



**THIRD QUARTER REPORT
JANUARY - MARCH 2023**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Iqbal Ali Lakhani - Chairman
Amin Mohammed Lakhani
Aliya Saeeda Khan (upto March 10, 2023)
Kamran Yousuf Mirza
Syed Shahid Ali Bukhari
Danish Zuberi (w.e.f. March 10,2023)
Peter John Graylin
Xuan Dai
Zulfiqar Ali Lakhani - Chief Executive

ADVISOR

Sultan Ali Lakhani

AUDIT COMMITTEE

Kamran Yousuf Mirza - Chairman
Iqbal Ali Lakhani
Amin Mohammed Lakhani
Danish Zuberi

HUMAN RESOURCE & REMUNERATION COMMITTEE

Kamran Yousuf Mirza - Chairman
Iqbal Ali Lakhani
Zulfiqar Ali Lakhani
Syed Shahid Ali Bukhari

COMPANY SECRETARY

Mansoor Ahmed

CHIEF FINANCIAL OFFICER

Mudassir Iqbal

EXTERNAL AUDITORS

A. F. Ferguson & Co.
Chartered Accountants

INTERNAL AUDITORS

BDO Ebrahim & Co.
Chartered Accountants

SHARES REGISTRAR

FAMCO Associates (Private) Limited
8-F, Near Hotel Faran, Nursery, Block-6,
P.E.C.H.S., Shahra-e-Faisal, Karachi.

REGISTERED OFFICE

Lakson Square, Building No. 2,
Sarwar Shaheed Road,
Karachi-74200 Pakistan

FACTORIES

G-6, S.I.T.E., Kotri
District Jamshoro (Sindh)

H-36 (B), S.I.T.E., Kotri
District Jamshoro (Sindh)

217, Sundar Industrial Estate,
Raiwind Road, Lahore

WEBSITE

www.colgate.com.pk

DIRECTORS' REVIEW

The directors of your Company are pleased to present the un-audited condensed financial statements of the Company for the nine months period ended March 31, 2023.

Financial Performance at a Glance

A brief financial analysis of the Company's performance for the period is summarized below:

Operating Results	July 2022- March 2023	July 2021- March 2022	Increase / (Decrease)
	Amount in PKR million		
Turnover	86,386	59,614	45%
Net Turnover	66,141	44,984	47%
Gross Profit	18,157	11,895	53%
Gross Profit %	27.45%	26.44%	101 bps
Selling & Distribution Cost	6,905	5,016	38%
Administrative Expenses	667	524	27%
Profit from Operations	10,787	6,569	64%
Profit After Tax	7,193	4,633	55%
Earnings per Share - Rupees	59.26	38.17	55%

Financial Performance Highlights

During the period under review, the Company's businesses continued to face macroeconomic challenges, unprecedented inflation levels, an increase in sales tax rate and significant devaluation of the Pak Rupee against the US Dollar.

To control depleting forex reserve, Banks are reluctant to open LCs even for the core raw materials of the essential manufacturing industries and your company is also facing similar issues in opening Letter of credit for import of raw materials.

In spite the above-mentioned challenges, the Company has managed to post strong revenue and profit growth driven by the combination of volume and favorable product mix changes.

Selling and distribution costs increased mainly due to the increase in advertising expense and fuel prices.

Business Performance Highlights

Consumption building activities, focused efforts to improve distribution and consistent advertising support on both traditional and digital media helped oral care gain market share.

The fight for market share intensified in the detergent category as all key players increased advertising and trade spending to gain market share. Lemon Max continues to lead in the dish wash market.

The ever-rising inflationary pressure is significantly affecting purchasing power of consumers forcing them to downgrade their purchase choices.

Import restrictions placed to restrict the outflow of the forex capital has led to the closure of many industries and widespread shadow market for illicit goods. This situation is alarming for organized and documented sector by disturbing the level playing field in the market. Comparable products to what your Company manufactures are being smuggled into the country and are available through parallel imports.

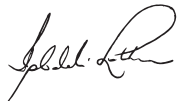
Future Outlook

Pakistan's economy faces significant challenges with forex reserves barely covering one month of imports, looming external debt repayments and a delay in the resumption of its loan program with the IMF. Import curbs in the form of restrictions on the opening of LCs for raw materials and key spares along with delays in payments to foreign suppliers have threatened business operations. Owing to these challenging circumstances, the Company may face production shortages and supply chain disruptions if this situation continues for a few more months.

Acknowledgement

We would like to extend our sincere gratitude to our consumers for their trust in our brands. We are thankful to our customers, distributors, supply chain partners, bankers and shareholders for their continued support. We also appreciate our employees for their relentless dedication and immense contribution to the Company.

On behalf of Board of Directors



Iqbal Ali Lakhani
Chairman



Zulfiqar Ali Lakhani
Chief Executive

Karachi : April 19, 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at March 31, 2023

	Note	March 31, 2023 (unaudited)	June 30, 2022 (audited)
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	7,892,074	7,623,422
Intangible assets		7,254	3,505
Long term loans		80,077	78,231
Long term security deposits		21,260	20,734
		8,000,665	7,725,892
CURRENT ASSETS			
Stores and spares		655,277	483,196
Stock in trade	5	14,195,597	13,067,927
Trade debts		1,632,576	1,407,106
Loans and advances		409,834	291,309
Trade deposits and short term prepayments		67,280	148,348
Other receivables		462,412	431,603
Accrued profit		26,619	4,760
Short term investments	6	10,268,067	6,543,716
Cash and bank balances		5,258,638	2,901,308
		32,976,300	25,279,273
TOTAL ASSETS		40,976,965	33,005,165
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		2,500,000	1,250,000
Issued, subscribed and paid-up share capital	7	1,213,867	727,956
Reserves		25,017,029	22,022,222
Remeasurement of post retirement benefits obligation		(201,936)	(201,936)
		26,028,960	22,548,242
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred taxation		411,711	261,742
Long term deposits		50,039	63,134
Deferred liability		51,588	76,106
Long-term financing	8	712,685	747,668
Deferred grant		314,085	357,685
Lease liabilities		319,919	341,435
		1,860,027	1,847,770
CURRENT LIABILITIES			
Trade and other payables	9	10,968,928	7,989,140
Accrued mark-up		7,036	8,322
Current maturity of long-term financing		87,034	390,889
Current maturity of lease liabilities		69,657	60,987
Short-term financing		-	42,334
Taxation - net		724,736	86,204
Unpaid dividend	10	1,196,989	-
Unclaimed dividend		33,598	31,277
		13,087,978	8,609,153
TOTAL LIABILITIES		14,948,005	10,456,923
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES		40,976,965	33,005,165

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman/Director


Zulfiqar Ali Lakhani
Chief Executive


Mudassir Iqbal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Unaudited)

For the Nine months period ended March 31, 2023

	Note	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
(Rupees in '000)					
Turnover		31,655,842	21,433,818	86,386,476	59,613,953
Sales tax		(5,073,974)	(3,367,589)	(13,613,832)	(9,409,490)
Trade and other discounts		(2,385,157)	(1,840,710)	(6,631,526)	(5,220,475)
Net turnover		24,196,711	16,225,519	66,141,118	44,983,988
Cost of sales		(16,937,130)	(12,120,267)	(47,983,935)	(33,089,383)
Gross profit		7,259,581	4,105,252	18,157,183	11,894,605
Selling and distribution cost		(2,367,642)	(1,728,041)	(6,904,999)	(5,016,109)
Administrative expenses		(232,366)	(190,860)	(667,055)	(524,163)
Other expenses		(588,209)	(178,444)	(1,042,575)	(586,676)
Other income		461,027	282,975	1,244,553	801,432
Profit from operations		4,532,391	2,290,882	10,787,107	6,569,089
Finance cost and bank charges		(36,941)	(34,179)	(111,818)	(105,352)
Profit before taxation		4,495,450	2,256,703	10,675,289	6,463,737
Taxation					
- Current - for the period		(1,438,979)	(476,499)	(3,409,494)	(1,646,269)
- for prior period		(15,163)	(13,133)	77,465	10,072
		(1,454,142)	(489,632)	(3,332,029)	(1,636,197)
- Deferred		(65,020)	(69,331)	(149,969)	(194,254)
		(1,519,162)	(558,963)	(3,481,998)	(1,830,451)
Profit after taxation		2,976,288	1,697,740	7,193,291	4,633,286
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		2,976,288	1,697,740	7,193,291	4,633,286
(Rupees)					
Earnings per share - basic and diluted	12	24.52	(Restated) 13.99	59.26	(Restated) 38.17

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman/Director


Zulfiqar Ali Lakhani
Chief Executive


Mudassir Iqbal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the Nine months period ended March 31, 2023

	Issued, subscribed and paid up share capital	Capital reserve-share premium	Reserves			Remeasurement on post retirement benefits obligation- net of tax	Total Equity
			Revenue reserves		Sub Total-reserves		
			General reserve	Unappropriated profit			
(Rupees in '000)							
Balance as at July 1, 2021	633,005	13,456	15,440,000	4,094,841	19,548,297	(168,676)	20,012,626
Transactions with owners							
Final dividend for the year ended June 30, 2021 at the rate of Rs 24 per share	-	-	-	(1,519,212)	1,519,212	-	(1,519,212)
Bonus shares issued at the rate of three share for every twenty shares held	94,951	-	-	(94,951)	(94,951)	-	-
Interim dividend for the year ending June 30, 2022 at the rate of Rs 24.5 per share	-	-	-	(1,783,492)	(1,783,492)	-	(1,783,492)
Total transactions with owners	94,951	-	-	(3,397,655)	(3,397,655)	-	(3,302,704)
Comprehensive income for the period							
Profit after taxation for the period ended March 31, 2022	-	-	-	4,633,286	4,633,286	-	4,633,286
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2022	-	-	-	4,633,286	4,633,286	-	4,633,286
Transfer to general reserve	-	-	2,480,000	(2,480,000)	-	-	-
Balance as at March 31, 2022	727,956	13,456	17,920,000	2,850,472	20,783,928	(168,676)	21,343,208
Balance as at July 1, 2022	727,956	13,456	17,920,000	4,088,766	22,022,222	(201,936)	22,548,242
Transactions with owners							
Final dividend for the year ended June 30, 2022 at the rate of Rs 28 per share	-	-	-	(2,038,276)	(2,038,276)	-	(2,038,276)
Bonus shares issued at the rate of three shares for every twenty shares held	109,193	-	-	(109,193)	(109,193)	-	-
Interim dividend for the period ended December 31, 2022 at the rate of Rs 20 per share	-	-	-	(1,674,297)	(1,674,297)	-	(1,674,297)
Interim bonus shares issued at the rate of nine shares for every twenty shares held	376,718	-	-	(376,718)	(376,718)	-	-
Total transactions with owners	485,911	-	-	(4,198,484)	(4,198,484)	-	(3,712,573)
Comprehensive income for the period							
Profit after taxation for the period ended March 31, 2023	-	-	-	7,193,291	7,193,291	-	7,193,291
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2023	-	-	-	7,193,291	7,193,291	-	7,193,291
Transfer to general reserve	-	-	1,941,000	(1,941,000)	-	-	-
Balance as at March 31, 2023	1,213,867	13,456	19,861,000	5,142,573	25,017,029	(201,936)	26,028,960

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



Iqbal Ali Lakhani
Chairman/Director



Zulfiqar Ali Lakhani
Chief Executive



Mudassar Iqbal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited)

For the Nine months period ended March 31, 2023

	Note	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	12,326,551	3,353,934
Finance cost and bank charges paid		(75,687)	(52,540)
Taxes paid		(2,693,496)	(2,225,541)
Staff retirement benefit paid		(76,106)	-
Long term loans		(1,846)	(25,825)
Long term security deposits (assets)		(526)	19,978
Long term deposits		(13,095)	(58,943)
Net cash generated from operating activities		9,465,795	1,011,063
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(985,127)	(1,415,319)
Purchase of intangible assets		(7,571)	-
Short term investments made during the period		(6,908,469)	(24,247,440)
Proceeds from sale of property, plant and equipment		68,906	45,865
Profit received on savings accounts		340,450	94,770
Profit received on treasury bills		1,470	52,643
Profit received on Pakistan Investment Bonds		-	436
Profit received on term deposit receipts		39,263	36,069
Sale proceeds on disposal of short term investments		3,261,974	24,908,787
Net cash used in investing activities		(4,189,104)	(524,189)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(2,513,264)	(2,763,650)
Long-term financing obtained		-	676,436
Long-term financing repaid		(382,438)	(379,864)
Short-term financing repaid		(42,334)	-
Payment of lease liabilities		(58,325)	(72,535)
Net cash used in financing activities		(2,996,361)	(2,539,613)
Net increase / (decrease) in cash and cash equivalents		2,280,330	(2,052,739)
Cash and cash equivalents at the beginning of the period		2,978,308	4,807,764
Cash and cash equivalents at the end of the period	14	5,258,638	2,755,025

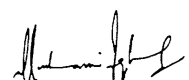
The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



Iqbal Ali Lakhani
Chairman/Director



Zulfiqar Ali Lakhani
Chief Executive



Mudassir Iqbal
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Nine months period ended March 31, 2023

1. THE COMPANY AND ITS OPERATIONS

Colgate-Palmolive (Pakistan) Limited (the Company) was initially incorporated in Pakistan on December 5, 1977 as a public limited company with the name of National Detergents Limited. The name of the Company was changed to Colgate-Palmolive (Pakistan) Limited on March 28, 1990 when the Company entered into a Participation Agreement with Colgate-Palmolive Company, USA. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.

The Company is mainly engaged in the manufacture and sale of detergents, personal care and other related products.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act.

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

2.2 These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2022.

2.3 New standards, amendments to approved accounting standards and new interpretations

2.3.1 Amendments to approved accounting standards which are effective during the year ending June 30, 2023

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

2.3.2 New standards and amendments to approved accounting standards that are effective for the Company's accounting periods beginning on or after July 1, 2023

There is a new standard and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

2.4 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements for the year ended June 30, 2022.

3. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied to financial statements as at and for the year ended June 30, 2022.

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, 2022.

Note	March 31, 2023 (unaudited)	June 30, 2022 (audited)
	(Rupees in '000)	

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - at net book value	4.1 to 4.4	7,260,937	6,943,409
Capital work in progress - at cost	4.5	352,343	353,877
Right of use assets - at net book value		278,794	326,136
		7,892,074	7,623,422

	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
(Rupees in '000)		
4.1 Additions - operating fixed assets (at cost)		
Leasehold land	9,974	-
Buildings on leasehold land	112,408	1,025,983
Plant and machinery	449,868	1,939,160
Fittings and installation	34,313	478,670
Furniture and fixtures	6,860	17,226
Tools and equipment	114,914	113,488
Vehicles	224,074	125,848
Computers and accessories	11,818	33,261
Office equipment	22,433	23,038
	986,662	3,756,674
4.1.1 Additions include transfers from capital work in progress aggregating Rs 621.157 million (March 31, 2022: Rs 3,499.676 million).		
4.2 Disposals - operating fixed assets (at net book value)		
Plant and machinery	647	721
Fittings and installation	-	920
Tools and equipment	9	309
Vehicles	30,955	17,527
Computers and accessories	691	208
Office equipment	61	151
	32,363	19,836
4.3 Depreciation charge for the period	636,771	599,777
4.4 Included in operating fixed assets are items having aggregate cost of Rs 48.698 million (June 30, 2022: Rs 46.322 million) held by third parties for manufacturing certain products of the Company. These operating fixed assets are free of lien and the Company has full right of repossession of these assets.		
4.5 Additions - capital work-in-progress (at cost)		
Buildings on leasehold land	73,793	219,518
Plant and machinery	497,244	839,821
Vehicles	2,382	17,500
Fittings and installation	47,929	137,780
Tools and equipment	117,012	118,824
Furniture and fixtures	582	18,525
Office equipment	8,492	19,111
Computer and accessories	8,392	-
	755,826	1,371,079

	Note	March 31, 2023 (unaudited)	June 30, 2022 (audited)
(Rupees in '000)			
5. STOCK IN TRADE			
Raw and packing materials		10,354,894	9,641,697
Work-in-process		1,254,817	1,044,795
Finished goods - Manufactured		2,282,316	1,967,003
Finished goods - Trading		347,512	430,630
		<u>14,239,539</u>	<u>13,084,125</u>
Less: Provision for obsolete inventory		(43,942)	(16,198)
		<u>14,195,597</u>	<u>13,067,927</u>

5.1 Stock in trade include raw and packing materials in transit aggregating Rs 820.199 million (June 30, 2022: Rs 915.379 million) and finished goods in transit aggregating Rs 3.021 million (June 30, 2022: Rs 4.094 million).

6. SHORT TERM INVESTMENTS

- Amortised cost	6.1	490,240	149,105
- Fair value through profit or loss		<u>9,777,827</u>	<u>6,394,611</u>
		<u>10,268,067</u>	<u>6,543,716</u>

6.1 The profits on these term deposits range between 10.53% and 19.25% per annum (June 30, 2022: between 6.85% and 8.75% per annum) having maturity in March 2024.

7. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

7.1 Movement in issued, subscribed and paid-up share capital during the period ended is as follows:

March 31, 2023 (unaudited)	March 31, 2022 (unaudited)		March 31, 2023 (unaudited)	March 31, 2022 (unaudited)
			(Rupees in '000)	
		Number of shares		
72,795,583	63,300,507	Ordinary shares of Rs. 10 each at the beginning of the quarter	727,956	633,005
48,591,038	9,495,076	Issued during the quarter as fully paid bonus shares	485,911	94,951
<u>121,386,621</u>	<u>72,795,583</u>	At the end of the period	<u>1,213,867</u>	<u>727,956</u>

	Note	March 31, 2023 (unaudited) (Rupees in '000)	June 30, 2022 (audited)
8. LONG-TERM FINANCING			
- salary refinance scheme		-	374,481
- temporary economic refinance facility		1,064,839	1,067,412
- renewable energy finance facility		48,965	54,349
		1,113,804	1,496,242
Less: reclassified to deferred grant		314,085	357,685
Less: current maturity of financing under:			
- salary refinance scheme		-	368,544
- temporary economic refinance facility		79,855	12,964
- renewable energy finance facility		7,179	9,381
		87,034	390,889
		712,685	747,668

- 8.1 There has been no change in the terms and conditions as disclosed in note 21 to the Company's financial statements for the year ended June 30, 2022.

9. TRADE AND OTHER PAYABLES

Trade creditors	9.1	2,818,375	1,830,431
Accrued liabilities	9.2	4,192,536	2,973,853
Bills payable		1,571,054	1,464,105
Advances from customers - unsecured		265,879	160,930
Sales tax payable		378,799	310,066
Royalty payable to Colgate-Palmolive Co., USA - associated company		825,494	466,630
Workers' profits participation fund		571,504	468,010
Workers' welfare fund		212,914	174,357
Retention money payable		2,822	12,947
Gas Infrastructure Development Cess liability		-	22,785
Others	9.3	129,551	105,026
		10,968,928	7,989,140

- 9.1 These include Rs 328.848 million (June 30, 2022: Rs 193.574 million) payable to related parties.
- 9.2 These include Rs 83.833 million (June 30, 2022: Rs 109.052 million) accrued to related parties.
- 9.3 These include Rs 13.646 million (June 30, 2022: Rs 12.187 million) liable to related parties.
- 9.4 There has been no change in short-term borrowing facilities from various banks on mark-up basis from those that are mentioned in note 24 of the Company's financial statements for the year ended June 30, 2022.

10. UNPAID DIVIDEND

10.1 This represents dividend payable to Colgate-Palmolive Company, USA and other foreign shareholders. The Company has submitted duly certified application for remittance to authorized dealer in November 2022 and March 2023 for onward approval of regulator which is still awaited.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 Custom Appellate Tribunal has dismissed the Custom Appeal 32-K of 2018 vide Judgment dated July 19, 2022, as disclosed in note 25.1.1 to the Company's financial statements for the year ended June 30, 2022, on the grounds that instant appeal of the department has no merits.

11.1.2 Contingent liabilities in respect of indemnities given to financial institutions for guarantees issued by them on behalf of the Company in the normal course of business aggregate Rs 536.721 million (June 30, 2022: Rs 346.985 million).

11.2 Commitments

11.2.1 Commitments in respect of capital expenditure and inventory items amount to Rs 76.456 million and Rs 73.530 million respectively (June 30, 2022: Rs 66.767 million and Rs 1,165.499 million respectively).

11.2.2 Outstanding letters of credit amount to Rs 1,726.076 million (June 30, 2022: Rs 2,775.056 million).

11.2.3 Outstanding duties leviable on clearing of stocks amount to Rs 1.107 million (June 30, 2022: Rs 13.149 million).

11.2.4 Post dated cheques issued to the collector of customs against duty on inventory items amount to Rs 233.923 million (June 30, 2022: Rs 595.414 million).

12. EARNINGS PER SHARE - [basic and diluted]

	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
	(Rupees in '000)			
Profit after taxation	2,976,288	1,697,740	7,193,291	4,633,286
	(Number of shares)			
Weighted average number of ordinary shares outstanding at the end of the period	12,386,621	12,386,621	12,386,621	12,386,621
	(Rupees)			
Earnings per share - basic and diluted	24.52	13.99	59.26	38.17

12.1 There are no dilutive potential ordinary shares outstanding as at March 31, 2023 and 2022.

	Note	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
(Rupees in '000)			
13. CASH GENERATED FROM OPERATIONS			
Profit before taxation		10,675,289	6,463,737
Adjustment for non-cash charges and other items:			
Depreciation on operating fixed assets		636,771	599,777
Depreciation on right-of-use assets		55,403	41,811
Amortisation expense		3,822	3,985
Gain on disposal of items of property, plant and equipment		(36,543)	(26,029)
Gain on termination of lease		-	(10,535)
Staff retirement benefit		51,588	35,129
Profit on saving accounts		(362,126)	(100,684)
Profit on a term deposit receipt		(38,631)	(26,891)
Profit on treasury bills		(2,285)	(52,643)
Profit on Pakistan Investment Bond		-	(436)
Unrealised gain on investments classified as fair value through profit or loss		(112,400)	(113,375)
Gain on disposal of short term investments		(42,456)	(39,753)
Finance cost and bank charges		111,818	105,352
Provision for obsolete inventory		27,744	-
Provision for obsolete stores and spares		9,612	-
Working capital changes	13.1	1,348,945	(3,525,511)
		<u>12,326,551</u>	<u>3,353,934</u>

13.1 Working capital changes

(Increase) / decrease in current assets:			
Stores and spares		(181,693)	(32,053)
Stock in trade		(1,155,414)	(4,825,390)
Trade debts		(225,470)	(499,321)
Loans and advances		(118,525)	(148,801)
Trade deposits and short term prepayments		81,068	(13,723)
Other receivables		(30,809)	(33,561)
		<u>(1,630,843)</u>	<u>(5,552,849)</u>
Increase in current liabilities:			
Trade and other payables		2,979,788	2,027,338
		<u>1,348,945</u>	<u>(3,525,511)</u>

March 31, **March 31,**
2023 **2022**
(Unaudited) **(Unaudited)**
(Rupees in '000)

14. CASH AND CASH EQUIVALENTS

Cash and bank balances	5,258,638	2,678,025
Short term investments	-	77,000
	5,258,638	2,755,025

15. RELATED PARTIES

15.1 Disclosure of transactions and closing balances between the Company and related parties:

The related parties include associated companies, staff retirement funds, directors, key management personnel and close family members of directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. The Company enters into transactions with related parties on the basis of mutually agreed terms. Significant balances and transactions with related parties are as follows:

Nature of transactions	Nine months period ended March 31, 2023	Nine months period ended March 31, 2022
	(Rupees in '000)	
Associated companies		
Sale of goods and services provided and reimbursement of expenses	59,747	82,781
Purchase of goods and services received and reimbursement of expenses	3,913,546	3,214,632
Purchase of short term investments	1,100,000	-
Sale proceeds on redemption of short term investments	700,000	200,000
Sale of assets	4,615	-
Profit on short term investments	32,704	34,675
Rent, allied and other charges	32,426	29,872
Royalty charges	419,590	296,099
Insurance claims received	18,680	3,643
Donations	22,841	15,020
Dividend received on mutual funds	144,129	78,218
Dividend paid	2,164,672	2,369,658
Employee funds		
Contribution to staff retirement benefits	111,028	85,405
Key management personnel		
Compensation paid to key management personnel	151,068	136,700

Nature of balances	March 31, 2023 (unaudited) (Rupees in '000)	June 30, 2022 (audited)
Associated companies		
Trade debts	3,147	4,703
Loans and advances	496	40,860
Other receivables	1,794	2,790
Short term investments	1,935,112	1,379,898
Lease liabilities	167,355	167,896
Unpaid dividend	1,113,771	-
Trade and other payables	Refer note 9	

16. ENTITY-WIDE INFORMATION

16.1 The Company constitutes of a single reportable segment, the principal classes of products of which are Personal Care, Home Care and Others.

16.2 Information about products

The Company's principal classes of products accounted for the following percentages of sales:

	Nine months period ended March 31, 2023 (Rupees in '000)	Nine months period ended March 31, 2022
Personal Care	25%	27%
Home Care	69%	69%
Others	6%	4%
	<u>100%</u>	<u>100%</u>

16.3 Information about geographical areas

The Company does not hold non-current assets in any foreign country. Revenues from external customers attributed to foreign countries in aggregate are not material in the overall context of these financial statements.

16.4 Information about major customers

The Company does not have transactions with any external customer which amount to 10 percent or more of its revenues.

17. DATE OF AUTHORISATION FOR ISSUE

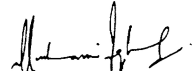
These condensed interim financial statements were authorised for issue on April 19, 2023 by the Board of Directors of the Company.



Iqbal Ali Lakhani
Chairman/Director



Zulfiqar Ali Lakhani
Chief Executive



Mudassir Iqbal
Chief Financial Officer

فروخت اور تقسیم کے اخراجات میں اضافہ بنیادی طور پر اشتہاری اخراجات اور ایندھن کی قیمتوں میں اضافے کی وجہ سے ہوا۔

کاروباری کارکردگی کی جھلکیاں

کھپت بڑھانے کی سرگرمیوں، ڈسٹری بیوٹن کو بہتر بنانے کے لئے مرکوز کوششوں اور روایتی و ڈیجیٹل میڈیا۔۔ دونوں پر مسلسل اشتہاری معاونت نے دانتوں کی نگہداشت (اورل کیئر) کے شعبے کو مارکیٹ شیئر بڑھانے میں مدد دی۔

ڈیٹریٹ کے شعبے میں مارکیٹ شیئر کے حصول کی جدوجہد شدت اختیار کر گئی ہے کیونکہ تمام کمپنیوں نے مارکیٹ شیئر حاصل کرنے کے لئے اشتہارات اور تجارتی اخراجات میں اضافہ کر دیا۔ لیمن میکس نے ڈش واش مارکیٹ میں اپنی سبقت برقرار رکھی ہے۔

مسلسل بڑھتے ہوئے افراط زر کا دباؤ صارفین کی قوت خرید کو نمایاں طور پر متاثر کر رہا ہے، جس کی وجہ سے وہ خریداری کے معاملے میں اپنے انتخاب کا معیار گھٹانے پر مجبور ہو رہے ہیں۔

زرمبادلہ کے اخراج کو محدود کرنے کے لئے لگائی گئی درآمدی پابندیوں کی وجہ سے بہت سی صنعتیں بند ہو گئی ہیں اور غیر قانونی اشیاء کے لئے وسیع پیمانے پر شیڈرو مارکیٹ بن گئی ہے۔ یہ صورتحال مارکیٹ میں مقابلے کے مساوی مواقع کو متاثر کر رہی ہے، جو منظم اور دستاویزی شعبے کے لئے خطرناک ہے۔

آپ کی کمپنی کی تیار کردہ مصنوعات سے مماثل پراڈکٹس کو ملک میں اسمگل کیا جا رہا ہے اور یہ متوازی درآمدات کے ذریعے بھی دستیاب ہیں۔

مستقبل کا منظر نامہ

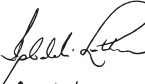
پاکستان کی معیشت کو اہم چیلنجز کا سامنا ہے کیونکہ زرمبادلہ کے ذخائر بمشکل ایک ماہ کی درآمدات کے لیے ہی کافی ہوں گے، بیرونی قرضوں کی ادا کیگیوں میں اضافہ ہوگا جبکہ آئی ایم ایف کے ساتھ قرض پروگرام کی بحالی میں تاخیر ہو رہی ہے۔ غیر ملکی سپلائرز کو ادا کیگیوں میں تاخیر کے ساتھ ساتھ تمام مال اور متعلقہ سامان کے لئے ایل سی کھولنے پر پابندی کی شکل میں درآمدی پابندیوں نے کاروباری سرگرمیوں کو خطرے میں ڈال دیا ہے۔ ان مشکل حالات میں اگر یہ صورتحال مزید چند ماہ تک جاری رہی تو کمپنی کو پیداوار میں کمی اور سپلائی چین میں خلل کا سامنا کرنا پڑ سکتا ہے۔

اظہار تشکر

ہم اپنے برانڈز پر اعتماد کرنے پر صارفین کا تہ دل سے شکر یہ ادا کرتے ہیں۔ ہم اپنے صارفین، ڈسٹری بیوٹرز، سپلائی چین پارٹنرز، بینکرز اور شیئر ہولڈرز کے مسلسل تعاون کے لیے ان کے شکر گزار ہیں۔ ہم انتھک لگن اور کمپنی کے لیے بے پناہ تعاون پر اپنے ملازمین کو بھی سراہتے ہیں۔

از طرف بورڈ آف ڈائریکٹرز


ذوالفقار علی لاکھانی
چیف ایگزیکٹو


اقبال علی لاکھانی
چیئر مین

کراچی: 19 اپریل، 2023ء

ڈائریکٹرز جائزہ رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کے لیے 31 مارچ 2023ء کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے غیر آڈٹ شدہ مختصر مالیاتی گوشوارے پیش کرنا باعث مسرت ہے۔

مالیاتی کارکردگی کا جائزہ

مذکورہ مدت کے لیے کمپنی کی کارکردگی کا مختصر مالی تجزیہ حسب ذیل ہے:

اضافہ/ (کمی)	جولائی 2021 - مارچ 2022	جولائی 2022 - مارچ 2023	آپریٹنگ نتائج
	(رقم ملین روپے میں)		
45%	59,614	86,386	مجموعی آمدنی
47%	44,984	66,141	خالص مجموعی آمدنی
53%	11,895	18,157	مجموعی منافع
101 bps	26.44%	27.45%	مجموعی منافع %
38%	5,016	6,905	فروخت اور تقسیم کے اخراجات
27%	524	667	انتظامی اخراجات
64%	6,569	10,787	آپریٹنگ سے منافع
55%	4,633	7,193	ٹیکس کے بعد منافع
55%	38.17	59.26	فی شیئر آمدنی - (روپے)

مالیاتی کارکردگی کی جھلکیاں

زیر جائزہ مدت کے دوران کمپنی کے کاروبار کو میکرو اکنامک چیلنجز، بے نظیر افراط زر، سیلز ٹیکس کی شرح میں اضافے اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں نمایاں کمی کا سامنا رہا۔

گرتے ہوئے زرمبادلہ ذخائر کو کنٹرول کرنے کے لئے بینک ضروری مینوفیکچرنگ صنعتوں کے بنیادی خام مال کے لئے بھی ایل سی کھولنے سے بچکا رہا ہے ہیں اور آپ کی کمپنی کو بھی خام مال کی درآمد کے لئے لیٹر آف کریڈٹ کھولنے میں اسی طرح کے مسائل کا سامنا ہے۔

مندرجہ بالا چیلنجوں کے باوجود، کمپنی حجم اور سازگار پراڈکٹس تبدیلیوں کے امتزاج کی وجہ سے آمدنی اور منافع میں معقول اضافہ کرنے میں کامیاب رہی ہے۔



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