fixed and determinable payment. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non current assets.

## 3.6 Trade debts and other receivables

Trade debts and receivables are valued at invoice value, being the fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment. A provision for impairment of trade debts and receivables is established when there is an objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

## 3.7 Investments

All investments are initially recognised at the fair value of the consideration given and include transaction costs except for held for trading investments in which case transaction costs are charged to the profit and loss account. All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Company commits to purchase or sell the investments.

### 3.7.1 Fair value through profit or loss - Held for trading

Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading. After initial recognition, these are measured at fair values with any resulting gains or losses recognised directly in the profit and loss account. Subsequent to initial recognition these are measured at fair value by reference to quoted market prices with the resulting gain or loss being included in net profit or loss for the period in which it arises.

Dividend income and entitlement of bonus shares are recognized when the Company's right to receive such dividend and bonus shares is established.

## 3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of statement of cash flows, cash and cash equivalents comprise cash in hand, with banks on current and savings accounts.

## 3.9 Financial instruments

A financial instrument (financial asset or financial liability) is recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets carried on the balance sheet include loans, advances, trade debts, deposits, other receivables and cash and bank balances.

Financial liabilities carried on the balance sheet include liabilities against assets subject to finance lease and trade and other payables.

At the time of initial recognition i.e. at the time when the Company becomes a party to the contractual provisions of the instrument, all financial assets and financial liabilities are measured at cost, which is the fair value of the consideration given or received for it following trade date accounting. Transaction costs are included in the initial measurement of all financial assets and liabilities except for transaction costs incurred on financial assets and liabilities classified as 'at fair value through profit or loss' and 'held for trading' and that may be incurred on disposal. The particular recognition methods adopted for the measurement of financial assets and liabilities subsequent to initial measurement are disclosed in the policy statements associated with each item.

Financial assets or a part thereof is derecognized when the Company loses control of the contractual rights that comprise the financial asset or part thereof. Financial liabilities or a part thereof is removed when it is extinguished, i.e. the obligation specified in contract is discharged, cancelled or expired.

# Notes to the Financial Statements

For the year ended June 30, 2014

## Off-setting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

## Regular way purchase and sale transactions

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention are recognized at the trade date. Trade date is the date on which the Company commits to purchase or sell the asset.

### 3.10 Foreign currencies

Transactions in foreign currencies are accounted for in rupees at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies as at the balance sheet date are expressed in rupees at rates of exchange prevailing on that date except where forward exchange cover has been obtained for payment of liabilities, in which case the contracted rates are applied. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions. Exchange gains and losses are included in income currently.

### 3.11 Taxation

#### Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, and the final tax regime whichever is applicable, in accordance with the prevailing law for taxation of income.

#### Deferred

Deferred tax is provided using the balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date. However due to application of presumptive basis of taxation, deferred taxation would not arise.

### 3.12 Employee benefits

#### Defined contribution plan

The Company also operates a provident fund scheme for its employees. Equal contributions are paid by the Company and the employees, to the fund, at the rate of 10% of the basic salary.

### 3.13 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

### 3.14 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying 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 current best estimate.



## 3.15 Revenue recognition

Sales are recorded when risks and rewards are transferred. Revenue from sale of goods is measured at the fair value of consideration received or receivable, net of returns and trade discounts.

Sale of fixed assets are recognized as income when risk and reward are transferred.

Profit from saving accounts are accounted for as income on an accrual basis.

Rent income is recognized on an accrual basis.

## 3.16 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible. The exception, if any, is made with the approval of the Board of Directors, when it is in the interest of the Company to do so.

## 3.17 Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which such dividends are approved.

## 3.18 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

## 3.19 Impairment

At each balance sheet date, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. When the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and loss is recognized as an expense immediately.

## 3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision - maker who is responsible for allocating resources and assessing performance of the operating segments.

# Notes to the Financial Statements

For the year ended June 30, 2014

## 4. PROPERTY AND EQUIPMENT

Particulars	Note	Office equipments	Owned vehicles	Furniture and fixtures	Leased vehicles	Total
------(Rupees in '000)-----						
<b>Year ended June 30, 2013</b>						
Opening net book value		-	3,234	-	4,241	7,475
Additions		174	2,448	-	-	2,622
Disposals						
Cost		-	(2,678)	-	(569)	(3,247)
Accumulated depreciation		-	2,678	-	324	3,002
Depreciation charge	4.1	(15)	(1,111)	-	(1,197)	(2,323)
<b>Closing net book value</b>		<b>159</b>	<b>4,571</b>	<b>-</b>	<b>2,799</b>	<b>7,529</b>
<b>At June 30, 2013</b>						
Cost		3,277	17,607	607	5,467	26,958
Accumulated depreciation		(3,118)	(13,036)	(607)	(2,668)	(19,429)
<b>Net book value</b>		<b>159</b>	<b>4,571</b>	<b>-</b>	<b>2,799</b>	<b>7,529</b>
<b>Year ended June 30, 2014</b>						
Opening net book value		159	4,571	-	2,799	7,529
Additions		409	-	-	-	409
Disposals						
Cost		-	(14,047)	-	(2,406)	(16,453)
Accumulated depreciation		-	10,076	-	1,327	11,403
		-	(3,971)	-	(1,079)	(5,050)
Transfers						
Cost		-	3,061	-	(3,061)	-
Accumulated depreciation		-	(1,547)	-	1,547	-
		-	1,514	-	(1,514)	-
Adjustments						
Cost		-	(2,629)	-	-	(2,629)
Accumulated depreciation		-	2,629	-	-	2,629
		-	-	-	-	-
Depreciation charge	4.1	(133)	(1,004)	-	(206)	(1,343)
<b>Closing net book value</b>		<b>435</b>	<b>1,110</b>	<b>-</b>	<b>-</b>	<b>1,545</b>
<b>At June 30, 2014</b>						
Cost		3,686	3,992	607	-	8,285
Accumulated depreciation		(3,251)	(2,882)	(607)	-	(6,740)
<b>Net book value</b>		<b>435</b>	<b>1,110</b>	<b>-</b>	<b>-</b>	<b>1,545</b>
Depreciation rate		33.33%	20%	10%	20%	

# IBL HealthCare Limited

	Note	2014 ----- (Rupees in '000) -----	2013
4.1 Depreciation for the year has been allocated as follows:			
Selling and distribution expenses	19	1,187	2,054
Administrative expenses	20	156	269
		<u>1,343</u>	<u>2,323</u>

## 4.2 Details of property and equipment disposals

Following items of property and equipment were disposed off during the year:

Type of asset	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of purchaser
	----- (Rs. in 000) -----					
Vehicle	45	45	-	14	Tender	Shaukat Ali (Employee) House No. R-26, Hina Bunglows, Block-19, Gulistan-e-Johar, Karachi.
Vehicle	374	374	-	211	Tender	Farrukh Ahmed Choudhry (Employee) House No. A-175-A, North Nazimabad, Karachi.
Vehicle	555	555	-	474	Tender	Muhammad Ehtishamuddin Syed House No. B-292, Gulshan-e-Iqbal-10, Karachi.
Vehicle	647	647	-	535	Tender	Shagufta Sohail Malik House No. R-110, Sector-9, North Karachi, Karachi.
Vehicle	315	315	-	242	Tender	Arif Sultan House No.875, Sector 5-E, Orangi Town, Karachi.
Vehicle	1,695	876	819	1,400	Tender	Sheikh Asif Mahmood House No. A-805, Gulberg FB Area Block-12, Karachi.
Vehicle	647	647	-	670	Tender	Shaikh Sultan House No .L-819, Sector 5-L, North Karachi, Karachi.
Vehicle	886	886	-	757	Tender	Mehmood Hussain (Employee) House No. B-456, Gulberg, FB Area, Block-13, Karachi.
Vehicle	555	555	-	510	Tender	Syed Waseem Hassan House No. E-1/11, New Dhoraji Colony, Gulshan-e-Iqbal, Karachi.
Vehicle	561	243	318	467	Tender	Farrukh Ahmed Choudhry (Employee) House No. A-175-A, North Nazimabad, Karachi.
Vehicle	612	143	469	540	Tender	Reena Abdul Salam (Employee) House No.B/12 Street No.25, Ghri Shahu, Lahore.
Vehicle	612	173	439	535	Tender	Syed Kasshif Mehdi House No. 1042/9, Dastagir Society, FB Area, Karachi.
Vehicle	612	173	439	536	Tender	Iqbal Ahmed Khan Khilgi House No. 5C-11/9, Nazimabad, Karachi.
Vehicle	886	886	-	725	Tender	Muhammad Kamran House No.464, Korangi No.21/2 Sector No. 48-B, Karachi.
Vehicle	366	366	-	225	Tender	M.Shamim Akhtar Flat No. F-16, Nemat Apartment, North Nazimabad, Karachi.
Vehicle	350	350	-	218	Tender	Rizwana Habib House No.1285, Block-14, FB Area, Dastagir Karachi.
Vehicle	556	259	297	470	Tender	Muhammad Zeeshan House No.136, KACHS, Block-5, Karachi.
Vehicle	421	421	-	332	Tender	Sehrish Sabir (Employee) House No.158, Mehar Ali Colony, Latifabad Unit No.11, Block-A, Hyderabad.
Vehicle	860	860	-	891	Tender	Abdul Majeed House No.63-1,Street No 20,Model Colony, Karachi.
Vehicle	1,574	736	838	1,417	Tender	Muhammad Asif House No. X-133, Street-7, Azam Town, Karachi.
Vehicle	918	566	352	725	Tender	Muhammad Kamran House No. 464, Korangi No. 21/2 Sector No. 48-B, Karachi.
Vehicle	568	332	236	478	Tender	Tehsin Ahmed (Employee) House No.7, Street-1, Shalimar Colony, opposite FATA Office, Wasak Road, Peshawar.
Vehicle	919	505	414	825	Tender	Hamood Bin Nazir (Employee) House No. NK-300, New Katarian, Satellite Town, Rawalpindi.
Vehicle	919	490	429	845	Tender	Khurram Shahzad House No.4-G 9/4, Nazimabad No. 4, Karachi.
June 30, 2014	<u>16,453</u>	<u>11,403</u>	<u>5,050</u>	<u>14,042</u>		
June 30, 2013	<u>3,247</u>	<u>3,002</u>	<u>245</u>	<u>2,933</u>		

# Notes to the Financial Statements

For the year ended June 30, 2014

4.2.1 The gain on disposal of property and equipment has been accounted for as follows:

	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
Sales proceeds		14,042	2,933
Net book value		(5,050)	(245)
Gain on disposal of fixed assets	21	<u>8,992</u>	<u>2,688</u>

## 5. INTANGIBLE ASSETS

	Patent rights	Windows license	Total
	----- (Rupees in '000) -----		
<b>Year ended June 30, 2014</b>			
Opening net book value	34,841	223	35,064
Additions	-	143	143
Amortization charge	(8,723)	(224)	(8,947)
Impairment	(12,129)	-	(12,129)
Closing net book value	<u>13,989</u>	<u>142</u>	<u>14,131</u>
<b>As at June 30, 2014</b>			
Cost	192,200	478	192,678
Accumulated amortization	(166,082)	(336)	(166,418)
Accumulated impairment	(12,129)	-	(12,129)
Net book value	<u>13,989</u>	<u>142</u>	<u>14,131</u>
<b>As at June 30, 2012</b>			
Cost	192,200	-	192,200
Accumulated amortization	(148,659)	-	(148,659)
Net book value	<u>43,541</u>	<u>-</u>	<u>43,541</u>
<b>Year ended June 30, 2013</b>			
Opening net book value	43,541	-	43,541
Additions	-	335	335
Amortization charge	(8,700)	(112)	(8,812)
Closing net book value	<u>34,841</u>	<u>223</u>	<u>35,064</u>
<b>As at June 30, 2013</b>			
Cost	192,200	335	192,535
Accumulated amortization	(157,359)	(112)	(157,471)
Net book value	<u>34,841</u>	<u>223</u>	<u>35,064</u>

## 6. INVESTMENT PROPERTY

	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
6.1	6.1	<u>123,588</u>	<u>123,588</u>

6.1 The valuation has been carried out by M/s. Harvester Services (Private) Limited, an independent valuer engaged by the Company. Market value of investment property as on June 30, 2014 is Rs. 128.475 million.

# IBL HealthCare Limited

	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
<b>7. LONG TERM LOANS</b>			
<b>Unsecured - considered good</b>			
Loan to employees	7.1	1,007	540
Less: Current maturity of long term loan		(631)	(355)
		<u>376</u>	<u>185</u>
7.1. Long-term loan represent interest-free loan given to employees for purchase of motor cars and motorcycles, repayable in equal monthly installments over a term of four to five years. The maximum aggregate amount due from employees at the end of any month during the year was Rs. 0.332 million (June 30, 2013: 0.130 million).			
<b>8. STOCK IN TRADE</b>	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
Stock - net	8.1	202,936	127,200
In transit		4,740	25,635
		<u>207,676</u>	<u>152,835</u>
8.1. Provision for slow moving stock			
Stock gross		205,900	134,558
<b>Provision for slow moving stock</b>			
Opening		-	-
Charge for the year		(1,301)	-
Closing		(1,301)	-
Stock written off		(1,663)	7,358
Stock - net		<u>202,936</u>	<u>127,200</u>
<b>9. TRADE DEBTS - UNSECURED</b>			
<b>Considered good</b>			
Due from related party	9.1	162,225	130,014
Others		17,011	21,743
		<u>179,236</u>	<u>151,757</u>
Less: provision for doubtful debts		(1,665)	-
		<u>177,571</u>	<u>151,757</u>
9.1. As at June 30, 2014, trade debts from related parties of the Company are as follows:			
IBL Operations (Private) Limited		162,189	129,885
The Searle Company Limited		36	129
		<u>162,225</u>	<u>130,014</u>
9.2. At year-end, trade debts aggregating Rs. 1.665 million (2013: Rs. nil) were deemed to have been impaired. These balances are outstanding for more than 3 years. The movement of provision for doubtful debts is as follows:			
	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
Balance at the beginning of the year		-	-
Provision/(reversal) made	19	1,665	-
Balance at the end of the year		<u>1,665</u>	<u>-</u>

# Notes to the Financial Statements

For the year ended June 30, 2014

- 9.3. In addition, some of the unimpaired trade debts are past due as at the reporting date, against which no provision has been made. The aging of trade debts 'past due' but not impaired from related parties is as follows:

	2014	2013
Age analysis of 'past due' but not impaired trade debts due from related parties	----- (Rupees in '000) -----	-----
- More than two months but less than four months	118,245	71,232
- More than four months but less than one year	1,834	55,980
- One year or more but less than two years	42,146	2,802
- Two years and more	-	-
	162,225	130,014

## 10. SHORT TERM INVESTMENTS

Number of units				
June 2014	June 2013			
892,126	-	-	Meezan Sovereign Fund - at cost	41,000
-	-	-	Add:	
			Unrealized gain on revaluation of units	42
892,126	-	-	Closing balance	41,042

- 10.1. Short term investment comprises of investment in Meezan Sovereign Fund, an open end mutual fund. The rating of the Fund is 'AA+' and the credit rating agency is JCR-VIS. The investments are made during the year and are classified as "financial assets at fair value through profit and loss. The fund is managed by the "Al Meezan Investment Management Limited" while the Central Depository Company Limited acts as its trustee.

	2014	2013
Note	----- (Rupees in '000) -----	-----

## 11. ADVANCES, DEPOSITS AND OTHER RECEIVABLES

<b>Advances</b>			
To employees	382	2,039	
Others	748	3,994	
	1,130	6,033	
<b>Deposits</b>			
Trade	3,047	3,036	
Others	663	651	
	3,710	3,687	
Claim from suppliers	1,115	-	
Due from related party	4,295	2,896	
Other receivables	3,747	3,389	
	13,997	16,004	

## 12. CASH AND BANK BALANCES

Cash in hand	17	-
Cash at banks:		
- Current accounts	25,340	15,136
- Savings account	3	3
	25,360	15,139

25

2014                  2013  
----- (Rupees in '000) -----

## 13. SHARE CAPITAL

### Authorized share capital

Number of shares			2014	2013
June 30, 2014	June 30, 2013			
50,000,000	21,000,000	Ordinary share of Rs. 10 each	500,000	210,000

### Issued, subscribed and paid-up share capital

Number of shares			2014	2013
June 30, 2014	June 30, 2013			
20,000,000	20,000,000	Ordinary shares of Rs. 10 each fully paid in cash	200,000	200,000
3,000,000	-	Ordinary shares of Rs. 10 each issued as fully paid bonus shares during the year	30,000	-
23,000,000	20,000,000	Ordinary shares of Rs. 10 each fully paid in cash.	230,000	200,000

13.1. The Searle Company Limited (the holding company) owns 50% (2013: 50%) ordinary shares in the Company.

### 13.2. Capital management policies and procedures

The Company's objective when managing above capital is to safe - guard its ability to continue as a going concern so that it can continue to provide returns to share holders and other stakeholders, and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and maintaining optional capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and other means commensurating to the circumstances.

## 14. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASES

The Company had entered into an arrangement with leasing companies for lease of motor vehicles. Lease rentals included financial charges equivalent to 6 months KIBOR plus 2% (2013: 6 months KIBOR plus 2%) payable quarterly which have been used as discounting factors and are payable in monthly rentals. The Company had an option to purchase the assets upon the completion of lease period. During the year the Company has early matured the finance lease obligation by paying off the outstanding lease liability.

# Notes to the Financial Statements

For the year ended June 30, 2014

	2014			2013		
	Minimum Lease Payments	Principal	Financial Charges	Minimum Lease Payments	Principal	Financial Charges
	----- (Rupees in '000) -----					
Up to one year	-	-	-	1,536	1,317	219
Later than one year but not later than five years	-	-	-	1,152	1,096	56
	-	-	-	2,688	2,413	275

15. TRADE AND OTHER PAYABLES	Note	2014	2013
		(Rupees in '000)	(Re-stated)
Creditors		28,342	46,718
Accrued liabilities		28,544	26,707
Workers' welfare fund		5,985	5,378
Due to related party		6,092	814
Unclaimed dividend		2,548	-
Staff retirement benefits	15.1	2,739	9,041
Advance from customers		8,884	8,683
Other liabilities		5,726	3,551
		<u>88,860</u>	<u>100,892</u>

15.1 Staff retirement benefits fund was terminated in previous years. Further the amount has been reclassified to current liabilities from non-current liabilities during the current year. Details of reclassifications have been disclosed in note 33.

16. CONTINGENCIES AND COMMITMENTS	2014	2013
	(Rupees in '000)	(Rupees in '000)
Letter of credit outstanding	<u>53,857</u>	<u>176,099</u>

The facility for opening Letters of Credit (LCs) acceptances and guarantees as at June 30, 2014 amounted to Rs. 265 million (2013: Rs. 265 million) of which the amount remaining unutilized as at that date was Rs. 211.143 million (2013: Rs. 88.901 million).

17. SALES - NET	2014	2013
	(Rupees in '000)	(Rupees in '000)
Sales	1,019,830	983,328
Less: Sales returns	(6,197)	(13,598)
Less: Discount	(103,231)	(105,578)
	910,402	864,152
Less: Sales tax	(398)	(406)
	<u>910,004</u>	<u>863,746</u>

17.1. Net sales includes Rs. 691.58 million (2013: Rs. 609.390 million) representing sales to related parties.



# IBL HealthCare Limited

	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
<b>18. COST OF GOODS SOLD</b>			
Opening stock		127,200	135,185
Add: Purchases	18.1	672,317	633,937
		799,517	769,122
Less: Cost of samples		(8,755)	(5,420)
Less: Stock written off		(1,663)	(7,358)
		789,099	756,344
Less: Closing stock		(204,237)	(127,200)
		584,862	629,144

18.1 Cost of purchases includes custom duties and sales tax amounting to Rs. 117.95 million and other charges amounting to Rs. 36.59 million respectively ( 2013: Rs. 106.45 million and Rs. 18.39 million).

	Note	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
<b>19. SELLING AND DISTRIBUTION EXPENSES</b>			
Salaries, wages and other benefits		48,769	42,308
Provident fund costs - defined contribution plan		1,313	2,165
Gratuity costs - defined benefit plan		-	683
Promotional material		29,910	22,773
Cartage and freight expenses		4,303	3,567
Travelling and conveyance		8,464	7,228
Stock write off	8.1	1,663	-
Provision for slow moving stock	8.1	1,301	-
Depreciation	4.1	1,187	2,054
Provision for bad debt	9.2	1,665	-
Rent, rates and taxes		1,330	4,344
Vehicle running expenses		4,656	2,655
Utilities		322	574
Communications		921	1,073
Printing, stationery and supplies		453	593
Insurance expenses		1,195	1,077
Repairs and maintenance		866	434
Security guards cost		384	332
Training expense		929	-
		109,631	91,860

# Notes to the Financial Statements

For the year ended June 30, 2014

	Note	2014 ----- (Rupees in '000) -----	2013
<b>20. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits		10,780	7,519
Provident fund costs - defined contribution plan		469	433
Gratuity costs - defined benefit plan		-	105
Promotional material		245	191
Travelling and conveyance		340	222
Depreciation	4.1	156	269
Impairment on intangibles		12,129	-
Rent, rates and taxes		3,374	1,232
Vehicle running expenses		1,393	610
Utilities		440	-
Auditors' remuneration	20.1	828	418
Legal and professional charges		969	827
Communications		323	246
Printing, stationery and supplies		1,135	841
Fee and subscription		2,553	1,520
Insurance		29	27
Repairs and maintenance		902	872
Training		13	-
		<u>36,078</u>	<u>15,332</u>
<b>20.1 Auditors' remuneration</b>			
Audit fee		719	300
Half yearly review fee		98	75
Out of pocket expenses		11	43
		<u>828</u>	<u>418</u>
<b>20.2 Employees Provident Fund</b>			
- Size of the fund		19,983	20,640
- Cost of investments made		19,000	-
- Fair value of investments		19,230	-
- Percentage of investments made		95%	0%
20.2.1	These figures have been obtained from unaudited financial statements of the fund for the year ended June 30, 2014.		
		2014	2013
		----- (Rupees in '000) -----	
20.2.2	The breakup of the fair value of investments is as follows:		
- Investment in government securities		15,000	-
- Investment in mutual fund		4,000	-
-Deposits in scheduled bank		230	-
		<u>19,230</u>	<u>-</u>
20.2.3	The investments out of provident fund have been made in accordance with the provision of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.		

# IBL HealthCare Limited

	Note	2014 ----- (Rupees in '000) -----	2013
<b>21. OTHER INCOME - NET</b>			
Insurance claim		66	230
Profit on savings account		-	2
Gain on disposal of fixed assets	4.2.1	8,992	2,688
Rent income		5,495	4,952
Scrap sales		207	161
Other income		2,859	796
Exchange loss		(977)	-
		<u>16,642</u>	<u>8,829</u>
<b>22. FINANCE COST</b>			
Finance cost on finance leases		178	454
Financial charges on short term running finance		9	2,344
Bank charges		2,415	516
		<u>2,602</u>	<u>3,314</u>
<b>23. TAXATION</b>			
Current	23.1	<u>32,517</u>	<u>21,014</u>
23.1	The current period income tax represents provision based on section 148 of the Income Tax Ordinance 2001 @ 5% -5.5% on goods imported during the year. As a result, tax reconciliation has not been presented.		
<b>24. EARNINGS PER SHARE</b>		<b>2014</b>	<b>2013</b>
<b>Basic earnings per share</b>			
Profit for the year (Rupees in thousands)		<u>148,837</u>	<u>100,617</u>
Weighted average number of shares (2013: Re-stated)		<u>23,000</u>	<u>23,000</u>
Earnings per share (Rupees) (2013: Re-stated)		<u>6.47</u>	<u>4.37</u>
<b>Diluted earning per share</b>			
There is no dilution effect on the basic earning per share of the Company as the Company has no convertible dilutive potential ordinary shares outstanding on June 30, 2014 (June 30 2013: nil) which would have any effect on the earning per share if the option to convert is exercise.			
<b>25. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	12	<u>25,360</u>	<u>15,139</u>

# Notes to the Financial Statements

For the year ended June 30, 2014

## 26. FINANCIAL INSTRUMENTS

### Financial risk management

The Board of directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 26.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery.

	Note	2014 ----- (Rupees in '000) -----	2013 -----
Trade debts	9	177,571	151,757
Loans	7	1,007	540
Advances, deposits and other receivables	11	13,997	16,004
		<u>192,575</u>	<u>168,301</u>

### Concentration of credit risk

Out of the total financial assets of Rs. 258.977 million ( June 13:Rs. 183.440 million) the financial assets which are subject to credit risk amount to Rs. 192.575 million (June 2013: Rs. 168.301 million). The Company believes that it is not subject to major concentration of credit risk. To manage exposure to credit risk, the Company applies credit limits to its customers.

### 26.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial assets and financial liabilities:

# IBL HealthCare Limited

	Note	2014						Total
		Interest / Markup bearing			Non-interest / Non-mark up bearing			
		Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	
----- (Rupees in '000) -----								
<b>Financial assets</b>								
Loans	7	-	-	-	631	376	1,007	1,007
Trade debts	9	-	-	-	177,571	-	177,571	177,571
Investments	10	-	-	-	41,042	-	41,042	41,042
Advances and other receivables	11	-	-	-	13,997	-	13,997	13,997
Cash and bank balances	12	3	-	3	25,357	-	25,357	25,360
		3	-	3	258,598	376	258,974	258,977
<b>Financial liabilities</b>								
Liabilities against asset subject to finance lease	14	-	-	-	-	-	-	-
Trade and other payables	15	-	-	-	82,875	-	82,875	82,875
		-	-	-	82,875	-	82,875	82,875
On balance sheet gap		3	-	3	175,723	376	176,099	176,102
<b>2013</b>								
	Note	Interest / Markup bearing			Non-interest / Non-mark up bearing			Total
		Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	
		----- (Rupees in '000) -----						
<b>Financial assets</b>								
Loans	7	-	-	-	355	185	540	540
Trade debts	9	-	-	-	151,757	-	151,757	151,757
Advances and other receivables	11	-	-	-	16,004	-	16,004	16,004
Cash and bank balances	12	3	-	3	15,136	-	15,136	15,139
		3	-	3	183,252	185	183,437	183,440
<b>Financial liabilities</b>								
Liabilities against asset subject to finance lease	14	1,317	1,096	2,413	-	-	-	2,413
Trade and other payables	15	-	-	-	95,514	-	95,514	95,514
		1,317	1,096	2,413	95,514	-	95,514	97,927
On balance sheet gap		(1,314)	(1,096)	(2,410)	87,738	185	87,923	85,513

## 26.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is exposed to currency risk and interest rate risk only.

# Notes to the Financial Statements

For the year ended June 30, 2014

## 26.3.1 Currency risk

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to currency risk on purchases that are entered in a currency other than Pak Rupees. Payables exposed to foreign currency risk have been included in creditors, which stand at Rs. 28.342 million on June 30, 2014 (June 2013: Rs. 46.718 million). The Company has also suffered exchange loss of Rs. 0.977 million during the period.

## 27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount at which an asset could be exchanged or liability settled between knowledgeable willing parties in an arm's length transaction. The Company prepares its financial statements under the historical cost convention and where applicable at fair value and amortized cost. Estimated fair value of all financial instruments are not significantly different from their carrying values on June 30, 2014.

## 28. FINANCIAL INSTRUMENTS BY CATEGORY

	2014 ----- (Rupees in '000) -----	2013 ----- (Rupees in '000) -----
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortized cost</b>		
Trade and other payables	82,875	95,514
Liabilities against assets subject to finance leases	-	2,413
	<b>82,875</b>	<b>97,927</b>
<b>Financial assets</b>		
<b>Loans and receivables</b>		
Loans	1,007	540
Trade debts	177,571	151,757
Short term investments	41,042	-
Advances, deposits and other receivables	13,997	16,004
Cash & bank balances	25,360	15,139
	<b>258,977</b>	<b>183,440</b>
	<b>176,102</b>	<b>85,513</b>

## 29. RELATED PARTY TRANSACTIONS

The Company is controlled by The Searle Company Limited, which owns 50% of the Company's shares. The remaining 50% of the shares are widely held. IBL Operations (Private) Limited is an associated company on the basis of common directorship.

# IBL HealthCare Limited

Related Party	Nature of relationship	Nature of transaction / balance	2014	2013
			---- (Rupees in '000) ----	
The Searle Company Limited	Holding	Share of employees costs and expenses charged to The Searle Company Limited	-	4,709
		Current account balance - payable	16	814
		Sale of goods	285	-
		Current account balance - receivable / (payable)	1,342	(814)
IBL Operations (Private) Limited	Associate	Sale of goods	691,577	609,390
		Share of employees costs and expenses charged by International Brands Limited	-	822
		Warehouse rent	1,941	2,840
		Current account balance - payable	(6,092)	-
Habitt	Associate	Share of employees costs and expenses charged to Habitt	-	4,849
		Current account balance - receivable	2,953	2,082
		Rent income	4,990	2,228
Dunkin Donuts	Associate	Share of employees costs and expenses charged to Dunkin Donut - net	-	3,365
		Rent income	546	248

## 30. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND EXECUTIVES

	2014		2013	
	Chief Executive Officer	Executives	Chief Executive Officer	Executives
	(Rs in '000)			
Managerial remuneration	1,588	4,504	-	2,439
Bonus and leave encashment	121	967	-	469
Leave fare assistance	-	361	-	144
Retirement benefits:				
- Provident Fund	179	420	-	244
- Gratuity Fund	-	-	-	203
Perquisites:				
- House rent	805	2,027	-	1,045
- Utilities	179	450	-	244
	<b>2,872</b>	<b>8,729</b>	-	<b>4,788</b>
Number of persons	1	5	1	3

# Notes to the Financial Statements

For the year ended June 30, 2014

30.1 In addition to the above, some executives have been provided with free use of Company's cars. Further, medical expenses are reimbursed in accordance with the Company's policy.

30.2 No payments were made to the directors during the period.

## 31. NUMBER OF EMPLOYEES

	2014	2013
Number of employees at year end	72	67
Average number of employees during the year	69	62

## 32. RESTATEMENT

The Company's financial statements have been restated because of an error relating to prior years. The Company had not set off the liabilities against LC payable due to movement in exchange gains and losses which resulted in overstatement of such liabilities. The opening balances are restated as the error occurred before the the earliest prior period presented. The effects have been summarised as below.

	Note	2012		Increase / (decrease)
		Before	After	
( Rupees in '000)				
Trade and other payables	15	210,249	180,007	(30,242)
Retained earnings		121,994	152,236	30,242

## 33. RECLASSIFICATION

The Company has reclassified the following amounts during the year and the impact on the financial statements is as following:

	Note	2013		Increase / (decrease)
		Before	After	
( Rupees in '000)				
Trade debts	9	143,074	151,757	8,683
Trade and other payables	15	-	8,683	8,683
Deferred liabilities - staff retirement benefits		9,041	-	(9,041)
Trade and other payables	15	79,819	88,860	9,041

## 34. GENERAL

Figures have been rounded-off to nearest thousand rupees.



## 35. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 16, 2014 by the Board of Directors of the Company.

## 36. EVENTS AFTER BALANCE SHEET DATE

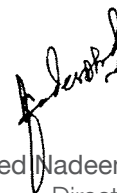
The Board of directors of the Company has approved the following appropriation in the meeting held on September 16, 2014;

	2014 ----- (Rupees in '000) -----	2013 -----
Cash dividend- Re. 1.00 (2013: Rs. 1.50) per share of Rs.10 each	-	30,000
Issue of bonus shares 30% (2013: 15%) in the ratio of 30 (2013: 15) shares for every 100 shares held	-	30,000
	<u>-</u>	<u>60,000</u>

These would be recognized as a liability in the financial statements in the period in which such dividends are approved.



Mufti Zia ul Islam  
Chief Executive Officer



Syed Nadeem Ahmed  
Director

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School6<sup>+</sup>

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- With Protein
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## Proxy Form

The Secretary  
IBL HealthCare Limited  
9th Floor, N.I.C. Building, Abbasi Shaheed Road,  
Off: Shahrah-e-Faisal, Karachi-75530

I / We \_\_\_\_\_ son / daughter / wife / husband of \_\_\_\_\_  
, shareholder of IBL HealthCare Limited, holding \_\_\_\_\_ ordinary shares hereby appoint  
\_\_\_\_\_ who is my \_\_\_\_\_ [state relationship ( if any) with the  
proxy; required by Government regulations] and the son / daughter / wife / husband of  
\_\_\_\_\_, (holding \_\_\_\_\_ ordinary shares in the Company under Folio  
No. \_\_\_\_\_) [required by Government] as my / our proxy, to attend and vote for me  
/ us and on my / our behalf at the Annual General Meeting of the Company to be held on  
October 24, 2014 and / or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Witness:

1. \_\_\_\_\_

2. \_\_\_\_\_

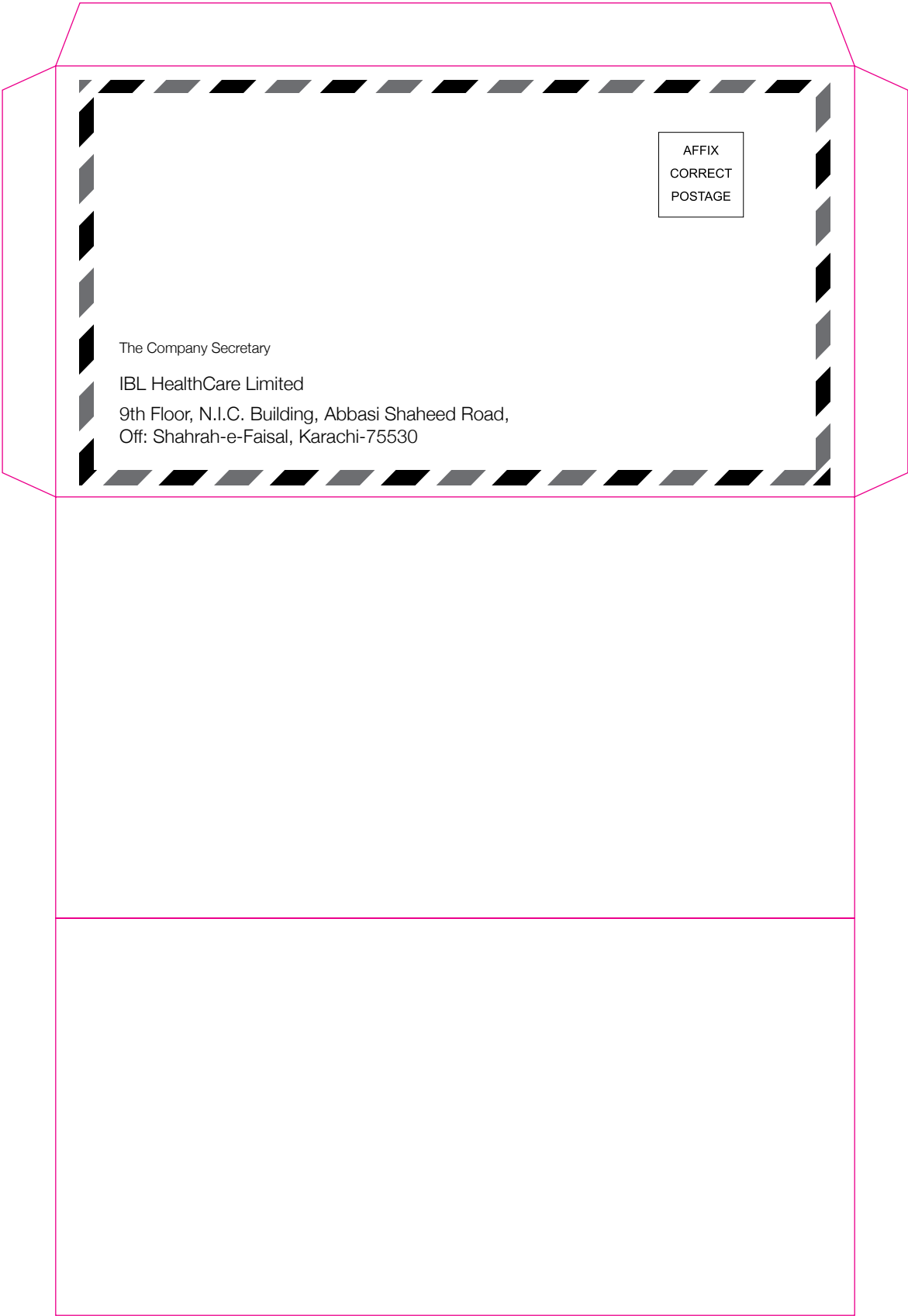


Signature of Member(s)  
Shareholders Folio No. \_\_\_\_\_ and / or  
CDC Participation I.D. No. \_\_\_\_\_ and  
Sub-Account No. \_\_\_\_\_

Note:

1. The member is requested:

- I. To affix revenue stamp of Rs. 5/- at the place indicated above.
  - II. To sign across the revenue stamp in the same style of signature as is registered with the Company.
  - III. To write down their Folio Number.
2. 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.
  3. 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.



AFFIX  
CORRECT  
POSTAGE

The Company Secretary  
IBL HealthCare Limited  
9th Floor, N.I.C. Building, Abbasi Shaheed Road,  
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