



UNITY FOODS LIMITED  
— food for life! —

# UNPRECEDENTED GROWTH & BEYOND



1<sup>ST</sup> QUARTERLY  
REPORT  
**2019**  
(UN-AUDITED)



UNITY FOODS LIMITED

— food for life! —

**Condensed Interim Financial Statement  
(Un-Audited)  
for the 1st Quarter Ended  
September 30, 2019**



Banaspati & Cooking Oil

Sehat  
ki Dastak...



UNITY FOODS LIMITED  
food for life!

Pakistan Standards /DastakCookingOil  
www.unityfoods.pk



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UNITY FOODS LIMITED  
food for life!

## ANIMAL FEED BUSINESS SEGMENT

# PURE™

پیورکھلاؤ، پیداوار اور منافع بڑھاؤ





## Company Information

<b>Board of Directors</b>	Mr. Abdul Majeed Ghaziani Mr. Muhammad Farrukh Ms. Hina Safdar Mr. Muneer S. Godil Ms. Maria Abdul Hafeez Mr. Sheikh Ali Baakza Ms. Tayyaba Rasheed	Chairman-Non Executive Chief Executive Non-Executive Independent Non-Executive Non-Executive Independent
<b>Audit Committee</b>	Mr. Muneer S. Godil Mr. Abdul Majeed Ghaziani Ms. Maria Abdul Hafeez	Chairman
<b>Human Resource &amp; Remuneration Committee</b>	Mr. Muneer S. Godil Mr. Muhammad Farrukh Ms. Hina Safdar	Chairman
<b>Chief Financial Officer</b>	Mr. Jalees Edhi	
<b>Company Secretary</b>	Syed Muhammad Tariq Nabeel Jafri	
<b>External Auditor</b>	Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants 1st Floor, Modern Motors House Beaumont Road Karachi	
<b>Bankers</b>	Al Baraka Bank (Pakistan) Limited Habib Metropolitan Bank Limited Habib Bank Limited Bank Al-Habib Limited MCB Bank Limited Meezan Bank Limited Bank Alfalah Limited Dubai Islamic Bank Limited Askari Bank Limited United Bank Limited Bank Islami Pakistan Limited Bank of Punjab Standard Chartered Bank (Pakistan) Limited	



**Legal Advisor**

Mohsin Tayebaly & Co.  
1st Floor, Dime Centre, BC-4, Block-9  
Kehkashan, Clifton, Karachi -75500  
Phone # +92-21-111-682-529

**Share Registrar**

F.D. Share Registrar (SMC-Pvt) Ltd  
17th Floor, Saima Trade Tower A,  
I.I Chundrigar Road, Karachi  
Phone # +92-21-32271905-6

**Registered Office**

Unity Tower, 8-C, P.E.C.H.S.,  
Block-6, Karachi 75400.

**Phone No.**

+92 21 34373605-607, 34388666, 34387666

**Fax No.**

+92 21 34373608

**Email**

info@unityfoods.pk

**Website**

www.unityfoods.pk

**Business**

Import of Oil Seeds, Solvent Extraction, Refining and Marketing  
of Edible Oil and processing of ancillary and by-products.

**Status of Company**

Public Listed Company (PLC)

**Company Registration number**

K-0023133

**National Tax Number**

0698412-6

**Contact Person**

Syed Muhammad Tariq Nabeel Jafri

**Phone No.**

+92-21-34373605-607

**Email**

info@untiyfoods.pk

**Factories**

Solvent Extraction Plant and Pellitising Mills  
N-27 /B  
S.I.T.E. Area, Kotri,  
District Hyderabad.

Oil Refinery  
Plot # E-32  
S.I.T.E. Area, Karachi.

Crude Palm Oil Refinery  
A-48, (Chemical Area), Eastern Industrial Zone,  
Port Qasim Authority,  
Karachi.



UNITY FOODS LIMITED  
food for life!



A Perfect Blend of  
Health & Taste







## Directors' Review Report

On behalf of the Board of Directors I am pleased to present the Directors' Review Report for the quarter ended September 30, 2019.

Alhamdulillah, your Company has progressed steadily during the quarter under review in backdrop of stabilizing macroeconomic environment of the country. The rupee has stabilized during the quarter which has played a direct role on results of the Company. The interest rates also seems to look stable going forward.

Your company has, more or less, maintained topline sales at the April - June Quarter level, even after the fact that the month of July experienced a sharp decline in sales in the edible oil sector due to uncertainty with respect to implementation of the tax and other measures announced in this fiscal year's budget. This was made possible due to the prudent decision by the company to participate in export of corn during this quarter which helped the company maintain its topline sales level.

### Credit Rating

During the period the Company also completed its credit rating exercise and we are pleased to report that your Company has been granted A2 for short term and A- for long term credit rating by VIS Credit Rating Company Limited.

The ratings assigned to the Company will not only facilitate the borrowings but also reflects the Company's strengths on the back of hard work of the entire management team.

### Capital Expenditure and Expansion

The work is progressing satisfactorily on projects envisaged in the Right Issue announced and completed in February and May this year, and in this regard, the Company has provided to the Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange, quarterly progress report on utilization of proceeds of the Right Issue for the quarter ended September 30, 2019 on October 03, 2019.

During July - September quarter this year, the Company has incurred capital expenditure of about PKR 487 million. The balance sheet footing at the close of this quarter stood at PKR 11.74 billion.

### State of the Company's Affairs and a Fair Review of its Business Operations

The acceptability of all three brands of your Company, namely, Dastak, Zauqeen and Ehtemaam, is improving rapidly and its impact in being reflected on overall sales of the Company. Although there were uncertainties surrounding edible oil business following the last federal budget, the Company has managed to gross over PKR billion 4.5 sales during the first quarter. It's very encouraging for the Company's business and we expect sales to grow further in coming quarters. The bottom-line has improved quarter on quarter basis and net profits for the last three months stood at PKR 92.7 million, up 35.7% over last quarter's net profit of PKR 68.3 million.

### Expansion of Port Qasim Oil Refinery

Expansion work remain satisfactory during the outgoing quarter and the Company expects that it will complete the planned expansions including Hydrogenation Plant, Chemical Refinery, Fractionation Plant and establishment of Oil Terminal at Port Qasim as per schedule.



As production from these expansion units come online, the sales, profitability and net income are expect to rise further.

## Changes on the Board and the Committees of the Board

During the quarter under review there has been no change on the Board or the Audit Committee and Human Resources & Remuneration Committee.

## Risks and Uncertainties

The Company faces risks or uncertainty in primarily currency exchange rate as Company's operations are dependent upon import of crude palm oil and oil seeds. However, the Company also derives some of its revenue from exports that hedges the import risk arising out of rupee devaluation. The management takes all possible measures to contain and control the risk and has been successful in keeping the impact of currency movement risk on Company's profitability to minimal. During this quarter, rupee has shown strength and has consolidated against major currencies.

## Commitments and Contingencies

There has been no major changes in commitments affecting financial position of the Company's affairs between the balance sheet date and the date of this report.

## Financial Results

During the quarter ended September 30, 2019, the Company posted earnings of PKR 92.7 million (an EPS of PKR 0.17).

Summary of financial operations of the Company for quarter ended September 30, 2019 is provided below:

	<b>(Rupees)</b>
Net Sales	4,555,242,575
Cost of Sales	(4,116,794,785)
Gross Profit	438,447,790
Selling and Distribution Expenses	(184,103,057)
Administrative Expenses	(47,599,817)
Other Operating Expenses	(7,295,313)
Other Income	10,867,993
Operating Profit Before Finance Cost	210,317,596
Finance Cost	(107,566,714)
Profit Before Taxation	102,750,882
Taxation	(10,063,100)
Profit After Taxation	92,687,782
EPS (Basic and Diluted)	0.17



## The Environment

The Company's operations are being conducted under best practices and standards keeping in view the cause of environmental protection.

## Acknowledgements

Alhamdulillah, we are grateful to our stakeholders including shareholders, bankers, suppliers and distributors in facilitating the Company's rapid growth over past almost year and a half. It was not possible for the management to have achieved this phenomenal growth and expansion in such a short time span. We hope this support continues going forward as your Company seeks new growth trajectories.

We would also like to thank Pakistan Stock Exchange, the SECP and the CDC for their continued support and cooperation towards the Company. We hope that this support will continue in the future as well. We also deeply appreciate and acknowledge the hard work and efforts of our dedicated and talented team of executives, staff and workers and their important role in success and growth of the Company. We expect continued efforts from our employees to attain higher goals going forward.

For and on behalf of the Board,

Muhammad Farrukh  
Chief Executive  
Karachi:  
October 30, 2019

Abdul Majeed Ghaziani  
Chairman



UNITY FOODS LIMITED  
food for life!



Taste the Healthier Side of Life





## ماحول


کمپنی کے امور ماحولیاتی تحفظ کو مد نظر رکھتے ہوئے بہترین طریقوں اور معیارات کے مطابق انجام دیئے جاتے ہیں۔

## اظہارِ تشکر

الحمد للہ، ہم اپنے ان تمام حصہ داروں بشمول حصص یافتگان (شیر ہولڈرز) بینکرز اور مال فراہم کرنے والوں اور تقسیم کنندگان اور دیگر کاشمکریہ ادا کرتے ہیں، جنہوں نے ڈیڑھ سال کے دوران کمپنی کی تیز تر ترقی میں سہولت فراہم کی۔ ان کی مدد کے بغیر اس قلیل مدت میں ان اہم کامیابیوں کا حصول ممکن نہ تھا۔ ہم کمپنی کو مزید ترقی دینے اور اس کی پراڈکٹ کے پورٹ فولیو میں توسیع کے لیے آئندہ بھی ان اسٹیک ہولڈرز سے اسی طرح ثابت قدمی کے ساتھ معاونت کی توقع کرتے ہیں۔ ہم پاکستان اسٹاک ایکسچینج، SECP اور CDC کی جانب سے کمپنی کی مسلسل معاونت اور تعاون پر ان کا تہہ دل سے شکریہ ادا کرتے ہیں۔ ہم امید کرتے ہیں کہ یہ تعاون آئندہ بھی جاری رہے گا۔

ہم اس دوران اپنے پر خلوص اور صلاحیتوں سے بھرپور ایگزیکٹوز، اسٹاف اور ورکرز کی ٹیم کی جانب سے کی جانے والی سخت محنت پر، ان کے بھی تہہ دل سے مشکور و ممنون ہیں۔ ہم مزید آگے بڑھتے ہوئے نئی منازل کے حصول کے لیے اپنے ملازمین سے اسی طرح کی کوششوں کی توقع کرتے ہیں۔

## حسب الحکم بورڈ

  
عبدالمجید غازیانی  
چیئرمین



محمد فرخ  
چیف ایگزیکٹو  
کراچی

30 اکتوبر، 2019



## بورڈ اور بورڈ کی کمیٹیز میں ہونے والی ترمیمات:

زیر نظر سہ ماہی (کوآرٹر) کے دوران بورڈ یا آڈٹ کمیٹی اور ہیومن ریسورسز اینڈ ریمونڈیشن کمیٹی میں کوئی تبدیلی عمل میں نہیں آئی ہے۔

## اندیشہ (Risks) اور غیر یقینی صورتحال

کمپنی بیجوں اور خام پام کاتیل درآمد کرتی ہے اور اس وجہ سے اسے زرمبادلہ کی شرح میں رسک یا غیر یقینی صورتحال کا سامنا ہوتا ہے۔ تاہم کمپنی اپنی کچھ آمدن برآمدات سے بھی حاصل کرتی ہے جو روپے کی قدر میں کمی سے بڑھتے ہوئے رسک کو کسی قدر روکتا ہے۔ انتظامیہ اس رسک کو روکنے اور اس پر قابو پانے کی ہر ممکن کوشش کرتی ہے نیز کمپنی کے منافع پر کرنسی کے اتار چڑھاؤ کے اثرات کو کم سے کم کرنے میں کامیاب رہی ہے۔ دوران سہ ماہی (کوآرٹر) روپے کی قدر میں استحکام رہا اور اہم کرنسیز کے مقابلے میں یہ مستحکم رہا۔

## ضمانت / وعدے اور امکانات

بیلنس شیٹ کی تاریخ اور رپورٹ ہذا کی تاریخ کے درمیان کمپنی کے معاملات کی مالی حیثیت کو متاثر کرنے کے لحاظ سے ضمانت / وعدوں میں کوئی اہم تبدیلی نہیں ہوئی ہے۔

## مالیاتی نتائج

دوران سہ ماہی، کمپنی نے 92.7 ملین پاکستانی روپے کی آمدن (0.17 روپے کا EPS) حاصل کی۔

30 ستمبر، 2019 کو ختم ہونے والے مالی سال کے حوالے سے کمپنی کے مالیاتی امور کا خلاصہ ذیل میں فراہم کیا گیا ہے:

(Rupees)	
4,555,242,575	مجموعی فروخت (صافی)
(4,116,794,785)	فروخت کی لاگت
438,447,790	مجموعی نفع
(184,103,057)	فروختگی اور ترسیل کے اخراجات
(47,599,817)	انتظامی اخراجات
(7,295,313)	دیگر آپریٹنگ اخراجات
10,867,993	دیگر آمدن
210,317,596	قبل از مالیاتی لاگت آپریٹنگ نفع
(107,566,714)	مالیاتی لاگت
102,750,882	قبل از محصول (ٹیکس) نفع
(10,063,100)	محصول (ٹیکسیشن)
92,687,782	نفع بعد از محصول (ٹیکسیشن)
0.17	EPS (بنیادی اور غیر تکرر)



## ڈائریکٹرز ریویو رپورٹ

ہم، بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر، 2019 کو ختم ہونے والی سہ ماہی (کوآرٹر) کے حوالے سے ڈائریکٹرز ریویو رپورٹ بخوشی پیش کرتے ہیں۔ الحمد للہ، آپ کی کمپنی نے زیر نظر سہ ماہی (کوآرٹر) کے دوران ملک کی معاشی صورتحال میں استحکام کے پس منظر میں بتدریج ترقی کی ہے۔ دوران سہ ماہی (کوآرٹر) روپے کی قدر مستحکم ہوئی، جس نے کمپنی کے نتائج میں براہ راست کردار ادا کیا ہے۔ آنے والے وقت میں شرح سود بھی مستحکم دکھائی دیتی ہے۔

آپ کی کمپنی نے اس سہ ماہی کے دوران تقریباً پچھلی سہ ماہی کے برابر مجموعی فروخت کی گرچہ کہ جولائی کے مہینے میں وفاقی بجٹ میں خوردنی تیل کی صنعت پر ٹیکس لاگو کیا گیا ہے اور چند دیگر منفی اقدامات کے نتیجے میں غیر یقینی صورتحال پیدا ہوئی جس کے نتیجے میں خوردنی تیل کی فروخت میں تیزی سے کمی واقع ہوئی۔ فروخت کی سطح مستحکم رکھنے کی وجہ کمپنی کا محتاط فیصلہ تھا جس کے تحت کمپنی نے اس سہ ماہی کے دوران ملٹی کی برآمد میں حصہ لیا۔

### کریڈٹ ریٹنگ

دوران مدت کمپنی نے اپنی کریڈٹ ریٹنگ کا عمل بھی مکمل کیا اور ہمیں یہ بتاتے ہوئے خوشی ہے کہ کمپنی کو VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے قلیل المدت کے حوالے سے A2 اور طویل المدت کریڈٹ ریٹنگ -A تفویض کی گئی ہے۔ کمپنی کو تفویض شدہ ریٹنگ سے قرض کے حصول میں سہولت بہم پہنچے گی ساتھ ہی ساتھ یہ انتظامیہ اور دیگر افراد کی جانب سے کی گئی سخت محنت سے کمپنی کے استحکام کی بھی عکاس ہے۔

### اخراجات اور توسیع

رائٹ ایشو کے ساتھ اعلان شدہ پراجیکٹس پر کام تسلی بخش انداز میں جاری ہے اس رائٹ کا اعلان اس سال فروری میں کیا گیا تھا اور مئی میں اس کی تکمیل ہوئی تھی اور اس حوالے سے کمپنی نے 30 ستمبر، 2019 کو ختم ہونے والے سہ ماہی (کوآرٹر) کی رائٹ ایشو کے استعمال پر سہ ماہی رپورٹ مورخہ 103 اکتوبر، 2019 کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کو فراہم کر دی ہے۔ اس سال ماہ جولائی تا ستمبر کی سہ ماہی (کوآرٹر) کے دوران، کمپنی نے طویل مدت کے اساسہ جات کے حصول کی مدد میں تقریباً 487 ملین روپے کے اخراجات کئے ہیں۔ سہ ماہی کے اختتام پر بیلنس شیٹ کی مجموعی مالیت 11.74 ارب روپے تھی۔

### کمپنی کے امور کے حالات اور اس کے کاروبار کا جائزہ

#### آپریٹنگ:

آپ کی کمپنی کے تینوں برانڈز یعنی دستک، ذوقین اور اہتمام کی مارکیٹ میں مقبولیت تیزی کے ساتھ بڑھ رہی ہے اور اس کے اثرات کمپنی کی مجموعی سیلز پر ظاہر ہو رہے ہیں۔ ہر چند یہ کہ گزشتہ وفاقی بجٹ کے بعد خوردنی تیل کا کاروبار غیر یقینی صورتحال سے دوچار تھا، تاہم کمپنی نے پہلی سہ ماہی (کوآرٹر) میں تقریباً 4.5 بلین روپے سے زائد کی مجموعی سیلز کی ہیں۔ یہ کمپنی کے کاروباری امور کے لیے ایک حوصلہ افزاء بات ہے اور ہم آنے والی سہ ماہیوں (کوآرٹرز) میں مزید بہتر سیلز کی توقع کرتے ہیں۔ نفع میں بھی پچھلے کوآرٹر کے مقابلے میں مزید بہتری ہوئی ہے اور گزشتہ تین ماہ کا صافی منافع 92.7 ملین روپے رہا جو کہ پچھلے کوآرٹر کے 68.3 ملین روپے میں مقابلے میں 5.7% زائد تھا۔

### پورٹ قاسم آنکھل ریفاؤنڈری کی توسیع

رواں سہ ماہی (کوآرٹر) کے دوران توسیع کا کام تسلی بخش رہا ہے اور کمپنی کو توقع ہے کہ وہ منصوبہ شدہ توسیعی منصوبوں جس میں ہائیڈرو جینیشن پلانٹ، کیمیکل ریفاؤنڈری، فریکیشنیشن پلانٹ اور پورٹ قاسم پر آنکھل ٹرینل کا قیام شامل ہے، کو شیڈول کے مطابق مکمل کر لے گی۔ ان یونٹس سے پیداوار کی شروعات ہوتے ہی کمپنی کی سیلز، منافع کی شرح اور صافی آمدنی میں مزید اضافہ متوقع ہے۔



UNITY FOODS LIMITED  
— food for life! —

## SPECIALTY FATS BUSINESS SEGMENT

# CELEBRATING THE SWEET LIFE



SPECIALTY FATS





**Unity Foods Limited**  
**Condensed Interim Statement of Financial Position**  
**As at September 30, 2019**

	<i>Note</i>	September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
------(Rupees)-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,121,482,056	3,081,521,153
Intangible assets		8,217,778	8,654,439
Deferred tax		-	4,072,001
		<b>3,129,699,834</b>	<b>3,094,247,593</b>
<b>Current assets</b>			
Stock-in-trade		3,879,543,458	3,201,229,920
Stores, spares and loose tools		48,838,458	30,913,536
Trade debts		3,037,772,554	3,063,574,186
Advances, deposits and short term prepayments		25,970,570	30,920,000
Other receivables		1,050,000	1,050,000
Sales tax receivable		740,512,120	292,485,386
Taxation - net of provision		855,089,716	711,161,726
Cash and bank balances		22,079,406	40,043,834
		<b>8,610,856,282</b>	<b>7,371,378,588</b>
<b>Total assets</b>		<b>11,740,556,116</b>	<b>10,465,626,181</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital			
1,000,000,000 (2019: 1,000,000,000) ordinary shares of Rs. 10/- each		<b>10,000,000,000</b>	<b>10,000,000,000</b>
Issued, subscribed and paid-up capital		5,440,500,000	5,440,500,000
Un-appropriated profit		346,654,960	253,967,178
		<b>5,787,154,960</b>	<b>5,694,467,178</b>
<b>Non-current liabilities</b>			
Deferred tax		5,991,099	-
<b>Current liabilities</b>			
Trade and other payables		3,221,532,283	1,983,666,956
Accrued mark-up		61,195,445	39,065,955
Short term borrowings		2,332,352,887	2,567,371,277
Unclaimed dividend		1,188,311	1,188,311
Loan from related party		331,141,131	179,866,504
		<b>5,947,410,057</b>	<b>4,771,159,003</b>
Contingencies and commitments	5		
<b>Total equity and liabilities</b>		<b>11,740,556,116</b>	<b>10,465,626,181</b>

The annexed notes from 1 to 7 form an intergral part of these condensed interim financial information.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

**Chief Financial Officer**  
Jalees Edhi



**Unity Foods Limited**  
**Condensed Interim Profit or Loss Account (Un-Audited)**  
**For the Quarter Ended September 30, 2019**

	September 30, 2019	September 30, 2018
	------(Rupees)-----	
Net Sales	4,555,242,575	3,109,564,275
Cost of sales	<u>(4,116,794,785)</u>	<u>(2,888,678,536)</u>
Gross profit	438,447,790	220,885,739
Selling and distribution expenses	<u>(184,103,057)</u>	<u>(31,133,580)</u>
Administrative expenses	<u>(47,599,817)</u>	<u>(28,732,134)</u>
Other operating expenses	<u>(7,295,313)</u>	<u>(23,636,102)</u>
	<u>(238,998,188)</u>	<u>(83,501,816)</u>
Other income	<u>10,867,993</u>	<u>2,459,354</u>
Operating profit before finance cost	<u>210,317,595</u>	<u>139,843,277</u>
Finance cost	<u>(107,566,714)</u>	<u>(36,910,890)</u>
Profit before taxation	<u>102,750,882</u>	<u>102,932,387</u>
Taxation	<u>(10,063,100)</u>	<u>8,313,120</u>
Profit after taxation	<u>92,687,782</u>	<u>111,245,507</u>
		Restated
Basic and diluted earnings per share	<u>0.17</u>	<u>0.61</u>

The annexed notes from 1 to 7 form an intergral part of these condensed interim financial information.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

**Chief Financial Officer**  
Jalees Edhi



**Unity Foods Limited**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
**For the Quarter Ended September 30, 2019**

	September 30, 2019	September 30, 2018
	------(Rupees)-----	
<b>Profit after taxation for the period</b>	<b>92,687,782</b>	111,245,507
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b><u>92,687,782</u></b>	<u>111,245,507</u>

The annexed notes from 1 to 7 form an integral part of these condensed interim financial information.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

**Chief Financial Officer**  
Jalees Edhi



**Unity Foods Limited**  
**Condensed Interim Statement of Cash Flows (Un-Audited)**  
**For the Quarter Ended September 30, 2019**

	September 30, 2019	September 30, 2018
	------(Rupees)-----	
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	<b>102,750,882</b>	102,932,387
<b>Adjustments for:</b>		
Depreciation	27,044,957	13,855,209
Amortization	513,822	295,033
Finance cost	<u>107,566,714</u>	<u>36,910,890</u>
	<b>237,876,375</b>	153,993,519
<b>Changes in working capital</b>		
(Increase) / decrease in current assets:		
Stock in trade	<b>(678,313,538)</b>	(706,254,725)
Stores, spares and loose tools	<b>(17,924,922)</b>	-
Trade debts	25,801,632	(739,165,487)
Sales tax receivable	<b>(448,026,734)</b>	(58,805,844)
Advances, deposits and short term prepayments	4,949,430	(141,402,600)
Other receivables	-	5,544,646
	<u>(1,113,514,132)</u>	<u>(1,640,084,010)</u>
Increase/(Decrease) in current liabilities:		
Trade and other payables	<b>1,237,865,327</b>	(629,230,271)
	<u>362,227,570</u>	<u>(2,115,320,762)</u>
<b>Cash generated/(used in) from operating activities</b>	<b>362,227,570</b>	(2,115,320,762)
Taxes paid	<b>(143,927,990)</b>	(59,195,131)
Finance cost paid	<b>(85,437,224)</b>	(25,482,362)
<b>Net cash generated/(used in) from operating activities</b>	<b>132,862,356</b>	(2,199,998,255)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(67,005,860)</b>	(6,982,777)
Purchase of intangible asset	<b>(77,160)</b>	-
<b>Net cash used in investing activities</b>	<b>(67,083,020)</b>	(6,982,777)
<b>Cash flows from financing activities</b>		
Proceeds from short term borrowing - net	<b>155,458,847</b>	-
Loan from related party	<b>151,274,627</b>	1,275,960,000
<b>Net cash generated from financing activities</b>	<b>306,733,474</b>	1,275,960,000
Net increase/(decrease) in cash and cash equivalents	<b>372,512,810</b>	(931,021,032)
Cash and cash equivalents at beginning of the period	<b>(151,539,091)</b>	(606,239,666)
Cash and cash equivalents at end of the period	<b>220,973,719</b>	(1,537,260,698)
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Cash and bank balances	<b>22,079,406</b>	2,733,364
Short term borrowings from bank - running finance (secured)	<b>198,894,313</b>	(1,539,994,062)
	<u>220,973,719</u>	<u>(1,537,260,698)</u>

The annexed notes from 1 to 7 form an intergral part of these condensed interim financial information.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

**Chief Financial Officer**  
Jalees Edhi



**Unity Foods Limited**  
**Condensed Interim Statement of Changes in Equity (Un-Audited)**  
**For the Quarter Ended September 30, 2019**

	Issued, subscribed and paid-up capital	Unappropriated profit / (loss)	Total
----- (Rupees) -----			
<b>Balance as at July 01, 2018</b>	<b>1,690,500,000</b>	<b>83,417,658</b>	<b>1,773,917,658</b>
Total Comprehensive Income for the period ended Sep 30, 2018	-	111,245,507	111,245,507
Other comprehensive income	-	-	-
<b>Total comprehensive Income for the Period</b>	-	111,245,507	111,245,507
<b>Balance as at September 30, 2018</b>	<u>1,690,500,000</u>	<u>194,663,165</u>	<u>1,885,163,165</u>
<b>Balance as at July 01, 2019</b>	<b>5,440,500,000</b>	<b>253,967,178</b>	<b>5,694,467,178</b>
Total Comprehensive Income for the period ended Sep 30, 2019	-	<b>92,687,782</b>	<b>92,687,782</b>
Other comprehensive income	-	-	-
<b>Total comprehensive Income for the Period</b>	-	<b>92,687,782</b>	<b>92,687,782</b>
<b>Balance as at September 30, 2019</b>	<u>5,440,500,000</u>	<u>346,654,960</u>	<u>5,787,154,960</u>

The annexed notes from 1 to 7 form an intergral part of these condensed interim financial information.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

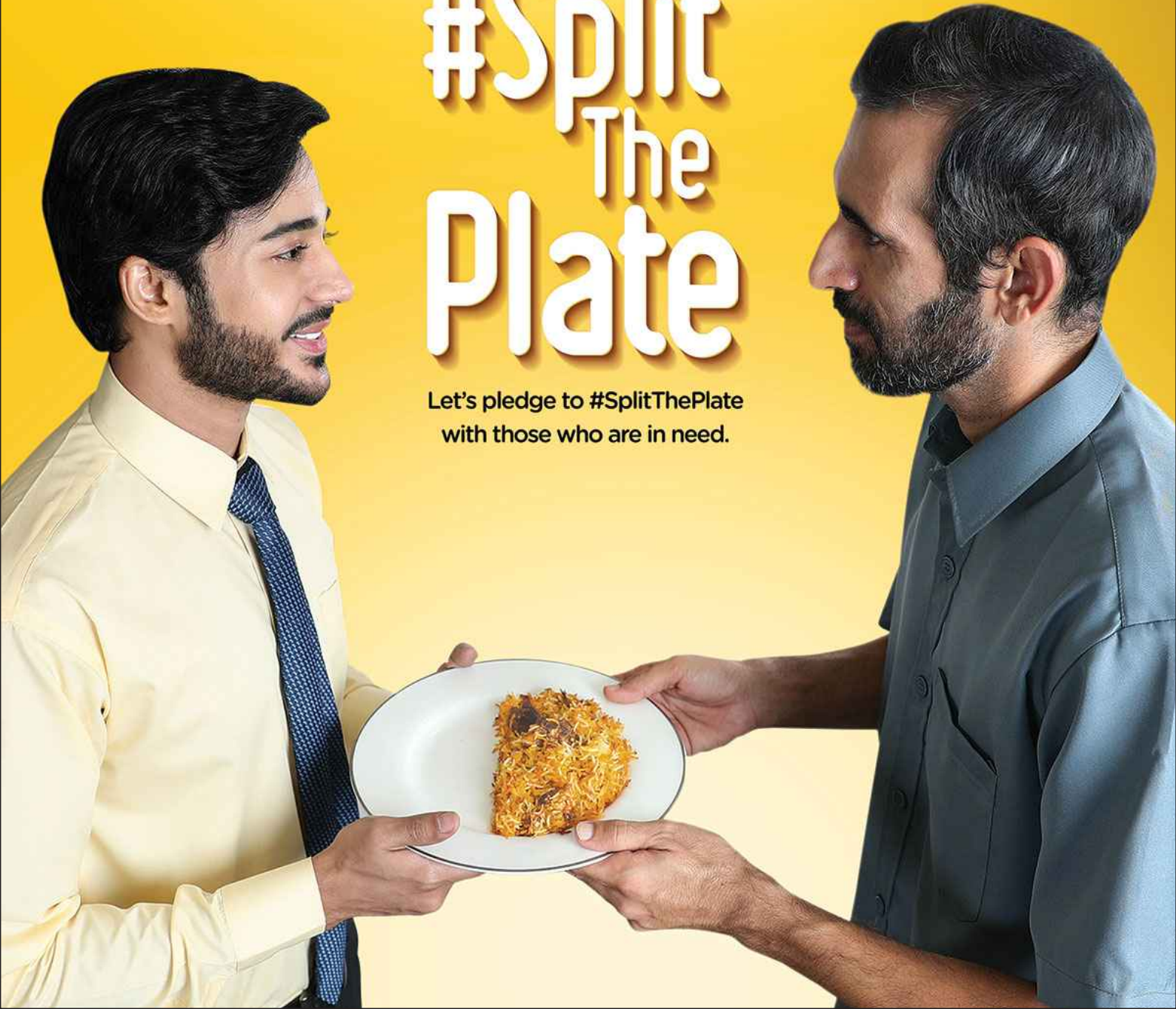
**Chief Financial Officer**  
Jalees Edhi



Banaspati & Cooking Oil

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with those who are in need.





## Unity Foods Limited

### Notes to the condensed Interim Financial Information (Un-Audited)

#### For the Quarter Ended September 30, 2019

#### 1. THE COMPANY AND ITS OPERATIONS

1.1 Unity Foods Limited (the "Company") was incorporated in Pakistan as a Private Limited Company under the Companies Ordinance, 1984 in 1991 and subsequently converted into a Public Limited company on June 16, 1991. Shares of the company are listed on the Pakistan Stock Exchange on February 01, 1994. The principal business of the company has been changed from yarn manufacturing to edible oil extraction, refining and related businesses. The registered office of the company is situated at Unity Tower, Plot # 8 C, Block-6, P.E.C.H.S., Karachi.

Geographical location and addresses of business units including plants of the Company are as under:

Address	Purpose
<p><b>Karachi</b> Unity Tower Plot No. 8-C, Block-6, P.E.C.H.S. Plot No. E-32, SITE Area. Plot No. A-48, Eastern Industrial Zone, Port Muhammad Bin Qasim, Karachi, Malir Bin Qasim Town.</p>	<p>Registered Office Oil Refinery Oil Refinery</p>
<p><b>Kotri, District Hyderabad</b> Plot No. N-27-B, SITE Area, Plot No. N-27-C, SITE Area, Plot No. N-37-A, SITE Area,</p>	<p>} Edible Oil Extraction Plant and Pellitising Mills</p>

#### 2. BASIS OF PREPARATION

##### 2.1 Statement of Compliance

This condensed interim financial information of the Company for the three months September 30, 2019 is unaudited and has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii) Provisions of and directives issued under the Companies Act, 2017.

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

The financial statements are presented in Pakistan Rupees which is the functional currency of the Company and figures are rounded off to the nearest Rupees.

##### 2.2 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements for the year ended June 30, 2019.



### 3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of these condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2019.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2019.

	(Un-Audited) September 30, 2019	(Audited) June 30, 2019
	------(Rupees)-----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets	2,763,080,999	2,302,995,149
Capital work-in-progress	358,401,057	778,526,004
	<u>3,121,482,056</u>	<u>3,081,521,153</u>

### 5. CONTINGENCIES AND COMMITMENTS

#### 5.1 Contingencies

There has been no change in status of contingency reported in the financial statements for the year ended June 30, 2019.

#### 5.2 Commitments

Commitments under Letter of Credit for stock-in-trade as at September 30, 2019 amounted to Rs. 775 million (June 30, 2019: Rs. 592 million).

### 6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, directors of the Company, companies in which directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transactions with related parties have been carried out on arm's length basis. No remuneration was paid to chief executive and directors.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim financial information, are as follows:





	(Un-Audited) September 30, 2019	(Un-Audited) September 30, 2018
	------(Rupees)-----	
Transactions with related party		
<b>Associated companies</b>		
Purchases	<u>175,122,097</u>	<u>90,732,615</u>
Sales	<u>-</u>	<u>267,228,358</u>
<b>Loan from related parties</b>		
Loan received	<u>389,174,628</u>	<u>1,521,160,000</u>
Loan repaid	<u>237,900,000</u>	<u>245,200,000</u>
<b>Provident fund</b>		
Contribution paid to provident fund	<u>2,508,986</u>	<u>341,361</u>
<b>Key management personnel</b>		
Remuneration	<u>9,906,000</u>	<u>6,350,000</u>
<b>Balance receivable from / payable to related parties:</b>	<b>(Un-Audited) September 30, 2019</b>	<b>(Audited) June 30, 2019</b>
Trade receivable in respect of sale of goods to associated company	<u>34,224,188</u>	<u>264,939,935</u>
Trade payable in respect of purchase of goods from associated company	<u>-</u>	<u>-</u>

## 7. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 30, 2019 by the Board of Directors of the Company.

**Chairman**  
Abdul Majeed Ghaziani

**Chief Executive**  
Muhammad Farrukh

**Chief Financial Officer**  
Jalees Edhi



**UNITY FOODS LIMITED**

— food for life! —

**UNITY TOWER**

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