

Lever Brother Pakistan Limited

Annual Report 1999

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Company Information

Board of Directors

Mr. Jean-Marc Delpon de Vaux - Chairman & Chief Executive

Mr. Robert Zoon
Mr. Perwaiz Hasin Khan
Mr. Syed Baber Ali
Mr. Fatehali W. Vellani
Mr. Irtiza Husain
Mr. Rai Ijaz Ali Zaigham
Mr. Soomro Mohammad Ibrahim
Mr. Omar H. Karim

Company Secretary

Mr. Aamer Aziz Saiyyid

Auditors

Messrs A.F. Ferguson & Co
State Life Building No.
I.I. Chundrigar Road
Karachi.

Registered Office

Avani Plaza
Miss Fatima Jinnah Road
Karachi

Share Registration Office

c/o Ferguson Associates (Pvt) Ltd
State Life Building No. 1-A
I.I. Chundrigar Road
Karachi.

LEVER BROTHERS PAKISTAN LIMITED

Notice of Annual General Meeting

Notice is hereby given that the 51st Annual General Meeting of Lever Brothers Pakistan Limited will be held at Darbar Hall 'C' Hotel Sheraton, Club Road, Karachi, on Monday, 15th May 2000 at 11.00 a.m. to transact the following business:

Ordinary Business

1. To receive and consider the Company's Accounts for the financial year January - December 1999, together with the Reports of the Auditors and Directors.
2. To declare the final dividend on the ordinary shares of the Company.
The Directors recommend a final dividend of 5070 (or Rs. 25 per share). With the interim dividend of 50% (or Rs. 25.00 per share) already paid, the total dividend for 1999 will thus amount to 100% (or Rs. 50 per share).
3. To appoint Auditors for the ensuing year, and fix their remuneration.
(Messrs. A. F. Ferguson & Co., Chartered Accountants, retire, and being eligible, offer themselves for re-appointment).

Special Business*

4. To approve the remuneration of Executive Directors including the Chief Executive.
[A Statement in respect of the Special Business to be transacted at the AGM is attached].

Any other business, with the permission of the Chair.

By order of the Board

Karachi
28 March 2000

AAMER AZIZ SAIYID
Company Secretary

Notes:

1. Share Transfer Books will be closed from 8 to 15 May 2000 (both days inclusive).
2. All Members (whether holding preference or Ordinary Shares) are entitled to attend and vote at the meeting. A Member may appoint a proxy who need not be a Member of the Company.
3. The instrument appointing the proxy and the other authority under which it is signed, or a notariially certified copy thereof, must be lodged at the Company's Registered Office at least 48 hours before the time of the Meeting.
4. Any change of address should be notified immediately to the Company's Share Registrars, Fergusons Associates (Pvt) Ltd, State Life Building I-A, I.I. Chundrigar Road, Karachi.

CDC Account Holders will further have to follow the undermentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original national Identity Card (NIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i) 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 submit the proxy form as per the above requirement.
- ii) The proxy form shall be witness by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
- iii) Attested copies on NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his original NIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

Statement in respect of Special Business and related Draft Resolution

Material facts concerning the Special Business to be transacted at the Annual General Meeting and the proposed Resolutions related thereto are given below.

Item 4 of the Agenda - Remuneration of Executive Directors

According to law, it is necessary to obtain Shareholders' approval for the holding of office of profit by any of the Directors as well as of their remuneration. It is therefore proposed to pass the following as an Ordinary Resolution.

Resolved that approval is hereby granted for the holding of office of profit with the Company by the Executive Directors including the Chief Executive, and for the payment of remuneration to them for their respective periods of service in accordance with their individual contracts and the rules of the Company, amounting in the aggregate to Rs. 26.1 million actuals for the year January - December 1999, and Rs. 29.3 million estimated for 1 January to 31 December 2000.

[The Executive Directors, namely, Messrs. Jean-Marc Delpont de Vaux, Robert Zoon and Perwaiz Hasan Khan, are interested to the extent of the remuneration payable to them individually].

Report of the Directors

The Directors have pleasure in presenting their Annual Report together with the Company's audited accounts for the year ended December 31, 1999.

Results and Dividends

	<i>Jan. 1999- Dec. 1999</i>	<i>July 1997- Dec. 1998</i>
	<i>(12 months) Rs' 000</i>	<i>(18 months) Rs' 000</i>
Profit after taxation	763,960	738,329
Unappropriated profit brought forward	259,044	332,110
	1,023,004	1,070,439
Appropriations:		
Dividends:		
On 5% Cumulative Preference Shares	239	239
On Ordinary Shares		
- First Interim Dividend on Ordinary Shares @ Rs 25 per Share (1998: Rs 12.50 per Share on 12,768,223 Shares)	332,347	159,603
- Second interim Dividend on Ordinary Shares Rs NIL (1998: Rs 25 per Share on 12,768,223 Shares)	--	319,206
- Final Dividend @ Rs 25 per Share (1998: Rs 25 per Share)	332,347	332,347
	-----	-----
	664,933	811,395

Unappropriated profit carried forward

358,071

259,044

Operating profit grew by 47% over the previous period on an annualised basis. This was achieved by a modest sales value growth of 5% (because of price reduction of Tea and Edible Oils) and margin improvements as a result of focussed attention on cost reduction. Stocks were reduced by over Rs 1 billion resulting in a strong cash flow which in turn reduced the running finance. Earning per share improved from Rs. 50.52 (annualised Rs 37) to Rs 57.45.

In accordance with International Accounting Standard 27 in addition to the accounts of the Company and subsidiaries, consolidated accounts are also included as part of the Annual Report.

The Directors propose a final dividend of Rs 25 per share. The Company has already paid an interim dividend of Rs 25 per share for the year 1999.

Detergents and Personal Products

Enhanced value to the consumer was achieved through innovative offerings and product formulation changes. Packaging was further improved to minimise the effect of outside conditions on the product. Cost effectiveness program enabled the Company to manufacture improved quality products without a corresponding increase in price enabling them to remain competitive. The sales value increased by 19% over the previous period on an annualised basis. Personal Products grew by 55%, in volume with healthy margin improvement. To support innovation, investment in brand strength was considerably enhanced through increased advertising expenditure. Operating profit in absolute terms increased by 7%.

Beverages

Restructuring of Tea manufacturing facilities in the first quarter of 1999 led to significant savings. Based on the findings of the market and quality research undertaken by the Tea business, many blends were modified. We were able to reduce the cost of many blends without lowering the standard of the end product. As a result of all these activities the Gross and Operating margins were brought up to desired levels, which in the previous period were allowed to deteriorate in an attempt to quickly regain the market share lost due to smuggling. Letters of Credit relating to importation of finished products are subject to 35% cash margin. The Government is treating the import of raw tea as a finished product. This added cost pressure will have an adverse impact on Tea profitability.

Foods

Significant fall in international oil prices led to a sharp decline in loose Banaspati prices, adversely affecting the Cooking Oils and Banaspati during the first half of the current year. During the second half continued trade activities helped regain the market share but the volume lost during the first half was not recovered.

Ice Cream sales have improved and margins grew as a result of restructuring of the business. Operational integration of Walls and Polka is almost complete.

Expansion and Finance

The Company has invested Rs 259 million in capital assets during the current year, which includes expenditure on IT, Safety and Environment protection. It continues the policy of utilising the most appropriate technology. Further capital investment is dependent on existence of new avenues and expected volume growth of existing product lines.

The Company contributed Rs 6.4 billion to Government Revenue during the period under review, which is 2.07% of total Revenue earned by the State. In spite of this very good performance as one of the best tax payers in the country, determined and finalised tax refunds remain unpaid.

Prospects

The Company maintains its commitment to product improvement and internal efficiency through innovation. Exploitation of latest Information Technology continues to be a priority. The Company is embarking upon an ambitious project designed to improve the efficiency of the entire supply chain. It will span over two to three years and is expected to achieve significant cost savings. This will give additional competitive advantage enabling us to provide better value to the customer and improving profitability.

Staff Relations

The Company continues to benefit from the efforts and dedication of all its employees. The Directors are once more pleased to record their appreciation. Development of management and staff has a high priority in the Company.

Directors

Since the last election of Directors, the following changes have taken place on the Board.

Mr Mashkoo Alam resigned and was replaced by Mr Perwaiz Hasan Khan. Mr Mukhtar Ahmed Ariz, the Sindh Government nominee, was replaced by Mr Soomro Mohammad Ibrahim.

Holding Company

Through its wholly-owned subsidiary, Unilever Overseas Holdings, UK, Unilever PLC, a company incorporated in the United Kingdom, is the ultimate holding company of Lever Brothers Pakistan Limited.

Auditors

The Auditors, Messrs A. F. Ferguson & Co., Chartered Accountants, retire at the conclusion of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment.

On behalf of the Board

Jean-Marc Delpon de Vaux
Chairman & Chief Executive

Karachi:
28 March 2000

Auditors' Report to the Members

We have audited the annexed balance sheet of Lever Brothers Pakistan Limited as at December 31, 1999 and the related profit and loss account, statement of changes in equity and cash flow statement, 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 and, after due verification thereof, 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 account 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 changes in equity and the cash flow statement, together with the notes forming part thereof, 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 December 31, 1999 and of the profit, changes in equity and cash flows for the year then ended; and

(d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

A. F. FERGUSON & CO.
Chartered Accountants
Karachi: 28 March 2000

Balance Sheet as at December 31, 1999

	<i>Note</i>	<i>1999</i>	<i>1998</i>
		<i>(Rupees in thousand)</i>	
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised	3	800,000	800,000
Issued, subscribed and paid up capital	4	669,477	669,477
Reserves	5	433,124	428,913
Unappropriated profit		358,071	259,044
		-----	-----
SURPLUS ON REVALUATION OF FIXED ASSETS	6	1,460,672	1,357,434
		104,708	108,919
LONG TERM LOAN - secured	7	300,000	--
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	8	2,870	6,205
DEFERRED LIABILITIES			
Deferred taxation	9	65,394	76,252
Staff retirement benefits		89,164	97,918
		-----	-----
		154,558	174,170
CURRENT LIABILITIES			
Short term loan		-	68,000
Finance under mark-up arrangements	10	626,399	2,072,099
Current maturity of liabilities against assets subject to finance lease	8	3,796	3,037
Creditors, accrued and other liabilities	11	3,526,319	3,166,736
Dividends	12	355,438	549,224
		-----	-----
		4,511,952	5,859,096
CONTINGENCY & COMMITMENTS	13	-----	-----
		6,534,760	7,505,824
		=====	=====
TANGIBLE FIXED ASSETS			
Operating assets	14	1,726,334	1,725,128
Capital work-in-progress- at cost	15	101,209	69,021
		1,827,543	1,794,149
INTANGIBLE FIXED ASSETS			
Trade marks		34	34
LONG-TERM INVESTMENTS - at cost	16	95,202	95,202
LONG TERM LOANS	17	32,800	26,285
LONG-TERM DEPOSITS AND PREPAYMENTS	18	81,031	101,162
CURRENT ASSETS			
Stores and spares	19	187,486	153,353

Stock-in-trade	20	3,088,685	4,203,468
Trade debts	21	217,501	242,715
Loans and advances	22	89,914	119,022
Trade deposits and short-term prepayments	23	67,720	54,664
Other receivables	24	157,954	94,074
Taxation - payments less provisions		619,381	540,856
Cash and bank balances	25	69,509	80,840
		-----	-----
		4,498,150	5,488,992
		-----	-----
		6,534,760	7,505,824
		=====	=====

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

**Profit and Loss Account
for the year ended December 31, 1999**

	Note	<i>Eighteen months ended</i>	
		<i>December 31,</i>	
		<i>1999</i>	<i>1998</i>
		<i>(Rupees in thousand)</i>	
Sales	26	19,366,254	27,656,139
Cost of goods sold	27	15,001,028	22,744,507
		-----	-----
Trading profit		4,365,226	4,911,632
Administration and selling expenses	28	2,705,767	3,221,540
		-----	-----
Operating profit		1,659,459	1,690,092
Other income	29	35,885	91,560
		-----	-----
		1,695,344	1,781,652
Financial expenses	30	247,135	300,218
Auditors' remuneration	31	6,230	13,527
Workers' welfare fund		23,322	25,212
Workers' profits participation fund		62,816	62,385
		-----	-----
		339,503	401,342
Profit before taxation and restructuring costs		1,355,841	1,380,310
Restructuring costs	32	190,000	231,317
		-----	-----
Profit before taxation and after restructuring costs		1,165,841	1,148,993
Taxation	33	401,881	410,664
		-----	-----
Profit after taxation		763,960	738,329
Unappropriated profit brought forward		259,044	332,110
		-----	-----
		1,023,004	1,070,439
Appropriations			
On cumulative preference shares		239	239
First interim dividend on ordinary shares @ Rs. 25 per share (1998:Rs.12.50 per share on 12,768,223 shares)		332,347	159,603
Second interim dividend on ordinary shares Rs. Nil (1998: Rs. 25 per share on 12,768,223 shares)		--	319,206
Proposed final dividend @ Rs. 25 per share (1998: Rs. 25 per share)		332,347	332,347
		-----	-----
		664,933	811,395
Unappropriated profit carried forward		358,071	259,044
		-----	-----
Basic earnings per share	34	Rs. 57.45	Rs. 55.52
		=====	=====

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

**Statement of Changes in Equity
for the year ended December 31, 1999**

	Share Capital	Reserves		Unappropriated Profit	Total
		Capital	Revenue		
.....(Rupees in thousand)					
Balance as at June 30, 1997	722,042	41,131	324,179	332,110	1,419,462
Transferred from Surplus on Revaluation of Fixed Assets	--	11,038	--	--	11,038
Difference between amount recorded for share capital issued and amount for share capital acquired under scheme of arrangements for amalgamation with former Pakistan Industrial Promoters (Private) Limited (PIPL)	--	52,565	--	--	52,565

7,884,700 Ordinary shares of Rs. 10 each of

former PIPL exchanged under the scheme of arrangements for amalgamation of former PIPL with Lever Brothers Pakistan Limited (LBPL)

525,646 Ordinary shares of Rs. 50 each issued to the shareholders of former PIPL under the scheme of arrangements for amalgamation of former PIPL with LBPL

Net profit for the eighteen months

Dividends

Balance as at December 31, 1998

Net profit for the year

Transferred from Surplus on Revaluation of Fixed As

Dividends

Balance as at December 31, 1999

(78,847) -- -- -- (78,847)

26,282 -- -- -- 26,282

-- -- -- 738,329 738,329

-- -- -- (811,395) (811,395)

669,477 104,734 324,179 259,044 1,357,434

-- -- -- 763,960 763,960

-- 4,211 -- -- 4,211

-- -- -- (664,933) (664,933)

669,477 108,945 324,179 358,071 1,460,672

The annexed notes form an integral part of these accounts

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Cash Flow Statement for the year ended December 31, 1999

	Note	Eighteen months ended December 31,	
		1999	1998
<i>(Rupees in thousand)</i>			
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	39	3,187,993	696,016
Financial expenses paid		(281,709)	(280,593)
Taxes paid		(491,264)	(621,954)
Staff retirement benefits paid		(103,055)	(223,878)
Long Term Loans (net)		(6,515)	(23,214)
Long-term deposits and prepayments (net)		20,131	(82,793)
Net cash inflow / (outflow) from operating activities		2,325,581	(536,416)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(290,973)	(514,142)
Sale proceeds of fixed assets		24,956	54,779
Return received on short term investments and deposits		4,088	26,552
Dividend received		12	12
Net cash outflow from investing activities		(261,917)	(432,799)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of redeemable capital		--	(460,289)
Long term loans obtained		300,000	--
Liabilities against assets subject to finance lease (net)		(2,576)	1,208
Short term loans obtained		--	68,000
Repayment of short term loans		(68,000)	(416,150)
Dividends paid		(858,719)	(596,351)
Net cash outflow from financing activities		(629,295)	(1,403,582)
Net increase/(decrease) in cash and cash equivalents		1,434,369	(2,372,797)
Cash and cash equivalents at the beginning of the year	40	(1,991,259)	381,538
Cash and cash equivalents at the end of the year	40	(556,890)	(1,991,259)

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Notes to the Accounts for the year ended December 31, 1999

1. THE COMPANY AND ITS OPERATIONS

The company is incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. It manufactures and markets foods, beverages and detergents & personal products.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Overall valuation policy

These accounts have been prepared under the historical cost convention except that certain fixed assets have been included at revaluation referred to in sub-paragraph (e) below.

b) Corresponding figures

The government relaxed regulations on the accounting year for the foreign companies. Consequently, the Company changed its accounting year end from June 30 to December 31 in order to obtain operating synergies as reporting to holding company is on December 31. Therefore, the Company prepared financial statements for the eighteen months ended December 31, 1998 figures of which have been used in these accounts for comparison.

e) Staff retirement benefits

The Company's retirement plan comprises provident funds, gratuity plans, a pension plan and a post-retirement medical plan. These include benefit plans for employees of merged companies. The gratuities promised to Polka employees and the post-retirement medical plan are book reserve plans. All other plans are funded through approved trust funds.

Provident funds are defined contribution plans. All other plans are defined benefit plans. The gratuity plans and the pension plan are final salary plans. The post-retirement medical plan reimburses medical expenses to pensioners.

Actuarial valuations are conducted annually and the last valuation was conducted at the balance sheet date (December 31, 1999). The net liability of the Company for retirement and post-retirement benefits is Rs 89 million.

During 1999, the Company contributed ILs 29.6 million to the provident funds. Expense movement for the defined benefit plans are in Rs million below.

<i>Pension Fund</i>	<i>Gratuity Funds</i>	<i>Unfunded Plans</i>	
.....Rupees in million			
Cost for 1999			
Current service cost	18.820	16.948	2.989
Interest cost	102.587	45.847	7.096
Expected return on assets	(107.404)	(30.057)	--
Settlements & Curtailments	--	6.051	--
Prior service cost	(55.077)	44.800	--
Transition cost	3.628	30.579	7.286
	-----	-----	-----
Expense	=====	=====	=====
	(37.446)	114.168	17.371
Prepayment or (Liability) in 1999			
Prepayment at January 1	(29.197)	(46.598)	(22.122)
Expense	37.446	(114.168)	(17.371)
Contributions	29.871	70.462	2.720
Prepayment at December 31	38.120	(90.304)	(36.773)

Balance Sheet Reconciliation at December 31, 1999

Fair value of assets	838.755	255.671	--
Defined benefits obligation	(753.584)	(339.873)	(64.406)
	-----	-----	-----
Funded status	85.171	(84.202)	(64.406)
Unrecognised:			
Transition cost	--	--	27.816
Prior service cost	(11.010)	10.692	--
Net actuarial loss	(36.041)	(16.794)	(0.183)
	-----	-----	-----
Prepayment	=====	=====	=====
	38.120	(90.304)	(36.773)

Actuarial gains and losses are amortised over the expected future service of current members.

The Projected Unit Credit Method was used to generate actuarial values, as specified by IAS 19. The rate of return on assets and the discount rate were taken as 15%. Salary increases were assumed to average 12.75%. Pension increases and medical cost trend rates are taken as 8.75%.

Actual return on the funds' assets during 1999 was Rs 190 million. This includes the effect of revaluation of assets at a lower discount rate than the last valuation.

d) Taxation

The provision for current taxation is based on taxable income at the current rates of taxation. The Company accounts for deferred taxation using the liability method on all significant timing differences.

e) Fixed assets

Certain land, buildings and plant and machinery were revalued in 1973, 1975, 1978 and 1981 by independent valuers, which are shown at such revalued figures; additions subsequent to that date are at cost. All other assets are stated at cost.

Depreciation is charged on the straight-line method on all assets in use at the beginning of each quarter.

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

Profit and loss on sale or retirement of fixed assets is included in income currently.

f) Investments

These are stated at cost.

g) Stores and spares

These are valued at average cost less provision for obsolescence.

h) Stock-in-trade

All stocks are stated at the lower of cost and estimated net realisable value. Cost is determined by average method except for those in transit where it represents invoice value and other charges paid thereon. Cost of work-in-process includes direct cost of materials whereas that of finished goods also includes direct cost of labour, production overheads, excise duty and sales tax, if applicable, paid thereon. Net realisable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale.

By-product (glycerine) is valued at estimated cost except for the stock covered by firm forward sale contracts which is valued at contracted price.

i) Trade debts

Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

j) Rates of exchange

Assets and liabilities in foreign currencies are translated at the rate of exchange which approximate to those prevalent on the balance sheet date except where forward exchange purchases have been made for payment of liabilities, in which case the contracted rates are applied. Exchange gains and losses on translation are included in income currently.

k) Revenue recognition

Sales are recorded on despatch of goods.

	<i>1999</i>	<i>1998</i>
	<i>(Rupees in thousand)</i>	
3. AUTHORISED SHARE CAPITAL		
47,835 5% cumulative preference shares of Rs 100 each	4,783	4,783
15,904,330 ordinary shares of Rs 50 each	795,217	795,217
	-----	-----
	<u>800,000</u>	<u>800,000</u>
	=====	=====
4. ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
5% cumulative preference shares of Rs. 100 each		
43,835 fully paid in cash	4,383	4,383
4,000 issued for consideration other than cash	400	400
	-----	-----
47,835	4,783	4,783
Ordinary shares of Rs 50 each		
467,704 fully paid in cash	23,385	23,385
4,979,208 issued for consideration other than cash	248,961	248,961
7,846,957 issued as fully paid bonus shares	392,348	392,348
	-----	-----
13,293,869	664,694	664,694
	-----	-----
	<u>669,477</u>	<u>669,477</u>
	=====	=====

At December 31, 1999 the number of shares held by Unilever Overseas Holdings Limited UK, a wholly owned subsidiary of Unilever plc, London was 8,898,582 (1998: 8,625,262) ordinary shares of Rs. 50 each.

5. RESERVES

	CAPITAL		REVENUE	1999	1998
	<i>Replacement of fixed assets</i>	<i>Difference of capital under schemes of arrangements for amalgamations</i>	<i>General</i>		
			(Rupees in thousand)	
At the beginning of the year	33,805	70,929	324,179	428,913	365,310
Transferred from Surplus on Revaluation of Fixed Assets	4,211	--	--	4,211	11,038
Difference between amount recorded for share capital issued and amount for share capital acquired under scheme of arrangements for amalgamation with former PIPL	--	--	--	--	52,565
	-----	-----	-----	-----	-----
	<u>38,016</u>	<u>70,929</u>	<u>324,179</u>	<u>433,124</u>	<u>428,913</u>
	=====	=====	=====	=====	=====

6. SURPLUS ON REVALUATION OF FIXED ASSETS

This represents surplus over book values resulting from the revaluations of fixed assets carried out in 1973, 1975, 1978 and 1981, adjusted by surplus realised on disposal of revalued assets transferred to capital reserve.

7. LONG TERM LOAN

The company has obtained an eighteen months loan under mark-up arrangements amounting to Rs 300 million at a mark-up rate of 12.5% payable semi-annually. The finance is secured by way of charge against hypothecation of the Company's stocks.

	<i>1999</i>	<i>1998</i>
	<i>(Rupees in thousand)</i>	
8. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Payable during		
2000	--	5,025
2001	5,025	5,025
	-----	-----
	2,707	2,707
	-----	-----
	7,732	12,757
Less: Finance charge not due	1,066	3,515
	-----	-----

	6,666	9,242
Less: Current maturity shown under current liabilities	3,796	3,037
	-----	-----
	2,870	6,205
	=====	=====

This represents finance leases entered into with leasing company for Vehicles. The balance of liability is payable by July 31, 2001 in quarterly installments.

Quarterly lease payments include finance charge of 22.50% to 23.50% per annum, which is used as discounting factor.

9. DEFERRED TAXATION

Credit / (Debit) balance arising in respect of		
-- accelerated tax depreciation allowance	195,285	174,134
-- provision for unfunded staff retirement benefits	(29,424)	(29,377)
-- others	(100,467)	(68,505)
	-----	-----
	65,394	76,252
	=====	=====

10. FINANCE UNDER MARK-UP ARRANGEMENTS

Running finance under mark-up arrangements	626,399	2,072,099
	=====	=====

The facilities for running finance available from various banks amounts to Rs. 3.453 billion (1998: Rs. 3.679 billion). The rates of mark up range between 12 % to 14.75% per annum. The balance is repayable by December 31, 2000.

The arrangements are secured by way of pari-passu charge against hypothecation of company's stock in trade, book debts and receivables.

The unutilised facility for opening letters of credit and for guarantees as at December 31, 1999 amounted to approximately Rs. 3.752 billion (1998: Rs. 4.509 billion).

11. CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors	250,869	380,610
Bills payable	1,594,828	1,476,236
Sales tax payable	--	65,154
Accrued liabilities	1,405,778	971,129
Advance payment from customers	59,382	49,966
Mark-up on long term loan	5,277	--
Mark-up accrued on running finance	26,721	66,572
Excise duty	11	11
Workers' welfare fund	51,721	28,399
Workers' profits participation fund - note 11.1	58,943	61,028
Security deposits from suppliers	3,751	2,060
Security deposits from dealers - note 11.2	32,162	36,382
Retention money	2,165	1,140
Others	34,711	28,049
	-----	-----
	3,526,319	3,166,736
	=====	=====

11.1 WORKERS' PROFITS PARTICIPATION FUND

Balance at January 1	61,028	47,665
Allocation for the year / eighteen months	62,816	62,385
	-----	-----
	123,844	110,050
Interest on funds utilised in Company's business	4,341	11,118
	-----	-----
	128,185	121,168
Amount:		
Deposited with the Government	60,000	41,815
Paid to Workers on behalf of the fund	9,242	18,325
	-----	-----
	69,242	60,140
	-----	-----
Balance as at December 31, 1999	58,943	61,028
	=====	=====

11.2 This represents security deposits obtained by former PIPL against freezer cabinets placed with dealers. The company intends to repay this liability during the ensuing year. Previously it was disclosed as long term deposits.

1999 1998
(Rupees in thousand)

12. DIVIDENDS

Unpaid (parent company dividend awaiting State Bank of Pakistan permission to remit arrears)	--	202,490
Unclaimed	23,091	14,387
Proposed	332,347	332,347
	-----	-----
	355,438	549,224
	=====	=====

13. CONTINGENCY AND COMMITMENTS

13.1 Government of Sind through Finance Act, 1994 levied fee for services rendered in respect of development and maintenance of infrastructure on the import and export of goods. However, the Company filed a constitutional petition against the levy of such fee in the High Court of Sind and the court granted stay for the payment of the fee and currently the petition is awaiting adjudication in the High Court. No provision has been made in the accounts against this liability as the company management expects a favourable outcome. However, the amount of fee

levied upto December 31, 1999 amounts to Rs. 75.360 million.

13.2 Aggregate commitments for capital expenditure as at December 31,1999 amounted to approximately Rs. 15.732 million (1998: Rs. 21.806 million).

13.3 Commitments for rentals under non - cancellable operating lease agreements are as follows:

Year	Rupees in thousand
2000	2,676
2001	237

14. OPERATING ASSETS

a.	Cost and revaluation to December 31,1998	Additions / (deletions) / * Reclassification	Cost and revaluation to December 31, 1999	Accumulated depreciation as at December 31, 1998	Depreciation charge for the year	Depreciation on disposals/ *reclassification during the year	Accumulated depreciation as at December 31, 1999	Book value at December 31, 1999	Depreciation Rate % per annum
	(Rupees in thousand)								
Land:									
Freehold	27,978	--	27,978	--	--	--	--	27,978	--
Leasehold	7,121	(1,408)	5,713	1,232	36	* 10	1,278	4,435	1.05
Buildings									
On freehold land	315,310	5,473 *(19,477)	301,306	89,569	7,092	* 7,069	103,730	197,576	1.5 to 2.5
On leasehold land	158,003	16,390	196,507	73,382	2,845	* (5,839)	70,388	126,119	1.5 to 2.0
Plant and machinery	1,870,070	104,692 (29,925) *(17,334)	1,927,503	815,007	152,418	(23,846) *(13,524)	930,055	997,448	3 to 8
Electrical and mechanical equipment	387,307	83,645 (2,725) 11,459	479,686	175,120	42,717	(2,070) * 3,509	219,276	260,410	8 to 25
Furniture & fittings	48,640	2,267 (2,015) 3,238	52,130	29,527	3,086	(1,321) * 1,862	33,154	18,976	8 to 14
Motor vehicles	176,603	46,318 (38,860)	184,061	92,257	26,211	(27,193) * 6,023	97,298	86,763	25
Assets held under finance leases									
- Motor Vehicles	14,245	--	14,245	4,055	2,671	* 890	7,616	6,629	25
	3,005,277	258,785 (74,933)	3,189,129	1,280,149	237,076	(54,430)	1,462,795	1,726,334	
December 31,1998	2,609,894	488,357 (92,974)	3,005,277	1,020,604	313,368	(53,823)	1,280,149	1,725,128	

Assets having book value of Rs 38.68 million (1998: Rs. 31.68 million) have been with the 3rd Party for the manufacturing of company's goods.

The above represents values of fixed assets arising from revaluations in 1973, 1975, 1978 and 1981 with additions thereafter stated at cost. Had there been no revaluations the figures of fixed assets, after considering the useful lives of the revalued assets, would have been as follows:

	Cost to December 31, 1999	Accumulated depreciation	Book Value December 31, 1999
	(Rupees in thousand)		
Land:			
Freehold	15,778	--	15,778
Leasehold	5,713	1,278	4,435
Buildings:			
On freehold land	247,934	74,456	173,478
On leasehold land	157,475	72,620	84,855
Plant and machinery	1,899,408	929,106	970,302
Electrical and mechanical equipment	479,686	219,276	260,410
Furniture & fittings	52,130	33,154	18,976
Motor vehicles	184,061	97,298	86,763
Assets held under Finance leases			
- Motor Vehicles	14,245	7,616	6,629
	3,056,430	1,434,804	1,621,626
1998:	2,859,282	1,232,695	1,626,587

b. Details of fixed assets disposals are given in note 42.

15. CAPITAL WORK-IN-PROGRESS - at cost

	1999	1998
	(Rupees in thousand)	
Civil works	10,884	15,865
Plant and machinery	84,371	47,202
Others	5,954	5,954
	101,209	69,021

16. LONG TERM INVESTMENTS - at cost

Unquoted fully paid shares

in wholly owned subsidiary companies	1	1
100 ordinary shares of Rs 10 each in Levers Associated Pakistan Trust (Private) Limited		
100 ordinary shares of Rs 10 each in Sadiq (Private) Limited	1	1
9,500,000 Ordinary shares of Rs 10 each in Lever Chemicals (Private) Limited	95,000	95,000
	-----	-----
	95,002	95,002
	-----	-----
Trade		
2000 6% redeemable cumulative preference Shares of Rs 100 each in Futehally Chemicals (Private) Limited	200	200
	-----	-----
	95,202	95,202
	=====	=====

17. LONG-TERM LOANS - Considered good

Loans to Executives	32,800	26,285
	=====	=====
Outstanding for period exceeding three years	--	--
Others	32,800	26,285
	-----	-----
	32,800	26,285
	=====	=====

The loans under the schemes have been provided to the executives of the Company to facilitate purchase of houses and vehicles, repayable over a period of five to seven years.

18. LONG-TERM DEPOSITS AND PREPAYMENTS

Security deposits	8,470	5,856
Prepaid rent	72,561	95,306
	-----	-----
	81,031	101,162
	=====	=====

19. STORES AND SPARES

Stores (including in-transit Rs 1,974 million;1998: Rs. Nil)	48,792	38,567
Spares (including in-transit Rs 4,833 million; 1998: Rs. Nil)	157,005	125,095
Others	3,957	2,639
	-----	-----
	209,754	166,301
Less: Provision for obsolescence	22,268	12,948
	-----	-----
	187,486	153,353
	=====	=====

20. STOCK - IN-TRADE

Raw and packing materials (including in-transit Rs 1,090 billion; 1998: Rs 1,808 billion)	2,246,384	3,242,860
Less: Provision For Obsolescence	55,899	61,998
	-----	-----
	2,190,485	3,180,862
	-----	-----
Work-in-process	73,866	70,670
Finished goods	813,343	979,377
By-product-glycerine	31,199	3,565
	-----	-----
	844,542	982,942
Less: Provision For Obsolescence	20,208	31,006
	-----	-----
	824,334	951,936
	-----	-----
	3,088,685	4,203,468
	=====	=====

21. TRADE DEBITS

Considered good - unsecured	217,501	242,715
Considered doubtful	34,313	31,150
	-----	-----
	251,814	273,865
Less: Provision for doubtful debts	34,313	31,150
	-----	-----
	217,501	242,715
	=====	=====

The maximum amount due from associated undertakings at the end of any month during the year was Rs. nil (1998: Rs. 1,070 million).

22. LOANS AND ADVANCES

Considered good		
Executives	19,252	11,736
Employees	8,822	10,697
Suppliers and others	61,840	96,589
	-----	-----
	89,914	119,022
Considered doubtful - advances to suppliers	7,008	4,092
	-----	-----
	96,922	123,114
Less: Provision for doubtful advances to suppliers	7,008	4,092
	-----	-----
	89,914	119,022
	=====	=====

The maximum aggregate amount of advances against business expenses and bridging loans due at the end of any month during the year was:

Directors	899	--
Executives	44,819	38,669

23. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Trade deposits	1,609	1,843
Prepayments	62,445	41,812
Balances with statutory authorities	3,666	11,009
	67,720	54,664

24. OTHER RECEIVABLES

Excise duty refundable	8,814	9,037
Sales tax refundable - note 24.1	107,057	--
Octroi refundable	13,343	17,280
Custom duty refundable	325	325
Receivable from subsidiary company	97	32,238
Accrued return on short-term investments and deposits	--	729
Others	35,426	38,099

Less: Provision for doubtful receivables

	165,062	97,708
	7,108	3,634
	157,954	94,074

24.1 Sales tax refundable includes Rs 116 million paid under the Amnesty Scheme to avoid levy of additional sales tax and surcharge payable in the event of an unfavourable decision of appeals pending in the High Court and Tribunal. These appeals are filed by the third party manufacturers for credit claimed by them, disallowed on the ground that tax invoices and Bills of Entry are in the name of the Company. Under the contract with the manufacturers, if any liability arises to them it will be reimbursed by the Company. The amount so paid is considered to be refundable by the Company as management expects a favourable outcome based on representations made to the Central Board of Revenue on the ground that this was only an administrative issue and there was no loss of revenue to the Government.

1999 1998
(Rupees in thousand)

25. CASH AND BANK BALANCES

With banks on		
- deposit accounts	--	4,633
- current accounts	63,437	72,405
Cash and cheques in hand	6,072	3,802
	69,509	80,840

26. OPERATING RESULTS

Note	FOOD	BEVERAGES				DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
		Year ended December 31, 1999	Eighteen months ended Dec-31 1998	Year ended December 31, 1999	Eighteen months ended Dec-31 1998	Year ended December 31, 1999	Eighteen months ended Dec-31 1998	Year ended December 31, 1999	Eighteen months ended Dec-31 1998
		(Rupees in thousand)							
Sales	6,223,374	8,445,191	9,166,760	14,082,219	6,957,839	8,532,977	22,347,973	31,060,387	
Less:									
Rebates and allowances	207,766	163,826	199,992	208,001	243,448	229,364	651,206	601,191	
	6,015,608	8,281,365	8,966,768	13,874,218	6,714,391	8,303,613	21,696,767	30,459,196	
Less:									
Sales Tax	268,845	259,208	1,191,873	1,585,584	869,795	958,265	2,330,513	2,803,057	
	5,746,763	8,022,157	7,774,895	12,288,634	5,844,596	7,345,348	19,366,254	27,656,139	
Cost of goods sold	27	4,694,335	6,750,389	6,201,016	10,704,885	4,105,677	5,289,233	15,001,028	
Administration and selling expenses	28	812,603	1,057,274	782,991	989,584	1,110,173	1,174,682	2,705,767	
		5,506,938	7,807,663	6,984,007	11,694,469	5,215,850	6,463,915	17,706,795	
		239,825	214,494	790,888	594,165	628,746	881,433	1,659,459	
		22,744,507	22,744,507	22,744,507	22,744,507	22,744,507	22,744,507	22,744,507	

26.1 Segment assets employed

%	43.0	44.8	28.1	27.3	28.9	27.9	100	100
---	------	------	------	------	------	------	-----	-----

26.2 Inter-segment pricing

Sales between business segments are recorded at net realisable value.

27. COST OF GOODS SOLD

	FOOD	BEVERAGES				DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
		Year ended December 31, 1999	Eighteen months ended	Year ended December 31, 1999	Eighteen months ended	Year ended December 31, 1999	Eighteen months ended	Year ended December 31, 1999	Eighteen months ended

Note	(Rupees in thousand)							
	Dec-31 1998	Dec-31 1998	Dec-31 1998	Dec-31 1998	Dec-31 1998	Dec-31 1998	Dec-31 1998	Dec-31 1998
Raw & packing material consumed	4,119,355	5,918,823	5,753,038	10,209,047	2,799,264	3,778,718	12,671,657	19,906,588
Manufacturing charges paid to third parties	34,582	67,294	12,688	17,043	116,437	161,675	163,707	246,012
Stores & spares consumed	12,079	27,195	--	1,303	58,912	51,050	70,991	79,548
Consumables	4,944	7,056	--	38	386	7,542	5,330	14,636
Salaries, wages and other benefits	162,057	229,120	180,459	288,737	199,232	260,936	541,748	778,793
Fuel and power	116,957	178,133	11,095	18,355	100,054	141,117	228,106	337,605
Repairs and maintenance	77,508	86,748	31,085	37,074	24,078	28,021	132,671	151,843
Rent, rates and taxes	2,896	4,863	5,139	9,016	2,607	743	10,642	14,622
Depreciation	123,842	163,628	14,415	24,267	32,560	41,110	170,817	229,005
Insurance	9,606	10,691	2,801	2,726	4,330	4,185	16,737	17,602
Travelling and entertainment	11,022	21,737	2,692	4,961	7,844	14,086	21,558	40,784
Medical	20,609	16,883	12,053	11,992	15,332	14,986	47,994	43,861
Stationery and office expenses	29,473	18,867	11,625	17,529	18,144	10,109	59,242	46,505
Expenses on information technology	4,690	1,833	--	865	276	1,356	4,966	4,054
Other expenses	20,301	25,731	2,163	8,150	211	16,042	22,675	49,923
Opening work-in-process	--	46,038	12,432	9,395	58,238	14,590	70,670	70,023
Closing work-in-process	4,749,921	6,824,640	6,051,685	10,660,498	3,437,905	4,546,266	14,239,511	22,031,404
Cost of goods manufactured	(52,595)	--	(5,539)	(12,432)	(15,732)	(58,238)	(73,866)	(70,670)
Opening stock of finished goods including :- product glycerine	4,697,326	6,824,640	6,046,146	10,648,066	3,422,173	4,488,028	14,165,645	21,960,734
Finished goods purchased	--	--	--	--	58,706	--	58,706	--
Excise duty	--	--	--	--	649,075	800,272	649,075	800,272
Closing stock of finished goods including by-product glycerine	(257,329)	(254,338)	(255,517)	(410,387)	(311,488)	(287,211)	(824,334)	(951,936)
	4,694,335	6,750,389	6,201,016	10,704,885	4,105,677	5,289,233	15,001,028	22,744,507

28. ADMINISTRATION AND SELLING EXPENSES

Note	FOOD		BEVERAGES		DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999	Year ended December 31, 1999
	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998	Eighteen months ended Dec-31 1998
Salaries and other benefits	177,615	234,320	129,286	173,230	156,538	224,328	463,439	631,878
Repairs and maintenance	17,689	18,601	6,539	9,884	7,028	12,249	31,256	40,734
Advertising	167,027	207,833	336,855	241,843	609,405	497,467	1,113,287	947,143
Rent, rates and taxes	15,257	14,320	9,821	23,533	12,798	15,978	37,876	53,831
Depreciation	29,367	42,918	18,714	17,256	18,178	24,189	66,259	84,363
Insurance	4,477	3,187	2,358	3,077	2,292	3,117	9,127	9,381
Lighting, heating and cooling	20,756	17,343	3,940	4,361	4,587	6,042	29,283	27,746
Provision for doubtful debts- trade	1,340	9,326	3,491	8,153	1,256	3,295	6,087	20,774
Outward freight and handling	185,412	249,399	115,623	285,073	115,194	161,088	416,229	695,560
Royalty	70,630	95,482	58,623	82,146	66,361	78,354	195,614	255,982
Travelling and entertainment	29,962	39,718	24,951	39,325	30,801	42,711	85,714	121,754
Marketing and selling	9,306	9,416	11,156	9,152	20,730	17,280	41,192	35,848
Medical	10,724	10,347	4,814	3,305	4,677	4,539	20,215	18,191
Stationery and office expenses	16,912	29,234	8,391	25,188	10,975	28,359	36,278	82,781
Donations- note 28.1	1,356	2,159	1,401	1,445	1,360	2,786	4,117	6,390
Expenses on information technology	11,940	13,999	12,220	13,127	11,873	18,992	36,033	46,118
Other expenses	42,833	59,672	34,808	49,486	36,120	33,908	113,761	143,066
	812,603	1,057,274	782,991	989,584	1,110,173	1,174,682	2,705,767	3,221,540

28.1 DONATIONS

Donations include the following in whom a director or his spouse is interested:

Name of Directors Interest in Donee Name and address of Donee Amount donated

		<i>Eighteen</i>	
		<i>Year ended</i>	<i>months ended</i>
		<i>December 31,</i>	<i>December 31,</i>
		<i>1999</i>	<i>1998</i>
		<i>(Rupees in thousand)</i>	
1. Syed Babar Ali	Trustee		
Mr. Irtiza Hussain			
The Layton Rehmatullah Benevolent Trust			
S-16 Sunset Street No. 8, Phase II, Defence Housing Authority, Karachi		55	930
2. Syed Babar Ali	Member		
Shaukat Khanum Memorial Trust		--	100
3. Mr. I S Sangster	Member		
Syed Babar Ali	Trustee		
Lahore University of Management Sciences - Lahore		--	500
4. Syed Babar Ali	President		
World Wide Fund for Nature - Pakistan		18	--
5. Mr. I. S. Sangster	Trustee		
Syed Babar Ali	Trustee		
Duke of Edinburgh Award Foundation Plot V, KDA Scheme 7, Block 4, Dhoraji Colony, Karachi		200	--

29. OTHER INCOME

		<i>Eighteen</i>	
		<i>Year ended</i>	<i>months ended</i>
		<i>December 31,</i>	<i>December 31,</i>
		<i>1999</i>	<i>1998</i>
		<i>(Rupees in thousand)</i>	
Salvage sales		4,499	24,999
Insurance commission		7,513	9,328
Market research fee from third parties		465	2,958
Return on short-term investments and deposits		3,359	22,897
Service fee from Subsidiary company		2,331	4,282
Profit on disposal of fixed assets		4,453	15,628
Dividends from trade investments		12	12
Rental income		582	873
Sundry		12,671	10,583
		-----	-----
		35,885	91,560
		=====	=====

30. FINANCIAL EXPENSES

Mark-up / Interest on Short term finance		--	1,069
Long term secured loan		5,277	3,114
Workers' profits participation fund		4,341	11,118
Others		2,384	3,943
		-----	-----
		12,002	19,244
Mark-up on redeemable capital		--	21,332
Mark-up on running finance		187,465	203,031
Excise duty on running finance		--	41
Bank charges		47,668	56,570
		-----	-----
		247,135	300,218
		=====	=====

31. AUDITORS' REMUNERATION

Audit fee		2,000	1,625
Taxation services		1,500	3,385
Special audit and reports, pension and provident funds' audit, certifications for various Government agencies and sundry advisory services		2,236	8,008
Out of pocket expenses		494	509
		-----	-----
		6,230	13,527
		=====	=====

32. RESTRUCTURING COSTS

The restructuring costs include staff redundancy costs and write off of fixed assets for tea business. Prior year restructuring costs represent restructuring of ice cream business.

33. TAXATION

Current			
Pakistan		401,294	400,163
Azad Kashmir		11,445	15,000
		-----	-----
		412,739	415,163
Prior year - Pakistan		--	(2,002)
		-----	-----
		412,739	413,161
Deferred		(10,858)	(2,497)
		-----	-----
		401,881	410,664
		=====	=====

34. BASIC EARNINGS PER SHARE

Profit after taxation attributable to ordinary shareholders		763,721	738,090
Number of ordinary shares issued and subscribed at the end of the period		-----	-----
		13,294	13,294

Basic earnings per share

Rs. 57.45	Rs. 55.52
-----------	-----------

35. ASSOCIATED UNDERTAKINGS

The aggregate amount of the Company's purchases from the associated undertakings of goods during the year amounted to Rs. 3.6 billion (1998: Rs. 6.2 billion).

36. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the accounts of the year for remuneration including all benefits to directors, chief executives and executives of the Company are as follows:

Year ended December 31, 1999	Directors		Chief Executives		Executives	
	Eighteen months ended December 31, 1998	Year ended December 31, 1999	Eighteen months ended December 31, 1998	Year ended December 31, 1999	Eighteen months ended December 31, 1998	Year ended December 31, 1999
	(Rupees in thousand)					
Managerial remuneration and allowances	7,731	9,309	5,342	5,982	280,666	329,483
Retirement benefits	899	764	--	--	109,559	104,276
Rent and utilities	3,425	3,714	1,843	1,868	114,864	133,632
Leave passage	--	787	--	110	--	13,556
Medical expenses	198	26	78	24	6,989	7,750
Severance payment	5,750					
Other expenses	694	260	169	--	3,917	4,479
	18,697	14,860	7,432	7,984	515,995	593,176
Number of persons	4	2	21		739	668

(b) The directors, chief executive and certain executives of the company are provided with free use of cars and household equipments.

(c) Aggregate amount charged in these accounts for the year for fee to 6 non-executive directors was Rs. 12 thousand (1998: 8 non - executive directors Rs 16 thousand).

(d) Uptil December 31, 1998, the Company was making accruals in respect of unavailed leaves by the full-time working directors and executives. From the current year the policy of carrying forward accumulated leave balance was discontinued and accordingly the leave balances were encashed. The total compensation for unavailed leaves paid to directors and executives during the year amounted to Rs 0.548 million and Rs. 48.778 million respectively.

37. CAPACITY

Annual Capacity 1999	1998	Actual production		Remarks
		Year ended December 31, 1999	Eighteen months ended December 31, 1998	
Metric Tons				
Own manufacture				
Edible fats and oils	80,000	80,000	62,043	101.063See note below
Detergents and personal Products	71,445	64,500	55,174	"
Beverages	74,310	119,000	36,557	"
Million Litres				
Ice Cream	33	37	18	20 "

The actual production is lower on account of maintenance shutdown and lower sales volume.

38. FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

Maturity upto one year	Interest / Mark-up bearing			Non-interest bearing			Total
	Maturity after one year	Sub- total	Maturity upto one year	Maturity after one year	Sub-total		
(Rupees in thousand)							
Investments	--	--	--	--	95,202	95,202	95,202
Loans to employees	--	--	--	28,074	32,800	60,874	60,874
Deposits	--	--	--	1,609	8,470	10,079	10,079
Trade debts	--	--	--	217,501	--	217,501	217,501
Other receivables	--	--	--	28,415	--	28,415	28,415
Cash and bank balances	--	--	--	69,509	--	69,509	69,509
	--	--	--	345,108	136,472	481,580	481,580

FINANCIAL LIABILITIES

Running finance under mark-up arrangements	626,399	--	626,399	--	--	--	626,399
Long term Loan	--	300,000	300,000	--	--	--	300,000
Liabilities against							

assets subject to finance lease	3,796	2,870	6,666	--	--	--	6,666
Creditors, accrued and other liabilities	--	--	--	3,332,142	--	3,332,142	3,332,142
	630,195	302,870	933,065	3,332,142	--	3,332,142	4,265,207

OFF BALANCE SHEET ITEMS - Financial Commitments

Open letters of credit	--	--	--	1,263,099	--	1,263,099	1,263,099
------------------------	----	----	----	-----------	----	-----------	-----------

(ii) Concentration of credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted. Out of the total financial assets of Rs. 481.580 million, the financial assets which are subject to credit risk amounted to Rs. 278.375 million. The Company believes that it is not exposed to major concentration of credit risk. To manage exposure to credit risk, the Company applies credit limits to their customers and also obtains collaterals.

(iii) Foreign Exchange Risk Management

Foreign currency risk arises mainly where payables exist due to the transactions with foreign undertakings, especially group companies. Payables exposed to foreign currency risks are covered through forward foreign exchange contracts.

(iv) Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Year ended
December 31,
1999
(Rupees in thousand)

Eighteen
months ended
December 31,
1998

39. CASH GENERATED FROM OPERATIONS

Profit before taxation	1,165,841	1,148,993
Add / (less) adjustment for non cash charges and other items		
Depreciation	237,076	313,368
Profit on sale of fixed assets	(4,453)	(15,628)
Dividend income	(12)	(12)
Provision for staff retirement benefits	94,301	43,932
Return on short term investment and deposits	(3,359)	(22,897)
Financial expenses	247,135	300,218
	570,688	618,981
Profit before working capital changes	1,736,529	1,767,974

EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES

(Increase) / decrease in current assets

Stores and spares	(34,133)	11,940
Stock in trade	1,114,783	(1,343,631)
Trade debts	25,214	(51,368)
Loans and advances	29,108	(34,625)
Trade deposits and short-term prepayments	(13,056)	3,552
Other receivables	(64,609)	(23,644)
	1,057,307	(1,437,776)
Increase/(decrease) in current liabilities		
Creditors, accrued and other liabilities	394,157	365,818
	1,451,464	(1,071,958)
	3,187,993	696,016

40. CASH AND CASH EQUIVALENTS

Cash and bank balances	69,509	80,840
Finance under mark-up arrangements	(626,399)	(2,072,099)
	(556,890)	(1,991,259)

41. NUMBER OF EMPLOYEES

Number of employees as at December 31	2,772	2,931
---------------------------------------	-------	-------

42. DETAILS OF FIXED ASSETS DISPOSALS

Disposals of fixed assets to all directors, executives and other persons having net book value Rs. 5,000 or above are as follows:

	<i>Cost or revaluation</i>	<i>Accumulated Depreciation</i>	<i>Book value</i>	<i>Sale proceeds</i>	<i>Mode of disposal</i>	<i>Particulars of Purchaser</i>	
(Rupees in thousand)							
Electrical & mechanical equipment	22	9	13	1	Company Scheme	Mr. Ansar Qazi	Executive

	23	10	13	1	"	Mr. Ansar Qazi	"
	27	7	20	19	"	Mr. Ansar Qazi	"
	26	15	11	5	"	Mr. Irtiza Husain	"
	21	11	10	1	"	Mr. Irtiza Husain	"
	30	13	17	12	"	Mr. Shahbaz A. Tahir	Ex-
	6	3	3	4	"	Dr. Aruna Bandaranayke	Director
	66	24	42	38	"	Mr. Mashkoor Alam	"
	22	10	12	6	Negotiation	Ali Mohd. & Sons Chandan Appts. Mansfield Street, Karachi	"
	21	15	6	6			"
	22	10	12	6			"
Furniture & Fittings	6	3	3	3	Company Scheme	Dr. Aruna Bandaranayke	Ex-Director
	6	3	3	3	"	"	"
	12	7	5	5	"	"	"
	30	16	14	5	"	"	"
	11	5	6	6	"	"	"
	16	4	12	12	"	"	"
	5	1	4	4	"	Mrs. Amali	Executive
	6	2	4	5	"	"	"
	58	12	46	50	"	"	"
	30	6	24	25	"	"	"
Motor Vehicles	580	580	--	90	Company Scheme	Mr. K. N. Saeed	"
	529	99	430	525	"	Mr. Kamran	"
	699	481	218	376	"	Mr. Sohail Ansar	"
	529	132	397	435	"	Mr. Aly Mustansar	"
	1,420	1,420	--	213	"	Mr. G. H. Chandry	"
	529	165	364	405	"	Mr. Hussain Jaffer	"
	53	23	30	30	"	Mr. I. A. Khan	Ex-Executive
	550	231	319	403	"	Mr. Ijaz A. Sheikh	Executive
	967	967	--	145	"	Mr. Jamil Rashid	"
	29	26	3	165	"	Mr. M. Talib Mirza	"
	400	400	--	20	"	Mr. Mahfooz Ahmed	"
	7,250	1,359	5,891	300	"	Mr. Mashkoor Alam	Ex-Director
	9	6	3	119	"	Mr. Mumtaz Alam Khan Executive	"
	652	489	163	326	"	Mr. Muqaddar Husain	"
	895	895	--	134	"	Mr. Noman Shirazee	"
	280	70	210	238	"	Mr. S. L. A. Qadri	"
	2	2	--	1	"	Mr. Salman Baig	"
	368	138	230	295	Company Scheme	Mr. Shariq Suri	Executive
	13	13	--	40	"	Mr. Waheeb Akhtar Malik	"
	906	906	--	136	"	Ms. Uzma Aslam	"
	249	15	234	246	Insurance Claim	Commercial Union Assurance Co. Plc CU Building, M.T. Khan Road, Karachi	"
	293	18	275	292	"	"	"
	949	296	653	947	"	"	"
	393	25	368	389	"	"	"
	1,480	648	832	1,087	"	"	"
	247	31	216	246	"	"	"
	249	32	217	247	"	"	"
	250	48	202	245	"	"	"
	59	22	37	49	"	Guardian Insurance P&O Plaza, I.I. Chundrigar Road, Karachi	"
	61	31	30	49	"	"	"
	61	42	19	78	"	"	"
	61	42	19	78	"	"	"
	61	42	19	49	"	"	"
	48	36	12	230	Negotiation	Four Star (Pvt) Limited Chowk Farooq-e-Azam Wandala Road, Shahdara, Lahore	"
	48	36	12	230	"	"	"
	63	12	51	600	"	M/s TSD (Pvt) Limited 3- Ground Floor, Karachi Dockyard Building West Wharf Road, Karachi.	"
	66	4	62	380	"	Shah Enterprises Jinnah Road, Opp. Kashmir United Ghee Mills, Amin Town, Faisalabad	"
	42	36	6	462	"	Mr. Sajid Khan Garden West, Karachi	"
	75	64	11	87	"	Mr. Shabbir Ahmed Qasba Colony, Karachi	"
Plant and machinery	18	11	7	6	Company Scheme	Mr. Mahmood Aziz	Ex-Executive
	18	11	7	6	"	"	"
	9	4	5	4	"	"	"
	19	13	6	6	"	"	"
	24	11	13	13	"	Mr. M. Saleem Aslam	"
	24	4	20	20	"	"	"
	3	1	2	1	"	Mr. Fazal Elahi	"
	21	10	11	10	"	"	"
	185	170	15	8	Negotiation	Mr. M. Safdar	"

	99	78	21	8	-	Shahdara Lahore	
	12	3	9	1	-	Mr. Akhtar Kabaria	
						Main Bazar	
						Chowk Sharqpur	
						Tehsil Ferozwala	
						Lahore	
	39	33	6	2	-	"	
	11	3	8	1	-	"	
	136	127	9	6	Negotiation	Mr. Iqbal, New Karachi,	
						Karachi,	
	152	134	18	7	-	"	
	102	83	19	5	-	"	
	100	93	7	7	-	Mr. Aziz Kabaria	
						Main Bazar	
						Chowk Sharqpur	
						Tehsil Ferozwala	
						Lahore	
	59	51	8	3	-	"	
	12	4	8	5	-	"	
	135	126	9	79	-	Rajab Marketing Services	
						606, 608 Business Centre,	
						L.I. Chundrigar Road, Karachi	
	23	14	9	1	Tender	Mr. M. Saleem	
						Millat Road, Rahim Yar Khan	
	43	29	14	7	-	"	
	32	15	1,70	1	-	"	
	20	17	3	2	-	"	
	18	11	7	5	-	Mr. A. Hakim Khan	Executive
	19	14	5	5	-	"	"
	13	11	2	5	-	"	"
	28	22	6	1	-	M/s Manzoor Ahmed,	
						Lohar Market, Rahim Yar Khan	
	552	529	23	26	-	"	
	390	373	17	18	-	"	
	19	14	5	1	-	"	
						"	
Plant and machinery	18	12	6	3	-	Mr. Abdul Rauf	
						Modern Refrigeration, SH Road,	
						Rahim Yar Khan	
	18	11	7	8	-	"	
	18	12	6	3	-	"	
	19	14	5	3	-	"	
	19	14	5	3	-	"	
	5,114	2,352	2,762	134	-	Amanat Ali Scrap	
						Merchant Farooqia Mosque,	
						Near Arif Chock Paki Thathi,	
						Samanabad, Lahore	
	56	40	16	1.60	-	M/s M. Naseem Aslam	
						C/o M. Aslam, Rahim Yar Khan	
	19	14	5	9	-	Mr. Ali Akbar	
						T. No. 1066, R.F.	
	212	176	36	206	-	Mr. Ali Mohammad	
						PIB Colony, Karachi	
	19	14	5	6	-	Mr. Ghulam Qadir	
						T. No. 1815, R.F.	

43. CORRESPONDING FIGURES

Corresponding figures have been rearranged, where necessary for the purposes of comparison.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Pattern of Shareholdings as at December 31, 1999

Number of Shareholders	Shareholding		Total Number of Shares Held*
	From	To	
3474	1	--	100
1152	101	--	500
298	501	--	1,000
299	1,001	--	5,000
19	5,001	--	10,000
9	10,001	--	15,000
7	15,001	--	20,000
3	20,001	--	25,000
3	25,001	--	30,000
1	30,001	--	35,000
1	40,001	--	45,000
2	50,001	--	55,000
1	105,001	--	110,000
1	160,001	--	165,000
1	205,001	--	210,000
1	220,001	--	225,000
1	225,001	--	230,000
1	245,001	--	250,000
1	260,001	--	265,000
1	275,001	--	280,000
1	425,001	--	430,000
1	480,001	--	485,000
1	8,895,001	--	8,900,000
-----			-----
5,279			13,341,704
=====			=====

Shareholder's

Number of

Number of

Category	Shareholders	Shares Held*	Percentage
Individuals	5147	1,248,383	9.36
Investment Companies	42	1,265,792	9.49
Insurance Companies	13	794,498	5.95
Joint Stock Companies	37	89,351	0.67
Financial Institutions	19	443,925	3.33
Modarabas	3	90	0.00
Adm. Abandoned Properties	2	4,862	0.04
Associated Company	(a)	8,898,582	66.70
Others	(b)	596,221	4.46
	-----	-----	-----
	5279	13,341,704	100.00
	=====	=====	=====

(a) This represent shareholding of Unilever Overseas Holding Limited, London
 (b) This represent the following:

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage
Government of Punjab	1	480,765	3.61
Government of Sind	1	54,541	0.41
Government of NWFP	1	31,201	0.23
Government of Balochistan	1	16,482	0.12
Pakistan Shareholders Association	2	23	0.00
Punjabi Saudagar Co-op. Soc. Ltd.	2	159	0.00
Majlis Ehya-edIslam	1	274	0.00
Aminia Muslim Girls School Trust	1	621	0.00
Pakistan Masonic Institutions	1	2,289	0.02
Pakistan Memon Educational & Welfare re Soc.	1	140	0.00
Chudhri Muhammad Ali Charitable Trust	1	402	0.00
Karachi Zarbosthi Bamu Mandal	1	8,824	0.07
Mohammadi Charitable Trust	1	500	0.00
	-----	-----	-----
	15	596,221	4.46
	=====	=====	=====

*Includes Voting Preference Shares.

Statement and Report under sub-section (1) (e), (f) & (g) of Section 237 of the Companies Ordinance, 1984

<i>Lever Chemicals (Private) Limited</i>	SUBSIDIARIES	
	<i>Sadiq (Private) Limited</i>	<i>Lever Associated Pakistan Trust (Private) Limited</i>
	(Rupees in thousand)	

STATEMENT UNDER SUB-SECTION (1) (e)

a) Extent of the interest of Lever Brothers Pakistan Limited (the holding company) in the equity of its subsidiaries as at the end of the last of the financial years of the subsidiaries.	100%	100%	100%
b) The net aggregate amount of revenue profits, less losses, of the subsidiary companies, so far as these concern members of the holding company and has not been dealt with in the accounts of the holding company for the year ended December 31, 1999 are:			
i) for the last of the financial years of the subsidiaries	77,811	NIL	NIL
ii) for the previous years but subsequent to the acquisition of the controlling interest by the holding company.	NIL	NIL	NIL
c) The net aggregate amount of profits, less losses, of the subsidiary companies so far as these have been dealt with or provision made for losses in the accounts of the holding company for the year ended December 31, 1999 are:			
i) for the last of the financial years of the subsidiaries	NIL	NIL	NIL
ii) for the previous years but subsequent to the acquisition of the controlling interest by the holding company.	NIL	NIL	NIL
Statement under Sub-Section (1) Clauses (f) & (g)	N/A	N/A	N/A

JEAN-MARC DELPON DE VAUX
 Chairman & Chief Executive

SYED BABAR ALI
 Director

Reports & Accounts
 SUBSIDIARY COMPANIES
 And
 Application of Revenue
 LEVER BROTHERS PAKISTAN LIMITED

LEVER CHEMICALS (PRIVATE) LIMITED

Directors' Report

The Directors have pleasure in presenting their Annual Report for the year ended 31 December 1999.

Directors

Since the last Report, Dr. A.D. Bandaranayake expired in March 1999 and Mr. Robert Zoon was appointed in his place. The term of office of the present Directors will expire on 18 February 2002.

Accounts

The Audited Accounts of the Company for the year ended 31 December 1999 are annexed, together with the Auditors' Report thereon.

The accounts show a profit of Rs. 30,166 million for the year (against Rs. 39,173 million for the 18 months period July 1997 - December 1998). The present declining trend in the international prices of Sulphonic Acid will put pressure on the future profitability of the Company.

Auditors

The Auditors, Messrs. A. F. Ferguson & Co., Chartered Accountant, retire, and being eligible, offer themselves for re-appointment.

Holding Company

As the Company is a wholly owned subsidiary of Lever Brothers Pakistan Limited, the ultimate holding company is Unilever PLC (a company incorporated in the United Kingdom), through its wholly owned subsidiary, Unilever Overseas Holdings Limited, U.K., of which LBPL is a subsidiary.

On behalf of the Board

Karachi:
3 March 2000

Robert Zoon
Director

Auditors' Report to the Member

We have audited the annexed balance sheet of Lever Chemicals (Private) Limited as at December 31, 1999 and the related profit and loss account, together with 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 and, after due verification thereof, 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 account 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 and profit and loss account, together with the notes forming part thereof, 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 December 31, 1999 and of the profit for the year then ended; and

(d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

A. F. FERGUSON & CO.
Chartered Accountants
Karachi: 3 March 2000

Balance Sheet as at December 31, 1999

	<i>Note</i>	<i>1999 Rupees</i>	<i>1998 Rupees</i>
SHARE CAPITAL			
Authorised			
10,000,000 ordinary shares of Rs 10 each		100,000,000	100,000,000
Issued, subscribed and paid-up capital		=====	=====
9,500,000 ordinary shares of Rs.10 each fully paid in cash	3	95,000,000	95,000,000
Unappropriated profit		77,811,049	47,644,119
		-----	-----
		172,811,049	142,644,119
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	4	4,643,239	5,644,907
Due to Parent Company		96,459	32,238,239
		4,739,698	37,883,146
		-----	-----
		177,550,747	180,527,265

TANGIBLE FIXED ASSETS

Operating assets	5	55,125,625	61,795,061
Capital work in progress - at cost		68,101	68,101
		-----	-----
		55,193,726	61,863,162
CURRENT ASSETS			
Stores and spares	6	7,007,959	5,801,044
Stock-in-trade	7	48,244,317	86,039,008
Trade debts - unsecured, considered good		12,567,977	6,495,808
Advances, deposits, prepayments and other receivables	8	5,776,953	2,039,267
Taxation - recoverable		1,600,206	2,845,762
Cash and bank balances	9	47,159,609	15,443,214
		-----	-----
		122,357,021	118,664,103
		-----	-----
		177,550,747	180,527,265
		=====	=====

The annexed notes form an integral part of these accounts

Signed by two Directors (authorised in this behalf by the Board of Directors) in the absence of the Chairman & Chief Executive who is out of Pakistan

ROBERT ZOON
Director

P.H. KHAN
Director

**Profit and Loss Account
for the year ended December 31, 1999**

		<i>Eighteen months ended December 31,</i>	
		<i>1999</i>	<i>1998</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
Sales - net	10	155,885,898	232,870,551
Cost of goods sold	11	127,889,169	189,432,144
		-----	-----
Gross profit		27,996,729	43,438,407
Administration and selling expenses	12	2,652,092	6,133,282
		-----	-----
Operating profit		25,344,637	37,305,125
Other income	13	6,810,375	4,279,495
		-----	-----
		32,155,012	41,584,620
Financial charges	14	320,672	1,435,862
Auditors' remuneration	15	66,580	410,539
Workers' profits participation fund		1,600,830	1,993,335
		-----	-----
		1,988,082	3,839,736
		-----	-----
Profit for the year		30,166,930	37,744,884
Unappropriated profit brought forward		47,644,119	9,899,235
		-----	-----
Unappropriated Profit carried forward		77,811,049	47,644,119
		=====	=====

The annexed notes from an integral part of these accounts.

Signed by two Directors (authorised in this behalf by the Board of Directors) in the absence of the Chairman & Chief Executive who is out of Pakistan

ROBERT ZOON
Director

P.H. KHAN
Director

**Notes to the Accounts
for the year ended December 31, 1999**

1. LEGAL STATUS

The Company was incorporated and registered under the Companies Ordinance, 1984. It is a wholly owned subsidiary of Lever Brothers Pakistan Limited. It manufactures and sells Sulphonic Acid.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Overall valuation policy

These accounts have been prepared under the historical cost convention.

(b) Corresponding figures

The government related regulations on the accounting year for foreign companies. Consequently, the Company decided to change its accounting year end from June 30 to December 31 in order to obtain operating synergies as reporting to holding company is on December 31. The company therefore prepared financial statements for the eighteen months ended December 31, 1998 figures of which have been used in these accounts for comparison.

(c) Taxation

The provision for current taxation is based on taxable income at current rates of taxation. The Company accounts for deferred taxation using the liability method on all significant timing differences.

As the Company enjoys an eight year tax holiday from the commencement of commercial production, provision for current taxation has not been made.

(d) Fixed assets

These are stated at cost less accumulated depreciation except for capital work in progress which is stated at cost. Depreciation is charged on the straight-line method on all assets in use at the beginning of each quarter.

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

Profit and loss on sale or retirement of fixed assets is included in income currently.

(e) Stores and spares

These are valued at average cost less provision for obsolescence.

(f) Stock-in-trade

All stocks are stated at the lower of cost and estimated net realisable value. Cost is determined by average method except for those in transit where it represents invoice value and other charges paid thereon. Cost of work-in-process includes direct costs of material whereas that of finished goods also include direct cost of labour and production overheads. Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make the sale.

(g) Trade debts

Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

(h) Rates of foreign exchange

Assets and liabilities in foreign currencies are translated at the rates of exchange which approximate to those prevalent on the balance sheet date except where forward exchange purchases have been made for payment of liabilities, in which case the contracted rates are applied. Exchange gains and losses on translation are included in income currently.

(i) Revenue recognition

Sales are recorded on despatch of goods.

3. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

At December 31, 1999, the number of shares held by Lever Brothers Pakistan Limited were 9,499,995 ordinary shares of Rs. 10 each.

4. CREDITORS, ACCRUED AND OTHER LIABILITIES

	<i>1999</i> <i>Rupees</i>	<i>1998</i> <i>Rupees</i>
Creditors	428,447	971,958
Accrued liabilities	459,444	2,572,866
Mark-up accrued on running finance	--	80,109
Workers' profits participation fund (WPPF) - note 4.1	3,751,040	2,014,208
Others	4,308	5,766
	-----	-----
	<u>4,643,239</u>	<u>5,644,907</u>

4.1 WORKERS' PROFITS PARTICIPATION FUND

	<i>1999</i> <i>Rupees</i>	<i>1998</i> <i>Rupees</i>
Balance at the beginning of the year	2,014.21	1,181,813
Allocation for the year	1,600,830	1,993,335
	-----	-----
	3,615,038	3,175,148
Interest on funds utilized in company's business	248,842	128,482
	-----	-----
	3,863,880	3,303,630
Less: Amounts paid to:		
The trustees of the fund	112,840	170,482
Deposited with the government	--	1,118,940
	-----	-----
	112,840	1,289,422
	-----	-----
Balance as at December 31	<u>3,751,040</u>	<u>2,014,208</u>

5. OPERATING ASSETS

Description	<i>Cost as at January 1, 1999</i>	<i>Addition/write back/(deletion) During the year</i>	<i>Cost as at December 31, 1999</i>	<i>Accumulated depreciation</i>	<i>Book value as at December 31, 1999</i>	<i>Depreciation charge for the year</i>	<i>Rate % per annum</i>
			Rupees				
Building on leasehold land	15,615,057	--	15,615,057	2,556,908	13,058,149	390,377	2.5
Plant and machinery	86,836,826	1,697,709	88,534,535	47,706,671	40,827,864	7,218,579	8
Electrical and mechanical equipment	2,609,707	--	2,609,707	1,595,678	1,014,029	176,601	8 - 20
Furniture and fittings	478,976	--	478,976	253,393	225,583	38,322	8
1999	<u>105,540,566</u>	<u>1,697,709</u>	<u>107,238,275</u>	<u>52,112,650</u>	<u>55,125,625</u>	<u>7,823,879</u>	
Eighteen months ended December 31, 1998	<u>106,837,233</u>	<u>(1,697,709)</u>	<u>105,540,566</u>	<u>43,745,505</u>	<u>61,795,061</u>	<u>11,562,401</u>	
			1999 Rupees		1998 Rupees		

6. STORES AND SPARES

Stores	376,489	347,361
Spares including in transit Rs. 800,099 (1998: Rs Nil)	6,631,470	5,453,683
	-----	-----
	7,007,959	5,801,044
	=====	=====

7. STOCK IN TRADE

Raw and packing materials including in transit Rs 24,792,933 (1998: Rs 44,386,256)	36,368,603	81,368,767
Finished goods	11,875,714	4,670,241
	-----	-----
	48,244,317	86,039,008
	=====	=====

[Raw and packing materials include raw material of
Rs 25,448,682 (1998: Rs 65,216,543) held by third party]

8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances - considered good	118,819	122,854
Security deposit	--	7,300
Prepayments	59,629	84,889
Sales tax refundable	1,748,505	754,244
Return on High Performance Account	3,850,000	--
Others	--	1,069,980
	-----	-----
	5,776,953	2,039,267
	=====	=====

9. CASH AND BANK BALANCES

With banks on:		
- Current accounts	361,746	224,772
- High Performance Account	46,796,215	15,216,375
Cash in hand	1,648	2,067
	-----	-----
	47,159,609	15,443,214
	=====	=====

*Eighteen
months ended
December 31,*

1999 **1998**
Rupees *Rupees*

10. SALES

Sales	199,188,188	297,638,683
Less:		
Trade discount and margins	17,317,162	31,293,369
Agency commission	--	110,912
	-----	-----
	181,871,026	266,234,402
Less:		
Sales tax	25,985,128	33,363,851
	-----	-----
	155,885,898	232,870,551
	=====	=====

11. COST OF GOODS SOLD

Raw material consumed	117,731,679	160,549,771
Steam, power and gas	2,254,794	3,352,471
Packing material	105,084	122,085
Salaries, wages and other benefits	2,764,707	4,247,669
Employees old age benefit	23,100	36,768
POD Shop & Canteen subsidy	567,339	615,090
Repairs and maintenance	553,053	2,724,331
Rent, rates and taxes	672,890	995,298
Stores and spares consumed	896,463	2,163,540
Depreciation	7,823,879	11,562,401
Insurance	338,159	410,119
Service charges from parent company	960,000	2,569,200
Laboratory analysis charges	92,330	122,863
Other expenses	311,165	882,361
	-----	-----
Cost of goods manufactured	135,094,642	190,253,967
Opening stock of finished goods	4,670,241	3,848,418
Closing stock of finished goods	(11,875,714)	(4,670,241)
	-----	-----
	127,889,169	189,432,144
	=====	=====

12. ADMINISTRATION AND SELLING EXPENSES

Salaries, wages and other benefits	373,073	497,293
Travelling and entertainment	111,270	189,022
Subscription	14,283	20,422
Outward freight	1,314,707	1,778,438
Electricity	85,000	134,500
Telephone	6,568	5,188
Printing and stationery	26,965	36,526
Postage	7,563	11,435
Service charges from parent company	640,000	1,712,800
Loss on disposal of fixed assets	--	85,442
Others	72,663	1,662,216
	-----	-----
	2,652,092	6,133,282
	=====	=====

13. OTHER INCOME

Sale of empty drums	266,203	382,300
Return on High Performance Account	6,544,172	3,897,195
	-----	-----

6,810,375	4,279,495
=====	=====

14. FINANCIAL CHARGES

Mark-up on running finance	3,922	1,275,468
Bank charges	67,908	31,912
Interest on Workers' Profits Participation Fund	248,842	128,482
	320,672	1,435,862

15. AUDITORS' REMUNERATION

Audit fee	60,000	60,000
Special audits and taxation services	-	318,474
Out of pocket expenses	6,580	32,065
	-----	-----
	66,580	410,539
	=====	=====

16. CORRESPONDING FIGURES

Corresponding figures have been rearranged wherever necessary for the purposes of comparison.

Signed by two Directors (authorised in this behalf by the Board of Directors) in the absence of the Chairman & Chief Executive who is out of Pakistan.

ROBERT ZOON	P.H. KHAN
Director	Director

LEVER ASSOCIATED PAKISTAN TRUST (PRIVATE) LIMITED

Directors' Report

Directors

Since the last Report, Mr. Jean-Marc Delpon de Vaux, Mr. Robert Zoon and Mr. N.I. Khokhar replaced Mr. I.S. Sangster, Dr. A.D. Bandaranayake and Mr. Mashkoo Alam on the Board. The term of office of the Directors will expire on 27 April 2002.

Accounts

The Audited Accounts of the Company for the year January - December 1999 are annexed, together with the Auditors' Report thereon.

Auditors

The Auditors, Messrs A.F. Ferguson & Co, Chartered Accountants, retire, and being eligible, offer themselves for re-appointment.

Holding Company

Since the Company is a wholly owned subsidiary of Lever Brothers Pakistan Limited the ultimate holding company is Unilever PLC (a company incorporated in the United Kingdom), through its wholly owned subsidiary, Unilever Overseas Holdings Limited, UK, of which LBPL is a subsidiary.

On behalf of the Board

Karachi
3 March 2000

ROBERT ZOON	P.H. KHAN
Director	Director

**Balance Sheet
as at December 31, 1999**

<i>1999</i>	<i>1998</i>
<i>Rupees</i>	<i>Rupees</i>

Share Capital		
Authorised, issued and paid up 100 ordinary shares of Rs. 10 each	1,000	1,000
	=====	=====
Assets		
Receivable from Lever Brothers Pakistan Limited	1,000	1,000
	=====	=====

Note: As there were no revenue transactions during the year, no Profit and Loss Account has been prepared.

Signed by two Directors (authorised in this behalf by the Board of Directors) in the absence of the Chairman & Chief Executive who is out of Pakistan.

ROBERT ZOON	P.H. KHAN
Director	Director

Auditors' Report to the Members

We have audited the foregoing balance sheet of Levers Associated Pakistan Trust (Private) Limited as at December 31, 1999 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 and, after due verification thereof, 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) n our opinion:

(i) the balance sheet has been drawn up in conformity with the Companies Ordinance, 1984 and is in agreement with the books of account; 'and

(ii) no expenditure was incurred and no investments were made during the year;

(c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet gives the information required by the Companies Ordinance, 1984 in the manner so required and gives a true and fair view of the state of the Company's affairs as at December 31, 1999; and

(d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

A. F. FERGUSON & CO.
Chartered Accountants
Karachi: 3 March 2000

SADIQ (PRIVATE) LIMITED

Directors' Report

Directors

Since the last Report, there have been no changes on the Board. The term of office of the present Directors will expire on 23 April 2002.

Accounts

The Audited Accounts of the Company for the year January - December 1999 are annexed, together with the Auditors' Report thereon.

Auditors

The Auditors, Messrs A.F. Ferguson & Co, Chartered Accountants, retire, and being eligible, offer themselves for re-appointment.

Holding Company

Since the Company is a wholly owned subsidiary of Lever Brothers Pakistan Limited the ultimate holding company is Unilever PLC (a company incorporated in the United Kingdom), through its wholly owned subsidiary, Unilever Overseas Holdings Limited, UK, of which LBPL is a subsidiary.

On behalf of the Board

Karachi
3 March 2000

N. I. KHOKHAR
Chief Executive

Balance Sheet

as at December 31, 1999

	<i>1999</i> <i>Rupees</i>	<i>1998</i> <i>Rupees</i>
Share Capital		
Authorised, issued and paid up 100 ordinary shares of Rs. 10 each	1,000 =====	1,000 =====
Assets		
Receivable from Lever Brothers Pakistan Limited	1,000 =====	1,000 =====

Note: As there were no revenue transactions during the year, no Profit and Loss Account has been prepared.

N.I. KHOKHAR
Chief Executive

AGHA JAMSHED
Director

Auditors' Report to the Members

We have audited the foregoing balance sheet of Sadiq (Private) Limited as at December 31, 1999 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 and, after due verification thereof, 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) n our opinion:

(i) the balance sheet has been drawn up in conformity with the Companies Ordinance, 1984 and is in agreement with the books of account; and

(ii) no expenditure was incurred and no investments were made during the year;

(c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet gives the information required by the Companies Ordinance, 1984 in the manner so required and gives a true and fair view of the state of the Company's affairs as at December 31, 1999; and

(d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

A. F. FERGUSON & CO.
Chartered Accountants
Karachi: 3 March 2000

APPLICATION OF REVENUE

	(Rupees in Million)	
1999		
Govt Levies	6,859	31.6%
Materials	9,671	44.6%
Profit After Tax	764	3.5%
Staff Cost	1,005	4.6%
Others	3,398	15.7%
<i>12 months - Total Revenue Rs 21,697</i>		
1998		
Govt Levies	8,560	28.1%

Materials	14,850	48.8%
Profit After Tax	738	2.4%
Staff Cost	1,411	4.6%
Others	4,900	16.1%

18 months - Total Revenue Rs 30,459

REVENUE DISTRIBUTION

	1999	1998
Government	31.6	28.1
Shareholders	3.5	2.4
Employees	4.6	4.6
Materials/Other cos	60.3	64.9
Total	100	100

GROUP CONSOLIDATED ACCOUNTS

LEVER BROTHERS PAKISTAN LIMITED
AND ITS SUBSIDIARY COMPANIES

Auditors' Report to the Members

We have examined the annexed consolidated financial statements comprising consolidated Balance Sheet of Lever Brothers Pakistan Limited (the holding company) and its subsidiary companies Lever Chemicals (Private) Limited, Lever Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited as at December 31, 1999 and the related consolidated Profit and Loss Account, Statement of Changes in Equity and the consolidated Cash Flow Statement together with the notes forming part thereof for the year then ended. We have also expressed separate opinions on the financial statements of Lever Brothers Pakistan Limited, Lever Chemicals (Private) Limited, Lever Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited. These financial statements are the responsibility of the holding company's management. Our responsibility is to express an opinion on these financial statements based on our examination.

Our examination was made in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion the consolidated financial statements examined by us present fairly the financial position of Lever Brothers Pakistan Limited and its subsidiary companies Lever Chemicals (Private) Limited, Lever Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited as at December 31, 1999. The results of their operations, changes in equity and cash flows for the year then ended.

A. E FERGUSON & CO.
Chartered Accountants
Karachi: 28 March 2000

**Consolidated Balance Sheet
as at December 31, 1999**

	Note	1999 Rupees	1998 Rupees
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised	4	800,000	800,000
Issued, subscribed and paid up capital	5	669,477	669,477
Reserves	6	433,124	428,913
Unappropriated profit		435,882	306,688
		1,538,483	1,405,078
SURPLUS ON REVALUATION OF FIXED ASSETS	7	104,708	108,919
LONG TERM LOAN - secured	8	300,000	--
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	9	2,870	6,205
DEFERRED LIABILITIES			
Deferred taxation	10	65,394	76,252
Staff retirement benefits		89,164	97,918
		154,558	174,170
CURRENT LIABILITIES			
Short term loans		--	68,000
Finance under mark-up arrangements	11	626,399	2,072,099
Current maturity of liabilities against assets subject to finance lease	9	3,796	3,037
Creditors, accrued and other liabilities	12	3,530,964	3,172,381
Dividends	13	355,438	549,224
		4,516,597	5,864,741
CONTINGENCY & COMMITMENTS			
	14	6,617,216	7,559,113
TANGIBLE FIXED ASSETS			
Operating assets	15	1,781,460	1,786,923
Capital work-in-progress- at cost	16	101,277	69,089
		1,882,737	1,856,012
INTANGIBLE FIXED ASSETS			
Trade marks		34	34
LONG-TERM INVESTMENTS - at cost			
LONG TERM LOANS	17	200	200
	18	32,800	26,285

LONG-TERM DEPOSITS AND PREPAYMENTS	19	81,031	101,162
CURRENT ASSETS			
Stores and spares	20	194,495	159,155
Stock-in-trade	21	3,136,929	4,289,507
Trade debts	22	230,069	249,212
Loans and advances	23	90,033	119,145
Trade deposits and short-term prepayments	24	67,780	54,756
Other receivables	25	163,456	63,660
Taxation - payments less provisions		620,982	543,702
Cash and bank balances	26	116,670	96,283
		4,620,414	5,575,420
		6,617,216	7,559,113

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Consolidated Profit and Loss Account

for the year ended December 31, 1999

		<i>Eighteen months ended</i>	
	<i>Note</i>	<i>1999</i>	<i>December 31, 1998</i>
		<i>(Rupees in thousand)</i>	
Sales	27	19,493,389	27,836,609
Cost of goods sold	28	15,098,624	22,878,096
Trading profit		4,394,765	4,958,513
Administration and selling expenses	29	2,707,779	3,225,875
Operating profit		1,686,986	1,732,638
Other income	30	40,513	90,599
		1,727,499	1,823,237
Financial expenses	31	247,456	301,655
Auditors' remuneration	32	6,296	13,937
Workers' welfare fund		23,322	25,212
Workers' profits participation fund		64,417	64,378
		341,491	405,182
Profit before taxation and restructuring costs		1,386,008	1,418,055
Restructuring costs	33	190,000	231,317
Profit before taxation and after restructuring costs		1,196,008	1,186,738
Taxation	34	401,881	410,664
Profit after taxation		794,127	776,074
Unappropriated profit brought forward		306,688	342,009
		1,100,815	1,118,083
Appropriations			
On cumulative preference shares		239	239
First interim dividend on ordinary shares @ Rs 25 per share (1998: Rs 12.5 per on 12,768,223 shares)		332,347	159,603
Second interim dividend on ordinary shares @ Rs. Nil (1998: Rs 25 per share on 12,768,223 shares)		--	319,206
Proposed Final Dividend @ Rs. 25 per share (1998: Rs 25 per share)		332,347	332,347
		664,933	811,395
Unappropriated profit carried forward		435,882	306,688
Basic earnings per share	35	Rs. 59.72	Rs. 58.36

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Consolidated Statement of Changes in Equity

for the year ended December 31, 1999

	<i>Share Capital</i>	<i>Reserves Capital</i>	<i>Revenue</i>	<i>Unappropriated Profit</i>	<i>Total</i>
	<i>(Rupees in thousand)</i>				
Balance as at June 30,1997	722,042	41,131	324,179	342,009	1,429,361
Transferred from Surplus on Revaluation of Fixed Assets	--	11,038	--	--	11,038
Difference between amount recorded for share capital issued and amount for share capital acquired under scheme of arrangements for amalgamation with former Pakistan Industrial Promoters (Private) Limited (PIPL)	--	52,565	--	--	52,565

7,884,700 Ordinary shares of Rs. 10 each of former PIPL exchanged under the scheme of arrangements for amalgamation of former PIPL with Lever Brothers Pakistan Limited (LBPL)

(78,847) -- -- -- (78,847)

525,646 Ordinary shares of Rs. 50 each issued to the shareholders of former PIPL under the scheme of arrangements for amalgamation of former PIPL with LBPL

26,282 -- -- -- 26,282

Net profit for the eighteen months
Dividends

-- -- -- 776,074 776,074

(811,395) (811,395)

Balance as at December 31, 1998

669,477 104,734 324,179 306,688 1,405,078

Net profit for the year

-- -- -- 794,127 794,127

Transferred from Surplus on

Revaluation of Fixed Assets

-- 4,211 -- -- 4,211

Dividends

-- -- -- (664,933) (664,933)

Balance as at December 31, 1999

669,477 108,945 324,179 435,882 1,538,483
=====

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Consolidated Cash Flow Statement for the year ended December 31, 1999

<i>Note</i>	<i>1999</i>	<i>1998</i>
	<i>(Rupees in thousand)</i>	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	40	3,217,871
Financial expenses paid		(282,110)
Taxes paid		(490,019)
Staff retirement benefits paid		(103,055)
Long Term Loans (net)		(6,515)
Long-term deposits and prepayments (net)		20,131
Net cash inflow/(outflow) from operating activities		2,356,303
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure		(292,671)
Sale proceeds of fixed assets		24,956
Return received on short term investments and deposits		6,782
Dividend received		12
Net cash outflow from investing activities		(260,921)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of redeemable capital		--
Long term loan obtained		300,000
Liabilities against assets subject to finance lease (net)		(2,576)
Short term loan obtained		--
Repayment of short term loans		(68,000)
Dividends paid		(858,719)
Net cash outflow from financing activities		(629,295)
Net increase/(decrease)/in cash and cash equivalents		1,466,087
Cash and cash equivalents at the beginning of the year	41	(1,975,816)
Cash and cash equivalents at the end of the year	41	(509,729)
		(1,975,816)

The annexed notes form an integral part of these accounts.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI
Director

Consolidated Notes to the Accounts for the year ended December 31, 1999

1. THE GROUP AND ITS OPERATIONS

The Group consists of:

- Lever Brothers Pakistan Limited
- Lever Chemicals (Private) Limited
- Levers Associated Pakistan Trust (Private) Limited
- Sadiq (Private) Limited

Lever Chemicals (Private) Limited, Levers Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited are wholly owned subsidiaries of Lever Brothers Pakistan Limited.

Lever Brothers Pakistan Limited is incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. It manufactures and markets foods, beverages and detergents & personal products. Lever Chemicals (Private) Limited manufactures and sells Sulphonic Acid. Lever Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited act as trustees of Union Pakistan Provident Fund (Lever Provident Fund). All subsidiary companies are incorporated in Pakistan.

2. BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Lever Brothers Pakistan Limited, Lever Chemicals (Private) Limited, Levers Associated Pakistan Trust (Private) Limited and Sadiq (Private) Limited. The financial statements of the subsidiary companies have been consolidated on a line by line basis.

All intercompany balances and transactions have been eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Overall valuation Policy

These accounts have been prepared under the historical cost convention except that certain fixed assets have been included at revaluation referred to in sub-paragraph (e) below.

b) Corresponding figures

The government relaxed regulations on the accounting year for the foreign companies. Consequently, the Group changed its accounting year end from June 30 to December 31 in order to obtain operating synergies as reporting to holding company is on December 31. Therefore, the Group prepared financial statements for the eighteen months ended December 31, 1998 figures of which have been used in these accounts for comparison.

c) Staff retirement benefits

The Group's retirement plan comprises provident funds, gratuity plans, a pension plan and a post-retirement medical plan. These include benefit plans for employees of merged companies. The gratuities promised to Polka employees and the post-retirement medical plan are book reserve plans. All other plans are funded through approved trust funds.

Provident funds are defined contribution plans. All other plans are defined benefit plans. The gratuity plans and the pension plan are final salary plans. The post-retirement medical plan reimburses medical expenses to pensioners.

Actuarial valuations are conducted annually and the last valuation was conducted at the balance sheet date (December 31, 1999). The net liability of the Group for retirement and post-retirement benefits is Rs 89 million.

During 1999, the Group contributed Rs 29.6 million to the provident funds. Expense movement for the defined benefit plans are in Rs million below.

	Pension FundRupees in million	Gratuity FundsRupees in million	Unfunded Plans
Cost for 1999			
Current service cost	18,820	16,948	2,989
Interest cost	102,587	45,847	7,096
Expected return on assets	(107,404)	(30,057)	--
Settlements & Curtailments	--	6,051	--
Prior service cost	(55,077)	44,80	--
Transition cost	3.63	30.58	7.286
Expense	<u>(37,446)</u>	<u>114.17</u>	<u>17,371</u>
Prepayment or (Liability) in 1999			
Prepayment at January 1	(29,197)	(46,598)	(22,122)
Expense	37,446	(114,168)	(17,371)
Contributions	29,871	70,462	2,720
Prepayment at December 31	<u>38,120</u>	<u>(90,304)</u>	<u>(36,773)</u>
Balance Sheet Reconciliation at December 31, 1999			
Fair value of assets	838,755	255,671	--
Defined benefits obligation	(753,584)	(339,873)	(64,406)
Funded status	85,171	(84,202)	(64,406)
Unrecognised:			
Transition cost	--	--	27.82
Prior service cost	(11,010)	10,692	--
Net actuarial loss	(36,041)	(16,794)	(0.183)
Prepayment	<u>38,120</u>	<u>(90,304)</u>	<u>(36,773)</u>

Actuarial gains and losses are amortised over the expected future service of current members.

The Projected Unit Credit Method was used to generate actuarial values, as specified by IAS 19. The rate of return on assets and the discount rate were taken as 15%. Salary increases were assumed to average 12.75%. Pension increases and medical cost trend rates are taken as 8.75%

Actual return on the funds' assets during 1999 was Rs 190 million. This includes the effect of revaluation of assets at a lower discount rate than the last valuation.

d) Taxation

The provision for current taxation is based on taxable income at the current rates of taxation. The Group accounts for deferred taxation using the liability method on all significant timing differences.

As Lever Chemicals (Private) Limited enjoys an eight year tax holiday from the commencement of commercial production, provision for current taxation has not been made there against.

e) Fixed assets

Certain land, buildings and plant and machinery of Lever Brothers Pakistan Limited were revalued in 1973, 1975, 1978 and 1981 by independent valuers, which are

placed with dealers. The company intends to repay this liability during the ensuing year. Previously it was disclosed as long term deposits.

13. DIVIDENDS

Unpaid (parent company dividend awaiting State Bank of Pakistan permission to remit arrears)

	1999	1998
	(Rupees in thousand)	
Unclaimed	23,091	14,387
Proposed	332,347	332,347
	355,438	549,224

14. CONTINGENCY AND COMMITMENTS

14.1 Government of Sind through Finance Act, 1994 levied fee for services rendered in respect of development and maintenance of infrastructure on the import and export of goods. However, Lever Brothers Pakistan Limited filed a constitutional petition against the levy of such fee in the High Court of Sind and the court granted stay for the payment of the fee and currently the petition is awaiting adjudication in the High Court. No provision has been made in the accounts against this liability as the Group management expects a favourable outcome. However, the amount of fee levied upto December 31, 1999 amounts to Rs. 75,360 million.

14.2 Aggregate commitments for capital expenditure as at December 31, 1999 amounted to approximately Rs. 15,732 million (1998: Rs. 21,806 million).

14.3 Commitments for rentals under non-cancellable operating lease agreements are as follows:

Year	Rupees in thousand
2000	2,676
2001	237

15. OPERATING ASSETS

a.	Cost and revaluation to December 31, 1998	Additions / (deletions) / * Reclassification	Cost and revaluation to December 31, 1999	Accumulated depreciation as at December 31, 1998	Depreciation charge for the year	Depreciation on disposals/ *reclassification during the year	Accumulated depreciation as at December 31, 1999	Book value at December 31, 1999	Depreciation Rate % per annum
(Rupees in thousand)									
Land:	27,978	--	27,978	--	--	--	--	27,978	
Leasehold Buildings	7,121	(1,408)	5,713	1,232	36	'10	1,278	4,435	1.05
On freehold land	315,310	5,473 *(19,477)	301,306	89,569	7,092	*7,069	103,730	197,576	1.5 to 2.5
On leasehold land	173,618	16,390	212,122	75,549	3,235	*(5,839)	72,945	139,177	1.5 to 2.0
Plant and machinery	1,956,907	22,114 104,692 1,698 (29,925) *(17,334)	2,016,038	854,952	160,180	(23,846) *(13,524)	977,762	1,038,276	3 to 8
Electrical and mechanical equipment	389,917	83,645 (2,725) '11,459	482,296	176,539	42,894	(2,070) *3,509	220,872	261,424	8 to 25
Furniture & fittings	49,119	2,267 (2,015) *3,238	52,609	29,742	3,124	(1,321) 1,862	33,407	19,202	8 to 14
Motor vehicles	176,603	46,318 (38,860)	184,061	92,257	26,211	(27,193) *6,023	97,298	86,763	25
Assets held under finance leases									
- Motor Vehicles	14,245	--	14,245	4,055	2,671	-- *890	7,616	6,629	25
	3,110,818	260,483 (74,933)	3,296,368	1,323,895	245,443	(54,430)	1,514,908	1,781,460	
Eighteen months ended December 31, 1998	2,716,731	488,758 (94,671)	3,110,818	1,052,788	324,930	(53,823)	1,323,895	1,786,923	

Assets having book value of Rs 38.68 million (1998: Rs. 31.68 million) have been with the 3rd Party for the manufacturing of Group's goods.

The above represents values of fixed assets arising from revaluations in 1973, 1975, 1978 and 1981 with additions thereafter stated at cost. Had there been no revaluations the figures of fixed assets, after considering the useful lives of the revalued assets, would have been as follows:

	Cost to December 31, 1999	Accumulated depreciation	Book Value December 31, 1999
(Rupees in thousand)			
Land:			
Freehold	15,778	--	15,778
Leasehold	5,713	1,278	4,435
Buildings:			
On freehold land	247,934	74,456	173,478
On leasehold land	173,090	75,177	97,913
Plant and machinery	1,987,943	976,813	1,011,130
Electrical and mechanical equipment	482,296	220,872	261,424

23. LOANS AND ADVANCES

Considered good		
Executives	19,252	11,736
Employees	8,822	10,697
Suppliers and others	61,959	96,712
	-----	-----
	90,033	119,145
Considered doubtful - advances to suppliers	7,908	4,092
	-----	-----
	97,041	123,237
Less: Provision for doubtful advances to suppliers	7,908	4,092
	-----	-----
	90,033	119,145
	=====	=====

The maximum aggregate amount of advances against business expenses and bridging loans due at the end of any month during the year was:

Directors	899	--
	=====	=====
Executives	44,819	38,669
	=====	=====

24. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Trade deposits	1,609	1,850
Prepayments	62,505	41,897
Balances with statutory authorities	3,666	11,009
	-----	-----
	67,780	54,756
	=====	=====

25. OTHER RECEIVABLES

Excise duty refundable	8,814	9,037
Sales tax refundable - note 25.1	108,806	754
Octroi refundable	13,343	17,280
Custom duty refundable	325	325
Accrued return on short-term investments, deposits and High Performance Account	3,850	729
Others	35,426	39,169
	-----	-----
	170,564	67,294
Less: Provision for doubtful receivables	7,108	3,634
	-----	-----
	163,456	63,660
	=====	=====

25.1 Sales tax refundable includes Rs 116 million paid under the Amnesty Scheme to avoid levy of additional sales tax and surcharge payable in the event of an unfavourable decision of appeals pending in the High Court and Tribunal. These appeals are filed by the third party manufacturers for credit claimed by them, disallowed on the ground that tax invoices and Bills of Entry are in the name of the Lever Brothers Pakistan Limited. Under the contract with the manufacturers, if any liability arises to them it will be reimbursed by Lever Brothers Pakistan Limited. The amount so paid is considered to be refundable by the Group as management expects a favourable outcome based on representations made to the Central Board of Revenue on the ground that this is only an administrative issue and there was no loss of revenue to the Government.

1999 1998
(Rupees in thousand)

26. CASH AND BANK BALANCES

With banks on		
- Deposit Accounts	--	4,633
- Current Accounts	63,799	72,630
- High Performance Account	46,797	15,216
Cash and cheques in hand	6,074	3,804
	-----	-----
	116,670	96,283
	=====	=====

27. OPERATING RESULTS

Note	FOOD		BEVERAGES		DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
	Year ended December 31, 1999	Eighteen months ended December 31, 1998	Year ended December 31, 1999	Eighteen months ended December 31, 1998	Year ended December 31, 1999	Eighteen months ended December 31, 1998	Year ended December 31, 1999	Eighteen months ended December 31, 1998
	(Rupees in thousand)							
Sales	6,223,374	8,445,191	9,166,760	14,082,219	7,125,538	8,771,950	22,515,672	31,299,360
Less:								
Rebates and allowances	207,766	163,826	199,992	208,001	258,027	254,503	665,785	626,330
	6,015,608	8,281,365	8,966,768	13,874,218	6,867,511	8,517,447	21,849,887	30,673,030
Less:								
Sales Tax	268,845	259,208	1,191,873	1,585,584	895,780	991,629	2,356,498	2,836,421
	5,746,763	8,022,157	7,774,895	12,288,634	5,971,731	7,525,818	19,493,389	27,836,609
Cost of goods sold	4,694,335	6,750,389	6,201,016	10,704,885	4,203,273	5,422,822	15,098,624	22,878,096
Administration and selling expenses	29	812,603	1,057,274	782,991	989,584	1,112,185	1,179,017	2,707,779
								3,225,875

5,506,938	7,807,663	6,984,007	11,694,469	5,315,458	6,601,839	17,806,403	26,103,971
239,825	214,494	790,888	594,165	656,273	923,979	1,686,986	1,732,638

27.1 Segment assets employed

%	41.8	43.7	27.3	26.6	30.9	29.7	100	100
---	------	------	------	------	------	------	-----	-----

27.2 Inter-segment pricing

Sales between business segments are recorded at net realisable value.

27.3 Detergents and Personal Products include results of Lever Chemicals (Private) Limited.

28. COST OF GOODS SOLD

	FOOD		BEVERAGES		DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>
	(Rupees in thousand)							
Raw & packing material consumed	4,119,355	5,918,823	5,753,038	10,209,047	2,888,349	3,886,889	12,760,742	20,014,759
Manufacturing charges paid to third parties	34,582	67,294	12,688	17,043	116,437	161,675	163,707	246,012
Stores & spares consumed	12,079	27,195	--	1,303	59,808	53,214	71,887	81,712
Consumables	4,944	7,056	--	38	386	7,542	5,330	14,636
Salaries, wages and other benefits	162,057	229,120	180,459	288,737	202,588	265,836	545,104	783,693
Fuel and power	178,133	178,133	11,095	18,355	102,309	144,470	230,361	340,958
Repairs and maintenance	77,508	86,748	31,085	37,074	24,631	30,745	133,224	154,567
Rent, rates and taxes	2,896	4,863	5,139	9,016	2,698	865	10,733	14,744
Depreciation	123,842	163,628	14,415	24,267	40,927	52,672	179,184	240,567
Insurance	9,606	10,691	2,801	2,726	4,668	4,595	17,075	18,012
Travelling and entertainment	11,022	21,737	2,692	4,961	7,844	14,086	21,558	40,784
Medical	20,609	16,883	12,053	11,992	15,332	14,986	47,994	43,861
Stationery and office expenses	29,473	18,867	11,625	17,529	18,144	10,109	59,242	46,505
Expenses on information technology	4,690	1,833	--	865	276	1,356	4,966	4,054
Other expenses	20,301	25,731	2,163	8,150	71	17,047	22,535	50,928
Opening work-in-process	--	46,038	12,432	9,395	58,238	14,590	70,670	70,023
Closing work-in-process	(52,595)	--	(5,539)	(12,432)	(15,732)	(58,238)	(73,866)	(70,670)
Cost of goods manufactured	4,697,326	6,824,640	6,046,146	10,648,066	3,526,974	4,622,439	14,270,446	22,095,145
Opening stock of finished goods including by product glycerine	254,338	180,087	410,387	467,206	291,881	291,992	956,606	939,285
Finished goods purchased	--	--	--	--	58,706	--	58,706	--
Excise duty	--	--	--	--	649,075	800,272	649,075	800,272
Closing stock of finished goods including by product glycerine	(257,329)	(254,338)	(255,517)	(410,387)	(323,363)	(291,881)	(836,209)	(956,606)
	4,694,335	6,750,389	6,201,016	10,704,885	4,203,273	5,422,822	15,098,624	22,878,096

29. ADMINISTRATION AND SELLING EXPENSES

	FOOD		BEVERAGES		DETERGENTS AND PERSONAL PRODUCTS		TOTAL	
	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>	<i>Year ended December 31, 1999</i>	<i>Eighteen months ended December 31, 1998</i>
	(Rupees in thousand)							
Salaries and other benefits	177,615	234,320	129,286	173,230	156,911	224,825	463,812	632,375
Repairs and maintenance	17,689	18,601	6,539	9,884	7,028	12,249	31,256	40,734
Advertising	167,027	207,833	336,855	241,843	609,405	497,467	1,113,287	947,143
Rent, rates and taxes	15,257	14,320	9,821	23,533	12,798	15,978	37,876	53,831
Depreciation	29,367	42,918	18,714	17,256	18,178	24,189	66,259	84,363
Insurance	4,477	3,187	2,358	3,077	2,292	3,117	9,127	9,381
Lighting, heating and cooling	20,756	17,343	3,940	4,361	4,672	6,177	29,368	27,881
Provision for doubtful debts								

- trade	1,340	9,326	3,491	8,153	1,256	3,295	6,087	20,774
Outward freight and handling	185,412	249,399	115,623	285,073	116,508	162,866	417,543	697,338
Royalty	70,630	95,482	58,623	82,146	66,361	78,354	195,614	255,982
Travelling and entertainment	29,962	39,718	24,951	39,325	30,912	42,900	85,825	121,943
Marketing and selling	9,306	9,416	11,156	9,152	20,730	17,280	41,192	35,848
Medical	10,724	10,347	4,814	3,305	4,677	4,539	20,215	18,191
Stationery and office expenses	16,912	29,234	8,391	25,188	11,031	28,432	36,334	82,854
Donations- note 29.1	1,356	2,159	1,401	1,445	1,360	2,786	4,117	6,390
Expenses on information technology	11,940	13,999	12,220	13,127	11,873	18,992	36,033	46,118
Other expenses	42,833	59,672	34,808	49,486	36,193	35,571	113,834	144,729
	812,603	1,057,274	782,991	989,584	1,112,185	1,179,017	2,707,779	3,225,875

29.1 DONATIONS

Donations include the following in whom a director or his spouse is interested:

Name of Directors	Interest in Donee	Name and address of Donee	Eighteen months ended	
			Year ended December 31, 1999	December 31, 1998
1. Syed Babar Ali Mr. Irtiza Hussain	Trustee	The Layton Rehmatullah Benevolent Trust S-16 Sunset Street No. 8, Phase II, Defence Housing Authority, Karachi	55	930
2. Syed Babar Ali	Member	Shaukat Khanum Memorial Trust	--	100
3. Mr. I S Sangster Syed Babar Ali	Member Trustee	Lahore University of Management Sciences - Lahore	--	500
4. Syed Babar Ah	President	World Wide Fund for Nature - Pakistan	18	--
5. Mr. I. S. Sangster Syed Babar Ali	Trustee Trustee	Duke of Edinburgh Award Foundation Plot V, KDA Scheme 7, Block 4, Dhoraji Colony, Karachi	200	--

Eighteen months ended
Year ended December 31, 1999
December 31, 1998
(Rupees in thousand)

30. OTHER INCOME

Salvage sales ⁷	4,499	24,999
Insurance commission	7,513	9,328
Market research fee from third parties	465	2,958
Return on short-term investments and deposits	9,903	26,794
Profit on disposal of fixed assets	4,453	15,543
Dividends from trade investments	12	12
Sundry	13,668	10,965
	40,513	90,599

31. FINANCIAL EXPENSES

Mark-up / Interest on Short term finance	--	1,069
Long term secured loan	5,277	3,114
Workers' profits participation fund	4,590	11,247
Others	2,384	3,943
	12,251	19,373
Mark-up on redeemable capital	--	21,332
Mark-up on running finance	187,469	204,307
Excise duty on running finance	--	41
Bank charges	47,736	56,602
	247,456	301,655

32. AUDITORS' REMUNERATION**33. RESTRUCTURING COSTS**

Taxation services	1,500	3,704
Special audit and reports, pension and provident funds' audit, certifications for various Government Agencies and sundry advisory services	2,236	8,008
Out of pocket expenses	500	540
	6,296	13,937

33. RESTRUCTURING COSTS

The restructuring costs include staff redundancy costs and write off of fixed assets for tea business. Prior year restructuring cost represents restructuring of Ice Cream business.

Current		
Pakistan	401,294	400,163
Azad Kashmir	11,445	15,000

Prior years-Pakistan	412,739	415,163
	--	(2,002)
	-----	-----
Deferred	412,739	413,161
	(10,858)	(2,497)
	-----	-----
	401,881	410,664
	=====	=====

35. BASIC EARNINGS PER SHARE

Profit after taxation attributable to ordinary shareholders	793,888	775,836
Number of ordinary shares issued and subscribed at the end of the period	13,294	13,294
	=====	=====
Basic earnings per share	Rs. 59.72	Rs. 58.36
	=====	=====

36. ASSOCIATED UNDERTAKINGS

The aggregate amount of the Group's purchases from the associate undertakings of goods during the year amounted to Rs.3.6 billion (1998: Rs. 6.2 billion).

37. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

(a) The aggregate amounts charged in the accounts of the year for remuneration including all benefits to directors, chief executives and executives of the Company are as follows:

	Directors	Chief Executives		Executives	
		Year ended December 31, 1999	Year ended December 31, 1998	Year ended December 31, 1999	Year ended December 31, 1998
		(Rupees in thousand)			
Managerial remuneration and allowances	7,731	9,309	5,342	5,982	280,799
Retirement benefits	899	764	--	--	109,632
Rent and utilities	3,425	3,714	1,843	1,868	114,864
Leave passage	--	787	--	110	--
Medical expenses	198	26	78	24	6,989
Severance payment	5,750	--	--	--	7,750
Other expenses	694	260	169	--	3,917
	-----	-----	-----	-----	-----
	18,697	14,860	7,432	7,984	516,201
	=====	=====	=====	=====	=====
Number of persons	4	2	2	1	740
	=====	=====	=====	=====	=====

(b) The directors, chief executive and certain executives of the company are provided with free use of cars and household equipments.

(c) Aggregate amount charged in these accounts for the year for fee to 6 non-executive directors was Rs. 12 thousand (1998:8 non - executive directors Rs 16 thousand).

(d) Uptil December 31, 1998, the Company was making accruals in respect of unavailed leaves by the full-time working directors and executives. From the current year the policy of carrying forward accumulated leave balance was discontinued and accordingly the leave balances were encashed. The total compensation for unavailed leaves paid to directors and executives during the year amounted to Rs 0.548 million and 48.778 million respectively.

38. CAPACITY

	Annual Capacity 1999	1998	Actual production		Remarks
			Year ended December 31, 1999	Eighteen months ended December 31, 1998	
	Metric Tons				
Own manufacture					
Edible fats and oils	80,000	80,000	62,043	101,063	See note below
Detergents and personal Products	78,445	71,500	57,887	96,592	"
Beverages	74,310	119,000	36,557	57,836	"
	Million Litres				
Ice Cream	33	37	18	20	"

The actual production is lower on account of maintenance shutdown and lower sales volume.

39. FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

	Interest / Mark-up bearing			N on-interest bearing		Sub-total	Total
	Maturity upto one year	Maturity after one year	Sub- total	Maturity upto one year	Maturity after one year		
	(Rupees in thousand)			(Rupees in thousand)			
Investments	--	--	--	--	200	200	200
Loans to employees	--	--	--	28,074	32,800	60,874	60,874

Deposits	--	--	--	1,609	8,470	10,079	10,079
Trade debts	--	--	--	230,069	--	230,069	230,069
Other receivables	--	--	--	32,168	--	32,168	32,168
Cash and bank balances	--	--	--	116,670	--	116,670	116,670
	-----	-----	-----	-----	-----	-----	-----
	=====	=====	=====	=====	=====	=====	=====
FINANCIAL LIABILITIES							
Running finance under mark-up arrangements	626,399	--	626,399	--	--	--	626,399
Long term Loan	--	300,000	300,000	--	--	--	300,000
Liabilities against assets subject to finance lease	3,796	2,870	6,666	--	--	--	6,666
Creditors, accrued and other liabilities	--	--	--	3,333,030	--	3,333,030	3,333,030
	-----	-----	-----	-----	-----	-----	-----
	=====	=====	=====	=====	=====	=====	=====
	630,195	302,870	933,065	3,333,030	--	3,333,030	4,266,095
	=====	=====	=====	=====	=====	=====	=====
OFF BALANCE SHEET ITEMS- Financial Commitments							
Open letters of credit	--	--	--	1,263,099	--	1,263,099	1,263,099
	=====	=====	=====	=====	=====	=====	=====

(ii) Concentration of credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted. Out of the total financial assets of Rs. 450,060 million, the financial assets which are subject to credit risk amounted to Rs. 290,943 million. The Group believes that it is not exposed to major concentration of credit risk. To manage exposure to credit risk, the Group applies credit limits to their customers and also obtains collaterals.

(iii) Foreign Exchange Risk Management

Foreign currency risk arises mainly where payables exist due to the transactions with foreign undertakings, especially associated companies. Payables exposed to foreign currency risks are covered through forward foreign exchange contracts.

(iv) Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Eighteen
months ended
December 31,
1999
December 31,
1998
(Rupees in thousand)

40. CASH GENERATED FROM OPERATIONS

Profit before taxation	1,196,008	1,186,738
Add / (less) adjustment for non cash charges and other items		
Depreciation	245,443	324,930
(Profit) on sale of fixed assets	(4,453)	(15,543)
Dividend income	(12)	(12)
Provision for staff retirement benefits	94,301	43,932
Return on short term investments and deposits	(9,903)	(26,794)
Financial expenses	247,456	301,654
	-----	-----
	572,832	628,167
	-----	-----
Profit before working capital changes	1,768,840	1,814,905

EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES

(Increase)/decrease in current assets		
Stores and spares	(35,340)	12,372
Stock in trade	1,152,578	(1,367,769)
Trade debts	19,143	(56,535)
Loans and advances	29,112	(34,684)
Trade deposits and short-term prepayments	(13,024)	3,487
Other receivables	(96,675)	(12,129)
	-----	-----
	1,055,794	(1,455,258)
Increase/(decrease) in current liabilities		
Creditors, accrued and other liabilities	393,237	357,890
	-----	-----
	1,449,031	(1,097,368)
	-----	-----
	3,217,871	717,537
	=====	=====

41. CASH AND CASH EQUIVALENTS

116,670	96,283
(626,399)	(2,072,099)
-----	-----
(509,729)	(1,975,816)
=====	=====

42. NUMBER OF EMPLOYEES

Number of employees as at December 31	2,787	2,947
	=====	=====

43. DETAILS OF FIXED ASSETS DISPOSALS

Disposals of fixed assets to all directors, executives and other persons having net book value Rs. 5,000 or above are as follows:

	<i>Cost or revaluation</i> (Rupees in thousand)	<i>Accumulated Depreciation</i>	<i>Book value</i>	<i>Sale proceeds</i>	<i>Mode of disposal</i>	<i>Particulars of Purchaser</i>	
Electrical & mechanical equipment	22	9	13	1	Company Scheme	Mr. Ansar Quzi	Executive
	23	10	13	1	"	Mr. Ansar Quzi	"
	27	7	20	19	"	Mr. Ansar Quzi	"
	26	15	11	5	"	Mr. Irtiza Husain	"
	21	11	10	1	"	Mr. Irtiza Husain	"
	30	13	17	12	"	Mr. Shabbaz A. Tahir	"
	6	3	3	4	"	Dr. Aruna Bandaranayke	Ex-Director
	66	24	42	38	"	Mr. Mashkoor Alam	"
	22	10	12	6	Negotiation	Ali Mohd & Sons Chandan Appts. Mansfield Street, Karachi	
	21	15	6	6			
	22	10	12	6			
Furniture & Fittings	6	3	3	3	Company Scheme	Dr. Aruna Bandaranayke	Ex-Director
	6	3	3	3	"	"	"
	12	7	5	5	"	"	"
	30	16	14	5	"	"	"
	11	5	6	6	"	"	"
	16	4	12	12	"	"	"
	5	1	4	4	"	Mrs. Amali	Executive
	6	2	4	5	"	"	"
	58	12	46	50	"	Mrs. Amali	Executive
	30	6	24	25			
Motor Vehicles	580	580	90	90	"	Mr. K. N. Saeed	"
	529	99	430	525	"	Mr. Kamran	"
	699	481	218	376	"	Mr. Sohail Ansar	"
	529	132	397	435	"	Mr. Aly Mustansar	"
	1,420	1,420	213	213	"	Mr. G. H. Chaudry	"
	529	165	364	405	"	Mr. Hussain Jaffer	"
	53	23	30	30	"	Mr. I. A. Khan	Ex-Executive
	550	231	319	403	"	Mr. Ijaz A. Sheikh	Executive
	967	967	145	145	"	Mr. Jamil Rashid	"
	29	26	3	165	"	Mr. M. Talib Mirza	"
	400	400	20	20	"	Mr. Mahfooz Ahmed	"
	7,250	1,359	5,891	300	"	Mr. Mashkoor Alam	Ex-Director
	9	6	3	119	"	Mr. Mumtaz Alam Khan	Executive
	652	489	163	326	"	Mr. Musqadar Husain	"
	895	895	--	134	"	Mr. Noman Shirazee	"
	280	70	210	238	"	Mr. S. L. A. Qadri	"
	2	2	--	1	"	Mr. Salman Baig	"
	368	138	230	295	"	Mr. Shariq Suri	"
	13	13	--	40	"	Mr. Waheeb Akhtar Malik	"
	906	906	--	136	"	Ms. Uzma Aslam	"
Motor Vehicles	249	15	234	246	Insurance Claim	Commercial Union Assurance Co. Ple CU Building, M.T. Khan Road, Karachi	
	293	18	275	292	"	"	
	949	296	653	947	"	"	
	393	25	368	389	"	"	
	1,480	648	832	1,087	"	"	
	247	31	216	246	"	"	
	249	32	217	247	"	"	
	250	48	202	245	"	"	
	59	22	37	49	"	Guardian Insurance P&O Plaza, 11. Chundrigar Road, Karachi	
	61	31	30	49	"	"	
	61	42	19	78	"	"	
	61	42	19	78	"	"	
	61	42	19	49	"	"	
	48	36	12	230	Negotiation	Four Star (Pvt) Limited Chowk Farooq-e-Azam Wandala Road, Shabdara, Lahore	
	48	36	12	230	"	"	
	63	12	51	600	Negotiation	M/s TSD (Pvt) Limited 3 - Ground Floor, Karachi Dockyard Building West Wharf Road, Karachi.	
	66	4	62	380	"	Shah Enterprises Jinnah Road, Opp. Kashmir United Ghee Mills, Amin Town, Faisalabad	
	42	36	6	462	Tender	Mr. Sajid Khan	

		Garden West, Karachi				
	75	64	11	87	"	Mr. Shabbir Ahmed Qasba Colony, Karachi
Plant and machinery	18	11	7	6	Company Scheme	Mr. Mehmood Aziz Ex-Executive
	18	11	7	6	"	"
	9	4	5	4	"	"
	19	13	6	6	"	"
	24	11	13	13	"	Mr. M. Saleem Aslam
	24	4	20	20	"	"
	3	1	2	1	"	Mr. Fazal Elahi
	21	10	11	10	"	"
	185	170	15	8	Negotiation	Mr. M. Safdar Shabdara Lahore
	99	78	21	8	"	"
	12	3	9	1	"	Mr. Akhtar Kabaria Main Bazar Chowk Sharqpur Tehsil Ferozwala Lahore
	39	33	6	2	"	"
	11	3	8	1	"	"
Plant and machinery	136	127	9	6	Negotiation	Mr. Iqbal, New Karachi, Karachi.
	152	134	18	7	"	"
	102	83	19	5	"	"
	100	93	7	7	"	Mr. Aziz Kabaria Main Bazar Chowk Sharqpur Tehsil Ferozwala Lahore
	59	51	8	3	"	"
	12	4	8	5	"	"
	135	126	9	79	"	Rajab Marketing Services 606, 608 Business Centre, I.I. Chundrigar Road, Karachi
	23	14	9	1	Tender	Mr. M. Saleem Millat Road, Rahim Yar Khan
	43	29	14	7	"	"
	32	15	17	1	"	"
	20	17	3	2	"	"
	18	11	7	5	"	Mr. A. Hakim Khan Executive
	19	14	5	5	"	"
	13	11	2	5	"	"
	28	22	6	1	Tender	M/s Manzoor Ahmed, Lohar Market, Rahim Yar Khan
	552	529	23	26	"	"
	390	373	17	18	"	"
	19	14	5	1	"	"
	18	12	6	3	"	Mr. Abdul Rauf Modern Refrigeration, SH Road, Rahim Yar Khan
	18	11	7	8	"	"
	18	12	6	3	"	"
	19	14	5	3	"	"
	19	14	5	3	"	"
	5,114	2,352	2,762	134	"	Amanat Ali Scrap Merchant Farooqia Mosque, Near Arif Chowk Paki Thathi, Samanabad, Lahore
	56	40	16	16	"	M/s M. Naseem Aslam C/o M. Aslam, Rahim Yar Khan
	19	14	5	9	"	Mr. Ali Akbar T. No. 1066, R.F.
	212	176	36	206	"	Mr. Ali Mohammad PIB Colony, Karachi
	19	14	5	6	"	Mr. Ghulam Qadir T. No. 1815, R.F.

44. CORRESPONDING FIGURES

Corresponding figures have been rearranged, where necessary for the purposes of comparison.

JEAN-MARC DELPON DE VAUX
Chairman & Chief Executive

SYED BABAR ALI