



**ANNUAL REPORT 2015**  
Unilever Pakistan Limited



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# **Company Information**

## **Board of Directors**

Ms. Shazia Syed  
Chairperson & Chief Executive

Mr. Ali Tariq  
Director & CFO

Mr. Amir R. Paracha  
Director

Mr. Amar Naseer  
Director

## **Company Secretary**

Mr. Amar Naseer

## **Registered Office**

Avari Plaza  
Fatima Jinnah Road  
Karachi – 75530

## **Auditors**

Messrs KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2  
Beaumont Road, Karachi - 75530  
Pakistan.

## **Share Registration Office**

M/s THK Associates (Pvt) Limited  
2<sup>nd</sup> Floor, State Life Building - 3  
Dr. Ziauddin Ahmed Road  
Karachi - 75530.

## **Website Address**

[www.unilever.pk](http://www.unilever.pk)



# Directors' Report

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\* اُردو کے لیے آخری صفحات ملاحظہ فرمائیے۔

# Summary of Business Performance

The directors present the 2015 Annual Report together with audited financial statements of the Company for the year ended December 31, 2015.

In a challenging economic and operational environment, sales grew by 6.5%, ahead of inflation. This was led by double digit growth in Tea and Ice Cream businesses, attributed to healthy volume led growth in Ice Cream and significant price increases taken in Tea to offset commodity inflation in the Kenyan tea market. Growth in other categories have been broad based and primarily volume led. The business continued to invest strategically behind key brands with spend of 11.5% of Sales. Profit after tax grew by 23.2%.

## Key Financial Highlights

|                        | 2015              | 2014   |
|------------------------|-------------------|--------|
|                        | Rupees in million |        |
| Sales                  | <b>69,976</b>     | 65,705 |
| Gross Profit           | <b>29,449</b>     | 26,424 |
| Profit from Operations | <b>11,992</b>     | 9,400  |
| Profit before tax      | <b>11,605</b>     | 9,019  |
| Profit after tax       | <b>7,766</b>      | 6,302  |
| <hr/>                  |                   |        |
| EPS (Rs.)              | 584               | 474    |

## Dividend

The Board of Directors has recommended a final cash dividend of Rs. 163.00 per share. With the interim dividend of Rs. 423.00 per share already paid during the year, the total dividend for the year 2015 amounts to Rs. 586.00 (2014: Rs. 473.28) per ordinary share of Rs. 50 each. Total profit distributed by way of dividend amounts to 100% (2014: 100%).

## Our People

In 2015, AC Nielsen rated the Company as the No.1 Employer of Choice, a position it has now held for the 8<sup>th</sup> consecutive year. The Company leverages the global Unilever network to develop talent in Marketing, Sales, Supply Chain, Finance and Human Resource

Management through E-learning and other Instructor-led programmes. Personal development is facilitated by empowering the people with bigger roles and challenging assignments, as well as through coaching, mentoring and a robust appraisal system.

Diversity is at the heart of the agenda with women being employed in various roles across the business. We encourage our employees to work from agile locations and avail flexi-work hours. The Unilever Day Care Centre started in 2003 and has been expanded since then to facilitate working parents. We have also revised the maternity leave policy by extending it to 6 months, fully paid. Simultaneously, we have also introduced a maternity and paternity support portal which employees are encouraged to utilize in order to manage their work-life balance when going through this crucial family planning stage. In 2015, Unilever initiated a programme for women on a career break to re-enter the professional world through a platform called Career By Choice (CBC). This platform enables women to make valuable contributions to business and manage their domestic responsibilities effectively by working part-time and through flexible working hours.

Our focus on encouraging personal vitality includes initiatives such as vitality health passport requiring annual check-up, gym facility and healthy eating options at the workplace.

## Community Involvement

Unilever Pakistan Limited works towards establishing high standards of corporate behaviour as a means of ensuring long term success. The basis of this is formed by the Unilever Sustainable Living Plan, which enables us to successfully achieve our ambitious sustainability targets. These ambitions are further put into action through the Unilever Foundation. The Unilever Foundation functions globally to help achieve our ambitious goals of helping one billion people improve their health and well-being and in turn, create a sustainable and bright future with our global partners. Unilever Pakistan works with both local and global partners in order to execute its sustainability agenda.

The Unilever Sustainable Living Plan (USLP) sets out to decouple our growth from our environmental impact, while at the same time increasing our positive social impact.

In order to realize sustainable growth, sustainability is integrated into our business strategy, brands and innovation. We also work with our consumers, customers and suppliers, engaging employees and foster new partnerships and collaborations to ensure a bright future for our business and future generations.

During 2015, our main initiatives included:

i. Corporate Philanthropy: Rs. 6.8 million

- a) Making quality primary education accessible to the lesser privileged by supporting:
- 1) The Citizens Foundation (TCF) schools
  - 2) Government schools through Public Private Partnerships
- b) Unilever Pakistan worked with the WWF to execute a tree plantation campaign with employee volunteers in Karachi as a means of countering the severe heat waves that are expected to affect the city in coming years. In addition, Unilever Pakistan also continued to support WWF by renewing our corporate membership.

ii. Community Investment and Welfare Schemes: Rs. 177.1 million

- a) Lifebuoy continued to teach children the importance of washing their hands with soap on the five key occasions through its school programme as part of a DFID (Department for International Development, UK) funded WASH programme. The programme was carried out through a consortium of NGO's which included Plan Pakistan and WaterAid. Lifebuoy partnered with JHPIEGO to adopt 31 neo-natal clinics in Sindh with the intent to teach new mothers the importance of handwashing with soap before touching the child.

Lifebuoy also adopted Rahim Charan, a village in Thatta, with one of the highest rates of infant mortality in Pakistan, conducting the following activities there:

- Opened a maternity clinic
- Started a school programme
- Deployed hand pumps for easy access of water

- b) Pond's continued the Miracle Journey in 2015 for the second year to celebrate the personal and professional lives of a hundred women. Pond's also partnered with the Shaukat Khanum Hospital to raise awareness about breast cancer amongst women, and collaborate with Shamain Faruque to give free skin care consultation to girls who wouldn't normally have access to expert advice.

- c) Fair & Lovely (FAL) Foundation continued its drive to create equal opportunities for women in education and career by providing Scholarships, Vocational Training and Business capital. In its first year, the FAL Foundation in Pakistan had over a 1000 applicants, of which nearly a hundred women were interviewed and mentored for the final round.

- d) Pureit continued its efforts to provide access to safe drinking water through its water purification device to thousands of people.

- e) Supreme Tea continued to support the medical dispensary set up by the brand in 2012 in Khanewal for community health care. In addition, the brand also became a key partner for the Perfect Village initiative that aims to enable wider access in the rural space.

- f) Blue Band continued its school programme in 2015, educating students on healthy eating habits across Pakistan, while landing its new proposition of physical and mental development.

- g) Wall's enhanced livelihoods of 3,486 men across the country through the Wall's trikes.

- h) The Guddi Baaji programme continued to provide rural women with vocational training and basic management skills engaging an additional 500 women in 2015 as Unilever Brand Ambassadors in their villages.

- i) Rahbar, our small scale distributor programme launched in 2011, provides rural men employment opportunities and added them to the Unilever distribution channel, which also continued to grow.

iii. Other Initiatives: Rs. 4.9 million

- a) Unilever Talent Hunt encouraged over five thousand under-graduate students nationwide to explore their potential and present their skills.

- b) In 2015, we continued our effort to help partners increase annual donations through Ramazan Zakat drives in Karachi, Lahore and Islamabad. These partners included The Citizens Foundation, Aga Khan University Hospital, Layton Rahmatullah Benevolent Trust, The Kidney Centre and SIUT by managing billboards.
- c) Last year we continued our partnership with Naya Jeevan to encourage third party service providers as well as distributors to provide health insurance to their personnel and sales representatives.

## Employee Involvement

Our people share our commitment towards ensuring sustainable development, which is evident through the support received from them during multiple volunteer programmes held throughout the year.

Employees contributed to various organisations through out the year in the form of monetary support, skill development and volunteering time. In 2015 alone, employees contributed over Rs. 1.8 million through the Employee Payroll Programme to support quality education through The Citizens Foundation, child cardiac surgeries through Aga Khan University Hospital and provided meals to children through the UN World Food Programme.

Another key driver for employee volunteerism in 2015 was the initiative to counter the heatwave that had affected the city during the summer. Employees participated in a relief drive to provide basic necessities to help hundreds of heat stroke patients coming to the city's premier public hospital. In addition, employees also participated in a corporate drive to plant over 2,000 trees across various parts of the city as a means of reducing the intensity of heatwaves in the future.

Employees also participated in an awareness drive as part of the Global Handwashing Day activities to help new mothers inculcate the habit of handwashing with soap before touching their child.

Our employees spent time with TCF students for career counselling and the Rahbar programme. Employees also visited schools to engage girls in self-esteem discussions under the Dove self-esteem platform.

## Investments in Retirement Benefits

The investments made by the staff retirement funds operated by the Company as per their financial statements as at December 31, 2015 are as follows:

|   | Rs. in million |
|---|----------------|
| The Union Pakistan Provident Fund           | 1,111          |
| DC Pension Fund                             | 987            |
| Unilever Pension Plan                       | 138            |
| Unilever Gratuity Plan                      | 7              |
| Unilever Non Management Staff Gratuity Fund | 77             |
| <b>Total</b>                                | <b>2,320</b>   |
| Total – 2014                                | 2,301          |

## Directors

The election of Directors was held at the AGM of 2014. The term of the present Directors will expire on April 18, 2017.

## Subsidiary Companies and Consolidated Financial Statements

The consolidated financial statements of the Unilever group comprising the Company and its subsidiaries M/s Lever Chemicals (Pvt.) Limited, M/s Lever Associated Pakistan Trust (Pvt.) Limited and M/s Sadiq (Pvt.) Limited, have not been included in view of exemption granted by the Securities & Exchange Commission of Pakistan (the SECP) vide its letter No. CLD/CCD/Co.237/01/2007-1809 dated July 07, 2015 from the requirement of Section 237 of the Companies Ordinance, 1984 (the Ordinance). None had any significant or material business transactions during the year.

## Holding Company

Through its wholly owned subsidiary, Unilever Overseas Holdings Limited (UOHL), UK, Unilever PLC, a company incorporated in the United Kingdom, is the holding company, owning 99.05% of the shares in Unilever Pakistan Limited.

## Auditors

The Auditors, KPMG Taseer Hadi & Co., Chartered Accountants, were appointed for the year ending December 31, 2015.

The Board has recommended the appointment of KPMG Taseer Hadi & Co., as the Auditors of the Company for the year 2016, for the Shareholders' approval at the next AGM to be held on April 13, 2016.

## Reserve Appropriations

|  | Share Capital                          | Reserves  |                |                       | Total            |                  |
|--|--|---|----------------|-----------------------|------------------|------------------|
|  | Issued, subscribed and paid up capital | Capital   |                | Revenue               | Sub Total        |                  |
|  |  | Arising under schemes of arrangements for amalgamations | Contingency    | Unappropriated profit |                  |                  |
|  | ← (Rupees in thousand) →               |   |                |                       |                  |                  |
| Balance as at January 1, 2014                                      | 669,477                                | 70,929  | 321,471        | 1,996,093             | 2,388,493        | 3,057,970        |
| Total comprehensive income for the year ended December 31, 2014    |  |   |                |                       |                  |                  |
| - Profit for the year ended December 31, 2014                      | -                                      | -   | -              | 6,302,101             | 6,302,101        | 6,302,101        |
| - Other comprehensive income for the year ended December 31, 2014  | -                                      | -   | -              | (10,330)              | (10,330)         | (10,330)         |
|  | -                                      | -   | -              | 6,291,771             | 6,291,771        | 6,291,771        |
| Transactions with owners of the Company                            |  |   |                |                       |                  |                  |
| Dividend for the year ended December 31, 2013                      |  |   |                |                       |                  |                  |
| - On cumulative preference shares @ 5% per share                   | -                                      | -   | -              | (239)                 | (239)            | (239)            |
| - Final dividend on ordinary shares @ Rs. 116.09 per share         | -                                      | -   | -              | (1,543,285)           | (1,543,285)      | (1,543,285)      |
| Dividend for the year ended December 31, 2014                      |  |   |                |                       |                  |                  |
| - First interim dividend on ordinary shares @ Rs. 346.00 per share | -                                      | -   | -              | (4,599,679)           | (4,599,679)      | (4,599,679)      |
| Balance as at December 31, 2014                                    | 669,477                                | 70,929  | 321,471        | 2,144,661             | 2,537,061        | 3,206,538        |
| Total comprehensive income for the year ended December 31, 2015    |  |   |                |                       |                  |                  |
| - Profit for the year ended December 31, 2015                      | -                                      | -   | -              | 7,765,777             | 7,765,777        | 7,765,777        |
| - Other comprehensive income for the year ended December 31, 2015  | -                                      | -   | -              | 22,076                | 22,076           | 22,076           |
|  | -                                      | -   | -              | 7,787,853             | 7,787,853        | 7,787,853        |
| Transactions with owners of the Company                            |  |   |                |                       |                  |                  |
| Dividend for the year ended December 31, 2014                      |  |   |                |                       |                  |                  |
| - On cumulative preference shares @ 5% per share                   | -                                      | -   | -              | (239)                 | (239)            | (239)            |
| - Final dividend on ordinary shares @ Rs. 127.28 per share         | -                                      | -   | -              | (1,692,044)           | (1,692,044)      | (1,692,044)      |
| Dividend for the year ended December 31, 2015                      |  |   |                |                       |                  |                  |
| - First interim dividend on ordinary shares @ Rs. 423.00 per share | -                                      | -   | -              | (5,623,307)           | (5,623,307)      | (5,623,307)      |
| <b>Balance as at December 31, 2015</b>                             | <b>669,477</b>                         | <b>70,929</b>   | <b>321,471</b> | <b>2,616,924</b>      | <b>3,009,324</b> | <b>3,678,801</b> |

## Acknowledgement

Our people are the key driver of sustained growth. The directors acknowledge their valuable contribution. We would also like to express thanks to our consumers and customers for the trust shown in our brands. We are also grateful to our shareholders for their support and confidence in our management.

Amidst these challenges, our strength lies in strong brand equities, innovative products, research and development capability and global expertise. Our aim is to continue to provide better value to consumers. To achieve this, we will continue to attract, develop and retain the best talent in the country.

On behalf of the Board

## Business Risk and Future Outlook

Operating environment remains challenging. Economic conditions, counterfeits and evasion of taxes, especially in the tea category, continue to pose a threat.

Karachi  
March 4, 2016

**Shazia Syed**  
Chairperson & Chief Executive



# Performance Indicators for 6 years

|  | 2015     | 2014     | 2013     | 2012     | 2011     | 2010     |
|--|----------|----------|----------|----------|----------|----------|
| ← (Rupees in million) →                          |          |          |          |          |          |          |
| <b>FINANCIAL POSITION</b>                        |          |          |          |          |          |          |
| <b>Balance Sheet</b>                             |          |          |          |          |          |          |
| Property, plant and equipment                    | 10,695   | 9,180    | 7,865    | 7,226    | 5,717    | 4,897    |
| Other non-current assets                         | 1,272    | 1,645    | 2,052    | 1,356    | 1,530    | 1,177    |
| Current assets                                   | 17,761   | 17,021   | 12,087   | 9,855    | 8,619    | 7,427    |
| Total assets                                     | 29,728   | 27,846   | 22,004   | 18,437   | 15,866   | 13,501   |
| Share capital - ordinary                         | 664      | 664      | 664      | 664      | 664      | 664      |
| Share capital - preference                       | 5        | 5        | 5        | 5        | 5        | 5        |
| Reserves   | 3,010    | 2,537    | 2,389    | 4,608    | 3,404    | 2,891    |
| Total equity                                     | 3,679    | 3,206    | 3,058    | 5,277    | 4,073    | 3,560    |
| Surplus on revaluation of fixed assets           | -        | -        | -        | -        | 12       | 12       |
| Non-current liabilities                          | 864      | 776      | 912      | 1,093    | 835      | 955      |
| Current liabilities                              | 25,185   | 23,874   | 18,034   | 12,067   | 10,946   | 8,974    |
| Total liabilities                                | 26,049   | 24,650   | 18,946   | 13,160   | 11,781   | 9,929    |
| Total equity and liabilities                     | 29,728   | 27,856   | 22,004   | 18,437   | 15,866   | 13,501   |
| Net current (liabilities) / assets               | (7,424)  | (6,853)  | (5,947)  | (2,212)  | (2,327)  | (1,547)  |
| <b>OPERATING AND FINANCIAL TRENDS</b>            |          |          |          |          |          |          |
| <b>Profit and Loss</b>                           |          |          |          |          |          |          |
| Net sales  | 69,976   | 65,705   | 60,535   | 59,741   | 51,876   | 44,672   |
| Cost of sales                                    | (40,527) | (39,281) | (36,114) | (38,068) | (33,792) | (30,094) |
| Gross profit                                     | 29,449   | 26,424   | 24,422   | 21,673   | 18,084   | 14,577   |
| Operating profit                                 | 11,992   | 9,400    | 9,223    | 8,495    | 6,456    | 5,060    |
| Profit before tax                                | 11,605   | 9,019    | 8,905    | 8,065    | 5,925    | 4,780    |
| Profit after tax                                 | 7,766    | 6,302    | 6,117    | 5,502    | 4,094    | 3,273    |
| Cash ordinary dividends*                         | 7,788    | 6,292    | 6,068    | 5,490    | 4,081    | 3,270    |
| Capital expenditure                              | 2,556    | 2,464    | 1,548    | 2,190    | 2,023    | 921      |
| <b>Cash Flows</b>                                |          |          |          |          |          |          |
| Operating activities                             | 9,743    | 10,055   | 11,053   | 6,338    | 4,659    | 6,182    |
| Investing activities                             | (1,984)  | (2,054)  | (1,466)  | (2,028)  | (1,948)  | (885)    |
| Financing activities                             | (6,379)  | (4,254)  | (6,080)  | (4,390)  | (3,507)  | (3,038)  |
| Cash and cash equivalents at the end of the year | 9,218    | 7,838    | 4,091    | 586      | 665      | 1,461    |

\* This includes interim and proposed final dividend for the year 2015

# Performance Indicators for 6 years

|  | Unit  | 2015  | 2014  | 2013  | 2012  | 2011 | 2010 |
|--|-------|-------|-------|-------|-------|------|------|
| <b>FINANCIAL RATIOS</b>                |       |       |       |       |       |      |      |
| <b>Profitability Ratios</b>            |       |       |       |       |       |      |      |
| Gross profit margin                    | %     | 42    | 40    | 40    | 36    | 35   | 33   |
| Net profit to sales                    | %     | 11    | 10    | 10    | 9     | 8    | 7    |
| EBITDA Margin to sales                 | %     | 18    | 15    | 16    | 15    | 13   | 12   |
| Operating leverage ratio               | Times | 4.36  | 0.17  | 8.55  | 2.36  | 1.32 | 0.21 |
| Pre tax return on equity               | %     | 315   | 281   | 291   | 153   | 145  | 134  |
| Post tax return on equity              | %     | 211   | 197   | 200   | 104   | 101  | 92   |
| Return on capital employed             | %     | 226   | 201   | 147   | 117   | 103  | 80   |
| <b>Liquidity Ratios</b>                |       |       |       |       |       |      |      |
| Current ratio                          | Times | 0.71  | 0.71  | 0.67  | 0.82  | 0.79 | 0.83 |
| Quick / Acid test ratio                | Times | 0.50  | 0.50  | 0.30  | 0.30  | 0.30 | 0.40 |
| Cash to current liabilities            | Times | 0.37  | 0.33  | 0.25  | 0.05  | 0.09 | 0.20 |
| Cashflow from operations to sales      | Times | 0.14  | 0.15  | 0.18  | 0.11  | 0.09 | 0.14 |
| <b>Capital Efficiency Ratios</b>       |       |       |       |       |       |      |      |
| Inventory turnover                     | Days  | 45    | 46    | 43    | 59    | 49   | 46   |
| Debtors turnover                       | Days  | 7     | 5     | 5     | 6     | 5    | 4    |
| Creditors turnover ratio               | Days  | (218) | (213) | (170) | (108) | (98) | (84) |
| Total assets turnover                  | %     | 235   | 236   | 278   | 324   | 327  | 331  |
| Property, plant and equipment turnover | Times | 7     | 7     | 8     | 8     | 9    | 9    |
| Operating cycle                        | Days  | (166) | (162) | (122) | (43)  | (44) | (34) |
| <b>Investment / Market Ratios</b>      |       |       |       |       |       |      |      |
| Earnings per share (EPS)               | Rs.   | 584   | 474   | 460   | 413   | 308  | 246  |
| Dividend payout ratio - earnings       | Times | 1.00  | 1.00  | 0.99  | 1.00  | 1.00 | 1.00 |
| Dividend payout ratio - par value      | Times | 11.72 | 9.47  | 9.14  | 8.26  | 6.14 | 4.92 |
| Dividend cover ratio                   | Times | 1.00  | 1.00  | 1.01  | 1.00  | 1.00 | 1.00 |
| Cash dividend                          | Rs.   | 586   | 473   | 457   | 413   | 307  | 246  |
| <b>Capital Structure Ratios</b>        |       |       |       |       |       |      |      |
| Financial leverage ratio               | Times | -     | -     | 0.11  | -     | 0.07 | 0.09 |
| Interest cover ratio                   | Times | 72    | 62    | 70    | 130   | 124  | 34   |

# Pattern of Shareholding

as at December 31, 2015

| Number of Shareholders | Shareholding |            | Total Shares Held* |
|------------------------|--------------|------------|--------------------|
|                        | From         | To         |                    |
| 1,477                  | 1            | 100        | 37,247             |
| 189                    | 101          | 500        | 36,339             |
| 26                     | 501          | 1,000      | 18,971             |
| 17                     | 1,001        | 5,000      | 27,086             |
| 1                      | 5,001        | 10,000     | 7,000              |
| 1                      | 13,215,001   | 13,220,000 | 13,215,061         |
| <u>1,711</u>           |              |            | <u>13,341,704</u>  |

| Shareholders' Category                    | Number of Shareholders | Number of Shares Held | Percentage    |
|---|------------------------|-----------------------|---------------|
| Associated Companies and related parties* | 1                      | 13,215,061            | 99.05         |
| Directors, Executives and their spouses*  | 1                      | 123                   | 0.00          |
| ICP/NBP Trustees                          | 3                      | 62                    | 0.00          |
| Banks and Financial Institutions*         | 3                      | 348                   | 0.00          |
| General Public                            |                        |                       |               |
| a. Local*                                 | 1,661                  | 106,825               | 0.80          |
| b. Foreign*                               | 15                     | 10,974                | 0.08          |
| Others                                    | 21                     | 3,915                 | 0.03          |
| Foreign Companies *                       | 6                      | 4,396                 | 0.04          |
| Totals                                    | <u>1,711</u>           | <u>13,341,704</u>     | <u>100.00</u> |

## Shareholders holding 5% or more voting rights:

|                                 | Shares Held | Percentage |
|---------------------------------|-------------|------------|
| Unilever Overseas Holdings Ltd. | 13,215,061  | 99.05      |

\* Includes Voting Preference Shares

# Financial Statements 2015

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# Auditors' Report to the Members

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We have audited the annexed balance sheet of Unilever Pakistan Limited ("the Company") as at 31 December 2015 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.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied except for the change disclosed in note 2.2 (a) with which we concur;
  - 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, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the profit, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

## KPMG Taseer Hadi & Co.

Chartered Accountants

Mohammad Mahmood Hussain

Karachi

Dated: March 4, 2016

# Balance Sheet

as at December 31, 2015

|                                    | Note | 2015<br>← (Rupees in thousand) → | 2014       |
|------------------------------------|------|----------------------------------|------------|
| <b>ASSETS</b>                      |      |                                  |            |
| <b>Non-current assets</b>          |      |                                  |            |
| Property, plant and equipment      | 5    | <b>10,695,123</b>                | 9,179,583  |
| Intangibles - computer software    | 6    | <b>547,882</b>                   | 656,277    |
| Long term investments              | 7    | <b>95,202</b>                    | 95,202     |
| Long term loans                    | 8    | <b>148,904</b>                   | 141,022    |
| Long term deposits and prepayments | 9    | <b>479,779</b>                   | 762,946    |
|                                    |      | <b>11,966,890</b>                | 10,835,030 |
| <b>Current assets</b>              |      |                                  |            |
| Stores and spares                  | 11   | <b>553,225</b>                   | 567,321    |
| Stock in trade                     | 12   | <b>4,549,472</b>                 | 5,012,258  |
| Trade debts                        | 13   | <b>1,323,516</b>                 | 972,405    |
| Sales tax receivable               |      | <b>213,309</b>                   | 147,681    |
| Loans and advances                 | 14   | <b>219,091</b>                   | 260,363    |
| Short term prepayments             | 15   | <b>853,754</b>                   | 924,594    |
| Accrued markup                     |      | -                                | 88,736     |
| Other receivables                  | 16   | <b>99,141</b>                    | 87,240     |
| Taxation-net                       | 17   | <b>712,696</b>                   | 1,104,625  |
| Non-current assets held for sale   | 18   | <b>18,096</b>                    | 18,096     |
| Cash and bank balances             | 19   | <b>9,218,321</b>                 | 7,837,837  |
|                                    |      | <b>17,760,621</b>                | 17,021,156 |
| <b>Total assets</b>                |      | <b>29,727,511</b>                | 27,856,186 |

# Balance Sheet

as at December 31, 2015

|                                      | Note | 2015<br>(Rupees in thousand) | 2014       |
|--------------------------------------|------|------------------------------|------------|
| <b>EQUITY AND LIABILITIES</b>        |      |                              |            |
| <b>Share capital and reserves</b>    |      |                              |            |
| Share capital                        | 20   | 669,477                      | 669,477    |
| Reserves                             | 21   | 3,009,324                    | 2,537,061  |
|                                      |      | <b>3,678,801</b>             | 3,206,538  |
| <b>LIABILITIES</b>                   |      |                              |            |
| <b>Non-current liabilities</b>       |      |                              |            |
| Deferred taxation                    | 22   | 587,946                      | 475,251    |
| Staff retirement benefits            | 10   | 276,025                      | 300,351    |
|                                      |      | <b>863,971</b>               | 775,602    |
| <b>Current liabilities</b>           |      |                              |            |
| Trade and other payables             | 23   | 24,494,998                   | 23,286,354 |
| Provisions                           | 25   | 689,741                      | 587,692    |
|                                      |      | <b>25,184,739</b>            | 23,874,046 |
| <b>Total liabilities</b>             |      | <b>26,048,710</b>            | 24,649,648 |
| <b>Total equity and liabilities</b>  |      | <b>29,727,511</b>            | 27,856,186 |
| <b>Contingencies and commitments</b> | 26   |                              |            |

The annexed notes 1 to 46 form an integral part of these financial statements.

**Shazia Syed**  
Chairperson and Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

# Profit And Loss Account

for the year ended December 31, 2015

|  | Note | 2015<br>(Rupees in thousand) | 2014         |
|--|------|------------------------------|--------------|
| Sales  | 27   | 69,975,714                   | 65,704,906   |
| Cost of sales  | 28   | (40,526,631)                 | (39,280,878) |
| Gross profit   |      | 29,449,083                   | 26,424,028   |
| Distribution costs   | 29   | (15,455,443)                 | (14,600,308) |
| Administrative expenses  | 30   | (1,993,991)                  | (2,053,572)  |
| Other operating expenses   | 31   | (869,510)                    | (1,300,028)  |
| Other income   | 32   | 861,750                      | 930,116      |
|  |      | 11,991,889                   | 9,400,236    |
| Finance cost   | 33   | (386,455)                    | (381,287)    |
| Profit before taxation   |      | 11,605,434                   | 9,018,949    |
| Taxation   | 34   | (3,839,657)                  | (2,716,848)  |
| Profit after taxation  |      | 7,765,777                    | 6,302,101    |
| Other comprehensive income:  |      |                              |              |
| <b>Items that will not be reclassified to Profit or Loss</b>           |      |                              |              |
| Gain / (Loss) on remeasurements of post employment benefit obligations | 10   | 31,537                       | (15,893)     |
| Impact of deferred tax   |      | (9,461)                      | 5,563        |
|  |      | 22,076                       | (10,330)     |
| <b>Items that may be subsequently reclassified to Profit or Loss</b>   |      | -                            | -            |
| Total comprehensive income   |      | 7,787,853                    | 6,291,771    |

The annexed notes 1 to 46 form an integral part of these financial statements.

**Shazia Syed**

Chairperson and Chief Executive

**Ali Tariq**

Director and Chief Financial Officer



# Cash Flow Statement

for the year ended December 31, 2015

|  | 2015                     | 2014       |
|--|--------------------------|------------|
|  | ← (Rupees in thousand) → |            |
| <b>Cash flows from operating activities</b>                |                          |            |
| Profit before taxation                                     | <b>11,605,434</b>        | 9,018,949  |
| Adjustments for non-cash charges and other items           |                          |            |
| Depreciation   | <b>1,038,782</b>         | 862,770    |
| Amortisation of intangible - computer software             | <b>108,395</b>           | 107,723    |
| (Gain) / loss on disposal of property, plant and equipment | <b>(201,855)</b>         | 20,300     |
| Dividend income  | <b>(12)</b>              | (12)       |
| Mark-up on short term borrowings                           | <b>165,565</b>           | 151,753    |
| (Reversal) / provision for fixed assets to be written off  | <b>(12,564)</b>          | 215,795    |
| Provision / (reversal) for staff retirement benefits       | <b>39,081</b>            | (31,414)   |
| Return on savings accounts                                 | <b>(267,594)</b>         | (469,802)  |
|  | <b>869,798</b>           | 857,113    |
|  | <b>12,475,232</b>        | 9,876,062  |
| <b>Effect on cash flows due to working capital changes</b> |                          |            |
| (Increase) / decrease in current assets                    |                          |            |
| Stores and spares  | <b>14,096</b>            | (39,110)   |
| Stock in trade   | <b>462,786</b>           | (676,949)  |
| Trade debts  | <b>(351,111)</b>         | (116,634)  |
| Sales tax receivable                                       | <b>(65,628)</b>          | (147,681)  |
| Loans and advances   | <b>41,272</b>            | (110,318)  |
| Short term prepayments                                     | <b>70,840</b>            | 62,679     |
| Other receivables  | <b>(11,901)</b>          | 79,893     |
|  | <b>160,354</b>           | (948,120)  |
| Increase / (decrease) in current liabilities               |                          |            |
| Trade and other payables                                   | <b>271,851</b>           | 4,317,499  |
| Provisions   | <b>102,049</b>           | 9,605      |
|  | <b>373,900</b>           | 4,327,104  |
|  | <b>534,254</b>           | 3,378,984  |
| <b>Cash generated from operations (Carried Forward)</b>    | <b>13,009,486</b>        | 13,255,046 |

# Cash Flow Statement

for the year ended December 31, 2015

| Note  | 2015<br>← (Rupees in thousand) → | 2014        |
|---|----------------------------------|-------------|
| <b>Cash generated from operations (Brought Forward)</b> | <b>13,009,486</b>                | 13,255,046  |
| Mark-up on short term borrowings                        | <b>(165,565)</b>                 | (152,704)   |
| Income tax paid   | <b>(3,344,494)</b>               | (3,271,369) |
| Staff retirement benefits- payments                     | <b>(31,870)</b>                  | (23,340)    |
| (Increase) / decrease in long term loans                | <b>(7,882)</b>                   | 14,244      |
| Decrease in long term deposits and prepayments          | <b>283,167</b>                   | 232,838     |
| Net cash from operating activities                      | <b>9,742,842</b>                 | 10,054,715  |
| <b>Cash flows from investing activities</b>             |                                  |             |
| Purchase of property, plant and equipment               | <b>(2,556,083)</b>               | (2,464,115) |
| Proceeds on disposal of property, plant and equipment   | <b>216,180</b>                   | 32,012      |
| Purchase of intangible                                  | <b>-</b>                         | (9,944)     |
| Return on savings accounts                              | <b>356,330</b>                   | 387,847     |
| Dividend received                                       | <b>12</b>                        | 12          |
| Net cash used in investing activities                   | <b>(1,983,561)</b>               | (2,054,188) |
| <b>Cash flows from financing activities</b>             |                                  |             |
| Dividends paid  | <b>(6,378,797)</b>               | (4,253,520) |
| Net increase in cash and cash equivalents               | <b>1,380,484</b>                 | 3,747,007   |
| Cash and cash equivalents at beginning of the year      | <b>7,837,837</b>                 | 4,090,830   |
| Cash and cash equivalents at end of the year            | <b>9,218,321</b>                 | 7,837,837   |

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The annexed notes 1 to 46 form an integral part of these financial statements.

**Shazia Syed**

Chairperson and Chief Executive

**Ali Tariq**

Director and Chief Financial Officer

# Statement of Changes in Equity

for the year ended December 31, 2015

|  | SHARE CAPITAL                          | RESERVES  |                |                       | TOTAL            |                  |
|--|--|---|----------------|-----------------------|------------------|------------------|
|  | Issued, subscribed and paid up capital | CAPITAL   |                | REVENUE               | SUB TOTAL        |                  |
|  |  | Arising under schemes of arrangements for amalgamations | Contingency    | Unappropriated profit |                  |                  |
|  | ← (Rupees in thousand) →               |   |                |                       |                  |                  |
| Balance as at January 1, 2014                                      | 669,477                                | 70,929  | 321,471        | 1,996,093             | 2,388,493        | 3,057,970        |
| Total comprehensive income for the year ended December 31, 2014    |  |   |                |                       |                  |                  |
| - Profit for the year ended December 31, 2014                      | -                                      | -   | -              | 6,302,101             | 6,302,101        | 6,302,101        |
| - Other comprehensive income for the year ended December 31, 2014  | -                                      | -   | -              | (10,330)              | (10,330)         | (10,330)         |
|  | -                                      | -   | -              | 6,291,771             | 6,291,771        | 6,291,771        |
| Transactions with owners of the Company                            |  |   |                |                       |                  |                  |
| Dividend for the year ended December 31, 2013                      |  |   |                |                       |                  |                  |
| - On cumulative preference shares @ 5% per share                   | -                                      | -   | -              | (239)                 | (239)            | (239)            |
| - Final dividend on ordinary shares @ Rs. 116.09 per share         | -                                      | -   | -              | (1,543,285)           | (1,543,285)      | (1,543,285)      |
| Dividend for the year ended December 31, 2014                      |  |   |                |                       |                  |                  |
| - First interim dividend on ordinary shares @ Rs. 346.00 per share | -                                      | -   | -              | (4,599,679)           | (4,599,679)      | (4,599,679)      |
| Balance as at December 31, 2014                                    | 669,477                                | 70,929  | 321,471        | 2,144,661             | 2,537,061        | 3,206,538        |
| Total comprehensive income for the year ended December 31, 2015    |  |   |                |                       |                  |                  |
| - Profit for the year ended December 31, 2015                      | -                                      | -   | -              | 7,765,777             | 7,765,777        | 7,765,777        |
| - Other comprehensive income for the year ended December 31, 2015  | -                                      | -   | -              | 22,076                | 22,076           | 22,076           |
|  | -                                      | -   | -              | 7,787,853             | 7,787,853        | 7,787,853        |
| Transactions with owners of the Company                            |  |   |                |                       |                  |                  |
| Dividend for the year ended December 31, 2014                      |  |   |                |                       |                  |                  |
| - On cumulative preference shares @ 5% per share                   | -                                      | -   | -              | (239)                 | (239)            | (239)            |
| - Final dividend on ordinary shares @ Rs. 127.28 per share         | -                                      | -   | -              | (1,692,044)           | (1,692,044)      | (1,692,044)      |
| Dividend for the year ended December 31, 2015                      |  |   |                |                       |                  |                  |
| - First interim dividend on ordinary shares @ Rs. 423.00 per share | -                                      | -   | -              | (5,623,307)           | (5,623,307)      | (5,623,307)      |
| <b>Balance as at December 31, 2015</b>                             | <b>669,477</b>                         | <b>70,929</b>   | <b>321,471</b> | <b>2,616,924</b>      | <b>3,009,324</b> | <b>3,678,801</b> |

The annexed notes 1 to 46 form an integral part of these financial statements.

**Shazia Syed**  
Chairperson and Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

# Notes to and Forming Part of the Financial Statements

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for the year ended December 31, 2015

## 1. THE COMPANY AND ITS OPERATIONS

Unilever Pakistan Limited ("the Company") is a public unlisted company incorporated in Pakistan under the Companies Ordinance, 1984. The Company manufactures and markets home and personal care products, beverages, ice cream and spreads. The registered office of the Company is situated at Avari Plaza, Fatima Jinnah Road, Karachi.

The Company is a subsidiary of Unilever Overseas Holdings Limited, UK, whereas its ultimate parent company is Unilever PLC, UK.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

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

### 2.2 Changes in accounting standards, interpretations and pronouncements

#### a) Standards, interpretations and amendments to published approved accounting standards which became effective during the year

The following new or amended standards and interpretations became effective during the year which are considered not to be relevant to the Company's financial statements except for IFRS 13 'Fair Value Measurement' (IFRS 13 consolidates the guidance on how to measure fair value, which was spread across various IFRS, into one comprehensive standard. It introduces the use of an exit price, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy. The application of IFRS 13 does not have an impact on fair values except for disclosures which are included in note 18 and 41.2 to these Financial Statements):

- Amendments to IAS 19 'Employee Benefits'
- IFRS 10 'Consolidated Financial Statements'
- IFRS 11 'Joint Arrangements'
- IFRS 12 'Disclosure of Interest in Other Entities'

## **b) Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after January 1, 2016. These are not expected to have a material impact on the financial statements of the Company:

- Amendments to IAS 38 'Intangible Assets'
- Amendments to IFRS 10 'Consolidated Financial Statements and IAS 28'
- Amendments to IFRS 11 'Joint Arrangements'
- Amendment to IAS 27 'Separate Financial Statement'
- Amendment to IAS 16 'Property, Plant and Equipment' and IAS 41 'Agriculture'
- Amendments to IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'
- Amendments to IFRS 7 'Financial Instruments- Disclosures'
- Amendments to IAS 19 'Employee Benefits'
- Amendments to IAS 34 'Interim Financial Reporting'

## **2.3 Measurement basis**

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

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

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Unilever group comprising the Company and its subsidiaries M/s Lever Chemicals (Pvt.) Limited, M/s Lever Associated Pakistan Trust (Pvt.) Limited and M/s Sadiq (Pvt.) Limited, have not been prepared in view of exemption granted by the Securities & Exchange Commission of Pakistan (the SECP) vide its letter No. CLD/CCD/Co.237/01/2007-1809 dated July 7, 2015 from the requirement of Section 237 of the Companies Ordinance, 1984 (the Ordinance).

The principal accounting policies applied in the preparation of these financial statements are set out below.

### **3.1 Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any, except capital work in progress which is stated at cost. Depreciation is calculated using the straight-line method to charge off their cost excluding residual value, if not insignificant, over their estimated useful lives. Depreciation on additions is charged from the month in which asset is available for use and on disposals up to the month of deletion.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Maintenance and normal repairs are charged to income as and when incurred; also individual assets costing up to Rs. 10,000 are charged to income. Major renewals and improvements are capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains and losses on disposal of property, plant and equipment are recognised in the Profit and Loss Account.

### **3.2 Intangible assets**

Intangible assets having definite useful life are stated at cost less accumulated amortisation and impairment, if any. Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

### **3.3 Investments**

All investments are initially measured at cost, which is the fair value of the consideration given. These investments are subsequently measured at fair value, amortised cost or cost, as the case may be.

#### **i. In subsidiaries**

These are stated at cost.

#### **ii. In unlisted entity not being subsidiary**

These are valued at cost and are classified under investment available-for-sale.

### **3.4 Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity.

#### **3.4.1 Current**

Provision for the current taxation is based on taxability of certain income streams of the Company under presumptive tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime, after taking into account tax credits and tax rebates available, if any.

#### **3.4.2 Deferred**

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of assets or liabilities in a transaction that is

not a business combination and that affects neither accounting nor taxable profit at the time of the transaction. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### **3.5 Staff retirement benefits**

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans.

#### **3.5.1 Defined contribution plans**

A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### **i) Provident Fund**

The Company operates an approved contributory provident fund for all employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 6% per annum of the gross salary and 10% of basic salary plus cost of living allowance in respect of management employees and unionised staff respectively.

##### **ii) DC Pension Fund**

The Company has established a defined contribution plan - DC Pension Fund for the following management employees:

- a) permanent employees who joined on or after January 1, 2009; and
- b) permanent employees who joined on or before December 31, 2008 and opted for DC Pension plan in lieu of future benefits under the existing pension, management gratuity and pensioners' medical plans.

Contributions are made by the Company to the plan at the rate of 9% per annum of the base salary.

#### **3.5.2 Defined benefit plans**

Defined benefit plans define an amount of pension or gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by

independent actuary using the Projected Unit Credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The Company operates the following schemes:

- i) Funded pension scheme for management employees of the Company. Contributions are made on the basis of the actuarial valuation. The latest actuarial valuation was carried out as at December 31, 2015, using the 'Projected Unit Credit Method'.
- ii) Funded gratuity scheme for management employees of the Company. Contributions are made on the basis of the actuarial valuation. The latest actuarial valuation was carried out as at December 31, 2015, using the 'Projected Unit Credit Method'.
- iii) Funded gratuity scheme for non-management employees of the Company. Contributions are made on the basis of the actuarial valuation. The latest actuarial valuation was carried out as at December 31, 2015, using the 'Projected Unit Credit Method'.
- iv) Pensioners' medical plan, which is a book reserve plan. The plan reimburses actual medical expenses as defined in the plan.

The defined benefit plans (i), (ii) and (iv) above are available only to those management employees who joined on or before December 31, 2008 and not opted for DC Pension scheme.

The amount arising as a result of remeasurements are recognised in the Balance Sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

Past-service costs are recognised immediately in profit and loss account.

### **3.5.3 Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in the Profit or Loss Account in the period in which they arise.

The Company provides long term service awards for staff completing specified years of service. All full-time permanent employees are eligible for these awards. Contributions are made on the basis of actuarial valuation. The latest actuarial valuation was carried out as at December 31, 2015.

### **3.6 Stores and spares**

These are valued at average cost less impairment loss, if any, except for items in transit which are stated at invoice value plus other charges incurred thereon till the balance sheet date. Cost comprises invoice value and



other direct costs but excludes borrowing costs. Provision is made for obsolete / slow moving items where necessary and is recognised in the Profit and Loss Account.

### **3.7 Stock in trade**

Stock in trade is valued at the lower of cost and net realisable value. Cost is determined using the weighted average method except for those in transit where it represents invoice value and other charges paid thereon. Cost of work in process and finished goods include cost of raw and packing materials, direct labour and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make the sale. Provision is made for obsolete / slow moving stocks where necessary and recognised in the Profit and Loss Account.

### **3.8 Trade and other receivables**

Trade and other receivables are initially recognised at fair value of consideration receivable. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

### **3.9 Cash and cash equivalents**

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash in hand, with banks on current and savings accounts, deposit accounts with maturities of three months or less and short term finance.

### **3.10 Impairment**

#### **3.10.1 Financial assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company considers evidence of impairment for receivable and other financial assets at specific asset levels. Losses are recognised as an expense in the profit and loss account. When a subsequent event causes the amount of impairment loss to decrease, this reduction is reversed through the profit and loss account.

#### **3.10.2 Non-financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised as an expense in the profit and loss account for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessment of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

### **3.11 Ijarah**

Ujrah payments made under Ijarah contracts are charged to the Profit and Loss Account on a straight-line basis over the Ijarah term.

### **3.12 Trade and other payables**

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

### **3.13 Borrowings and their cost**

Borrowings are recorded initially at fair value, net of transaction cost incurred.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that qualifying asset.

### **3.14 Provisions**

Provisions, if any, are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Restructuring cost provisions comprise staff redundancy payments, relocation and dismantling of factory, and are recognised in the period in which the Company becomes legally or constructively committed to incur.

### **3.15 Financial assets and liabilities**

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

### **3.16 Derivative financial instruments**

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the Profit and Loss Account as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in the Profit and Loss Account.

### **3.17 Foreign currency transactions and translation**

Transactions denominated in foreign currencies are translated to Pakistan Rupees at the exchange rate ruling at the date of transaction.

Monetary assets and liabilities in foreign currencies at balance sheet date are translated into Pakistan Rupees at exchange rates ruling on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

### **3.18 Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, and is recognised on the following basis:

- sale of goods is recognised when significant risks and rewards are transferred;
- dividend income is recognised when the Company's right to receive the payment is established; and
- return on savings accounts and deposit accounts is recognised on time proportion basis, taking effect of the effective interest rate.

### **3.19 Dividend**

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividend is approved.

### **3.20 Share based payment**

The cost of awarding shares of group companies to employees is reflected by recording a charge in the profit and loss account equivalent to the fair value of shares over the vesting period, corresponding liability created is reflected in the trade and other payables.

### **3.21 Offsetting**

Monetary assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

### **3.22 Non-current assets held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets or investment property, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on re-measurement are recognized in the Profit or Loss Account.

Once classified as held-for-sale, intangible assets and property, plant and equipment, are no longer amortised or depreciated.

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

##### i) Income taxes

In making the estimates for income taxes, the Company takes into account the current income tax law and decisions taken by appellate authorities on certain issues in the past. There may be various matters where the Company's view differs with the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of a material nature is in accordance with the law. The difference between the potential and actual tax charge, if any, is disclosed as a contingent liability.

##### ii) Defined benefit plans

The Company has adopted certain actuarial assumptions as disclosed in note 10 to the financial statements for valuation of present value of defined benefit obligations and fair value of plan assets, based on actuarial advice.

##### iii) Provisions

Provisions are considered, among others, for legal matters, disputed indirect taxes, employee termination cost and restructuring where a legal or constructive obligation exists at the balance sheet date and reliable estimate can be made of the likely outcome. The nature of these costs is such that judgement is involved in estimating the timing and amount of cash flows.

Significant assumptions are also involved while calculating the provisions which are adjustments to the carrying amount of the assets such as impairment of assets, provision for obsolescence of stock in trade / stores and spares and provision for doubtful debts.

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

No critical judgement has been used in applying accounting policies.

#### 5. PROPERTY, PLANT AND EQUIPMENT

|                                      | Note | 2015<br>← (Rupees in thousand) → | 2014             |
|--------------------------------------|------|----------------------------------|------------------|
| Operating assets - at net book value | 5.1  | 8,810,522                        | 7,868,343        |
| Capital work in progress - at cost   | 5.2  | 1,884,601                        | 1,311,240        |
|                                      |      | <u>10,695,123</u>                | <u>9,179,583</u> |

## 5.1 Operating assets

|  | Land     |           | Buildings        |                   | Plant and machinery | Electrical, mechanical and office equipment | Furniture and fittings | Motor vehicles | TOTAL       |
|--|----------|-----------|------------------|-------------------|---------------------|---|------------------------|----------------|-------------|
|  | Freehold | Leasehold | On freehold land | On leasehold land |                     |   |                        |                |             |
| ← (Rupees in thousand) →                                 |          |           |                  |                   |                     |   |                        |                |             |
| <b>Net carrying value basis</b>                          |          |           |                  |                   |                     |   |                        |                |             |
| <b>Year ended December 31, 2015</b>                      |          |           |                  |                   |                     |   |                        |                |             |
| Opening net book value (NBV)                             | 25,575   | 213       | 917,708          | 119,645           | 6,340,465           | 389,334                                     | 44,136                 | 31,267         | 7,868,343   |
| Additions (at cost)                                      | -        | -         | 313,851          | -                 | 1,556,621           | 111,729                                     | 521                    | -              | 1,982,722   |
| Disposals (at NBV)                                       | (381)    | -         | (2,485)          | -                 | (11,459)            | -   | -                      | -              | (14,325)    |
| Reversal of provision for fixed assets to be written off | -        | -         | -                | -                 | 12,564              | -   | -                      | -              | 12,564      |
| Depreciation charge                                      | -        | (4)       | (40,861)         | -                 | (931,132)           | (49,969)                                    | (4,765)                | (12,051)       | (1,038,782) |
| Closing net book value (NBV)                             | 25,194   | 209       | 1,188,213        | 119,645           | 6,967,059           | 451,094                                     | 39,892                 | 19,216         | 8,810,522   |
| <b>Gross carrying value basis</b>                        |          |           |                  |                   |                     |   |                        |                |             |
| <b>At December 31, 2015</b>                              |          |           |                  |                   |                     |   |                        |                |             |
| Cost   | 25,194   | 529       | 1,502,294        | 202,881           | 12,697,878          | 636,169                                     | 79,744                 | 82,092         | 15,226,781  |
| Provision for fixed assets to be written off             | -        | -         | (2,286)          | (41,861)          | (199,703)           | (10,536)                                    | (2,504)                | 20             | (256,870)   |
| Accumulated depreciation                                 | -        | (320)     | (311,795)        | (41,375)          | (5,531,116)         | (174,539)                                   | (37,348)               | (62,896)       | (6,159,389) |
| Net book value (NBV)                                     | 25,194   | 209       | 1,188,213        | 119,645           | 6,967,059           | 451,094                                     | 39,892                 | 19,216         | 8,810,522   |
| <b>Net carrying value basis</b>                          |          |           |                  |                   |                     |   |                        |                |             |
| <b>Year ended December 31, 2014</b>                      |          |           |                  |                   |                     |   |                        |                |             |
| Opening net book value (NBV)                             | 25,575   | 217       | 727,150          | 24,546            | 5,267,343           | 422,276                                     | 41,770                 | 68,195         | 6,577,072   |
| Additions (at cost)                                      | -        | -         | 216,256          | 144,324           | 2,070,370           | -   | 9,293                  | -              | 2,440,243   |
| Disposals (at NBV)                                       | -        | -         | -                | (20)              | (14,896)            | -   | (18)                   | (24,897)       | (39,831)    |
| Assets written off (at NBV)                              | -        | -         | (86)             | -                 | (6,126)             | (4,586)                                     | (1,682)                | -              | (12,480)    |
| Provision for fixed assets to be written off             | -        | -         | -                | (41,510)          | (94,002)            | -   | (214)                  | 20             | (135,706)   |
| Transfer to Held for Sale (at NBV)                       | -        | -         | -                | (3,792)           | (94,308)            | -   | (85)                   | -              | (98,185)    |
| Depreciation charge                                      | -        | (4)       | (25,612)         | (3,903)           | (787,916)           | (28,356)                                    | (4,928)                | (12,051)       | (862,770)   |
| Closing net book value (NBV)                             | 25,575   | 213       | 917,708          | 119,645           | 6,340,465           | 389,334                                     | 44,136                 | 31,267         | 7,868,343   |
| <b>Gross carrying value basis</b>                        |          |           |                  |                   |                     |   |                        |                |             |
| <b>At December 31, 2014</b>                              |          |           |                  |                   |                     |   |                        |                |             |
| Cost   | 25,575   | 529       | 1,191,179        | 202,881           | 11,173,405          | 524,440                                     | 79,223                 | 82,092         | 13,279,324  |
| Provision for fixed assets to be written off             | -        | -         | (2,286)          | (41,861)          | (212,267)           | (10,536)                                    | (2,504)                | 20             | (269,434)   |
| Accumulated depreciation                                 | -        | (316)     | (271,185)        | (41,375)          | (4,620,673)         | (124,570)                                   | (32,583)               | (50,845)       | (5,141,547) |
| Net book value (NBV)                                     | 25,575   | 213       | 917,708          | 119,645           | 6,340,465           | 389,334                                     | 44,136                 | 31,267         | 7,868,343   |
| <b>Depreciation rate</b>                                 |          |           |                  |                   |                     |   |                        |                |             |
| <b>% per annum</b>                                       |          |           |                  |                   |                     |   |                        |                |             |
|  | -        | 1.05      | 2.5              | 2.5               | 7 to 33             | 7 to 25                                     | 7                      | 20 to 25       |             |

2015                      2014  
← (Rupees in thousand) →

## 5.2 Capital Work In Progress – at cost

|                     |                  |                  |
|---------------------|------------------|------------------|
| Civil works         | 5,059            | 2,108            |
| Plant and machinery | 1,879,542        | 1,309,132        |
|                     | <u>1,884,601</u> | <u>1,311,240</u> |

## 6. INTANGIBLES - Computer Software

### Net carrying value basis

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| Opening net book value (NBV)        | 656,277        | 754,055        |
| Additions during the year (at cost) | -              | 9,944          |
| Amortisation charge                 | (108,395)      | (107,722)      |
| Closing net book value (NBV)        | <u>547,882</u> | <u>656,277</u> |

### Gross carrying value basis

|                          |                |                |
|--------------------------|----------------|----------------|
| Cost                     | 1,276,220      | 1,266,276      |
| Additions                | -              | 9,944          |
| Accumulated amortisation | (728,338)      | (619,943)      |
| Net book value (NBV)     | <u>547,882</u> | <u>656,277</u> |

|                                |      |      |
|--------------------------------|------|------|
| Remaining useful life in years | 5.00 | 6.00 |
|--------------------------------|------|------|

## 7. LONG TERM INVESTMENTS

### Investments in related parties

In unquoted wholly owned subsidiary companies - at cost

#### Lever Chemicals (Private) Limited

|   |        |        |
|---|--------|--------|
| 9,500,000 fully paid ordinary shares of Rs. 10 each | 95,000 | 95,000 |
|---|--------|--------|

#### Levers Associated Pakistan Trust (Private) Limited

|   |   |   |
|---|---|---|
| 100 fully paid ordinary shares of Rs. 10 each | 1 | 1 |
|---|---|---|

#### Sadiq (Private) Limited

|   |   |   |
|---|---|---|
| 100 fully paid ordinary shares of Rs. 10 each | 1 | 1 |
|---|---|---|

### Investment available for sale - at cost

#### Futehally Chemicals (Private) Limited

|  |               |               |
|--|---------------|---------------|
| 2,000 6% redeemable cumulative preference shares of Rs. 100 each | 200           | 200           |
|  | <u>95,202</u> | <u>95,202</u> |

|   | Note | 2015<br>← (Rupees in thousand) → | 2014     |
|---|------|----------------------------------|----------|
| <b>8. LONG TERM LOANS - considered good</b> |      |                                  |          |
| Executives                                  | 8.1  | <b>211,567</b>                   | 201,419  |
| Recoverable within one year                 | 14   | <b>(62,663)</b>                  | (60,397) |
| Long term portion                           |      | <b>148,904</b>                   | 141,022  |

**8.1** The above loans under the terms of employment have been given interest free to facilitate purchase of houses and vehicles repayable in monthly installments over a period of three to five years. These loans are secured against retirement benefits of the employees.

|  | Note | 2015<br>← (Rupees in thousand) → | 2014    |
|--|------|----------------------------------|---------|
| <b>9. LONG TERM DEPOSITS AND PREPAYMENTS</b> |      |                                  |         |
| Security deposits                            |      | <b>23,702</b>                    | 23,394  |
| Prepaid rent                                 | 9.1  | <b>459,002</b>                   | 742,477 |
|  |      | <b>482,704</b>                   | 765,871 |
| Less: Provision for doubtful deposits        |      | <b>(2,925)</b>                   | (2,925) |
|  |      | <b>479,779</b>                   | 762,946 |

**9.1** This includes an amount of Rs. 2.1 million in respect of advance house rent paid by the Company for the accommodation of executive director.

## **10. STAFF RETIREMENT BENEFITS**

**10.1** As stated in note 3.5.2, the Company operates four defined benefit plans (The Plans) namely approved funded defined benefit pension scheme for management employees, approved funded defined benefit gratuity scheme for management employees, approved funded defined benefit pension scheme for non-management employees and unfunded medical scheme for members of its pension fund subject to minimum service of prescribed period in the respective trust deed. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at December 31, 2015.

**10.2** Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, Companies Ordinance, 1984, Income Tax Rules, 2002 and Rules under the trust deed of the plans. Responsibility for governance of The Plans, including investment decisions and contribution schedules lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

**10.3** The latest actuarial valuation of the Fund as at December 31, 2015 was carried out using the Projected Unit Credit Method. Details of the Fund as per the actuarial valuation are as follows:

|  | Pension Fund             |           | Gratuity Funds                 |          |                                      |          | Pensioners' Medical Plan |          |
|--|--------------------------|-----------|--------------------------------|----------|--------------------------------------|----------|--------------------------|----------|
|  | 2015                     | 2014      | Management Staff Gratuity Fund |          | Non - Management Staff Gratuity Fund |          | 2015                     | 2014     |
|  |                          |           | 2015                           | 2014     | 2015                                 | 2014     |                          |          |
|  | ← (Rupees in thousand) → |           |                                |          |                                      |          |                          |          |
| <b>10.4 Balance sheet reconciliation</b>                                 |                          |           |                                |          |                                      |          |                          |          |
| Fair value of plan assets  | (129,293)                | (133,873) | (4,309)                        | 4,139    | (76,745)                             | (58,186) | -                        | -        |
| Present value of defined benefit obligations                             | 133,489                  | 144,065   | 9,453                          | 8,649    | 90,036                               | 71,543   | 253,394                  | 264,014  |
| Recognised liability / (asset)   | 4,196                    | 10,192    | 5,144                          | 12,788   | 13,291                               | 13,357   | 253,394                  | 264,014  |
| <b>10.5 Movement in the fair value of plan assets</b>                    |                          |           |                                |          |                                      |          |                          |          |
| Fair value as at January 1   | 133,873                  | 376,995   | (4,139)                        | (96,929) | 58,186                               | 57,342   |                          |          |
| Interest income  | 13,312                   | 50,659    | (8)                            | (162)    | 6,526                                | 6,195    |                          |          |
| Remeasurement  | 7,701                    | (20,842)  | 327                            | 203      | 9,747                                | 3,180    |                          |          |
| Employer contributions   | 893                      | -         | 10,197                         | -        | 7,608                                | 8,977    |                          |          |
| Transferred to DC Pension Fund   | -                        | (23,695)  | -                              | (18,062) | -                                    | -        |                          |          |
| Inter fund transfer  | -                        | (122,357) | -                              | 122,357  | -                                    | -        |                          |          |
| Benefits paid  | (26,486)                 | (126,887) | (2,068)                        | (11,546) | (5,322)                              | (17,508) |                          |          |
| Fair value as at December 31   | 129,293                  | 133,873   | 4,309                          | (4,139)  | 76,745                               | 58,186   |                          |          |
| <b>10.6 Movement in the present value of defined benefit obligations</b> |                          |           |                                |          |                                      |          |                          |          |
| Obligation as at January 1   | 144,065                  | 324,926   | 8,649                          | 27,826   | 71,543                               | 75,386   | 264,014                  | 248,482  |
| Current service cost   | 400                      | 400       | 464                            | 435      | 6,387                                | 7,192    | 539                      | 544      |
| Interest cost  | 14,390                   | 17,507    | 837                            | 3,680    | 7,577                                | 8,496    | 28,317                   | 30,766   |
| Past service cost and curtailment  | -                        | (43,994)  | -                              | 252      | -                                    | -        | -                        | -        |
| Transferred to DC Pension Fund   | -                        | (23,695)  | -                              | (18,062) | -                                    | -        | -                        | -        |
| Inter fund transfer  | -                        | (6,276)   | -                              | 6,276    | -                                    | -        | -                        | -        |
| Remeasurement  | 1,120                    | 2,084     | 1,571                          | (212)    | 9,851                                | (2,023)  | (26,304)                 | (1,415)  |
| Benefits paid  | (26,486)                 | (126,887) | (2,068)                        | (11,546) | (5,322)                              | (17,508) | (13,172)                 | (14,363) |
| Obligation as at December 31   | 133,489                  | 144,065   | 9,453                          | 8,649    | 90,036                               | 71,543   | 253,394                  | 264,014  |
| <b>10.7 (Income) / expense recognised in profit and loss account</b>     |                          |           |                                |          |                                      |          |                          |          |
| Current service cost   | 400                      | 400       | 464                            | 435      | 6,387                                | 7,192    | 539                      | 544      |
| Interest cost / (income)   | 1,078                    | (33,152)  | 845                            | 3,842    | 1,051                                | 2,301    | 28,317                   | 30,766   |
| Settlement and curtailment   | -                        | (43,994)  | -                              | 252      | -                                    | -        | -                        | -        |
| Expense / (income) for the year  | 1,478                    | (76,746)  | 1,309                          | 4,529    | 7,438                                | 9,493    | 28,856                   | 31,310   |
| <b>10.8 Remeasurements recognised in Other Comprehensive Income</b>      |                          |           |                                |          |                                      |          |                          |          |
| Experience losses / (gain)   | 1,120                    | 2,084     | 1,571                          | (212)    | 9,851                                | (2,023)  | (26,304)                 | (1,415)  |
| Remeasurement of fair value of plan assets                               | (7,701)                  | 20,842    | (327)                          | (203)    | (9,747)                              | (3,180)  | -                        | -        |
| Remeasurements   | (6,581)                  | 22,926    | 1,244                          | (415)    | 104                                  | (5,203)  | (26,304)                 | (1,415)  |



|  | Pension Fund |      | Gratuity Funds                 |      |                                      |      | Pensioners' Medical Plan |      |
|--|--------------|------|--------------------------------|------|--------------------------------------|------|--------------------------|------|
|  | 2015         | 2014 | Management Staff Gratuity Fund |      | Non - Management Staff Gratuity Fund |      | 2015                     | 2014 |
|  |              |      | 2015                           | 2014 | 2015                                 | 2014 |                          |      |

(Rupees in thousand)

#### 10.9 Net recognised liability / (asset)

|   |         |          |          |           |         |         |          |          |
|---|---------|----------|----------|-----------|---------|---------|----------|----------|
| Net (asset) / liability at beginning of the year        | 10,192  | (52,069) | 12,788   | 124,755   | 13,357  | 18,044  | 264,014  | 248,482  |
| (Income) / charge for the year                          | 1,478   | (76,746) | 1,309    | 4,529     | 7,438   | 9,493   | 28,856   | 31,310   |
| Inter fund transfer                                     | -       | 116,081  | -        | (116,081) | -       | -       | -        | -        |
| Employer contributions                                  | (893)   | -        | (10,197) | -         | (7,608) | (8,977) | (13,172) | (14,363) |
| Remeasurements recognised in Other comprehensive income | (6,581) | 22,926   | 1,244    | (415)     | 104     | (5,203) | (26,304) | (1,415)  |
| Recognised liability / (asset) as at December 31        | 4,196   | 10,192   | 5,144    | 12,788    | 13,291  | 13,357  | 253,394  | 264,014  |

#### 10.10 Plan assets comprises of following:

|                              |          |         |         |         |         |          |  |  |
|------------------------------|----------|---------|---------|---------|---------|----------|--|--|
| Government bonds             | 138,000  | 127,736 | 6,857   | -       | 34,383  | 35,755   |  |  |
| National Saving certificates | -        | -       | -       | -       | 35,186  | 23,119   |  |  |
| Shares                       | -        | -       | -       | -       | 7,185   | 6,411    |  |  |
| Cash at bank                 | 6,696    | 9,887   | 2,500   | 730     | 4,158   | 11,287   |  |  |
| Benefits due                 | -        | (1,537) | -       | -       | -       | -        |  |  |
| Due (to) / from Company      | (15,403) | (2,213) | (5,048) | (4,869) | (4,168) | (18,386) |  |  |
| Total as at December 31      | 129,293  | 133,873 | 4,309   | (4,139) | 76,744  | 58,186   |  |  |

10.11 Mortality was assumed to be 70% of the EFU (61-66) Table.

10.12 Principal actuarial assumptions used are as follows:

|  | 2015  | 2014   |
|--|-------|--------|
| Discount rate & expected return on plan assets | 9.25% | 11.00% |
| Future salary increases                        | 7.25% | 8.50%  |
| Future pension increases                       | 0.00% | 0.90%  |
| Medical cost trend rates                       | 4.00% | 5.75%  |

10.13 In case of the funded plans, the Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the Retirement benefit plan. Within this framework, the Company's ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement benefit plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2015 consists of government bonds and term deposits. The Company believes that government bond offer the best returns over the long term with an acceptable level of risk.

**10.14** The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date.

The Company's contribution to the pension and gratuity funds in 2016 is expected to amount to Rs. 11.8 million.

The actuary conducts separate valuations for calculating contribution rates and the Company contributes to the pension and gratuity funds according to the actuary's advice. Expense of the defined benefit plan is calculated by the actuary.

Figures in this note are based on the latest actuarial valuation carried out as at December 31, 2015.

### 10.15 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

|                              | Impact on defined benefit obligation |  |                        |
|------------------------------|--------------------------------------|--|------------------------|
|                              | Change in assumption<br>(Percentage) | Increase in assumption<br>(Rupees in thousand) | Decrease in assumption |
| Discount rate at December 31 | 1.00                                 | (37,429)                                       | 43,614                 |
| Future salary increases      | 1.00                                 | 13,804   | (10,786)               |
| Future pension increases     | 1.00                                 | 7,900  | -                      |

If longevity increases by 1 year, obligation increases by Rs. 18.3 million.

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the Projected Unit Credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the balance sheet.

The effects of a 1% movement in the assumed medical cost trend rate are as follows:

|   | Increase<br>(Rupees in thousand) | Decrease |
|---|----------------------------------|----------|
| Effect on the defined benefit obligations | 23,718                           | (20,692) |

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

### 10.16 Comparison for five years:

|  | 2015                     | 2014      | 2013      | 2012        | 2011        |
|--|--------------------------|-----------|-----------|-------------|-------------|
|  | ← (Rupees in thousand) → |           |           |             |             |
| As at December 31                            |                          |           |           |             |             |
| Fair value of plan assets                    | 210,347                  | 187,920   | 337,408   | 1,949,290   | 1,748,191   |
| Present value of defined benefit obligations | (486,372)                | (488,271) | (676,620) | (2,182,447) | (2,247,003) |
| Deficit                                      | (276,025)                | (300,351) | (339,212) | (233,157)   | (498,812)   |

### Experience adjustments

|  |       |        |         |        |        |
|--|-------|--------|---------|--------|--------|
| Gain / (Loss) on plan assets (as percentage of plan assets)      | 8.5 % | 9.3 %  | (32.0)% | 8.0 %  | 1.3 %  |
| Loss / (Gain) on obligations (as percentage of plan obligations) | 0.4 % | (0.3)% | (4.9)%  | (0.9)% | (0.1)% |

**10.17** The expected return on plan assets is based on the market expectations and depends upon the asset portfolio of the fund, at the beginning of the period, for returns over the entire life of related obligation.

**10.18** During the year the Company contributed Rs. 72.12 million (2014: Rs. 59.83 million) to the provident fund and Rs. 91.82 million (2014: 95.36 million) to the DC pension fund.

**10.19** The weighted average duration of the defined benefit obligation is 9.3 years.

Expected maturity analysis of undiscounted retirement benefit plans:

|                          | Less than a year         | Between 1-2 years | Between 2-5 years | Over 5 years | Total   |
|--------------------------|--------------------------|-------------------|-------------------|--------------|---------|
|                          | ← (Rupees in thousand) → |                   |                   |              |         |
| Retirement benefit plans | 47,023                   | 48,075            | 143,486           | 239,984      | 478,568 |

Note

← 2015 (Rupees in thousand) 2014 →

### 11. STORES AND SPARES

|   |      |          |           |
|---|------|----------|-----------|
| Stores (including in transit Rs. Nil; 2014: Rs. 17.3 million)         |      | 130,523  | 145,818   |
| Spares (including in transit Rs. 3.5 million; 2014: Rs. 1.70 million) |      | 504,549  | 525,536   |
|   |      | 635,072  | 671,354   |
| Provision for slow moving and obsolete stores and spares              | 11.1 | (81,847) | (104,033) |
|   |      | 553,225  | 567,321   |

**11.1** The Company has reversed provision of Rs. 22.2 million (2014: charge of Rs. 25.3 million).

## 12. STOCK IN TRADE

|   | 2015<br>← (Rupees in thousand) → | 2014      |
|---|----------------------------------|-----------|
| Raw and packing materials at cost (including in transit Rs. 759 million; 2014: Rs. 530 million) | <b>2,475,903</b>                 | 2,925,622 |
| Provision for obsolescence  | <b>(80,567)</b>                  | (178,911) |
|   | <b>2,395,336</b>                 | 2,746,711 |
| Work in process   | <b>214,079</b>                   | 298,984   |
| Finished goods (including in transit Rs. 15.7 million; 2014: Rs. 38 million)                    | <b>2,063,488</b>                 | 2,072,607 |
| Provision for obsolescence  | <b>(123,431)</b>                 | (106,044) |
|   | <b>1,940,057</b>                 | 1,966,563 |
|   | <b>4,549,472</b>                 | 5,012,258 |

**12.1** Stock in trade includes Rs. 2.91 billion (2014: Rs. 3.23 billion) held with third parties.

**12.2** The above balances include items costing Rs. Nil (2014: Rs. 73.81 million) valued at net realisable value of Rs. Nil (2014: Rs. 13.22 million).

**12.3** The Company made a provision of Rs. 150.98 million for obsolescence (2014: Rs. 203.57 million) and has written off inventory amounting to Rs. 231.94 million (2014: Rs. 197.63 million) by utilising the provision during the year.

|                              | Note | 2015<br>← (Rupees in thousand) → | 2014      |
|------------------------------|------|----------------------------------|-----------|
| <b>13. TRADE DEBTS</b>       |      |                                  |           |
| Considered good              |      | <b>1,323,516</b>                 | 972,405   |
| Considered doubtful          |      | <b>54,879</b>                    | 47,802    |
|                              |      | <b>1,378,395</b>                 | 1,020,207 |
| Provision for doubtful debts | 13.1 | <b>(54,879)</b>                  | (47,802)  |
|                              |      | <b>1,323,516</b>                 | 972,405   |

**13.1** The Company made a provision of Rs. 7.08 million (2014: Rs. 3.42 million) and has written off debts by utilising the provision amounting to Rs. Nil (2014: Rs. 2.10 million) during the year.

**13.2** As of December 31, 2015 trade debts of Rs. 168.66 million (2014: Rs. 120.39 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The age analysis of these trade debts is as follows:

|                | Note | 2015<br>← (Rupees in thousand) → | 2014    |
|----------------|------|----------------------------------|---------|
| Up to 3 months |      | <b>168,658</b>                   | 119,816 |
| 3 to 6 months  |      | -                                | 569     |
|                |      | <b>168,658</b>                   | 120,385 |

#### **14. LOANS AND ADVANCES**

##### **Considered good**

|                                       |      |                |         |
|---------------------------------------|------|----------------|---------|
| Current portion of loans to employees | 8    | <b>62,663</b>  | 60,397  |
| Advances to:                          |      |                |         |
| Executives                            | 14.1 | <b>47,327</b>  | 103,972 |
| Suppliers and others                  |      | <b>109,101</b> | 95,993  |
|                                       |      | <b>219,091</b> | 260,362 |

##### **Considered doubtful**

|   |  |                |         |
|---|--|----------------|---------|
| Advances to suppliers and others                        |  | <b>8,596</b>   | 5,145   |
|   |  | <b>227,687</b> | 265,507 |
| Provision for doubtful advances to suppliers and others |  | <b>(8,596)</b> | (5,144) |
|   |  | <b>219,091</b> | 260,363 |

**14.1** The advances to executives are given to meet business expenses and are settled as and when the expenses are incurred.

#### **15. SHORT TERM PREPAYMENTS**

|                           | Note | 2015<br>← (Rupees in thousand) → | 2014    |
|---------------------------|------|----------------------------------|---------|
| Trade and margin deposits |      | <b>48,566</b>                    | 44,405  |
| Prepayments               |      |                                  |         |
| - Rent                    |      | <b>348,308</b>                   | 315,463 |
| - Advertisement           | 15.1 | <b>307,507</b>                   | 421,195 |
| - Others                  |      | <b>149,373</b>                   | 143,531 |
|                           |      | <b>853,754</b>                   | 924,594 |

**15.1** This includes media bulk discount on airing TV commercials amounting to Rs. 306 million (2014: 387 million).

|  | Note | 2015<br>← (Rupees in thousand) → | 2014     |
|--|------|----------------------------------|----------|
| <b>16. OTHER RECEIVABLES</b>           |      |                                  |          |
| <b>Receivable from related parties</b> |      |                                  |          |
| Defined contribution plans             |      | 14,005                           | -        |
| Defined benefit plans                  |      | 24,619                           | -        |
| Associated undertakings                | 16.1 | 62,188                           | 95,066   |
| <b>Others</b>                          |      |                                  |          |
|  |      | 12,263                           | 6,108    |
|  |      | <b>113,075</b>                   | 101,174  |
| Provision for doubtful receivables     |      | (13,934)                         | (13,934) |
|  |      | <b>99,141</b>                    | 87,240   |

- 16.1** As of December 31, 2015, receivables from associated undertaking of Rs. 10.58 million (2014: Rs. 19.65 million) were past due. The age analysis of these receivables is as follows:

|                    | 2015<br>← (Rupees in thousand) → | 2014   |
|--------------------|----------------------------------|--------|
| Up to 3 months     | 4,699                            | 11,157 |
| 3 to 6 months      | -                                | 2,751  |
| 6 months to 1 year | -                                | 1,647  |
| More than 1 year   | 5,883                            | 4,094  |
|                    | <b>10,582</b>                    | 19,649 |

Above includes receivables of Rs. 7.83 million that are impaired.

|                                 | 2015<br>← (Rupees in thousand) → | 2014        |
|---------------------------------|----------------------------------|-------------|
| <b>17. TAXATION-NET</b>         |                                  |             |
| Payments / deductions at source | 4,449,119                        | 3,872,731   |
| Provision for taxation          | (3,736,423)                      | (2,768,106) |
|                                 | <b>712,696</b>                   | 1,104,625   |

This represents excess of payments over provision for taxes.

## 18. NON-CURRENT ASSETS HELD FOR SALE

Certain assets (property, plant and equipment) held with third party have been classified as held for sale due to discontinuation of production. Efforts to sell the assets were in progress during the year and the sale has materialised subsequent to the year end. Assets were recorded at fair value less cost to sell by bringing the carrying value down by Rs. 80 million.

Valuation of assets classified as held for sale was determined on the basis of quotations received and has been classified into level 2 fair value measurement hierarchy as defined in IFRS 13.

|                                   | Note | 2015<br>← (Rupees in thousand) → | 2014             |
|-----------------------------------|------|----------------------------------|------------------|
| <b>19. CASH AND BANK BALANCES</b> |      |                                  |                  |
| With banks on:                    |      |                                  |                  |
| current accounts                  |      | 687,438                          | 345,980          |
| savings accounts                  | 19.1 | 8,529,984                        | 7,491,085        |
| In hand:                          |      |                                  |                  |
| cash                              |      | 899                              | 772              |
|                                   |      | <u>9,218,321</u>                 | <u>7,837,837</u> |

**19.1** Mark-up on savings accounts was at the rates ranging from 4% to 6% (2014: 6.5% to 9.2%) per annum.

|   |   | 2015<br>← (Rupees in thousand) → | 2014           |
|---|---|----------------------------------|----------------|
| <b>20. SHARE CAPITAL</b>                        |   |                                  |                |
| <b>Authorised share capital</b>                 |   |                                  |                |
| 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> |
| <b>Issued, subscribed and paid up capital</b>   |   |                                  |                |
| 5% cumulative preference shares of Rs. 100 each |   |                                  |                |
|   | Shares allotted:  |                                  |                |
| 43,835  | for consideration paid in cash  | 4,383                            | 4,383          |
| 4,000   | for acquisition of an undertaking   | 400                              | 400            |
| <u>47,835</u>                                   |   | <u>4,783</u>                     | <u>4,783</u>   |
| Ordinary shares of Rs. 50 each                  |   |                                  |                |
|   | Shares allotted:  |                                  |                |
| 467,704   | for consideration paid in cash  | 23,385                           | 23,385         |
| 4,979,208                                       | for consideration other than cash under schemes of arrangements for amalgamations | 248,961                          | 248,961        |
| 7,846,957                                       | as bonus shares   | 392,348                          | 392,348        |
| <u>13,293,869</u>                               |   | <u>664,694</u>                   | <u>664,694</u> |
|   |   | <u>669,477</u>                   | <u>669,477</u> |

At December 31, 2015, Unilever Overseas Holdings Limited, UK, a wholly owned subsidiary of Unilever PLC, UK held 13,181,326 ordinary shares (2014: 13,151,589 ordinary shares) and 33,735 preference shares (2014: 33,735 preference shares) of Unilever Pakistan Limited.

|   | Note   | 2015<br>← (Rupees in thousand) → | 2014      |
|---|--------|----------------------------------|-----------|
| <b>21. RESERVES</b>                                     |        |                                  |           |
| <b>Capital reserves</b>                                 |        |                                  |           |
| Arising under schemes of arrangements for amalgamations | 21.1   | 70,929                           | 70,929    |
| Contingency   | 26.1.1 | 321,471                          | 321,471   |
|   |        | <b>392,400</b>                   | 392,400   |
| <b>Revenue reserve</b>                                  |        |                                  |           |
| Unappropriated profit                                   |        | 2,616,924                        | 2,144,661 |
|   |        | <b>3,009,324</b>                 | 2,537,061 |

- 21.1** This represents amounts of Rs. 18.36 million and Rs. 52.57 million that arose under schemes of arrangement for amalgamations of former Mehran International (Private) Limited, former Ambrosia International Limited and former Pakistan Industrial Promoters (Private) Limited with the Company.

|  | 2015<br>← (Rupees in thousand) → | 2014      |
|--|----------------------------------|-----------|
| <b>22. DEFERRED TAXATION</b>                                   |                                  |           |
| Credit balance arising in respect of:                          |                                  |           |
| - accelerated tax depreciation allowances                      | 1,154,426                        | 1,228,602 |
|  | <b>1,154,426</b>                 | 1,228,602 |
| Debit balance arising in respect of:                           |                                  |           |
| - provision for retirement benefits                            | (82,808)                         | (105,123) |
| - share-based compensation                                     | (49,965)                         | (71,467)  |
| - provision for stock in trade and stores and spares           | (88,612)                         | (136,146) |
| - provision for doubtful debts, advances and other receivables | (17,012)                         | (16,731)  |
| - provision for property, plant and equipment                  | (77,061)                         | (94,302)  |
| - provision for restructuring                                  | (18,372)                         | (15,254)  |
| - provision for cess and marking fee                           | (188,550)                        | (272,688) |
| - others   | (44,100)                         | (41,640)  |
|  | <b>(566,480)</b>                 | (753,351) |
|  | <b>587,946</b>                   | 475,251   |



|  | Note | 2015<br>← (Rupees in thousand) → | 2014       |
|--|------|----------------------------------|------------|
| <b>23. TRADE AND OTHER PAYABLES</b>          |      |                                  |            |
| Creditors                                    |      | <b>2,824,000</b>                 | 1,402,976  |
| Bills payable                                | 23.1 | <b>4,004,916</b>                 | 4,617,651  |
| Forward foreign exchange contract            |      | <b>16,552</b>                    | 60,618     |
| Accrued liabilities                          |      | <b>7,306,907</b>                 | 8,348,125  |
| Dividend payable                             | 23.2 | <b>5,018,872</b>                 | 4,095,136  |
| Unclaimed dividend                           |      | <b>357,621</b>                   | 344,564    |
| Royalty and technical services fee           |      | <b>3,870,196</b>                 | 2,743,455  |
| Advance payment from customers               |      | <b>295,740</b>                   | 141,539    |
| Sindh Sales tax on services                  |      | <b>41,712</b>                    | 24,587     |
| Punjab Sales tax on services                 |      | <b>26,702</b>                    | 78,685     |
| Workers' Welfare Fund                        | 23.3 | <b>249,322</b>                   | 207,708    |
| Workers' Profits Participation Fund          | 23.4 | <b>254,399</b>                   | 484,650    |
| Security deposits from dealers               | 23.5 | <b>25,867</b>                    | 24,217     |
| Liability for share-based compensation plans | 23.6 | <b>166,551</b>                   | 204,192    |
| Withholding tax payable                      |      | <b>33,373</b>                    | 500,149    |
| Others                                       |      | <b>2,268</b>                     | 8,102      |
|  |      | <b>24,494,998</b>                | 23,286,354 |

**23.1** Bills payable include Rs. 1.67 billion (2014: Rs. 2.12 billion) in relation to inland letters of credit under vendor financing arrangements which includes interest cost as per Company's negotiated rates.

**23.2** This represents payable in respect of first interim dividend declared for the year ended December 31, 2015.

|  | 2015<br>← (Rupees in thousand) → | 2014      |
|--|----------------------------------|-----------|
| <b>23.3 Workers' Welfare Fund</b>              |                                  |           |
| Balance as at January 1                        | <b>207,708</b>                   | 191,844   |
| Allocation for the year                        | <b>221,993</b>                   | 193,957   |
|  | <b>429,701</b>                   | 385,801   |
| Payments made during the period                | <b>(180,379)</b>                 | (178,093) |
| Balance as at December 31                      | <b>249,322</b>                   | 207,708   |
| <b>23.4 Workers' Profit Participation Fund</b> |                                  |           |
| Balance as at January 1                        | <b>484,650</b>                   | 478,762   |
| Allocation for the year                        | <b>638,654</b>                   | 484,892   |
|  | <b>1,123,304</b>                 | 963,654   |
| Paid to trustees of the fund                   | <b>(500,000)</b>                 | (479,004) |
| Payments made on behalf of the fund            | <b>(368,905)</b>                 | -         |
| Balance as at December 31                      | <b>254,399</b>                   | 484,650   |

**23.5** This represents security deposits obtained by former Pakistan Industrial Promoters (Private) Limited against freezer cabinets placed with dealers.

### 23.6 Share-based compensation plans

As at December 31, 2015 Company had share-based compensation plans in the form of performance shares.

Performance share awards are made under the Management Co-Investment Plan (MCIP) and the Global Share Incentive Plan (GSIP). The MCIP allows Company's eligible managers to invest up to 60% of their annual bonus in shares in Unilever NV and Unilever PLC and to receive a corresponding award of performance-related shares. Under GSIP, the Company's eligible managers receive annual awards of Unilever NV and Unilever PLC shares. The awards of both plans will vest after three years depending on the satisfaction of performance conditions.

The performance conditions of both MCIP and GSIP are underlying sales growth, operating cash flow and underlying operating margin improvement.

A summary of the status of the Performance Share Plans as at December 31, 2015 and 2014 and changes during the years ended on these dates is presented below:

|                            | <b>2015</b><br><b>(Number of shares)</b> | <b>2014</b>   |
|----------------------------|--|---------------|
| Outstanding at January 1   | <b>70,381</b>                            | 68,286        |
| Awarded                    | <b>14,857</b>                            | 20,155        |
| Vested                     | <b>(42,132)</b>                          | (16,723)      |
| Forfeited                  | <b>(7,027)</b>                           | (1,337)       |
| Outstanding at December 31 | <b><u>36,079</u></b>                     | <u>70,381</u> |
| Share price at grant date  |  |               |
| Unilever NV                | <b>€ 40.11</b>                           | € 32.22       |
| Unilever PLC               | <b>£29.05</b>                            | £26.06        |

The Company has treated these share-based plans as cash settled in view of obligation of the Company.

**23.7** Amounts due to related parties included in trade and other payables are as follows:

|                      | <b>2015</b><br><b>(Rupees in thousand)</b> | <b>2014</b> |
|----------------------|--|-------------|
| Ultimate parent      | <b>3,441,874</b>                           | 2,416,360   |
| Parent company       | <b>5,018,872</b>                           | 4,095,136   |
| Associated companies | <b>1,762,516</b>                           | 372,543     |
| Subsidiaries         | <b>-</b>                                   | 2           |

## 24. SHORT TERM BORROWINGS

### Running finance under mark-up arrangements - secured

The facilities for running finance available from various banks amount to Rs. 4.54 billion (2014: Rs. 7.88 billion). The rates of mark-up range between KIBOR to KIBOR + 1% per annum (2014: KIBOR to KIBOR + 1% per annum).

The arrangements are secured by way of pari-passu charge against hypothecation of Company's stock in trade.

The facilities for opening letters of credit and guarantees as at December 31, 2015 amounted to Rs. 12.87 billion (2014: Rs. 17.25 billion), of which the amount remaining unutilised at the year end was Rs. 5.50 billion (2014: Rs. 9.56 billion).

|                                       | Note          | 2015<br>← (Rupees in thousand) → | 2014      |
|---------------------------------------|---------------|----------------------------------|-----------|
| <b>25. PROVISIONS</b>                 |               |                                  |           |
| Sindh Infrastructure Cess             | 25.1 & 26.1.1 | <b>591,592</b>                   | 507,213   |
| PSI marking fee                       | 25.2          | <b>36,908</b>                    | 36,896    |
| Restructuring                         | 25.3          | <b>61,241</b>                    | 43,583    |
|                                       |               | <b>689,741</b>                   | 587,692   |
| <b>25.1 Sindh Infrastructure Cess</b> |               |                                  |           |
| Balance as at January 1               |               | <b>507,213</b>                   | 424,695   |
| Charge for the year                   |               | <b>168,758</b>                   | 170,079   |
| Payments made                         |               | <b>(84,379)</b>                  | (87,561)  |
| Balance as at December 31             |               | <b>591,592</b>                   | 507,213   |
| <b>25.2 PSI marking fee</b>           |               |                                  |           |
| Balance as at January 1               |               | <b>36,896</b>                    | 37,250    |
| Provision during the year             |               | <b>9,613</b>                     | 8,801     |
| Utilised during the year              |               | <b>(9,601)</b>                   | (9,155)   |
| Balance as at December 31             |               | <b>36,908</b>                    | 36,896    |
| <b>25.3 Restructuring</b>             |               |                                  |           |
| Balance as at January 1               |               | <b>43,583</b>                    | 116,142   |
| Provision during the year             |               | <b>66,325</b>                    | 645,071   |
| Utilised during the year              |               | <b>(48,667)</b>                  | (717,630) |
| Balance as at December 31             |               | <b>61,241</b>                    | 43,583    |

## 26. CONTINGENCIES AND COMMITMENTS

### 26.1 Contingencies

**26.1.1** Government of Sindh through Finance Act, 1994 levied fee for services rendered in respect of development and maintenance of infrastructure on the import and export of goods. A number of persons and companies, including Unilever Pakistan Limited (the Company) filed constitutional petitions against the levy of such fee in the High Court of Sindh and the Court granted stay for the payment of the fee. During the year 2001, the Government of Sindh introduced Cess in place of infrastructure fee with retrospective effect. As a result, petitions became infructuous and a fresh suit was filed by the Company to challenge the levy. A stay against recovery of the aforesaid levy of Cess was also obtained from the Court. In 2003, the High Court of Sindh decided the issue against the Company. Against this order an intra court appeal was filed with the High Court of Sindh. The appeal was disposed of in August 2008, whereby the levy imposed and collected with effect from December 28, 2006 was declared valid and all imposition and collection before such date as invalid. The Court further ordered that all bank guarantees / securities furnished for transactions before December 28, 2006 stand discharged and are liable to be returned back and those furnished in respect of transactions after December 28, 2006 are liable to be encashed. The Company as well as the Government of Sindh filed appeals in the Supreme Court of Pakistan against the said order. The appeals were heard by the Supreme Court in May 2011, and it was noted that the Government of Sindh had again enacted Infrastructure Fee through Act of 2009 with retrospective effect which had not been challenged in the last appeals. Accordingly, the Supreme Court allowed the petitioners to file fresh petitions at the High Court of Sindh. Accordingly, fresh petition was filed by the Company in the High Court of Sindh in May 2011. A provision amounting to Rs. 1,164.03 million concerning the levy with respect from December 28, 2006 has been recognised in the financial statements. Moreover, the Company has paid an amount of Rs. 572.44 million under protest against the said order.

As a matter of prudence, a total of Rs. 321.47 million as at December 31, 2015 (2014: Rs. 321.47 million) out of the revenue reserves has been earmarked as contingency reserve for the levy uptill December 2006.

### 26.2 Commitments

**26.2.1** Aggregate commitments outstanding for capital expenditures as at December 31, 2015 amounted to Rs. 826.48 million (2014: Rs. 996.36 million).

**26.2.2** Commitments for rentals under operating lease agreements / Ijarah contracts as at December 31, 2015 are as follows:

|                             | 2015<br>← (Rupees in thousand) → | 2014           |
|-----------------------------|----------------------------------|----------------|
| Not later than one year     | 200,207                          | 150,454        |
| Over one year to five years | 411,256                          | 270,231        |
|                             | <u>611,463</u>                   | <u>420,685</u> |

|                        | 2015                     | 2014         |
|------------------------|--------------------------|--------------|
|                        | ← (Rupees in thousand) → |              |
| <b>27. SALES</b>       |                          |              |
| Gross sales            | <b>93,285,839</b>        | 87,181,381   |
| Sales tax              | <b>(14,151,395)</b>      | (13,289,085) |
|                        | <b>79,134,444</b>        | 73,892,296   |
| Rebates and allowances | <b>(9,158,730)</b>       | (8,187,390)  |
|                        | <b>69,975,714</b>        | 65,704,906   |

|   | Note | 2015                     | 2014        |
|---|------|--------------------------|-------------|
|   |      | ← (Rupees in thousand) → |             |
| <b>28. COST OF SALES</b>                                  |      |                          |             |
| Material cost   |      | <b>34,340,025</b>        | 32,749,454  |
| Manufacturing charges paid to third parties               |      | <b>1,439,010</b>         | 1,240,919   |
| Stores and spares consumed                                |      | <b>233,410</b>           | 231,592     |
| Staff costs   | 28.1 | <b>2,316,415</b>         | 2,216,384   |
| Provision for restructuring                               |      | -                        | 619,488     |
| (Reversal) / provision for fixed assets to be written off |      | <b>(12,564)</b>          | 237,039     |
| Utilities   |      | <b>536,013</b>           | 754,362     |
| Depreciation  |      | <b>986,843</b>           | 819,496     |
| Repairs and maintenance                                   |      | <b>266,779</b>           | 213,272     |
| Rent, rates and taxes                                     |      | <b>27,097</b>            | 24,994      |
| Ujrah payments  |      | <b>38,653</b>            | 16,500      |
| Amortisation of computer software                         |      | <b>58,318</b>            | 57,955      |
| Travelling and entertainment                              |      | <b>47,327</b>            | 53,179      |
| Stationery and office expenses                            |      | <b>44,859</b>            | 47,568      |
| Expenses on information technology                        |      | <b>5,627</b>             | 3,000       |
| Other expenses  |      | <b>71,485</b>            | 66,717      |
| Charges by related party                                  | 28.2 | <b>15,923</b>            | 12,685      |
|   |      | <b>40,415,220</b>        | 39,364,604  |
| Opening work in process                                   |      | <b>298,984</b>           | 243,838     |
|   |      | <b>40,714,204</b>        | 39,608,442  |
| Closing work in process                                   |      | <b>(214,079)</b>         | (298,984)   |
|   |      | <b>40,500,125</b>        | 39,309,458  |
| Opening stock of finished goods                           |      | <b>1,966,563</b>         | 1,937,983   |
| Closing stock of finished goods                           |      | <b>(1,940,057)</b>       | (1,966,563) |
|   |      | <b>40,526,631</b>        | 39,280,878  |

2015                      2014  
← (Rupees in thousand) →

## 28.1 Staff costs

|   |                  |           |
|---|------------------|-----------|
| Salaries and wages                              | <b>2,219,935</b> | 2,154,411 |
| Medical   | <b>43,640</b>    | 39,883    |
| Pension costs - defined benefit plan            | <b>291</b>       | (15,124)  |
| Gratuity costs - defined benefit plan           | <b>2,760</b>     | 4,425     |
| Pensioners' medical plan                        | <b>5,696</b>     | 6,180     |
| Provident fund cost - defined contribution plan | <b>19,397</b>    | 9,540     |
| Pension fund cost - defined contribution plan   | <b>24,696</b>    | 17,069    |
|   | <b>2,316,415</b> | 2,216,384 |

**28.2** This represents amount charged to the Company for certain management and other services received from its associated undertaking - Unilever Pakistan Foods Limited.

Note                      2015                      2014  
← (Rupees in thousand) →

## 29. DISTRIBUTION COSTS

|                                      |      |                   |            |
|--------------------------------------|------|-------------------|------------|
| Staff costs                          | 29.1 | <b>1,172,993</b>  | 1,153,319  |
| Provision for restructuring          |      | <b>66,325</b>     | 25,583     |
| Advertisement and sales promotion    |      | <b>8,024,260</b>  | 7,974,431  |
| Outward freight and handling         |      | <b>1,834,808</b>  | 1,864,895  |
| Royalty and technical fee            |      | <b>3,706,991</b>  | 2,985,362  |
| Utilities                            |      | <b>47,838</b>     | 57,110     |
| Depreciation                         |      | <b>20,776</b>     | 18,765     |
| Repairs and maintenance              |      | <b>49,371</b>     | 40,062     |
| Rent, rates and taxes                |      | <b>102,552</b>    | 94,782     |
| Ujrah payments                       |      | <b>60,988</b>     | 68,353     |
| Amortisation of computer software    |      | <b>23,524</b>     | 23,376     |
| Travelling and entertainment         |      | <b>133,438</b>    | 119,453    |
| Stationery and office expenses       |      | <b>41,975</b>     | 45,959     |
| Expenses on information technology   |      | <b>30</b>         | 24         |
| Provision for doubtful debts - trade |      | <b>7,077</b>      | 3,415      |
| Other expenses                       |      | <b>119,374</b>    | 113,061    |
| Charges by related party             | 29.2 | <b>43,123</b>     | 12,358     |
|                                      |      | <b>15,455,443</b> | 14,600,308 |

2015                      2014  
← (Rupees in thousand) →

### 29.1 Staff costs

|   |                  |           |
|---|------------------|-----------|
| Salaries and wages                              | <b>1,019,050</b> | 986,439   |
| Medical   | <b>13,707</b>    | 16,658    |
| Share based compensation                        | <b>29,441</b>    | 77,519    |
| Pension costs - defined benefit plan            | <b>795</b>       | (41,264)  |
| Gratuity costs - defined benefit plan           | <b>4,010</b>     | 6,427     |
| Pensioners' medical plan                        | <b>15,513</b>    | 16,832    |
| Provident fund cost - defined contribution plan | <b>39,801</b>    | 34,379    |
| Pension fund cost - defined contribution plan   | <b>50,676</b>    | 56,329    |
|   | <b>1,172,993</b> | 1,153,319 |

**29.2** This represents amount charged to the Company for certain management and other services received from its associated undertaking - Unilever Pakistan Foods Limited.

Note                      2015                      2014  
← (Rupees in thousand) →

### 30. ADMINISTRATIVE EXPENSES

|   |      |                  |           |
|---|------|------------------|-----------|
| Staff costs                                       | 30.1 | <b>742,599</b>   | 702,641   |
| Utilities   |      | <b>50,072</b>    | 56,467    |
| Depreciation                                      |      | <b>31,163</b>    | 24,509    |
| Repairs and maintenance                           |      | <b>60,290</b>    | 25,316    |
| Rent, rates and taxes                             |      | <b>242,629</b>   | 226,967   |
| Ujrah payments                                    |      | <b>39,022</b>    | 63,611    |
| Amortisation of computer software                 |      | <b>26,553</b>    | 26,392    |
| Travelling and entertainment                      |      | <b>73,610</b>    | 49,160    |
| Stationery and office expenses                    |      | <b>59,137</b>    | 58,115    |
| Expenses on information technology                |      | <b>477,858</b>   | 661,967   |
| Legal, professional and other consultancy charges |      | <b>89,394</b>    | 60,315    |
| Auditors' remuneration                            | 30.2 | <b>5,095</b>     | 4,832     |
| Other expenses                                    |      | <b>94,093</b>    | 90,637    |
| Charges by related party                          | 30.3 | <b>2,476</b>     | 2,643     |
|   |      | <b>1,993,991</b> | 2,053,572 |

2015                      2014  
← (Rupees in thousand) →

### 30.1 Staff costs

|   |                |          |
|---|----------------|----------|
| Salaries and wages                              | <b>615,871</b> | 603,689  |
| Medical   | <b>27,566</b>  | 31,754   |
| Share based compensation                        | <b>59,774</b>  | 38,215   |
| Pension costs - defined benefit plan            | <b>392</b>     | (20,358) |
| Gratuity costs - defined benefit plan           | <b>1,977</b>   | 3,169    |
| Pensioners' medical plan                        | <b>7,647</b>   | 8,298    |
| Provident fund cost - defined contribution plan | <b>12,921</b>  | 15,910   |
| Pension fund cost - defined contribution plan   | <b>16,451</b>  | 21,964   |
|   | <b>742,599</b> | 702,641  |

### 30.2 Auditors' remuneration

|   |              |       |
|---|--------------|-------|
| Audit fee                               | <b>4,367</b> | 4,367 |
| Limited review and other certifications | <b>395</b>   | 155   |
| Out of pocket expenses                  | <b>333</b>   | 310   |
|   | <b>5,095</b> | 4,832 |

**30.3** This represents amount charged to the Company for certain management and other services received from its associated undertaking - Unilever Pakistan Foods Limited.

|   | Note | 2015                     | 2014      |
|---|------|--------------------------|-----------|
|   |      | ← (Rupees in thousand) → |           |
| <b>31. OTHER OPERATING EXPENSES</b>               |      |                          |           |
| Donations   |      | <b>8,863</b>             | 11,829    |
| Workers' Profit Participation Fund                | 23.4 | <b>638,654</b>           | 484,892   |
| Workers' Welfare Fund                             | 23.3 | <b>221,993</b>           | 193,957   |
| Loss on disposal of property, plant and equipment |      | -                        | 20,300    |
| Others  | 31.1 | -                        | 589,050   |
|   |      | <b>869,510</b>           | 1,300,028 |

**31.1** Prior year amount represents amount paid under protest to FBR for tax years 2009 to 2014 against non-collection of withholding tax from distributors.



|   | Note | 2015<br>← (Rupees in thousand) → | 2014           |
|---|------|----------------------------------|----------------|
| <b>32. OTHER INCOME</b>                             |      |                                  |                |
| <b>Income from financial assets</b>                 |      |                                  |                |
| Dividend income                                     |      | 12                               | 12             |
| Return on savings accounts                          |      | 267,594                          | 469,802        |
| <b>Income from non-financial assets</b>             |      |                                  |                |
| Scrap sales   |      | 125,371                          | 175,973        |
| Profit on disposal of property, plant and equipment |      | 201,855                          | -              |
| <b>Others</b>                                       |      |                                  |                |
| Service fee   | 32.1 | 266,918                          | 253,507        |
| Liabilities no longer payable written back          |      | -                                | 30,822         |
|   |      | <u>861,750</u>                   | <u>930,116</u> |

**32.1** This includes amount charged by the Company for certain management and other services rendered to its related party - Unilever Pakistan Foods Limited, in accordance with the Service Agreement between the two companies.

|  | Note | 2015<br>← (Rupees in thousand) → | 2014             |
|--|------|----------------------------------|------------------|
| <b>33. FINANCE COST</b>                                  |      |                                  |                  |
| Mark-up on short term borrowings                         |      | 165,565                          | 151,753          |
| Bank charges   |      | 74,545                           | 73,989           |
| Exchange loss  |      | 129,793                          | 94,927           |
| Loss on recognition of forward foreign exchange contract |      | 16,552                           | 60,618           |
|  |      | <u>386,455</u>                   | <u>381,287</u>   |
| <b>34. TAXATION</b>                                      |      |                                  |                  |
| <b>Current year tax</b>                                  |      |                                  |                  |
| -Current tax   |      |                                  |                  |
| Pakistan   |      | 2,984,502                        | 2,715,984        |
| Azad Kashmir   |      | 53,896                           | 52,122           |
| -Deferred tax - charge / (credit)                        |      | 103,234                          | (51,258)         |
|  |      | <u>3,141,632</u>                 | <u>2,716,848</u> |
| <b>Prior year tax</b>                                    | 34.1 | 698,025                          | -                |
|  |      | <u>3,839,657</u>                 | <u>2,716,848</u> |

**34.1** This includes super tax charge levied via Finance Act, 2015 amounting to Rs. 259 million.

**34.2** In 2015, the government enacted a change in the national income tax rate from 33% to 32%.

**2015**                      **2014**  
← (Rupees in thousand) →

**34.3 Relationship between tax expense and accounting profit**

|   |                   |           |
|---|-------------------|-----------|
| Accounting profit before tax                      | <b>11,605,434</b> | 9,018,949 |
| Tax at the applicable tax rate of 32% (2014: 33%) | <b>3,713,739</b>  | 2,976,253 |
| Tax effect of credits                             | <b>(245,941)</b>  | (198,452) |
| Tax effect of final tax                           | <b>(288,152)</b>  | (234,971) |
| Effect of tax rate change                         | <b>(74,775)</b>   | 15,322    |
| Tax effect of prior years                         | <b>698,025</b>    | -         |
| Others  | <b>36,761</b>     | 158,696   |
| Tax expense for the year                          | <b>3,839,657</b>  | 2,716,848 |

**35. CASH AND CASH EQUIVALENTS**

|                        |                  |           |
|------------------------|------------------|-----------|
| Cash and bank balances | <b>9,218,321</b> | 7,837,837 |
|------------------------|------------------|-----------|

### 36. RELATED PARTY TRANSACTIONS

The related parties comprise of the holding company, its group companies, directors and their close family members, associated undertakings, key management personnel and retirement benefit funds.

The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere are as follows:

| Relationship with the Company | Nature of transactions                           | ← (Rupees in thousand) → |            |
|-------------------------------|--|--------------------------|------------|
|                               |  | 2015                     | 2014       |
| i. Ultimate parent company    | Royalty and technical fee                        | <b>3,706,991</b>         | 3,088,896  |
| ii. Associated companies      | Purchase of goods                                | <b>14,647,850</b>        | 12,437,602 |
|                               | Sale of goods                                    | <b>37,737</b>            | -          |
|                               | Fee for providing of services to related party   | <b>339,572</b>           | 825,153    |
|                               | Fee for receiving of services from related party | <b>513,663</b>           | 33,170     |
|                               | Contribution to                                  |                          |            |
|                               | - Defined Contribution plans                     | <b>163,942</b>           | 155,191    |
|                               | - Defined Benefit plans                          | <b>18,698</b>            | 8,977      |
|                               | Settlement on behalf of:                         |                          |            |
|                               | - Defined Contribution plans                     | <b>539,522</b>           | 56,088     |
| - Defined Benefit plans       | <b>46,373</b>                                    | 50,629                   |            |
| iii. Key management personnel | Salaries and other short-term employee benefits  | <b>185,764</b>           | 118,649    |
|                               | Post-employment benefits                         | <b>13,391</b>            | 8,458      |

Royalty and Technical fee are paid in accordance with the agreements duly acknowledged by the State Bank of Pakistan. Technical fee agreement is in the process of renewal and the Company has accrued the charges for Technical fee for the period on the basis of subject agreement duly approved by the Board which is in the process of submission to the State Bank of Pakistan for approval. The purchase and sale of goods and services from related parties are made on agreed terms and conditions.

The Company has entered into agreements with its associate, Unilever Pakistan Foods Limited to share various administrative and other resources. The charges by and service fee from the associate have been disclosed in notes 28, 29, 30 and 32.

The related party status of outstanding balances as at December 31, 2015 is included in other receivables and trade and other payables respectively. These are settled in the ordinary course of business.

Arrangements with parent company and an associated company for granting of their shares to employees of Unilever Pakistan Limited are disclosed in note 23.6.

### 37. REMUNERATION OF EXECUTIVE DIRECTORS AND CHIEF EXECUTIVE

The aggregate amounts charged in the financial statements of the year for remuneration including all benefits to directors and chief executive of the Company are as follows:

|  | Note | EXECUTIVE DIRECTORS |               | CHIEF EXECUTIVE |               |
|--|------|---------------------|---------------|-----------------|---------------|
|  |      | 2015                | 2014          | 2015            | 2014          |
| ← (Rupees in thousand) →               |      |                     |               |                 |               |
| Managerial remuneration and allowances |      | 37,339              | 39,135        | 73,756          | 53,003        |
| Share based compensation               |      | 22,629              | 19,781        | 14,407          | 33,641        |
| Retirement benefits                    | 37.1 | 4,345               | 6,087         | 4,362           | 4,666         |
| Medical expenses                       |      | 257                 | 261           | 425             | 2,831         |
| Other expenses                         |      | 1                   | 13,692        | -               | -             |
|  |      | <u>64,571</u>       | <u>78,956</u> | <u>92,950</u>   | <u>94,141</u> |
| Number of persons                      |      | <u>3</u>            | <u>5</u>      | <u>2</u>        | <u>1</u>      |

In addition to this, a lump sum amount of Rs. 229.76 million (2014: Rs. 191.72 million) on account of variable pay has been accounted for in the financial statements for the current year payable in 2016 after verification of target achievement.

Out of the variable pay recognised for 2014 and 2013 following payments were made:

|                      | Paid in 2015 relating to 2014 | Paid in 2014 relating to 2013 |
|----------------------|-------------------------------|-------------------------------|
| (Rupees in thousand) |                               |                               |
| Executive Directors  | 12,214                        | 8,373                         |
| Chief Executive      | 24,793                        | 5,913                         |
| Executives           | 193,676                       | 137,417                       |
| Other employees      | 2,805                         | 795                           |
|                      | <u>233,488</u>                | <u>152,498</u>                |

37.1 Retirement benefits represent amount contributed towards various retirement benefit plans.

The Executive Directors and Chief Executive of the Company are provided with free use of cars and household equipments.

### 38. CAPACITY

|                        | Annual Capacity |         | Actual Production |         |
|------------------------|-----------------|---------|-------------------|---------|
|                        | 2015            | 2014    | 2015              | 2014    |
| ← Metric Tons →        |                 |         |                   |         |
| <b>Own manufacture</b> |                 |         |                   |         |
| Home and Personal Care | 258,000         | 198,000 | 169,282           | 165,582 |
| Beverages              | 40,228          | 50,979  | 31,296            | 32,325  |
| ← Million Litres →     |                 |         |                   |         |
| Ice Cream              | 64.0            | 60.0    | 41.1              | 37.8    |

The current capacity was under utilised on account of lower demand.

### 39. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on un-audited financial statements of the Fund as at December 31, 2015:

|                                 | 2015<br>← (Rupees in thousand) → | 2014      |
|---------------------------------|----------------------------------|-----------|
| Size of the Fund - Total Assets | <b>1,203,226</b>                 | 1,245,746 |
| Fair value of investments       | <b>1,111,425</b>                 | 1,146,477 |
| Percentage of investments made  | <b>92.37%</b>                    | 92.03%    |

**39.1** The cost of above investments amounted to Rs. 953 million (2014: Rs. 1,068 million).

**39.2** The break-up of fair value of investments is as follows:

|                          | 2015<br>(Percentage) | 2014   | 2015<br>← (Rupees in thousand) → | 2014      |
|--------------------------|----------------------|--------|----------------------------------|-----------|
| National Savings Schemes | <b>43.09</b>         | 22.66  | <b>478,963</b>                   | 273,586   |
| Government Securities    | <b>42.24</b>         | 62.40  | <b>469,448</b>                   | 694,159   |
| Equity Securities        | <b>14.67</b>         | 14.47  | <b>163,008</b>                   | 172,939   |
| Unit Trust Schemes       | <b>0.00</b>          | 0.47   | <b>6</b>                         | 5,793     |
|                          | <b>100.00</b>        | 100.00 | <b>1,111,425</b>                 | 1,146,477 |

**39.3** The investments out of provident fund have been made in accordance with the provision of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

### 40. NUMBER OF EMPLOYEES

|   | 2015         | 2014  |
|---|--------------|-------|
| Number of employees including contractual employees at year end | <b>1,755</b> | 1,768 |
| Average number of employees                                     | <b>1,762</b> | 1,829 |

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### 41.1 Financial risk factors

The Company's activities expose it to variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as manage financial risk to minimise earnings volatility and provide maximum return to shareholders.

#### 41.2 Financial assets and liabilities by category and their respective maturities

|                                       | Interest bearing        |                         |                  | Non-interest bearing    |                         |                     | Total               |
|---------------------------------------|-------------------------|-------------------------|------------------|-------------------------|-------------------------|---------------------|---------------------|
|                                       | Maturity up to one year | Maturity after one year | Sub-total        | Maturity up to one year | Maturity after one year | Sub-total           |                     |
| ← (Rupees in thousand) →              |                         |                         |                  |                         |                         |                     |                     |
| <b>FINANCIAL ASSETS</b>               |                         |                         |                  |                         |                         |                     |                     |
| Loans to employees                    | -                       | -                       | -                | 62,663                  | 148,904                 | 211,567             | 211,567             |
| Deposits                              | -                       | -                       | -                | 48,566                  | 23,702                  | 72,268              | 72,268              |
| Trade debts                           | -                       | -                       | -                | 1,323,516               | -                       | 1,323,516           | 1,323,516           |
| Other receivables                     | -                       | -                       | -                | 99,141                  | -                       | 99,141              | 99,141              |
| Cash and bank balances                | 8,529,984               | -                       | 8,529,984        | 688,337                 | -                       | 688,337             | 9,218,321           |
| Long term investments at cost         | -                       | -                       | -                | -                       | 95,202                  | 95,202              | 95,202              |
| <b>December 31, 2015</b>              | <b>8,529,984</b>        | <b>-</b>                | <b>8,529,984</b> | <b>2,222,223</b>        | <b>267,808</b>          | <b>2,490,031</b>    | <b>11,020,015</b>   |
| December 31, 2014                     | 7,491,085               | -                       | 7,491,085        | 1,599,935               | 259,618                 | 1,859,553           | 9,350,638           |
| <b>FINANCIAL LIABILITIES</b>          |                         |                         |                  |                         |                         |                     |                     |
| <b>At amortised cost</b>              |                         |                         |                  |                         |                         |                     |                     |
| Trade and other payables              | 4,004,916               | -                       | 4,004,916        | 19,588,834              | -                       | 19,588,834          | 23,593,750          |
| <b>December 31, 2015</b>              | <b>4,004,916</b>        | <b>-</b>                | <b>4,004,916</b> | <b>19,588,834</b>       | <b>-</b>                | <b>19,588,834</b>   | <b>23,593,750</b>   |
| December 31, 2014                     | 2,124,973               | -                       | 2,124,973        | 19,724,063              | -                       | 19,724,063          | 21,849,036          |
| <b>ON BALANCE SHEET GAP</b>           |                         |                         |                  |                         |                         |                     |                     |
| <b>December 31, 2015</b>              | <b>4,525,068</b>        | <b>-</b>                | <b>4,525,068</b> | <b>(17,366,611)</b>     | <b>267,808</b>          | <b>(17,098,803)</b> | <b>(12,573,735)</b> |
| December 31, 2014                     | 5,366,112               | -                       | 5,366,112        | (18,124,128)            | 259,618                 | (17,864,510)        | (12,498,398)        |
| <b>OFF BALANCE SHEET ITEMS</b>        |                         |                         |                  |                         |                         |                     |                     |
| Open Letters of credit and guarantees |                         |                         |                  |                         |                         |                     |                     |
| <b>December 31, 2015</b>              |                         |                         |                  |                         |                         |                     | <b>7,947,766</b>    |
| December 31, 2014                     |                         |                         |                  |                         |                         |                     | 7,692,575           |

The carrying value of financial assets and financial liabilities approximate their fair value.

For valuation of derivative [forward foreign exchange contract: refer note 23] at reporting date, the relevant rate has been taken from financial institution and has been classified into level 2 fair value measurement hierarchy as defined in IFRS 13.

#### (i) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets.

Out of the total financial assets of Rs. 11.02 billion (2014: Rs. 9.35 billion) the financial assets that are subject to credit risk amounted to Rs. 1.54 billion.

For trade debts, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management. As of December 31, 2015 trade debts of Rs. 168.66 million (2014: Rs. 120.38 million) were past due but not impaired. The carrying amount of trade debts relates to a number of independent customers for whom there is no recent history of default.

Deposits have been placed mainly against shipping guarantees and letters of credit hence exposed to no significant credit risk.

Loans to employees are not exposed to any material credit risk.

Other receivables constitute mainly receivables from the related parties, therefore, are not exposed to any significant credit risk.

The bank balances represent low credit risk as they are placed with banks having good credit ratings assigned by credit rating agencies.

The management does not expect any losses from non-performance by these counterparties.

Management believes that it is not exposed to significant credit risk.

## **(ii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements.

## **(iii) Market risk**

Market risk is the risk that changes in foreign exchange rate and interest rates will effect the Company's income or value of its holding in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

### **a) Foreign exchange risk**

Foreign exchange risk arises mainly where receivables and payables exist in foreign currency. As at December 31, 2015, financial assets of Rs. 48.89 million (2014: Rs. 68.54 million) and financial liabilities of Rs. 3.54 billion (2014: Rs. 3.93 billion) were in foreign currency which were exposed to foreign currency risk.

The foreign currency assets are approx 60% in USD, 22% in GBP and 18% in other currencies. The foreign currency liabilities are approx 82% in USD and 14% in EURO.

As at December 31, 2015, if the Pakistan Rupee had weakened / strengthened by 6% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 172.37 million (2014: Rs. 179.37 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated financial assets and liabilities.

As at December 31, 2015, if the Pakistan Rupee had weakened / strengthened by 6% against Euro with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 30.63 million (2014: Rs. 43.97 million), mainly as a result of foreign exchange losses / gains on translation of Euro denominated financial assets and liabilities.

As at December 31, 2015, if the Pakistan Rupee had weakened / strengthened by 6% against Pound Sterling with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 2.88 million (2014: Rs. 5.37 million), mainly as a result of foreign exchange losses / gains on translation of Pound Sterling denominated financial assets and liabilities.

The sensitivity of foreign exchange rate looks at the outstanding foreign exchange balances of the Company only as at the balance sheet date and assumes this is the position for a full twelve-month period.

#### b) Interest rate risk

Interest rate risk arises due to changes in market interest rates that results in fluctuation in fair value or future cash flows of a financial instrument. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At December 31, 2015, the Company had variable interest bearing financial assets of Rs. 8.53 billion (2014: Rs. 7.49 billion) and financial liabilities of Rs. 4 billion (2014: Rs. 2.12 billion), and had the interest rate varied by 200 basis points with all the other variables held constant, profit before tax for the year would have been approximately Rs. 90.5 million (2014: Rs. 107.32 million) lower / higher.

## 42. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The gearing ratio as at December 31, 2015 and 2014 were as follows:

|                           | 2015<br>← (Rupees in thousand) → | 2014                    |
|---------------------------|----------------------------------|-------------------------|
| Total Borrowings          | -                                | -                       |
| Cash and Bank             | <u>(9,218,321)</u>               | <u>(7,837,837)</u>      |
| Net (cash surplus) / debt | <u>(9,218,321)</u>               | <u>(7,837,837)</u>      |
| Total Equity              | <u>3,678,801</u>                 | <u>3,206,538</u>        |
| Total Capital             | <u><u>3,678,801</u></u>          | <u><u>3,206,538</u></u> |
| Gearing Ratio             | -                                | -                       |



The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance.

#### **43. MONOPOLY CONTROL AUTHORITY ORDER**

With respect to the Monopoly Control Authority's [MCA] (now Competition Commission of Pakistan) Order, dated December 19, 2006, terminating the non-competition agreement and requiring the Company to refund the amount of Rs. 250 million to Dalda Foods (Private) Limited (DFL) within fifteen days of receipt of the Order, the management, based on legal advice, is of the view that the agreement between the Company and DFL is not in violation of Monopolies and Restrictive Trade Practices Ordinance, 1970. The Company filed an appeal in the High Court of Sindh against the Order which was admitted and the operation of MCA's order was stayed. At present, the appeal is pending for hearing.

#### **44. PROPOSED AND DECLARED DIVIDENDS**

##### **On 5% cumulative preference shares**

At the Board meeting held on March 4, 2016, dividend in respect of 2015 of Rs. 239 thousand has been declared (2014: Rs. 239 thousand).

##### **On ordinary shares**

At the Board meeting held on March 4, 2016, a final dividend in respect of 2015 of Rs. 163.00 per share amounting to a total dividend of Rs. 2.17 billion is proposed (2014: Rs. 127.28 per share amounting to a total dividend of Rs. 1.69 billion).

The Board of Directors in its meeting held on November 26, 2015 declared cash dividend in respect of nine months period ended September 30, 2015 of Rs. 423.00 per share amounting to Rs. 5.62 billion (Interim cash dividend for the nine months period ended September 30, 2014 of Rs. 346.00 per share amounting to Rs. 4.6 billion).

These financial statements do not reflect the proposed final dividend on ordinary shares and the dividend declared on cumulative preference shares as payable, which will be accounted for in the statement of changes in equity as an appropriation from the unappropriated profit in the year ending December 31, 2016.

#### **45. DATE OF AUTHORISATION**

These financial statements were authorised for issue on March 4, 2016 by the Board of Directors of the Company.

#### **46. GENERAL**

For the purpose of better presentation, forward foreign exchange contract amounting to Rs. 16 million has been reclassified from Bills payable to forward foreign exchange contract.

**Shazia Syed**

Chairperson and Chief Executive

**Ali Tariq**

Director and Chief Financial Officer

# Notice of Annual General Meeting

Notice is hereby given that the 67<sup>th</sup> Annual General Meeting of Unilever Pakistan Limited will be held at The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton Block 8, Karachi, on Wednesday, April 13, 2016, at 11:00 a.m. to transact the following business:

## Ordinary Business

1. To receive, consider and adopt the Company's Financial Statements for the year ended December 31, 2015, together with the Reports of the Auditors and Directors thereon.
2. To approve and declare dividend (2015) on the Ordinary Shares of the Company.  
The Directors have recommended a final cash dividend of 326% (i.e.163.00 per share) on the Ordinary Shares. Together with the Interim dividend of 846% (i.e. Rs.423.00 per ordinary share), already paid, the total dividend for 2015 will thus amount to 1172% (i.e.Rs.586.00 per Ordinary share).
3. To appoint Auditors for the ensuing year, and to fix their remuneration.  
Messrs KPMG Taseer Hadi & Co., Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

By Order of the Board

Karachi  
March 21, 2016

**Amar Naseer**  
Director & Company Secretary

## Notes:

1. Share Transfer Books will be closed from April 07, 2016 to April 13, 2016 (both days inclusive) when no transfer of shares will be accepted for registration. Transfers in good order, received at the office of Company's Share Registrar M/s THK Associates (Private) Limited, 2nd Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530 by the close of the business on April 06, 2016 will be treated in time for the purpose of payment of Final Dividend to the transferees.
2. All Members/Shareholders (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. **For Appointing Proxies:**
  - i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.
- iii) Duly completed instrument of proxy, and the other authority under which it is signed, or a notarially certified copy thereof, must be lodged with the Company Secretary at the Company's Registered Office (Avari Plaza, Fatima Jinnah Road, Karachi-75530) at least 48 hours before the time of the Meeting.

#### 4. For Attending the Meeting:

The Individuals (Member/Proxy), shall authenticate his / her identity by showing his her original valid Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.

- 5. The Individual Members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, M/s THK Associates (Private) Limited, 2<sup>nd</sup> Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 779 (I) dated August 18, 2011, and SRO 831 (I) 2012 dated July 05, 2012, which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. In case of non-receipt of the copy of a valid CNIC, the Company will withhold dividend warrants of such Shareholders to comply with the said SROs of SECP.
- 6. (i) The Government of Pakistan through Finance Act, 2014 has made certain amendments in Section 150 of the Income Tax Ordinance 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. Now these rates as per the Finance Act 2015 are as under:

|     |                                     |       |
|-----|-------------------------------------|-------|
| (a) | For Filers of Income Tax Return     | 12.5% |
| (b) | For Non-Filers of Income Tax Return | 17.5% |

To enable the Company to make tax deduction on the amount of cash dividend @ 12.5% instead of 17.5% all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the start of book closure date for entitlement to payment of Dividend i.e. April 07, 2016, otherwise tax on their cash dividend will be deducted @ 17.5% instead of 12.5%.

(ii) For any query/problem/information, the investor may contact the Share Registrar: Mr. Nauman Saeed Khan, Assistant Manager, telephone number: 111-000-322 (123), e-mail address: noman\_cs@thk.com.pk or Mr. Masood Ahmed, Manager, telephone number: 111-000-322 (124) or +92-21-35682241 e-mail address: masood\_ahmed@thk.com.pk; and /or the Company: Ms. Wajihah Khan, telephone number: +92- 21-35660062 e-mail address: wajihah.khan@unilever.com.

(iii) The corporate shareholders should send a copy of their NTN certificate to the company or its Share Registrar M/s THK Associates (Private) Limited if it has not yet been provided. The Shareholders while sending NTN or NTN certificates, as the case may be, must quote Company name and their respective folio numbers.

According to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal Shareholder as well as Joint Holder(s) based on their shareholding proportions, in case of joint holding / joint account. In this regard, all shareholders who hold shares with joint shareholders, are requested to provide shareholding proportions of Principal Shareholder and Joint-Holder(s) in respect of shares held by them, to Company's Share Registrar, M/s THK Associates (Private) Limited, 2nd Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530, in writing, otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint -Holder(s).

7. According to the SECP circular No. 8(4) SM/CDC 2008 of April 05, 2013, Shareholders are entitled to receive their cash dividend directly in their bank accounts instead of receiving the dividend warrants physically. Shareholders having physical holding and desiring to avail this option may submit the prescribed Dividend Mandate Form, to the Company's Share Registrar.
  
8. Any change of address of Members should be immediately notified to the Company's Share Registrars, M/s THK Associates (Private) Limited, 2<sup>nd</sup> Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530.

# Dividend Mandate Form

## THK ASSOCIATES (PVT) LIMITED

2<sup>ND</sup> FLOOR, STATE LIFE BUILDING-3,  
DR. ZIAUDDIN AHMED ROAD,  
KARACHI – 75530.

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

I / We, Mr. / Ms. / Mrs. / M/s, \_\_\_\_\_, holding CNIC No. / Passport No. / NTN \_\_\_\_\_ and being the registered shareholder of **Unilever Pakistan Limited** hereby authorize the Company to **directly credit** in my bank account cash dividend, if any declared by the Company in future, instead of issuance of dividend warrant. Following are my details to facilitate the aforementioned request:

| SHAREHOLDER'S INFORMATION & BANK DETAILS                               |  |
|--|--|
| Name of Shareholder  |  |
| Folio No.  |  |
| CNIC No. / NTN / Passport No.<br>(please attach an attested photocopy) |  |
| Title of Bank Account  |  |
| Bank Account Number (COMPLETE)   |  |
| Bank's Name  |  |
| Bank's Branch Name   |  |
| Branch Code  |  |
| Address of Bank Branch   |  |
|  |  |
|  |  |
| Telephone Number (Landline)  |  |
| Mobile Number  |  |

It is stated that the above-mentioned information is correct and that I will intimate the changes in the above mentioned information to the Company and its share registrar as soon as these occur.

Signature of Member: \_\_\_\_\_

Name: \_\_\_\_\_

(PLEASE WRITE NAME IN BLOCK LETTERS)

# منافع منقسمہ مینڈیٹ فارم

ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ  
دوسری منزل، اسٹیٹ لائف بلڈنگ نمبر 3  
ڈاکٹر ضیاء الدین احمد روڈ  
کراچی۔ 75530

تاریخ: \_\_\_\_\_ \ \_\_\_\_\_ \ \_\_\_\_\_

میں/ہم/مسٹر/مس/میسز/میسرز \_\_\_\_\_ بطور یونی لیور پاکستان لمیٹڈ کے رجسٹرڈ شیئر ہولڈر  
سی این آئی سی نمبر/ پاسپورٹ نمبر/ این ٹی این \_\_\_\_\_ بذریعہ ہذا کمپنی کو یہ اختیار تفویض کرتا/کرتی ہوں کہ اگر کمپنی کی جانب سے مستقبل میں کوئی نقد منافع منقسمہ دیا جائے تو ڈیویڈنڈ وارنٹ جاری کرنے کے بجائے اسے براہ  
راست میرے بینک اکاؤنٹ میں کریڈٹ کروا دیا جائے۔ مذکورہ بالا درخواست پر عمل درآمد کے لیے میری تفصیلات درج ذیل ہیں:

| شیئر ہولڈر کی معلومات اور بینک کی تفصیلات  |  |
|--|--|
| شیئر ہولڈر کا نام  |  |
| فولیو نمبر   |  |
| CNIC نمبر/ این ٹی این / پاسپورٹ نمبر<br>(براہ مہربانی تصدیق شدہ کاپی منسلک کریں) |  |
| بینک اکاؤنٹ کا نام (ٹائٹل)   |  |
| بینک اکاؤنٹ نمبر (کامل)  |  |
| بینک کا نام  |  |
| بینک کی برانچ کا نام   |  |
| برانچ کوڈ  |  |
| بینک کی برانچ کا پتہ   |  |
| ٹیلی فون نمبر (لینڈ لائن)  |  |
| موبائل نمبر  |  |

میں یہ اقرار کرتا/کرتی ہوں کہ مندرجہ بالا فراہم کردہ معلومات درست ہیں اور مذکورہ بالا تفصیلات میں کسی بھی قسم کی تبدیلی کی صورت میں، جیسے ہی وہ واقع ہوں، میں کمپنی اور اس کے شیئر رجسٹرار کو فوری طور پر تحریری صورت میں مطلع کروں گا/کروں گی۔

ممبر کا دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

# Form for Deduction of Tax on Dividend Income

## THK ASSOCIATES (PVT) LIMITED

2<sup>ND</sup> FLOOR, STATE LIFE BUILDING-3,  
DR. ZIAUDDIN AHMED ROAD,  
KARACHI – 75530.

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Please further note that under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2015 withholding tax on dividend income will be deducted for 'Filer' and 'Non-Filer' shareholders @ 12.5% and 17.5% respectively. According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as Joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, THK Associates (Private) Limited, 2<sup>nd</sup> Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530, in writing.

Following are the details of Principal/Joint holder(s) of the shares of **Unilever Pakistan Limited**; including their proportion of shareholding:

| Folio/CDS Account # | Total Shares | Principal Shareholder |   | Joint Shareholder |   |
|---------------------|--------------|-----------------------|---|-------------------|---|
|                     |              | Name and CNIC #       | Shareholding Proportion (No. of Shares) | Name and CNIC #   | Shareholding Proportion (No. of Shares) |
|                     |              |                       |   |                   |   |
|                     |              |                       |   |                   |   |
|                     |              |                       |   |                   |   |

It is stated that the above-mentioned information is correct and that I will intimate the changes in the above-mentioned information to the Company and its share registrar as soon as these occur.

Signature of Member: \_\_\_\_\_

Name: \_\_\_\_\_

(PLEASE WRITE NAME IN BLOCK LETTERS)

Signature of Joint-Holder 1:

\_\_\_\_\_

Name: \_\_\_\_\_

(PLEASE WRITE NAME IN BLOCK LETTERS)

Signature of Joint-Holder 2:

\_\_\_\_\_

Name: \_\_\_\_\_

(PLEASE WRITE NAME IN BLOCK LETTERS)

# منافع منقسمہ کی آمدنی پر ٹیکس کٹوتی کا فارم

ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

دوسری منزل، اسٹیٹ لائف بلڈنگ نمبر 3

ڈاکٹر ضیاء الدین احمد روڈ

کراچی۔ 75530

تاریخ: \_\_\_\_\_

آپ کو مزید یاد دہانی کرائی جاتی ہے کہ اکم ٹیکس کے آرڈیننس 2001 کے سیکشن 150 کے تحت اور فنانس ایکٹ 2015 کے مطابق منافع منقسمہ کی آمدنی پر وہ ہولڈنگ ٹیکس ”فائلر“ اور ”نان فائلر“ شیئرز ہولڈرز سے بالترتیب 12.5% اور 17.5% کے حساب سے وصول کیا جائے گا۔

فیڈرل بورڈ آف ریونیو کی وضاحت کے مطابق پرنسپل شیئر ہولڈر اور جوائنٹ شیئر ہولڈر (ز) کی صورت میں وہ ہولڈنگ ٹیکس کا تعین علیحدہ علیحدہ ان کے فائلر/نان فائلر کی بنیاد پر اور جوائنٹ اکاؤنٹ میں ان کی شیئر ہولڈنگ کے تناسب کے اعتبار سے کیا جائے گا۔

ایسے تمام شیئر ہولڈرز جن کے اکاؤنٹ جوائنٹ شیئر ہولڈر (ز) کے ساتھ ہیں ان سے درخواست کی جاتی ہے کہ وہ اکاؤنٹ میں پرنسپل اور جوائنٹ شیئر ہولڈر (ز) کے شیئرز کے تناسب کی تفصیلات شیئر رجسٹر اٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، دوسری منزل، اسٹیٹ لائف بلڈنگ نمبر 3، ڈاکٹر ضیاء الدین احمد روڈ کراچی۔ 75530 کو تحریری طور پر فراہم کریں۔

پرنسپل اور جوائنٹ شیئر ہولڈر (ز) کے یونی لیور پاکستان لمیٹڈ میں شیئرز کی تفصیلات بمعہ ان کے شیئر ہولڈنگ کے تناسب سے درج ذیل ہیں۔

| جوائنٹ شیئر ہولڈر (ز)                    |                      | پرنسپل شیئر ہولڈر                        |                      | مجموعی<br>شیئرز | فولیو/ CDS<br>اکاؤنٹ نمبر |
|--|----------------------|--|----------------------|-----------------|---------------------------|
| شیئر ہولڈنگ کا تناسب<br>(شیئرز کی تعداد) | نام اور<br>CNIC نمبر | شیئر ہولڈنگ کا تناسب<br>(شیئرز کی تعداد) | نام اور<br>CNIC نمبر |                 |                           |
|  |                      |  |                      |                 |                           |
|  |                      |  |                      |                 |                           |
|  |                      |  |                      |                 |                           |

میں یہ اقرار کرتا/کرتی ہوں کہ مندرجہ بالا فراہم کردہ معلومات درست ہیں اور مذکورہ بالا تفصیلات میں کسی بھی قسم کی تبدیلی کی صورت میں، جیسے ہی وہ واقع ہوں، میں کمپنی اور اس کے شیئر رجسٹر اٹو کو فوری طور پر تحریری صورت میں مطلع کروں گا/کروں گی۔

ممبر کا دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

جوائنٹ شیئر ہولڈر کا دستخط: \_\_\_\_\_

جوائنٹ شیئر ہولڈر کا دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

نام: \_\_\_\_\_



# Form of Proxy

The Secretary  
Unilever Pakistan Limited  
Avari Plaza, Fatima Jinnah Road  
Karachi-75530, Pakistan.

I/ We \_\_\_\_\_ son/ daughter/ wife of \_\_\_\_\_ shareholder of Unilever Pakistan Limited, holding \_\_\_\_\_ ordinary / preference shares hereby appoint Mr./Ms. \_\_\_\_\_ having CNIC No. \_\_\_\_\_ who is my \_\_\_\_\_ [state relationship (if any) with the proxy; required by Government regulations] and the son / daughter/ wife of \_\_\_\_\_, (holding \_\_\_\_\_ ordinary / preference shares in the Company under Folio No. \_\_\_\_\_) [required by Government; delete if proxy is not the Company's shareholder] as my / our proxy, to attend and vote for me / us and on my / our behalf at the 67<sup>th</sup> Annual General Meeting of the Company to be held on April 13, 2016 and / or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

## Witness 1:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

CNIC #: \_\_\_\_\_

Address : \_\_\_\_\_

[Signature should agree with the specimen signature registered with the Company]

**Sign across Rs. 5/-  
Revenue Stamp**

## Witness 2:

Signature of Member(s)

Signature: \_\_\_\_\_

Shareholder's Folio No.: \_\_\_\_\_

Name: \_\_\_\_\_

and / or CDC Participant I.D. No.: \_\_\_\_\_

CNIC #: \_\_\_\_\_

and Sub- Account No.: \_\_\_\_\_

Address : \_\_\_\_\_

Shareholder's CNIC #: \_\_\_\_\_

## Note:

- The Member is requested to:
  - affix Revenue Stamp of Rs. 5/- at the place indicated above.
  - sign across the Revenue Stamp in the same style of signature as is registered with the Company.
  - write down his/her/their Folio Number.
  - attach an attested photocopy of their valid Computerised National Identity Card / Passport / Board Resolution and the copy of valid CNIC of the proxy, with this proxy form before submission.
- In order to be valid, this Proxy must be received at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting, duly completed in all respects.
- Shareholders or their Proxies should bring their original valid Computerized National Identity Card or original Passport for their identification. CDC shareholders should bring their Participant's ID Number and their Account Number.
- Detailed procedure is given in the Notes to the Notice of AGM.

# پراکسی فارم

جناب سیکریٹری صاحب  
یونی لیور پاکستان لمیٹڈ  
آداری پلازہ، فاطمہ جناح روڈ  
کراچی۔ 75530، پاکستان۔

میں/ہم \_\_\_\_\_ ولد/خاوند \_\_\_\_\_  
یونی لیور پاکستان لمیٹڈ کا شیئر ہولڈر ہوں اور \_\_\_\_\_ عمومی/ترجیحی شیئرز کی تحویل رکھتا ہوں، میں بذریعہ ہذا  
جناب/محترمہ \_\_\_\_\_ ولد/خاوند \_\_\_\_\_،  
سی این آئی سی نمبر: \_\_\_\_\_ جو تعلق میں میرے \_\_\_\_\_ ہیں (رشتہ داری واضح کریں  
اگر کوئی ہو یہ حکومتی ضابطوں کے تحت درکار ہے) یہ کمپنی میں \_\_\_\_\_ عمومی/ترجیحی شیئرز،  
فولیو نمبر \_\_\_\_\_ کے تحت رکھتے ہیں [یہ حکومتی ضابطوں کے تحت درکار ہے، پراکسی کے شیئر ہولڈر نہ ہونے کی صورت میں کراس (X) لگا دیں] کو اپنا  
پراکسی (مختار) نامزد کرتا/کرتی ہوں جو میری/ہماری جانب سے کمپنی کے 67 ویں سالانہ اجلاس عام میں شرکت کرنے اور ووٹ دینے کے اہل ہیں۔ جو کہ  
13 اپریل 2016 کو یا التواء کی صورت میں کسی بھی دیگر وقت مقررہ پر منعقدہ ہوگا۔

آج تاریخ \_\_\_\_\_ 2016 کو دستخط کیا۔

گواہ نمبر 1:

(دستخط کمپنی کے پاس رجسٹر کردہ دستخط  
کے جیسا ہونا چاہیے)

5 روپے کارسیدی ٹکٹ  
چسپاں کر کے دستخط کریں

ممبر (ز) کا/کے دستخط:

دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

سی این آئی سی نمبر: \_\_\_\_\_

پتہ: \_\_\_\_\_

گواہ نمبر 2:

\_\_\_\_\_ شیئر ہولڈر کا فولیو نمبر:

\_\_\_\_\_ اور/یا CDC میں شرکت کا آئی ڈی نمبر:

\_\_\_\_\_ اور ذیلی اکاؤنٹ نمبر:

\_\_\_\_\_ شیئر ہولڈر کا سی این آئی سی نمبر:

دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

سی این آئی سی نمبر: \_\_\_\_\_

پتہ: \_\_\_\_\_

نوٹ:

- ممبر سے درخواست ہے کہ:
  - درج بالا واضح کردہ جگہ پر 5 روپے کارسیدی ٹکٹ چسپاں کریں۔
  - رسیدی ٹکٹ پر دستخط کریں جیسے کہ کمپنی کے ریکارڈ میں ہیں۔
  - اپنا فولیو نمبر لکھیں۔
  - شیئر ہولڈر (ز) کے کارآمدی این آئی سی/پاسپورٹ/بورڈ کی قرارداد اور پراکسی کے کارآمدی این آئی سی کی تصدیق شدہ کاپی فارم کے ساتھ منسلک کریں۔
- باضابطہ مکمل شدہ پراکسی فارم کمپنی کے رجسٹرڈ آفس میں اجلاس کے وقت سے 48 گھنٹے قبل موصول ہو جانا چاہیے۔
- شیئر ہولڈر (ز) اور ان کے پراکسیز سے درخواست ہے کہ سالانہ اجلاس میں شرکت کے وقت شناخت کے لیے وہ اپنا اصل کارآمد شناختی کارڈ یا اصل کارآمد پاسپورٹ دکھائیں۔ CDC شیئر ہولڈرز CDC میں شرکت کا آئی ڈی نمبر اور اکاؤنٹ نمبر بھی ہمراہ لائیں۔
- تفصیلی طریقہ کار سالانہ اجلاس عام کی اطلاع کے نوٹس میں درج ہے۔

## ریٹائرمنٹ کے فوائد میں سرمایہ کاری

کمپنی کے مالیاتی سال کے اسٹیٹمنٹس 31 دسمبر 2015 کے تحت اسٹاف ریٹائرمنٹ فنڈ سے درج ذیل سرمایہ کاری کی ہے:

| ملین روپے    | یونین پاکستان پراویڈینٹ فنڈ        |
|--------------|------------------------------------|
| 1,111        | DC پنشن فنڈ                        |
| 987          | یونیورسٹی پنشن پلان                |
| 138          | یونیورسٹی گریجویٹ پلان             |
| 7            | یونیورسٹی انجمنٹ اسٹاف گریجویٹ فنڈ |
| 77           | ٹوٹل:                              |
| <b>2,320</b> |                                    |
| 2,301        | ٹوٹل - 2014                        |

## ڈائریکٹرز

ڈائریکٹرز کا ایکشن 2014 AGM میں منعقد کیا گیا تھا اور موجودہ ڈائریکٹرز کی مدت 18 اپریل 2017 کو ختم ہوگی۔

## ملحقہ کمپنیز اور مقررہ مالیاتی اسٹیٹمنٹس

مقررہ مالیاتی اسٹیٹمنٹ بابت یونیورسٹی گروپ جو کہ کمپنی اور اپنے متعلقین میسرز لیور کیمیکلز (پرائیویٹ) لمیٹڈ، میسرز لیور ایسوسی ایٹڈ پاکستان ٹرسٹ (پرائیویٹ) لمیٹڈ اور میسرز صادق (پرائیویٹ) لمیٹڈ جنہیں سیکورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان کے لیٹرنمبر CLD/CCD/Co. 237/01/2007-1809 مورخہ 7 جولائی 2015 کے تحت دیئے گئے اسٹیٹمنٹ کی وجہ سے شامل نہیں کیا گیا ہے جو کہ کمپنیز آرڈیننس 1984 کے سیکشن 237 کے تحت ضروری تھی۔ اس سال کے دوران کمپنیوں میں کوئی اہم کاروباری پیش رفت نہیں ہوئی۔

## ہولڈنگ کمپنی

اپنی تمام متعلقین کے توسط سے یونیورسٹی گروپ اور سیز ہولڈنگ لمیٹڈ (UK(UOHL))، یونیورسٹی گروپ، جو برطانیہ میں مقیم ہے۔ وہ ایک ہولڈنگ کمپنی ہے اور یونیورسٹی گروپ پاکستان لمیٹڈ میں اس کے 99.05% حصص ہیں۔

## آڈیٹرز

آڈیٹرز KPMG تاثر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کا تقرر 31 دسمبر 2015 تک کیا گیا تھا۔ بورڈ نے KPMG تاثر ہادی اینڈ کمپنی کی سال 2016 کیلئے کمپنی کے آڈیٹرز کے طور پر تقرری کی۔ فارش کی ہے جس کا انحصار اگلی ہونے والی میٹنگ 13 اپریل 2016 میں شیئر ہولڈرز کی منظوری سے ہوگا۔

## توثیقی بیان

ہمارے لوگ اس ترقی میں اہم کردار ہیں اور ہمارے ڈائریکٹرز ان کی کاوشوں کو تسلیم کرتے ہیں۔ ہم اپنے تمام کنزیومرز اور صارفین کا ہماری برانڈز پر بھروسہ کرنے کیلئے شکرگزار ہیں۔ ہم اپنے شیئر ہولڈرز کے بھی ان کی سپورٹ اور ہماری انتظامیہ پر اعتماد کرنے کیلئے مشکور ہیں۔

## کاروباری خطرات اور مستقبل پر نظر

مشکل اقتصادی و انتظامی حالت، ٹیکس چوری اور جعلی اشیاء سے کمپنی کو ابھی بھی خطرہ لاحق ہے، خصوصاً چائے کے شعبے میں۔

ان چیلنجز کے باوجود ہماری قوت ایک مضبوط برانڈ، جدید اشیاء، تحقیق و نشوونما کی قابلیت اور عالمی مہارت پر مشتمل ہے۔ ہمارا مقصد مستقل طور پر اپنے کنزیومر کو بہتر پروڈکٹ فراہم کرنا ہے۔ اسے حاصل کرنے کیلئے ہم مستقل طور پر ملک میں ترقی اور بہترین ٹیلنٹ پرائسز کر رہے ہیں۔

برائے بورڈ

شازیہ سید

چیئر پرسن و چیف ایگزیکٹو

کراچی

بتاریخ: 4 مارچ 2016

(پ) گزشتہ سال ہم نے اپنی شراکت داری نیا جیون کے ساتھ شروع کی تاکہ تھرڈ پارٹی سروس فراہم کرنے کی حوصلہ افزائی کی جائے۔ اس کے علاوہ ان کے لوگوں اور سبز کے نمائندوں کو صحت کا بیمہ فراہم کیا جاسکے۔

### ملازمین کی شرکت

ہمارے لوگ ہمارے وعدوں کے حوالے سے پائیدار ترقی کے سلسلے میں یقین دلاتے ہیں جس میں پورے سال کے دوران منعقد ہونے والے رضا کارانہ پروگرامز میں ان کی شرکت واضح دلیل ہے۔

ملازمین نے سال بھر مالی سپورٹ، مہارت کی ترقی اور رضا کارانہ وقت کے طور پر مختلف اداروں سے تعاون کیا۔ سال 2015 میں ایپیلانی پے رول پروگرام کے تحت 1.8 ملین سے زائد کا تعاون تعلیم کے لئے سٹیژن فاؤنڈیشن، چائلڈ کارڈیک سرجیز کے لئے آغا خان یونیورسٹی ہسپتال اور UN ورنلڈوڈ پروگرام سے بچوں کو کھانا فراہم کیا۔

سال 2015 میں رضا کارانہ ملازمین نے ایک اور اہم معاملہ شروع کیا کہ جو لوگ گرمیوں کے موسم کے دوران شہر میں تپش کی وجہ سے متاثر ہوئے تھے اس سلسلے میں ملازمین نے اس پروگرام میں شرکت کی تاکہ ہیٹ اسٹروک کے مریضوں کو ضروری طبی امداد فراہم کی جاسکے اس کے علاوہ ملازمین نے پورے شہر کے مختلف حصوں میں دو ہزار سے زائد درختوں کی شجرکاری کی تاکہ مستقبل میں حرارت کی ان لہروں میں کمی واقع ہو سکے۔

ملازمین نے گلوبل ہینڈ واشنگ ڈے کی سرگرمیوں میں آگاہی کے حوالے سے حصہ لیا اور نئی ماؤں کو اپنے بچے کو ہاتھ لگانے سے قبل صابن سے ہاتھ دھونے کے بارے میں آگاہ کیا۔

ہمارے ملازمین TCF اسٹوڈنٹس اور رہبر پروگرام اور مختلف اسکولوں کا دورہ کر کے طلباء کو اس پروگرام کے تحت گفتگو میں شامل کرتے ہیں۔

کر رہا ہے جسے صحت کی حفاظت کیلئے خانیوال میں سال 2012 میں برانڈ کے توسط سے قائم کیا گیا تھا۔ یہ برانڈ اس علاقے میں رہنے والوں کیلئے اہم پارٹنر کی حیثیت بنا چکا ہے اور اس سے دیہی علاقوں میں بڑے پیمانے پر سہولت فراہم کی جا رہی ہے۔

(ث) بلو بینڈ نے 2015 میں بھی اپنا اسکول پروگرام جاری رکھا ہوا ہے اور پورے پاکستان میں طالب علموں کو صحت مند کھانے کے بارے میں آگاہی فراہم کر رہا ہے اس کے ساتھ جسمانی اور ذہنی نشوونما میں اپنے کردار کو بھی اجاگر کر رہا ہے۔

(ج) Wall's نے ٹرانیکس کے ذریعے پورے ملک میں 3,486 افراد کو روزگار کے مواقع فراہم کئے۔

(چ) گڈی باجی پروگرام دیہی خواتین کو پیشہ ورانہ تربیت اور بنیادی مینجمنٹ کی آگاہی فراہم کر رہا ہے اور 2015 میں 500 مزید خواتین کو ان کے گاؤں میں یونیورسٹی برانڈ انویسٹر کی حیثیت سے متعین کیا ہے۔

(ح) رہبر، بیڈسٹری بیوٹر پروگرام جو کہ چھوٹے پیمانے پر سال 2011 میں شروع کیا گیا جس کا مقصد دیہی علاقوں کے رہنے والے مرد حضرات کو ملازمت کے مواقع فراہم کرنا ہے اور یونیورسٹی بیوٹر پیوشن چینل کے تحت مسلسل تقویت پار رہا ہے۔

iii. دیگر اقدامات: مبلغ 4.9 ملین روپے

(ا) یونیورسٹی ہینڈ واشنگ ڈے جو کہ پورے ملک میں پانچ ہزار انڈرگریجویٹ کی حوصلہ افزائی کر رہا ہے تاکہ وہ اپنی موجودہ مہارت میں وسعت پیدا کر سکیں۔

(ب) سال 2015 میں ہم نے اپنے شراکت داروں کے ساتھ تعاون کرتے ہوئے کراچی، لاہور اور اسلام آباد میں رمضان زکوٰۃ کے توسط سے سالانہ عطیات میں اضافہ کیا۔ ان شرکاء جس میں سٹیژن فاؤنڈیشن، آغا خان یونیورسٹی ہسپتال، لیٹن رحمۃ اللہ بینویولینٹ ٹرسٹ، دی کڈنی سینٹر اور بل بورڈز کے انتظام کے توسط سے SIUT شامل ہیں۔

ہیں۔ یونیورسٹی فاؤنڈیشن جو کہ عالمی طور پر ایک پلمین افراد کو موثر طور پر تعاون فراہم کرنے کیلئے قائم کی گئی ہے تاکہ ان کی صحت بہتر ہو اور وہ ترقی کی راہ میں اپنا کردار ادا کر سکیں۔ یونیورسٹی پاکستان لوکل اور بیرون ملک شراکت داروں کے ساتھ کام کر رہا ہے تاکہ مستحکم اور حوصلہ مند ایجنڈے پر عمل ہو سکے۔

یونیورسٹین اسپتال لیونگ پلان (USLP)، ماحول پر ہونے والے اثرات میں کمی اور ہمارے سماجی بھلائی کے اقدامات میں اضافہ کے پیش نظر عمل میں لایا گیا۔ مستحکم ترقی کے احساس کو اجاگر کرنے کے لئے ہم نے اپنے کاروباری منصوبہ بندی، برانڈز اور جدت کے پہلوؤں میں بھی اسے پیش نظر رکھا ہے۔

ہم اپنے کسٹمرز، کنزیومرز اور سپلائرز کے ساتھ کام کرتے ہوئے، اپنی اور اپنے ملازمین کی ان کے ساتھ شراکت عمل سے مستقبل کیلئے نئی شراکت داری اور الحاق پر یقین رکھتے ہیں تاکہ اس تعلق سے ہماری آنے والی نسلوں کے لئے روشن مستقبل کی راہ ہموار ہو۔

## 2015 کے دوران ہمارے اہم اقدامات بشمول

i. کارپوریٹ سماجی بھلائی: مبلغ 6.8 ملین روپے

(1) پرائمری تعلیم کے معیار کو بہتر بنانا تاکہ پسماندہ علاقوں کو مدد مل سکے جو کہ درج ذیل ہے:

(1) سٹیٹن فاؤنڈیشن اسکولز (TCF)

(2) سرکاری اسکولز بتوسط پبلک پرائیویٹ پارٹنرشپ

(ب) یونیورسٹی پاکستان نے WWF کے ساتھ مل کر کراچی میں شجرکاری مہم چلائی جس میں ہمارے رضا کار ملازمین نے حصہ لیا تاکہ شہر کو ماحول دوست بنایا جائے اور آنے والے سالوں میں شدید گرمی سے بچا جاسکے۔ اس کے علاوہ یونیورسٹی پاکستان نے WWF کے ساتھ تعاون جاری رکھا ہے کہ ہماری کارپوریٹ ممبرشپ کی تجدید ہو۔

ii. کمیونٹی میں سرمایہ کاری اور فلاحی کام: مبلغ 177.1 ملین روپے

(1) لائف بوائے جو کہ مستقل طور پر بچوں کو صابن سے اپنے ہاتھوں کو دھونے کی اہمیت کے بارے میں بتا رہا ہے جو کہ ان کے اسکول پروگرام کے توسط سے کیا جا رہا ہے اور یہ وائش پروگرام جس کی فنڈنگ DFID (ڈیپارٹمنٹ برائے انٹرنیشنل ڈیولپمنٹ) (UK) کے ذریعے کی گئی ہے۔

کرتا ہے۔ یہ پروگرام پہلے NGO's کے کنسورشیم کے توسط سے کیا گیا تھا جس میں پلان پاکستان اور وائٹ ایڈ بھی شامل تھا۔

لائف بوائے نے JHPIEGO کے ساتھ شراکت داری کرتے ہوئے سندھ میں 31 زچہ خانہ کلینک اپنے ذمہ لئے تاکہ بچہ کو ہاتھ لگانے سے قبل نئی ماؤں کو صابن سے ہاتھ دھونے کی اہمیت کے بارے میں بتایا جائے۔

لائف بوائے نے رحیم چارٹ، جو کہ ٹھٹھہ کا ایک گاؤں ہے جہاں پر پاکستان میں بچوں کی موت کا تناسب زیادہ ہے، کو بھی اپنے ذمہ لیا۔ اس سلسلے میں درج ذیل سرگرمیاں سرانجام دی جا رہی ہیں:

- میٹرنٹی کلینک کھولا گیا
- اسکول پروگرام شروع کیا گیا
- پانی کی آسان دستیابی کیلئے پیڈ پمپس لگائے گئے

(ب) پونڈز 2015 میں مستقل طور پر اپنے سفر پر رواں دواں ہے اور یہ دوسرا سال ہے جب وہ ایک سو خواتین کی ذاتی اور پیشہ ورانہ زندگیوں کے بارے میں اہتمام کر رہی ہے۔ پونڈز نے شوکت خانم ہسپتال کے ساتھ بھی شراکت داری کی تاکہ خواتین میں سینے کے کینسر کے متعلق آگاہی پیدا ہو سکے اور یہ الحاق شہین فاروق کے ساتھ ان لڑکیوں کو جلد کی حفاظت کے بارے میں مشورے کیلئے کیا گیا جنہیں ماہر مشورے کی ضرورت تھی۔

(پ) فیبر اینڈ لولی (FAL) فاؤنڈیشن جو کہ مستقل طور پر تعلیم میں خواتین کیلئے مساوی مواقع پیدا کر رہی ہے اور مستقبل کیلئے اسکالرشپ، پیشہ ورانہ تربیت اور کاروباری سرمایہ فراہم کر رہی ہے۔ اس کے پہلے سال میں پاکستان میں FAL فاؤنڈیشن کی ایک ہزار سے زائد درخواست گزار تھیں جن میں 100 خواتین کا انٹرویو کیا گیا تھا اور حتمی راؤنڈ کیلئے چناؤ کیا گیا تھا۔

(ت) پیورٹ مستقل طور پر اپنی کوششیں جاری رکھے ہوئے ہے تاکہ ہزار ہا افراد کو پانی کی صفائی کی مشین کے ذریعے گھر میں ہی پینے کا صاف پانی فراہم کیا جاسکے۔

(ث) سپریم چائے جو کہ مستقل طور پر میڈیکل ڈیپنٹری کے ساتھ سپورٹ

## ہماری کاروباری کارکردگی کا خلاصہ

ڈائریکٹرز نے کمپنی کی سالانہ رپورٹ بارے 31 دسمبر 2015 اور کمپنی کے تشخیص شدہ مالیاتی گوشوارے پیش کئے ہیں۔

## ہمارے ملازمین

سال 2015 میں ایمپلائز آف چوائس (پسنیدہ آجر) کے حوالے سے AC نیلسن کی طرف سے ہمیں پہلی نشست سے سرفراز کیا گیا جو مسلسل آٹھ سال سے ہم جیت رہے ہیں۔

کمپنی، یونی لیور کے عالمی نیٹ ورک کا سہارا لے کر مارکیٹنگ، سلز، سپلائی چین، فنانس اور HR مینجمنٹ کو بذریعہ ای لرننگ اور انسٹرکٹر کی نگرانی میں کرائے گئے پروگرام کا اہتمام کر کے ٹیلنٹ کو فروغ دیتی ہے۔

خواتین کا کاروبار کے ہر شعبے میں کردار ہمارے نزدیک بہت اہمیت کا حامل ہے۔ ہم مختلف علاقوں سے اور اپنی مرضی کے اوقات کار میں کام کرنے والے ملازمین کی ہمت بڑھاتے ہیں۔ یونی لیور ڈے کیئر سینٹر 2003 میں شروع کیا گیا اس وقت سے لے کر یہ کام کرنے والے والدین کو سہولیات فراہم کر رہا ہے۔ ہم نے بچے کی ولادت (میٹرنٹی) کے لیے چھٹیوں کے سلسلے میں پالیسی پر نظر ثانی کی ہے اور اسے بڑھا کر 6 ماہ کر دیا گیا ہے جو کہ مکمل تنخواہ کے ساتھ ہوگی۔ ہم نے ایک میٹرنٹی اور پٹرنٹی سپورٹ پورٹل بھی متعارف کرایا ہے جس سے استفادہ کے لئے ملازمین کو کہا جاتا ہے تاکہ وہ فیملی پلاننگ کے ذریعے ملازمت اور ذاتی زندگی میں توازن برقرار رکھ سکیں۔

2015 میں یونی لیور نے خواتین کے لئے ایک پروگرام شروع کیا تاکہ وہ ایک پلیٹ فارم کے ذریعے اپنی پیشہ ورانہ زندگی کو ایک بار بھر شروع کر سکیں اس پلیٹ فارم کو کیئر بیروائی چوائس (CBC) کا نام دیا گیا ہے۔ اس پلیٹ فارم سے خواتین کو ہمارے ساتھ کام کا موقع ملاتا کہ وہ اپنی گھریلو ذمہ داریاں بھی پارٹ ٹائم اپنی مرضی کے اوقات میں کام کر کے مکمل کر سکتی ہیں۔

اپنے ملازمین کی صحت ہماری اولین ترجیح ہے اس میں وائٹلٹی پاسپورٹ کے ذریعے سالانہ چیک اپ، ورزش کی سہولیات اور کام کرنے کی جگہ کھانے پینے کی سہولیات شامل ہیں۔

## کیونٹی میں ہمارا کردار

یونی لیور پاکستان لمیٹڈ اعلیٰ کاروباری اخلاقیات کے قیام کیلئے کام کر رہی ہے تاکہ ایک مستحکم کامیابی ممکن ہو۔ اس بات کے پیش نظر یونی لیور نے سسٹین ایبل یونگ پلان مرتب کیا ہے جس کے ذریعے ہم اپنے مقررہ ہدف تک پہنچ کر کامیابی حاصل کر سکتے

ملک کے مشکل اقتصادی و انتظامی حالات اور بڑھتی ہوئی مہنگائی کے باوجود ہماری سیلز میں 6.5 فیصد اضافہ ہوا ہے۔ جس کی اہم وجہ چائے اور آئس کریم کے برنس میں صحت افزاء ترقی ہے۔ آئس کریم کے حجم میں قابل قدر اضافے اور کینیا چائے مارکیٹ میں افراط زر کے برعکس لی گئی قیمت میں اضافہ ہماری سیلز بڑھنے کی اہم وجوہات بنی، دیگر کاروباری شعبہ جات کی ترقی مستحکم اور بنیادی اہداف کے مطابق رہی۔ کمپنی نے اپنی کاروباری منصوبہ بندی کے تحت اہم برانڈز پر سرمایہ کاری جاری رکھی، اور اس کی سال کی سرمایہ کاری کی شرح 11.5 فیصد رہی ہمارے بعد از ٹیکس منافع میں 23.2 فیصد اضافہ رہا۔

## اہم مالیاتی جھلکیاں

| 2015   | 2014   | روپے بلین میں     |
|--------|--------|-------------------|
| 69,976 | 65,705 | سیلز              |
| 29,449 | 26,424 | کل منافع          |
| 11,992 | 9,400  | آپریٹنگ منافع     |
| 11,605 | 9,019  | ٹیکس سے قبل منافع |
| 7,766  | 6,302  | ٹیکس کے بعد منافع |
| 584    | 474    | EPS روپے          |

## منافع منقسمہ (ڈیویڈنڈ)

کمپنی کے بورڈ آف ڈائریکٹرز نے حتمی نقد منافع منقسمہ مبلغ 163 روپے فی حصص کی سفارش کی ہے جبکہ عبوری منافع برائے 2015، 423 روپے فی حصص پہلے ہی دیا جا چکا ہے اس تناسب سے 2015 کے لئے کل ڈیویڈنڈ 586 روپے (2014 : 473.28 روپے) فی آرڈری شیئر بحساب 50 روپے فی شیئر ڈیویڈنڈ کی صورت میں کل منافع منقسمہ 100 فیصد بنتا ہے۔ (2014 : 100 فیصد)

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