

LEADING  
*With* EFFICIENCY



HEALTHCARE  
A **SEARLE** Subsidiary



# Quarterly Report

September 2022

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# Company **INFORMATION**

## **BOARD OF DIRECTORS**

Ms. Aameena Saiyid	Chairperson
Mr. Munis Abdullah	Director
Mr. S. Nadeem Ahmed	Director
Mr. Mufti Zia ul Islam	Chief Executive Officer
Mr. Zubair Palwala	Director
Mr. Mobeen Alam	Director
Mr. Shuja Malik	Director

## **AUDIT COMMITTEE**

Mr. Shuja Malik	Chairman
Mr. Zubair Palwala	Member
Ms. Aameena Saiyid	Member

## **HUMAN RESOURCE & REMUNERATION COMMITTEE**

Mr. Shuja Malik	Chairman
Mr. S. Nadeem Ahmed	Member
Ms. Aameena Saiyid	Member

## **CHIEF FINANCIAL OFFICER**

Mr. Muhammad Tariq

## **COMPANY SECRETARY**

Mr. Shariq Zafar

## **AUDITORS**

A.F. Ferguson & Co., Chartered Accountants

## **INTERNAL AUDITORS**

Grant Thornton Anjum Rahman

## **LEGAL ADVISOR**

Mohsin Tayabaly & Co.

## **BANKERS**

Habib Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
National Bank of Pakistan  
Summit Bank Limited  
Soneri Bank Limited  
Habib Metropolitan Bank Limited  
Al-Baraka Bank (Pakistan) Limited

## **REGISTERED OFFICE**

2nd Floor, One IBL Centre,  
Block 7&8, DMCHS  
Tipu Sultan Road,  
Off: Shahrah-e-Faisal, Karachi

## **SHARE REGISTRAR**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block-B, SMCHS  
Shahrah-e-Faisal, Karachi – 74400



## DIRECTORS' REPORT

The Board of Directors of IBL HealthCare Limited (IBLHL) takes pleasure to present before the shareholders', performance review together with the condensed interim financial statements of the Company for the period ended September 30, 2022.

The Directors' report is prepared under section 227 of the Companies Act, 2017, chapter XII clause 34 of Listed Companies (Code of Corporate Governance) Regulations, 2019.

## SUMMARY OF FINANCIAL PERFORMANCE

	September 30, 2022	2021
	(Rupees in Thousand)	
Revenue	999,487	812,579
<b>Gross profit</b>	<b>306,059</b>	<b>275,035</b>
Gross profit as a percentage of revenue	30.62%	33.85%
Profit before taxation	114,745	110,262
<b>Profit after taxation</b>	<b>85,165</b>	<b>82,795</b>

## PRINCIPAL ACTIVITIES & OVERVIEW OF FINANCIAL PERFORMANCE

The principal activities of the Company include marketing, selling and distribution of healthcare & consumer products.

The revenue for the current period remained at Rs. 999.49 million as compared to Rs. 812.58 million for the same period last year i-e, an increase of Rs. 186.9 million (23% growth) despite uncertain socio-economic situation in the country. This increase in revenue is mainly due to awarding of tenders for disposable division and nutrition business. However, significant devaluation in currency, restricted the gross margin of the company to 30.6% as compared to 33.9% last year. This growth in revenue & control over expenditure resulted in after tax profit of the Company Rs. 85.1 million compared to Rs. 82.8 million same period last year.

## FUTURE OUTLOOK

The Company is continuously striving to maximize the profitability and growth. 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 the enormous cooperation and support of our sales force, 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.



Chief Executive Officer



Director

October 25, 2022  
Karachi

## ڈائریکٹرز کی رپورٹ

آئی بی ایل ہیلتھ کیئر لمیٹڈ (آئی بی ایل ایچ ایل) کے بورڈ آف ڈائریکٹرز شیئر ہولڈرز کے روبرو بمسرت کارکردگی کا جائزہ مع ۳۰ ستمبر ۲۰۲۲ کو ختم ہونے والی مدت کے لئے کمپنی کے مجموعی عیوری مالیاتی معلومات پیش کر رہے ہیں۔

ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ، ۲۰۱۷ کے سیکشن ۲۲۷، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، ۲۰۱۹ کے باب XII، شق ۳۴ کے تحت تیار کی گئی ہے۔

مالیاتی کارکردگی کا جائزہ

30 ستمبر

2021	2022	
(روپے ہزاروں میں)		
812,579	999,487	آمدنی
275,035	306,059	مجموعی منافع جات
33.85 فیصد	30.62 فیصد	مجموعی منافع جات برطابق آمدنی کا فیصدی
110,262	114,745	قبل از ٹیکس منافع
82,795	85,165	بعد از ٹیکس منافع

بنیادی سرگرمیاں اور مالیاتی کارکردگی کا جائزہ

کمپنی کی بنیادی سرگرمیوں میں ہیلتھ کیئر اور کتیز یومر پروڈکٹس کی مارکیٹنگ، فروخت اور تقسیم شامل ہے۔

رواں مدت کیلئے آمدنی ۹۹۹،۴۹۹ ملین روپے برقرار رہی جو اس کے مقابلے میں گزشتہ سال کی اسی مدت کے دوران ۸۱۲،۵۷۹ ملین روپے رہی تھی، یعنی ۱۸۶،۹۱۷ ملین روپے (۲۳ فیصد گروتھ) کا اضافہ، ملک میں بے یقینی کی سماجی-اقتصادی صورتحال کے باوجود حاصل کیا گیا۔ آمدنی میں یہ اضافہ بنیادی طور پر ڈسپوزیبل ڈویژن اور نیوٹریشن بزنس کیلئے ٹینڈرنز تفویض کرنے کے سبب ممکن ہوا۔ چیک کرنسی کی قدر میں نمایاں کمی کی وجہ سے کمپنی کی مجموعی شرح ۳۰،۶ فیصد تک محدود رہی جو گزشتہ سال اس کے مقابلے میں ۳۳،۹ فیصد رہی تھی۔ آمدنی میں یہ اضافہ زائد اخراجات پر کنٹرول کرنے کے نتیجے میں حاصل ہوا اور اس کے سبب کمپنی نے ۸۵،۱۶۵ ملین روپے کا منافع بعد از ٹیکس حاصل کیا جو اس کے مقابلے میں گزشتہ سال ۸۲،۷۹۵ ملین روپے تھا۔

مستقبل کا جائزہ

کمپنی مستقل طور پر منافع کی شرح اور گروتھ میں زیادہ سے زیادہ اضافے کیلئے کوشاں ہے۔ ہم پُر اعتماد ہیں کہ ہم شیئر ہولڈرز کیلئے اضافی منافع کے حصول نیز اپنے صارفین کو بہتر مصنوعات اور سروسز کی فراہمی کرنے میں کامیاب رہیں گے۔ ان سب کی تکمیل کیلئے ہم اپنی بیلز فورس کے بے مثال تعاون اور سپورٹ پر انہیں خراج تحسین پیش کرنا چاہیں گے جن کے بغیر ہم ان نتائج کے حصول میں کامیاب نہیں ہو سکتے تھے۔

ہم اس موقع پر اپنے ملازمین کے بھی مشکور ہیں کیونکہ انہوں نے کمپنی کے بہتر نتائج کے حصول میں اپنا بھرپور کردار ادا کیا۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی:

۲۵ اکتوبر ۲۰۲۲ء


**IBL HEALTHCARE LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

	Note	Un-audited September 30, 2022	Audited June 30, 2022
------(Rupees in '000)-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Furniture and equipment	4	3,469	3,819
Right-of-use-asset		7,711	8,601
Investment properties		576,360	576,360
Intangible assets		6,639	7,310
		<u>594,179</u>	<u>596,090</u>
<b>Current assets</b>			
Inventories		982,905	973,471
Trade and other receivables	5	1,418,419	1,118,723
Loans, advances, deposits and prepayments	6	336,551	137,054
Taxation - payments less provision		-	50
Cash and bank balances	7	17,512	104,122
		<u>2,755,387</u>	<u>2,333,420</u>
<b>Total assets</b>		<u><u>3,349,566</u></u>	<u><u>2,929,510</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Share Capital</b>			
Issued, subscribed and paid-up share capital	8	649,051	649,051
<b>Capital reserve</b>			
Share premium		119,600	119,600
<b>Revenue reserve</b>			
Un-appropriated profit		1,179,580	1,094,415
		<u>1,948,232</u>	<u>1,863,066</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liability		5,677	7,080
		<u>5,677</u>	<u>7,080</u>
<b>Current liabilities</b>			
Trade and other payables	9	1,064,472	780,753
Short-term borrowings		299,625	247,139
Current portion of long-term finance		4,869	9,729
Current portion of lease liability		4,068	3,217
Taxation - payments less provision		4,098	-
Unclaimed dividend		7,109	7,108
Unpaid dividend		11,417	11,418
		<u>1,395,658</u>	<u>1,059,364</u>
<b>Contingencies and commitments</b>	10		
<b>Total equity and liabilities</b>		<u><u>3,349,566</u></u>	<u><u>2,929,510</u></u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**



**IBL HEALTHCARE LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME (Un-audited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Note	September 30, 2022 ----- (Rupees in '000) -----	September 30, 2021
Revenue	11	999,487	812,579
Cost of Sales		(693,428)	(537,544)
<b>Gross Profit</b>		<b>306,059</b>	<b>275,035</b>
Distribution costs		(159,324)	(131,771)
Administrative expenses		(23,864)	(23,376)
Other income / (loss)	12	5,074	(3,440)
<b>Profit from operations</b>		<b>127,945</b>	<b>116,449</b>
Finance cost		(13,200)	(6,186)
<b>Profit before income tax</b>		<b>114,745</b>	<b>110,262</b>
Income tax expense		(29,580)	(27,467)
<b>Profit after taxation</b>		<b>85,165</b>	<b>82,795</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>85,165</b>	<b>82,795</b>
 <b>Earnings per share (Rupees)</b>		 <b>1.31</b>	 <b>1.28</b>

The annexed notes 1 to 14 form an integral part of this condensed interim financial statements.



**Chief Executive Officer**



**Director**



**Chief Financial Officer**

**IBL HEALTHCARE LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Issued, subscribed and paid-up share capital	Reserve for issue of bonus shares	Share Premium	Unappropriated profit	Total share holders' equity
	----- (Rupees in '000) -----				
<b>Balance as at July 01, 2021</b>	540,877	-	119,600	953,818	1,614,295
Total comprehensive income for the period ended September 30, 2021	-	-	-	82,795	82,795
Balance as at September 30, 2021	540,877	-	119,600	1,036,613	1,697,090
 <b>Balance as at July 01, 2022</b>	 649,051	 -	 119,600	 1,094,415	 1,863,066
Total comprehensive income for the period ended September 30, 2022	-	-	-	85,165	85,165
<b>Balance as at September 30, 2022</b>	<u>649,051</u>	<u>-</u>	<u>119,600</u>	<u>1,179,580</u>	<u>1,948,231</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer



**IBL HEALTHCARE LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Note	September 30, 2022 ------(Rupees in '000)-----	September 30, 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		114,745	110,262
<b>Adjustments for non-cash items:</b>			
Depreciation		350	917
Depreciation of right-of-use asset		890	803
Amortization of intangible assets		671	671
Finance cost		13,200	6,186
		<u>129,856</u>	<u>118,839</u>
<b>Decrease/(Increase) in working capital</b>			
Inventories		(9,434)	(110,564)
Trade and other receivables		(299,696)	(108,974)
Loans, advances, deposits and prepayments		(199,497)	(25,527)
Trade and other payables		283,719	174,025
		<u>(224,909)</u>	<u>(71,040)</u>
<b>Cash (used in) / generated from operations</b>		<u>(95,053)</u>	<u>47,799</u>
Income tax paid		(25,431)	(28,642)
Finance cost paid		(12,820)	(5,916)
<b>Net cash (used in) / generated from operating activities</b>		<u>(133,304)</u>	<u>13,242</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for acquisition of furniture and equipment		-	(597)
<b>Net cash (used) in investing activities</b>		<u>-</u>	<u>(597)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(1)	(27)
Long-term loan repayment		(4,873)	(5,048)
Payments against lease liability		(918)	(847)
<b>Net cash (used) in financing activities</b>		<u>(5,792)</u>	<u>(5,922)</u>
<b>Net (decrease) /increase in cash and cash equivalents</b>		<u>(139,096)</u>	<u>6,722</u>
Cash and cash equivalents at the beginning of the period		(143,017)	(126,364)
<b>Cash and cash equivalents at the end of the period</b>		<u>(282,113)</u>	<u>(119,642)</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**IBL HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

**1. LEGAL STATUS AND OPERATIONS**

IBL HealthCare Limited (the Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on July 14, 1997. In November 2008, the Company was converted into public limited company. The shares of the Company are quoted on the Pakistan Stock Exchange.

The principal activities of the Company include marketing, selling and distribution of healthcare products.

The Company is a subsidiary of The Searle Company Limited (the Holding Company) and International Brands (Private) Limited (the Ultimate Parent Company).

The geographical location and address of the Company's business units are as under:

- The registered office of the Company is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 & 8, D.M.C.H.S. Tipu Sultan Road, Off Shahrah-e-faisal, Karachi.
- The Company also has a distribution warehouse located in Hub River Road, Karachi.

**2. BASIS OF PREPARATION**

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the companies Act, 2017; and
- provisions of and directives issued under the Companies Act, 2017.

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

**3. SIGNIFICANT ACCOUNTING POLICIES**

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

**4. FURNITURE AND EQUIPMENT**

Operating assets

	Un-audited September 30, 2022	Audited June 30, 2022
Note	-----Rupees in '000-----	

4.1	3,469	3,819
	<u>3,469</u>	<u>3,819</u>

**4.1 Details of additions in operating assets during the period were as follows:**

	Un-audited September 30, 2022	Un-audited September 30, 2021
	-----Rupees in '000-----	
Office equipments	-	597
	<u>-</u>	<u>597</u>

**IBL HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

		Un-audited September 30, 2022	Audited June 30, 2022
		-----Rupees in '000-----	
<b>5. Trade and other receivables</b>	Note		
<b>Trade receivables - considered good</b>			
Due from related parties		817,554	710,304
Others		596,977	404,726
		<u>1,414,531</u>	<u>1,115,030</u>
Less: Provision for doubtful debts		<u>(16,967)</u>	<u>(16,967)</u>
		<u>1,397,564</u>	<u>1,098,063</u>
<b>Other receivables</b>			
Claims from Supplier		15,711	16,424
Due from related party		1,517	3,840
Others		3,628	396
		<u>20,856</u>	<u>20,660</u>
		<u>1,418,419</u>	<u>1,118,723</u>
		Un-audited September 30, 2022	Audited June 30, 2022
		-----Rupees in '000-----	
<b>6. Loans, advances, deposits and prepayments</b>	Note		
Short term deposits		43,728	32,865
Prepayments		2,723	517
Advances		290,099	103,672
		<u>336,551</u>	<u>137,054</u>
<b>7. Cash and bank balances</b>			
Cash in hand		100	49
Cash at bank		17,412	104,073
		<u>17,512</u>	<u>104,122</u>
<b>8. Issued, subscribed and paid-up share capital</b>			
September 30, 2022	June 30, 2022	Un-audited September 30, 2022	Audited June 30, 2022
		-----Rupees in '000-----	
Number of shares			
<u>64,905,126</u>	64,905,126	649,051	649,051
<u>64,905,126</u>	64,905,126	<u>649,051</u>	<u>649,051</u>
Ordinary shares of Rs. 10 each fully paid in cash.			

**IBL HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

		Un-audited September 30, 2022	Audited June 30, 2022
	Note	-----Rupees in '000-----	
<b>9. Trade and other payables</b>			
Creditors		611,613	474,143
Accrued liabilities		91,739	58,484
Due to related parties		225,531	129,579
Security deposits		500	500
Advance from customers - unsecured		72,968	67,270
Other liabilities		62,121	50,777
		<u>1,064,472</u>	<u>780,753</u>
<b>10. Contingencies and commitments</b>			
Letter of credit outstanding		<u>437,850</u>	<u>510,201</u>
<b>10.1.</b>	The facility for opening Letters of Credit as at September 30, 2022 amounted to Rs. 640 million (June 2022: Rs. 640 million) of which the amount remained unutilized as at balance sheet date was Rs. 202.15 million (June 2022: Rs. 129.79 million).		
		Un-audited September 30, 2022	Un-audited September 30, 2021
	Note	-----Rupees in '000-----	
<b>11. REVENUE</b>			
Gross sales		1,261,944	989,634
Sales tax		<u>(104,814)</u>	<u>(37,688)</u>
		1,157,130	951,946
Less:			
Sales return		<u>(38,149)</u>	<u>(27,706)</u>
Sales discount		<u>(119,494)</u>	<u>(111,661)</u>
		<u>(157,643)</u>	<u>(139,367)</u>
		<u>999,487</u>	<u>812,579</u>
<b>12. Other income / (loss)</b>			
<b>Income from financial assets</b>			
Exchange gain/ (loss)		<u>4,438</u>	<u>(5,988)</u>
		4,438	(5,988)
<b>Income from non-financial assets</b>			
Rental income from investment property		246	2,241
Others		<u>391</u>	<u>307</u>
		637	2,548
		<u>5,074</u>	<u>(3,440)</u>

**IBL HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

**13. RELATED PARTY TRANSACTIONS**

The Company is controlled by The Searle Company Limited, which owns 74.19% of the Company's shares and International Brands (Private) Limited holds 0.32% shares in the Company. The remaining 25.49% shares are widely held.

Related Party	Nature of relationship	Nature of transaction	September 30, 2022	September 30, 2021
-----Rupees in '000-----				
The Searle Company Limited	Parent	Purchase of goods	72,245	68,954
		Rent expense	932	847
		Utilities	239	987
		Reimbursement of expenses	11,648	453
		Sale of goods	995	-
International Brands (Private) Limited	Associate	Interest income	-	-
		Corporate service charges	5,250	5,250
IBL Operations (Private) Limited	Associate	Sale of goods	467,661	389,485
		Shared cost	-	1,980
United Brands Limited	Associate	Sale of goods	9,499	30,124
IBL Logistics (Private) Limited	Associate	Cartage & freight charges	4,978	4,550
Universal Retails (Private) Limited	Associate	Rent Income	597	-
United Retails (Private) Limited	Associate	Sale of goods	48	-

**14. DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue on **October 25, 2022** by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer



## **IBL HealthCare Limited**

2nd Floor, One IBL Centre, Plot # 1  
Block 7 & 8, (DMCHS), Tipu Sultan Road,  
off: Shakra-e-Faisal Karachi.

[www.iblhc.com](http://www.iblhc.com)