



**ANNUAL REPORT 2015**  
Unilever Pakistan Foods Limited



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## Vision

“We work to create a better future every day.”

We help people feel good, look good and get more out of life with brands and services that are good for them and good for others. We will inspire people to take small every day actions that can add up to a big difference in the world. We will develop new ways of doing business with the aim of doubling the size of our Company while reducing our environmental impact.

## Core Values



### **Impeccable Integrity**

We are honest, transparent and ethical in our dealings at all times.



### **Wowing our Consumers & Customers**

We win the hearts and minds of our consumers and customers.



### **Living an Enterprise Culture**

We believe in trust, truth and outstanding teamwork. We value a creative & fun environment.



### **Demonstrating a Passion for Winning**

We deliver what we promise.



### **Bringing out the Best in All of Us**

We are empowered leaders, who are inspired by new challenges and have a bias for action.



### **Making a Better World**

We care about and actively contribute to the community in which we live.

# Company Information

## Board of Directors

Mr. Kamran Y. Mirza  
Independent Director &  
Chairman of the Board

Ms. Shazia Syed  
Executive Director & Chief Executive

Mr. Ali Tariq  
Executive Director & CFO

Ms. Farheen Salman Amir  
Executive Director

Mr. Zulfikar Monnoo  
Non-Executive Director

Mian M. Adil Monnoo  
Non-Executive Director

Mr. Kamal Monnoo  
Non-Executive Director

Mr. Badaruddin F. Vellani  
Non-Executive Director

Mr. Noman Amjad Lutfi  
Non-Executive Director

## Company Secretary

Mr. Amar Naseer

## Audit Committee

Mr. Zulfikar Monnoo  
Chairman & Member

Mian M. Adil Monnoo  
Member

Mr. Badaruddin F. Vellani  
Member

Mr. Kamran Y. Mirza  
Member

Ms. Mehwish Iqbal  
Secretary &  
Head of Internal Audit

## Human Resource & Remuneration Committee

Mr. Zulfikar Monnoo  
Chairman & Member

Mr. Kamal Monnoo  
Member

Ms. Shazia Syed  
Member

Mr. Amar Naseer  
Company Secretary

## Auditors

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

## Registered Office

Avari Plaza  
Fatima Jinnah Road  
Karachi - 75530

## Share Registration Office

Share Registrar Department,  
**Central Depository Company of  
Pakistan Limited,**  
CDC House, 99-B, Block "B", S.M.C.H.S.,  
Main Shakra-e-Faisal, Karachi - 74400

## Website Address

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

# Directors' Profile

## **Kamran Y. Mirza - Chairman**

Kamran joined the Board in 2014 as Chairman of Unilever Pakistan Foods Limited. He qualified as a Chartered Accountant from the UK. He joined Abbott Laboratories (Pakistan) Limited in 1970, where he was one of the youngest ever Managing Director and served in that position for 29 years till 2006. He was also the Chairman of the Export Processing Zones Authority and CEO of the Pakistan Business Council. Kamran is also the Chairman of Philip Morris (Pakistan) Ltd and Education Fund for Sindh (EFS) as well as serving on the Boards of Abbott Laboratories (Pakistan), Bank Alfalah, International Steel (ISL), Karwan-e-Hayat and Safari Club. Previously he served as Chairman of Karachi Stock Exchange, PMEX (formerly National Commodities Exchange) and as a President of Overseas Chamber of Commerce & Industry, American Business Council,; as Director of State Bank of Pakistan, Pakistan State Oil and National Bank of Pakistan. He lectures regularly at the Pakistan Institute of Corporate Governance (PICG).

## **Shazia Syed - CEO**

Shazia joined the Board on April 20, 2014, and took over as CEO Unilever Pakistan Foods Limited on March 07, 2016. Prior to her role in Pakistan, Shazia was Chairperson of Unilever Sri Lanka Limited. In her 26 years with Unilever, she has worked across most Unilever categories and has led the Customer Development and Home & Personal Care teams at Unilever Pakistan and Unilever Vietnam. Shazia is married with 2 children and enjoys golf.

## **Ali Tariq - CFO**

Ali joined the Board on April 1, 2013 and is currently Vice President Finance and Chief Financial Officer of Unilever Pakistan and Unilever Pakistan Foods Limited. Ali was a mid career recruit in 2003 and has since held Regional and Country roles in Singapore, UK and Pakistan. Ali is a member of the Institute of Chartered Accountants in England & Wales and trained with Pricewaterhouse Coopers London.

## **Farheen Salman Amir**

Farheen joined the Board on 7 March 2016 and is currently the Director Foods & Refreshments. Farheen joined Unilever as a Management Trainee in 1998. In her 17 years career with the company, Farheen has worked in a number of categories across both Food & Refreshment and HPC. In her last two years as BD Director Ice Cream NAMET, Farheen worked for Unilever Turkey and crafted

an innovation & communication program for the portfolio that was instrumental in bringing the Euro 450 million ice cream business back to sustained double-digit growth.

## **Zulfikar Monnoo**

Zulfikar joined the Board when the Company was formed. He is also the Chairman of the Audit Committee and the Human Resource & Remuneration Committee of Unilever Pakistan Foods Limited. He is an alumni of The Wharton School, University of Pennsylvania and Aitchison College, Lahore. He is a Director and Chairman of the Audit Committee in Raffhan Maize Products Limited and is also the Chief Executive of Pakwest Industries (Private) Ltd., Lahore.

## **Mian M. Adil Monnoo**

Adil joined the Board on May 5, 2002 as a Non-Executive Director. He is also the Member of the Audit Committee of Unilever Pakistan Foods Limited. He holds directorship in Raffhan Maize Products Limited and is in the business of textile trade as the sole proprietor of HN Enterprises.

## **Kamal Monnoo**

Kamal joined the Board on December 19, 2006 as a Non-Executive Director. Having done his schooling from Aitchison College and graduation from Syracuse University and Yale University, USA, he is also the Member of the Human Resource & Remuneration Committee of Unilever Pakistan Foods Limited. He holds directorships in Samira Fabrics (Pvt) Limited, Samira Industries (Pvt) Limited, Kaarvan Crafts Foundation, and Islamabad Policy Research Institute.

## **Badaruddin F. Vellani**

Badaruddin joined the Board on May 5, 2002. Currently, he is enrolled as an Advocate of the Supreme Court of Pakistan and is a partner in the law firm 'Vellani & Vellani'. In addition to his legal practice, Badaruddin is a member of the Board of Directors in several multinational companies covering the FMCG, manufacturing, medical and philanthropy sectors.

## **Noman Amjad Lutfi**

Noman again joined the Board on November 01, 2015. He has a long association with Unilever and has headed the Supply Chain function in Unilever Pakistan. Currently, he is working as Supply Chain Director of Unilever Sri Lanka

# Directors' Report

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\* اُردو کے لیے آخری صفحات ملاحظہ فرمائیے۔

## Winning with Brands and Innovations

“ We have some of the world’s best known and most trusted brands, with leadership positions in many of the fast moving consumer goods categories in which we compete. Committed to enhancing the quality of life of the people of Pakistan, we aim to offer a broad portfolio that appeals to diverse consumers year on year. ”

# Summary of Business Performance

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

## Business Review:

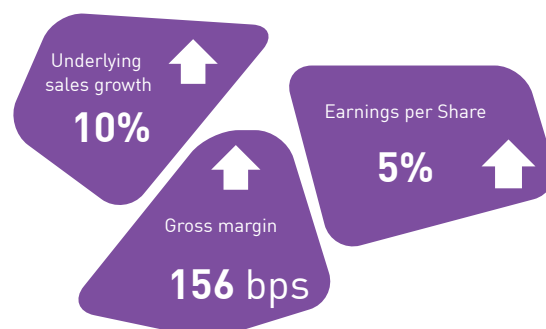
In 2015 the business grew by 10%, with underlying volume growth of 7%. Quarter 4 turnover growth was 15%. Gross margin for the year improved by 156 bps on the back of cost efficiencies, better volume absorption and sales mix. Advertising and promotion was stepped up by 203 bps, reinforcing our commitment to building brands for the long term. EPS grew by 5%.

## Summary of Financial Performance

	2015	2014
	Rupees in million	
Sales	8,571	7,787
Gross Profit	3,832	3,360
Profit from Operations	1,702	1,740
Profit before tax	1,666	1,690
Profit after tax	1,232	1,172
EPS-basic (Rs.)	200.09	190.29

## Key Financial Indicators

- Financial Headlines
- Turnover up by Rs. 784 Mn
  - Earnings per share of Rs. 200.09



## Dividend

Interim Dividend 2015 (already paid): Rs.54 per share (2014: Rs. 94 per share).

Final Dividend 2015: Rs. 96 per share (2014: NIL).

The key business milestones for 2015 were:

**Knorr**, the brand grew by 20%, primarily led by noodles, soups and sauces. Noodles continued to outgrow the portfolio on back of two new variants and value added proposition. Cup-a-soup launch brought convenience for the soup category and helped gain top of mind awareness.

**Rafhan**, is our largest local jewel with strong brand equity and a rich heritage. The brand grew on the back of the desserts portfolio, adding two new variants – chocolate & caramel. The brand also launched a new advertisement campaign, based on celebrating occasions, which has proven to be popular amongst mothers and children.

## Our People

Unilever Pakistan Foods Limited places its people at the heart of the company. We believe that the way to grow as a business is to grow our people, enabling personal development and ambitious business results. This investment in our people is what sets us apart in the industry and drives us towards our goals with the right people on board.



Unilever Pakistan Foods Limited is a learning organization where employees are continuously groomed to challenge themselves and make real time decisions. The Company leverages the global Unilever Network to develop talent in Marketing, Sales, Supply Chain, Finance and Human Resource Management through our E-learning programmes. Personal development is facilitated through empowering the people with bigger as well as challenging assignments, coaching, mentoring and a robust appraisal system.

Diversity is at the heart of our agenda. We encourage our employees to work from agile locations and offer flexi-work hours. In order to cater to the needs of the female employees, the Unilever Day Care Centre was started in 2003 and is now also used by male employees, whose spouses work elsewhere. We have also revised our maternity leave policy in 2014, and extended it to 6 months fully paid. Simultaneously, we have also introduced a Maternity and Paternity Support (MAPS) 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 provided a dedicated channel 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.

We focus continually on encouraging vitality and work-life balance among the employees. The Company has taken several initiatives in this regard e.g. vitality health passport, gym facility and healthy eating options available at the workplace.

All our efforts are directed towards ensuring that our people remain committed and fulfilled, with the right opportunities to develop themselves and build a brighter future with us!

## Corporate Social Responsibility (CSR)

Unilever Pakistan Foods 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’ is a global Unilever function to drive 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 Foods 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. Energy Conservation:

Unilever Pakistan Foods Limited (UPFL) is already a certified “WWF Green Office” member based on its sustainability initiatives through a structured program of measuring, monitoring and reducing energy, paper consumption, waste generation & CO<sub>2</sub> emission.

A number of initiatives have been taken to conserve energy. Some of these are:

- Replacement of motors with IE2 and IE3 energy efficient motors.
- Energy efficient air compressor helped site to become compliant with the Core-design for air circuit while saving cost, energy and CO<sub>2</sub> should be footprint.
- Ambient temperature measurement and monitoring to effectively switch ON/OFF AC units, as per need and reduce idle time cooling. Installation of Floor Standing AC units to avoid the need of central AC after office hours.
- Single AC units are installed in various meeting rooms for agile working.
- Installation of solar water geyser for supplying hot water.
- Installation of energy efficient steam traps in UPFL to boost condensate recovery by 15%.
- Replacement of tube lights with LED lights and energy savers.

## ii. Environmental Protection Measures:

UPFL has been continually endeavoring to make "sustainable living a common place" through various initiatives across its value chain under the framework of Unilever Sustainability Living Plan. Eco-efficient manufacturing has always been at the heart of UPFL's manufacturing strategy. We aim to reduce the manufacturing CO<sub>2</sub> foot print so as to keep it at or below 2008 level regardless of higher volume growth. With passage of time the Company's factory has become more energy intensive with volume growth. This has led the site teams to come up with energy & water strategy, aligned with global 2020 goals of sustainable manufacturing.

A number of initiatives have been taken to conserve energy and reduce CO<sub>2</sub> emissions. Some of these are:

- Installation and commissioning of Biomass boiler to reduce SOX and CO<sub>2</sub>. It is the first Biomass boiler in Unilever which led the site to move from 0% green energy to 70% greener energy.
- Several initiatives at factory site such as diesel to furnace oil conversion, Energy Efficient steam traps, Energy Efficient Air Compressor.
- Replacement of all manual taps with sensor taps and installation of water metering for better monitoring and reducing water consumption.
- Deep sea module assisted the site by synchronizing all four diesel gen-sets for an efficient run with optimized fuel consumption.
- Minimize travelling & using technological options such as video and teleconferencing.
- UPFL has worked to reduce waste from packaging, manufacturing & recycling and continues being a zero non-hazardous waste to landfill company.
- Carton folding flap reduction by 10 mm in both Energile and Glaxose-D resulted in 4.2 ton less paper used in folding cartons.
- Replacement of smaller containers with 50ft containers resulting in lower carbon footprint.
- Monitoring & Control over monthly distribution of papers, awareness to use double sided printing and instructions of double side photocopy helped to reduce paper wastages.

## iii. Community Investment and Welfare Schemes: Rs. 95.8 million

- Knorr continued its efforts to engage students through their school networks reaching out to 235,000 children through specially designed sampling vans and trikes. This provided children with a snacking option that was healthier than traditional offerings.
- Knorr doubled its efforts, reaching 600,000 people in rural Pakistan to help in building healthy eating habits in the youth.
- Unilever Food Solutions continued its drive to connect with customers through its Ramadan Campaign in 2015, offering a payback of Rs. 100 for every carton purchased. Customers had the option to redeem the cash or opt to donate earnings to the World Food Programme to help feed a child.

## iv. Consumer Protection Measures:

The Company operates a complaints call centre called Raabta to receive consumer feedback. It is engaged in raising awareness of and addressing the growing menace of counterfeiting.

## v. Occupational Safety and Health:

Unilever places Safety, Health and Environment (SHE) at the heart of its business agenda. Unilever Pakistan Foods Limited's (UPFL) management has been continually improving its management system & standards, not only at workplace but also through "Off-The-Job Safety" initiative to inculcate this consciousness amongst its employees round the clock.

Unilever's global SHE standards are the key building blocks of its system and the CSHEC regularly monitors the performance through leading and lagging indicators of all its Manufacturing and Non-Manufacturing Units.

On the way to continual improvement, UPFL moves a step forward by launching Emergency Response, Lockout Tagout (LOTO) and Hand-in-machine (HIM) subcommittee. This committee aims to ensure ZERO injury operation in UPFL operations by defining appropriate Machinery Safety and Emergency systems and standards, and implementing them through effective management of SHE practices.

Moreover, initiatives from “Beyond Work” CSHEC subcommittee kept employees engaged on off-the-job safety aspects, to cope up with heightened risks and develop safe working habits off the job also.

Unilever also conducts annual health check-ups for all employees to ensure that they are in perfect health. The company provides employees with a well-established medical facility and free medical dispensary is also provided to the people living in the surrounding community.

## vi. Business Ethics and Anti-Corruption Measures:

Unilever Pakistan Foods Limited holds frequent activities to ensure that the employees are working within the Code of Business Principles (CoBP). The CoBP is rigorously followed throughout the organization. Employees are also required to sign off compliance with the CoBP. There is a 24 hour call line and e-mail service to lodge complaints.

## vii. Contribution to National Exchequer:

Unilever Pakistan Foods Limited contributed Rs. 2,282 million in 2015 (2014: Rs. 1,888 million) to the national exchequer by way of import duties, general sales tax, income tax and other government levies.

## 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 organizations throughout the year in the form of monetary support, skill development and volunteering time. In 2015 alone, employees contributed 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 heat wave 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 trees across various parts of the city as a means of reducing the intensity of heat waves in the future.

Our employees also spent time with TCF students through the Career counselling and Rahbar programmes.

## Value of investments of employees in retirement funds

Unilever Pakistan Foods Limited contributed Rs 18.1 million to the staff retirement funds during the year. The value of investments made by the staff retirement funds operated by the Company as at December 31, 2015 is as follows:

	Rs. in million
Provident Fund	149
Pension Fund	19
Gratuity Fund	18

## Corporate Governance

The management of Unilever Pakistan Foods Limited is committed to good corporate governance and complying with the best practices. As required under the Code of Corporate Governance, the Directors are pleased to state as follows:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the listed Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgement.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure there-from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company’s ability to continue as a going concern.
- There has been no departure from the best practices of corporate governance, as detailed in the listing regulations.
- Statements regarding the following are annexed or are disclosed in the notes to the financial statements:
  - Number of Board and its Committee meetings held and attendance by directors.
  - Key financial data for the last six years.
  - Pattern of shareholding.

## Directors

The election of directors was held at the AGM of 2014. The term of the present directors will expire on April 19, 2017.

Mr. Ehsan A. Malik, resigned from the position of Director of the Company with effect from October 31, 2015. Mr. Noman Amjad Lutfi has been appointed as a Director, with effect from November 01, 2015 to fill the casual vacancy on the Board.

With effect from March 7, 2016 Ms. Shazia Syed, Director, has been appointed as Chief Executive of the Company in place of Ms. Fariyha Subhani, as she has moved to another business within Unilever Pakistan. Ms. Farheen Salman Amir has been appointed as a Director, with effect from March 7, 2016, to fill the casual vacancy on the Board.

## Auditors

The Auditors, KPMG Taseer Hadi & Co. 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, subject to Shareholders' approval at the next AGM to be held on April 20, 2016.

## Holding Company

Through its wholly owned subsidiary Conopco Inc., USA, Unilever N.V., a company incorporated in Holland, has a holding of 75.85% of the shares in Unilever Pakistan Foods Limited.

## Reserve Appropriations

	Share Capital	Reserves				Total
		Capital		Revenue		
		Share Premium	Special	General	Unappropriated	
		← (Rupees in thousand)				
Balance as at January 01, 2015	61,576	24,630	628	138	696,426	783,398
Total comprehensive income for the year ended December 31, 2015	-	-	-	-	1,227,707	1,227,707
- Profit for the year ended December 31, 2015	-	-	-	-	1,232,128	1,232,128
- Other comprehensive income for the year ended December 31, 2015	-	-	-	-	(4,421)	(4,421)
Interim dividend for the year ended December 31, 2015 @ Rs. 54 per share	-	-	-	-	(332,511)	(332,511)
Balance as at December 31, 2015	61,576	24,630	628	138	1,591,622	1,678,594

## **Acknowledgement**

Our people are the key drivers behind the sustained growth of Unilever Pakistan Foods Limited. The directors acknowledge the contribution of each and every employee of the Company. We would also like to express our thanks to our customers for the trust shown in our products. We are also grateful to our shareholders for their support and confidence in our management.

## **Future Outlook**

Despite economic challenges, the business has continued to deliver profitable growth. The future outlook of the business is positive. We will plan to overcome any challenges through a combination of superior consumer understanding, global expertise and R&D capability, powerful innovations and world class customer service. Our brands will remain our biggest strength as we continue to provide better value to meet consumers' everyday needs. To make all this possible, we will continue to attract, develop and retain the best talent in the country.

Thanking you all.

On behalf of the Board

**Kamran Y. Mirza**

Chairman

Karachi

March 7, 2016

## Board Meetings Attendance

During the year 2015, four Board Meetings were held and the attendance of each director is given below:

Directors	Total No. of Meetings Held*	No. of Meetings Attended
Mr. Kamran Y. Mirza	4	4
Ms. Fariyha Subhani	4	4
Mr. Ali Tariq	4	4
Mr. Ehsan A. Malik **	4	4
Ms. Shazia Syed	4	3
Mr. Zulfikar Monnoo	4	4
Mian M. Adil Monnoo	4	4
Mr. Kamal Monnoo	4	4
Mr. Badaruddin F. Vellani	4	4
Mr. Noman Amjad Lutfi ***	-	-

### Notes:

\* Meetings held during the period when concerned Director was on the Board.

\*\* Resigned with effect from October 31, 2015.

\*\*\* Appointed with effect from November 01, 2015, against casual vacancy on the Board.

## Board Committee Meetings Held During the Year

### Audit Committee

Name of Member	Total No. of Meetings Held*	No. of Meetings Attended
Mr. Zulfikar Monnoo Chairman	4	4
Mr. Kamran Y. Mirza Member	3	3
Mian M. Adil Monnoo Member	4	4
Mr. Badaruddin F. Vellani Member	4	4
Mr. Azhar Shahid ** Secretary	3	2
Ms. Mehwish Iqbal ** Secretary	1	1

### Notes:

\* Meetings held during the period when concerned person was in the Committee.

\*\* During the year, Ms. Mehwish Iqbal has been appointed in place of Mr. Azhar Shahid.

## Terms of Reference

Committee has been constituted by the Board in compliance with Listing Regulations. The Committee oversees the Internal Audit function, and also reviews audit plans and reports. The Committee conducts its meetings as and when required. The Committee appraises the Board about the significant discussions and decisions at its meetings and recommendations in respect of Company's operations and financial results.

The Committee comprises of four members, one independent Director and three Non-Executive Directors. All employees of the Company have access to the Committee. The Committee met four times during 2015. Minutes of the meetings are drawn up expeditiously and circulated for the information and consideration of the Board.

## Committee of Directors

Name of Member	Total No. of Meetings Held*	No. of Meetings Attended
Mr. Ehsan A. Malik ** Chairman	9	8
Ms. Shazia Syed ** Chairperson	2	2
Ms. Fariyha Subhani Member	11	9
Mr. Ali Tariq Member	11	9
Mr. Amar Naseer Secretary	11	11

### Notes:

\* Meetings held during the period when concerned Member was in the Committee.

\*\* During the year, Ms. Shazia Syed has been appointed in place of Mr. Ehsan A. Malik.

## Terms of Reference

The Committee comprises of three members. Periodic meetings are held to facilitate handling of operational matters, share transfer, and any other significant matters arising during the normal course of business operations.

## Human Resource & Remuneration Committee

Name of Member	Total No. of Meetings Held*	No. of Meetings Attended
Mr. Zulfikar Monnoo Chairman	1	1
Mr. Kamal Monnoo Member	1	1
Mr. Ehsan A. Malik ** Member	1	1
Ms. Shazia Syed ** Member	-	-
Mr. Amar Naseer Secretary	1	1

### Notes:

\* Meetings held during the period when concerned Member was in the Committee.

\*\* During the year, Ms. Shazia Syed has been appointed in place of Mr. Ehsan A. Malik.

## Terms of Reference

The Committee has been constituted by the Board to recommend human resource management policies to the Board and fulfil the requirements of the Code of Corporate Governance. It comprises of three members, two of whom are Non-Executive Directors.

# Performance Indicators for 6 years

2015      2014      2013      2012      2011      2010

← (Rupees in Thousand) →

## FINANCIAL POSITION

### Balance sheet

Property, plant and equipment	<b>2,040,339</b>	1,803,992	1,020,414	649,333	620,702	300,726
Other non-current assets	<b>119,386</b>	101,268	100,900	107,574	110,152	83,922
Current assets	<b>2,257,568</b>	1,560,692	1,204,872	1,248,575	1,036,314	704,825
Total assets	<b>4,417,293</b>	3,465,952	2,326,186	2,005,482	1,767,168	1,089,473
Share capital - ordinary	<b>61,576</b>	61,576	61,576	61,576	61,576	61,576
Reserves	<b>1,617,018</b>	721,822	388,153	534,202	420,085	342,819
Total equity	<b>1,678,594</b>	783,398	449,729	595,778	481,661	404,395
Non-current liabilities	<b>220,644</b>	112,239	111,922	106,989	114,403	38,182
Current liabilities	<b>2,518,055</b>	2,570,315	1,764,535	1,302,715	1,171,104	646,896
Total liabilities	<b>2,738,699</b>	2,682,554	1,876,457	1,409,704	1,285,507	685,078
Total equity and liabilities	<b>4,417,293</b>	3,465,952	2,326,186	2,005,482	1,767,168	1,089,473
Net current (liabilities) / assets	<b>(260,487)</b>	(1,009,623)	(559,663)	(54,140)	(134,790)	57,929

## OPERATING AND FINANCIAL TRENDS

### Profit and loss

Net sales	<b>8,571,097</b>	7,787,059	6,958,846	5,861,096	4,940,251	4,040,887
Cost of sales	<b>(4,738,804)</b>	(4,426,989)	(4,051,302)	(3,630,636)	(3,015,502)	(2,506,003)
Gross profit	<b>3,832,293</b>	3,360,070	2,907,544	2,230,460	1,924,749	1,534,884
Operating profit	<b>1,701,775</b>	1,739,722	1,472,898	1,080,241	916,995	658,308
Profit before tax	<b>1,665,685</b>	1,689,929	1,463,855	1,072,175	910,132	645,859
Profit after tax	<b>1,232,128</b>	1,171,821	1,004,755	728,981	616,695	437,463
Cash ordinary dividends	<b>457,309</b>	771,089	1,133,265	614,356	529,800	301,517

### Cash flows

Operating activities	<b>1,191,568</b>	1,405,243	1,652,146	806,912	964,204	368,273
Investing activities	<b>(330,757)</b>	(784,673)	(397,293)	(54,237)	(345,950)	(48,445)
Financing activities	<b>(457,309)</b>	(771,089)	(1,133,265)	(614,356)	(529,800)	(301,517)
Cash and cash equivalents at the end of the year	<b>511,576</b>	108,074	258,593	137,005	(1,314)	(89,768)



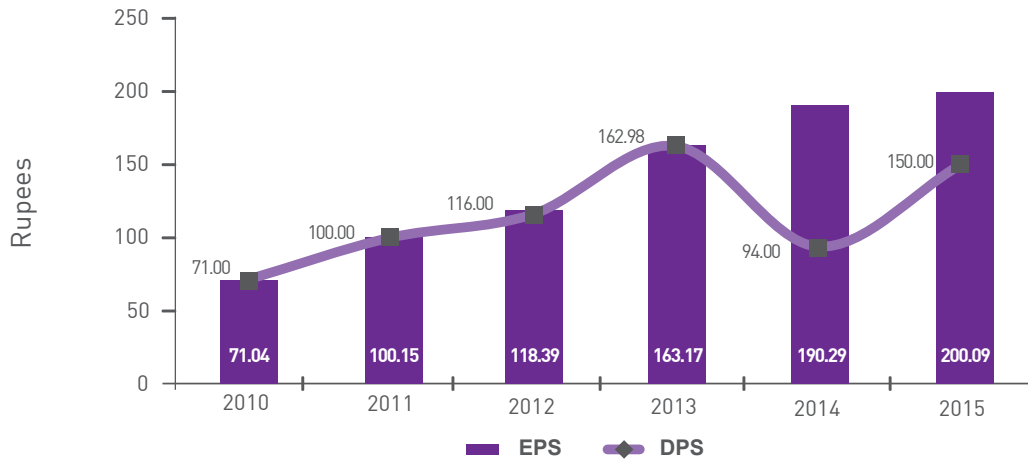
# Performance Indicators for 6 years

	Unit	2015	2014	2013	2012	2011	2010
<b>FINANCIAL RATIOS</b>							
<b>Profitability Ratios</b>							
Gross profit ratio	%	<b>44.71</b>	43.15	41.78	38.06	38.96	37.98
Net profit to sales	%	<b>14.38</b>	15.05	14.44	12.44	12.48	11.00
EBITDA margin to sales	%	<b>20.88</b>	22.59	21.84	19.23	19.40	17.00
Operating leverage ratio	Times	<b>(0.10)</b>	1.34	1.95	0.94	1.72	7.45
Pre tax return on equity	%	<b>99.23</b>	215.72	325.50	179.96	188.96	160.00
Post tax return on equity	%	<b>73.40</b>	149.58	223.41	122.36	128.04	108.00
Return on capital employed	%	<b>73.40</b>	149.58	223.41	122.36	128.04	88.20
<b>Liquidity Ratios</b>							
Current ratio	Times	<b>0.90</b>	0.61	0.68	0.96	0.88	1.09
Quick / Acid test ratio	Times	<b>0.52</b>	0.28	0.35	0.38	0.36	0.51
Cash to current liabilities	Times	<b>0.24</b>	0.05	0.16	0.15	0.08	0.12
Cash flow from operations to sales	Times	<b>0.14</b>	0.18	0.24	0.14	0.20	0.09
<b>Activity / Operating Performance Ratios</b>							
Inventory turnover ratio	Days	<b>70</b>	59	61	68	58	50
Debtor turnover ratio	Days	<b>9</b>	9	9	10	11	8
Creditor turnover ratio	Days	<b>187</b>	175	132	113	89	69
Total assets turnover ratio	Times	<b>2</b>	2	3	3	3	4
Fixed assets turnover ratio	Times	<b>4</b>	4	7	9	8	13
Operating cycle	Days	<b>(108)</b>	(107)	(62)	(35)	(20)	(11)
<b>Investment / Market Ratios</b>							
Earnings per share (EPS)	Rs.	<b>200.09</b>	190.29	163.17	118.39	100.15	71.04
Price earning ratio	Times	<b>29.74</b>	46.66	56.99	36.32	17.07	15.56
Dividend yield ratio	Times	<b>0.03</b>	0.01	0.02	0.03	0.06	0.06
Dividend payout ratio - earnings	Times	<b>0.75</b>	0.49	1.00	0.98	1.00	1.00
Dividend payout ratio - par value	Times	<b>15.00</b>	9.40	16.30	11.60	10.00	7.10
Dividend cover ratio	Times	<b>1.33</b>	2.02	1.00	1.02	1.00	1.00
Cash dividend*	Rs.	<b>150.00</b>	94.00	162.98	116.00	100.00	71.00
Market value - low	Rs.	<b>5,890</b>	7,676	3,800	1,615	1,045	816
Market value - high	Rs.	<b>10,395</b>	10,150	11,735	4,410	1,850	1,484
Market value - year end	Rs.	<b>5,950</b>	8,880	9,300	4,300	1,710	1,105
Breakup value per share without surplus on revaluation of fixed assets	Rs.	<b>272.60</b>	127.22	73.04	96.75	79.83	65.67
<b>Capital Structure Ratios</b>							
Financial leverage ratio	Times	<b>0.05</b>	0.04	0.05	0.10	0.19	0.42
Interest cover ratio	Times	<b>101.01</b>	167.32	470.94	551.12	271.00	71.00

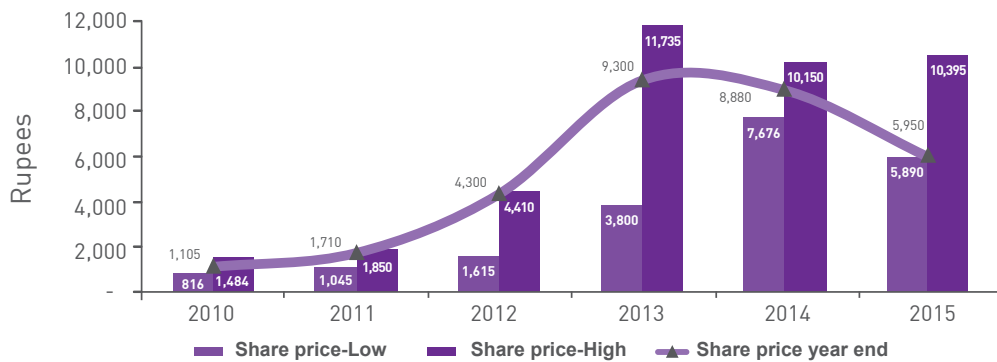
\* This includes interim and proposed final dividend for the year 2015.

# Performance Indicators for 6 years

### Comparison of EPS and DPS



### Share Price Trend



### Comparison of PBT and PAT



# Balance Sheet Horizontal Analysis for 6 years

(Rs. in thousand)

	2015	15 Vs.14	2014	14 Vs.13	2013	13 Vs.12	2012	12 Vs.11	2011	11 Vs.10	2010	10 Vs.09
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
<b>EQUITY AND LIABILITIES</b>												
<b>Capital and reserves</b>												
Share capital	61,576	-	61,576	-	61,576	-	61,576	-	61,576	-	61,576	-
Reserves	1,617,018	124.02	721,822	85.96	388,153	(27.34)	534,202	24.24	429,959	25.42	342,819	65.55
	<b>1,678,594</b>	<b>114.27</b>	<b>783,398</b>	<b>74.19</b>	<b>449,729</b>	<b>(24.51)</b>	<b>595,778</b>	<b>21.21</b>	<b>491,535</b>	<b>21.55</b>	<b>404,395</b>	<b>50.53</b>
<b>Non-current liabilities</b>												
Retirement benefits - obligation	5,691	315.70	1,369	(68.37)	4,328	10.32	3,923	(77.61)	17,519	95.98	8,939	11.82
Deferred taxation	214,953	93.88	110,870	3.04	107,594	4.39	103,066	18.45	87,010	197.54	29,243	67.07
	<b>220,644</b>	<b>96.58</b>	<b>112,239</b>	<b>0.28</b>	<b>111,922</b>	<b>4.61</b>	<b>106,989</b>	<b>2.35</b>	<b>104,529</b>	<b>173.77</b>	<b>38,182</b>	<b>49.75</b>
<b>Current liabilities</b>												
Trade and other payables	2,348,513	(6.76)	2,518,817	46.75	1,716,409	41.49	1,213,083	17.73	1,030,383	137.94	433,047	(15.45)
Provision	37,935	74.09	21,791	36.69	15,942	112.33	7,508	(70.92)	25,817	158.17	10,000	100.00
Accrued interest / mark-up	1,119	47.82	757	(12.28)	863	(3.58)	895	492.72	151	(92.52)	2,020	113.08
Taxation - provision less payments	-	-	-	(100.00)	6,160	(47.31)	11,692	100.00	-	-	-	-
Sales tax payable	48,812	100	-	-	-	(100.00)	4,640	(77.06)	20,227	(36.04)	31,625	68.42
Short term borrowings	81,676	182.13	28,950	15.06	25,161	(61.23)	64,897	(31.34)	94,526	(44.46)	170,204	14.40
	<b>2,518,055</b>	<b>(2.03)</b>	<b>2,570,315</b>	<b>45.67</b>	<b>1,764,535</b>	<b>35.45</b>	<b>1,302,715</b>	<b>11.24</b>	<b>1,171,104</b>	<b>81.03</b>	<b>646,896</b>	<b>(4.96)</b>
	<b>4,417,293</b>	<b>27.45</b>	<b>3,465,952</b>	<b>49.00</b>	<b>2,326,186</b>	<b>15.99</b>	<b>2,005,482</b>	<b>13.49</b>	<b>1,767,168</b>	<b>62.20</b>	<b>1,089,473</b>	<b>11.76</b>

## ASSETS

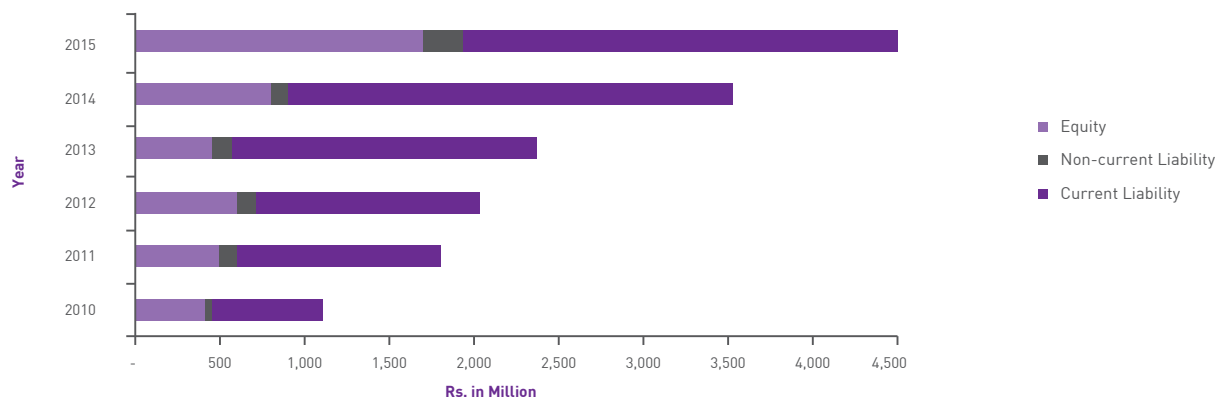
### Non-current assets

Property, plant and equipment	2,040,339	13.10	1,803,992	76.79	1,020,414	57.15	649,333	4.61	620,702	106.40	300,726	4.10
Intangible assets	81,637	-	81,637	-	81,637	-	81,637	-	81,637	-	81,637	-
Long term loans and advances	37,749	111.42	17,855	(3.79)	18,558	(17.44)	22,477	(12.27)	25,621	1,087.81	2,157	(34.42)
Long term prepayment	-	-	-	-	-	-	-	(100.00)	2,894	2,160.94	128	(63.94)
Retirement benefit - prepayment	-	(100.00)	1,776	151.91	705	(79.62)	3,460	100.00	-	-	-	-
	<b>2,159,725</b>	<b>13.36</b>	<b>1,905,260</b>	<b>69.91</b>	<b>1,121,314</b>	<b>48.14</b>	<b>756,907</b>	<b>3.56</b>	<b>730,854</b>	<b>90.01</b>	<b>384,648</b>	<b>2.81</b>

### Current assets

Stores and spares	22,483	(12.46)	25,682	15.53	22,229	30.89	16,983	1.69	16,700	(4.34)	17,458	19.28
Stock in trade	959,276	12.98	849,057	42.91	594,105	(20.83)	750,374	26.50	593,162	65.64	358,094	7.27
Trade debts	209,064	2.31	204,351	11.79	182,797	25.11	146,113	(22.51)	188,563	95.19	96,606	21.29
Loans and advances	15,180	(5.58)	16,077	(4.67)	16,865	32.98	12,682	(34.51)	19,366	31.66	14,709	22.95
Trade deposits and short term prepayments	50,484	(15.95)	60,067	22.06	49,212	24.26	39,603	(24.98)	52,793	160.96	20,230	12.15
Other receivables	30,868	(40.53)	51,901	161.56	19,843	(75.48)	80,918	180.30	28,868	199.51	9,638	(36.95)
Taxation - payments less provision	376,961	116.84	173,843	100.00	-	-	-	(100.00)	43,650	(59.45)	107,654	24.35
Cash and bank balances	593,252	332.95	137,024	(51.71)	283,754	40.54	201,902	116.61	93,212	15.88	80,436	97.65
Accrued interest / mark-up	-	-	-	-	-	-	-	-	-	-	-	-
Sales tax refundable	-	(100.00)	42,690	18.36	36,067	100.00	-	-	-	-	-	-
	<b>2,257,568</b>	<b>44.65</b>	<b>1,560,692</b>	<b>29.53</b>	<b>1,204,872</b>	<b>(3.50)</b>	<b>1,248,575</b>	<b>20.48</b>	<b>1,036,314</b>	<b>47.03</b>	<b>704,825</b>	<b>17.34</b>
	<b>4,417,293</b>	<b>27.45</b>	<b>3,465,952</b>	<b>49.00</b>	<b>2,326,186</b>	<b>15.99</b>	<b>2,005,482</b>	<b>13.49</b>	<b>1,767,168</b>	<b>62.20</b>	<b>1,089,473</b>	<b>11.76</b>

## Balance Sheet Analysis - Equity & Liabilities



# Balance Sheet Vertical Analysis for 6 years

(Rs. in thousand)

	2015		2014		2013		2012		2011		2010	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
<b>EQUITY AND LIABILITIES</b>												
<b>Capital and reserves</b>												
Share capital	61,576	1.39	61,576	1.78	61,576	2.65	61,576	3.07	61,576	3.48	61,576	5.65
Reserves	1,617,018	36.61	721,822	20.83	388,153	16.69	534,202	26.64	429,959	24.33	342,819	31.47
	<b>1,678,594</b>	<b>38.00</b>	<b>783,398</b>	<b>22.60</b>	<b>449,729</b>	<b>19.33</b>	<b>595,778</b>	<b>29.71</b>	<b>491,535</b>	<b>27.81</b>	<b>404,395</b>	<b>37.12</b>
<b>Non-current liabilities</b>												
Retirement benefits - obligation	5,691	0.13	1,369	0.04	4,328	0.19	3,923	0.20	17,519	0.99	8,939	0.82
Deferred taxation	214,953	4.87	110,870	3.20	107,594	4.63	103,066	5.14	87,010	4.92	29,243	2.68
	<b>220,644</b>	<b>5.00</b>	<b>112,239</b>	<b>3.24</b>	<b>111,922</b>	<b>4.81</b>	<b>106,989</b>	<b>5.33</b>	<b>104,529</b>	<b>5.92</b>	<b>38,182</b>	<b>3.50</b>
<b>Current liabilities</b>												
Trade and other payables	2,348,513	53.17	2,518,817	72.67	1,716,409	73.79	1,213,083	60.49	1,030,383	58.31	433,047	39.75
Provision	37,935	0.86	21,791	0.63	15,942	0.69	7,508	0.37	25,817	1.46	10,000	0.92
Accrued interest / mark-up	1,119	0.02	757	0.02	863	0.04	895	0.04	151	0.01	2,020	0.19
Taxation - provision less payments	-	-	-	-	6,160	0.26	11,692	0.58	-	-	-	-
Sales tax payable	48,812	1.11	-	-	-	-	4,640	0.23	20,227	1.14	31,625	2.90
Short term borrowings	81,676	1.85	28,950	0.84	25,161	1.08	64,897	3.24	94,526	5.35	170,204	15.62
	<b>2,518,055</b>	<b>57.00</b>	<b>2,570,315</b>	<b>74.16</b>	<b>1,764,535</b>	<b>75.86</b>	<b>1,302,715</b>	<b>64.96</b>	<b>1,171,104</b>	<b>66.27</b>	<b>646,896</b>	<b>59.38</b>
	<b>4,417,293</b>	<b>100.00</b>	<b>3,465,952</b>	<b>100.00</b>	<b>2,326,186</b>	<b>100.00</b>	<b>2,005,482</b>	<b>100.00</b>	<b>1,767,168</b>	<b>100.00</b>	<b>1,089,473</b>	<b>100.00</b>

## ASSETS

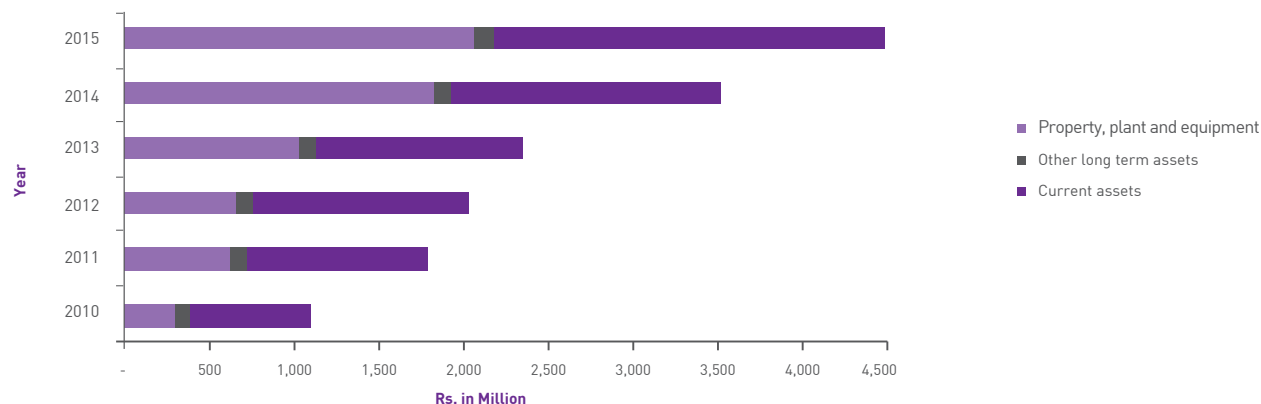
### Non-current assets

Property, plant and equipment	2,040,339	46.19	1,803,992	52.05	1,020,414	43.87	649,333	32.38	620,702	35.12	300,726	27.60
Intangible assets	81,637	1.85	81,637	2.36	81,637	3.51	81,637	4.07	81,637	4.62	81,637	7.49
Long term loans	37,749	0.85	17,855	0.52	18,558	0.80	22,477	1.12	25,621	1.45	2,157	0.20
Long term prepayment	-	-	-	-	-	-	-	-	2,894	0.16	128	0.01
Retirement benefit - prepayment	-	-	1,776	0.05	705	0.03	3,460	0.17	-	-	-	-
	<b>2,159,725</b>	<b>48.89</b>	<b>1,905,260</b>	<b>54.97</b>	<b>1,121,314</b>	<b>48.20</b>	<b>756,907</b>	<b>37.74</b>	<b>730,854</b>	<b>41.36</b>	<b>384,648</b>	<b>35.31</b>

### Current assets

Stores and spares	22,483	0.51	25,682	0.74	22,229	0.96	16,983	0.85	16,700	0.95	17,458	1.60
Stock in trade	959,276	21.72	849,057	24.50	594,105	25.54	750,374	37.42	593,162	33.57	358,094	32.87
Trade debts	209,064	4.73	204,351	5.90	182,797	7.86	146,113	7.29	188,563	10.67	96,606	8.87
Loans and advances	15,180	0.34	16,077	0.46	16,865	0.73	12,682	0.63	19,366	1.10	14,709	1.35
Trade deposits and short term prepayments	50,484	1.14	60,067	1.73	49,212	2.12	39,603	1.97	52,793	2.99	20,230	1.86
Other receivables	30,868	0.70	51,901	1.50	19,843	0.85	80,918	4.03	28,868	1.63	9,638	0.88
Taxation - payments less provision	376,961	8.53	173,843	5.02	-	-	-	-	43,650	2.47	107,654	9.88
Cash and bank balances	593,252	13.43	137,024	3.95	283,754	12.20	201,902	10.07	93,212	5.27	80,436	7.38
Accrued interest / mark-up	-	-	-	-	-	-	-	-	-	-	-	-
Sales tax refundable	-	-	42,690	1.23	36,067	1.55	-	-	-	-	-	-
	<b>2,257,568</b>	<b>51.11</b>	<b>1,560,692</b>	<b>45.03</b>	<b>1,204,872</b>	<b>51.80</b>	<b>1,248,575</b>	<b>62.26</b>	<b>1,036,314</b>	<b>58.64</b>	<b>704,825</b>	<b>64.69</b>
	<b>4,417,293</b>	<b>100.00</b>	<b>3,465,952</b>	<b>100.00</b>	<b>2,326,186</b>	<b>100.00</b>	<b>2,005,482</b>	<b>100.00</b>	<b>1,767,168</b>	<b>100.00</b>	<b>1,089,473</b>	<b>100.00</b>

## Balance Sheet Analysis - Assets



# Profit and Loss Account

## Horizontal Analysis for 6 years

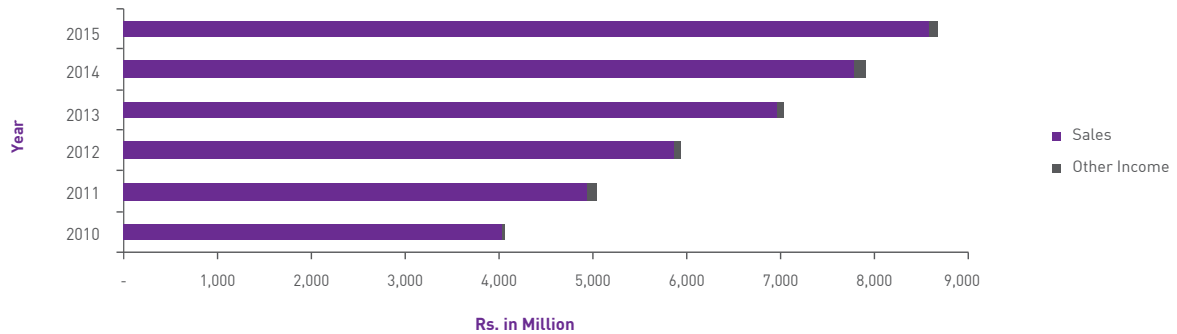
	(Rs. in thousand)											
	2015 Rs.	15 Vs.14 %	2014 Rs.	14 Vs.13 %	2013 Rs.	13 Vs.12 %	2012 Rs.	12 Vs.11 %	2011 Rs.	11 Vs.10 %	2010 Rs.	10 Vs.09 %
Sales	8,571,097	10.07	7,787,059	11.90	6,958,846	18.73	5,861,096	18.64	4,940,251	22.26	4,040,887	19.68
Cost of sales	(4,738,804)	7.04	(4,426,989)	9.27	(4,051,302)	11.59	(3,630,636)	20.40	(3,015,502)	20.33	(2,506,003)	18.09
Gross profit	3,832,293	14.05	3,360,070	15.56	2,907,544	30.36	2,230,460	15.88	1,924,749	25.40	1,534,884	22.36
Distribution cost	(1,954,022)	35.13	(1,445,978)	17.10	(1,234,866)	24.25	(993,825)	16.92	(850,012)	8.06	(786,593)	(1.34)
Administrative expenses	(154,298)	(4.01)	(160,740)	2.73	(156,472)	5.09	(148,898)	6.97	(139,198)	170.04	(51,547)	2.64
Other operating expenses	(125,372)	(1.45)	(127,212)	9.80	(115,857)	42.48	(81,316)	14.91	(70,767)	36.59	(51,810)	(56.92)
Other income	103,174	(9.16)	113,582	56.56	72,549	(1.72)	73,820	(10.61)	82,582	250.28	23,576	(21.83)
	1,701,775	(2.18)	1,739,722	18.12	1,472,898	36.35	1,080,241	14.03	947,354	41.71	668,510	111.07
Restructuring cost	-	-	-	-	-	-	(100.00)	(30,359)	197.58	(10,202)	(80.59)	
Profit from operations	1,701,775	(2.18)	1,739,722	18.12	1,472,898	36.35	1,080,241	17.80	916,995	39.30	658,308	149.20
Finance costs	(36,090)	(27.52)	(49,793)	450.62	(9,043)	12.11	(8,066)	17.53	(6,863)	(44.87)	(12,449)	(44.71)
Profit before taxation	1,665,685	(1.43)	1,689,929	15.44	1,463,855	36.53	1,072,175	17.80	910,132	40.92	645,859	167.26
Taxation	(433,557)	(16.32)	(518,108)	12.85	(459,100)	33.77	(343,194)	16.96	(293,437)	40.81	(208,396)	221.28
Profit after taxation	1,232,128	5.15	1,171,821	16.63	1,004,755	37.83	728,981	18.21	616,695	40.97	437,463	147.45
Other comprehensive (loss)/ income	(4,421)	(538.59)	1,008	(185.79)	(1,175)	(230.85)	898	100.00	-	-	-	-
Total comprehensive income	1,227,707	4.68	1,172,829	16.86	1,003,580	37.50	729,879	18.35	616,695	40.97	437,463	147.45

## Vertical Analysis for 6 years

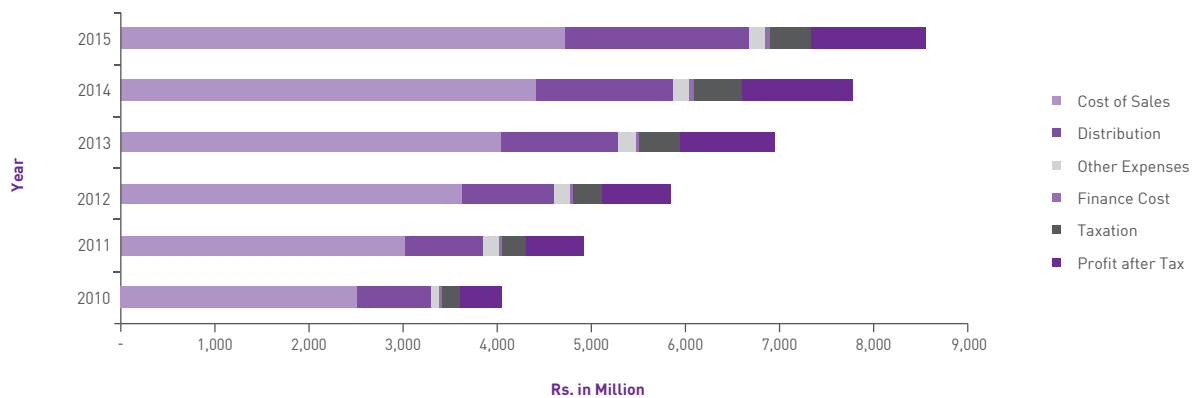
	(Rs. in thousand)											
	2015		2014		2013		2012		2011		2010	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Sales	8,571,097	100.00	7,787,059	100.00	6,958,846	100.00	5,861,096	100.00	4,940,251	100.00	4,040,887	100.00
Cost of sales	(4,738,804)	(55.29)	(4,426,989)	(56.85)	(4,051,302)	(58.22)	(3,630,636)	(61.94)	(3,015,502)	(61.04)	(2,506,003)	(62.02)
Gross profit	3,832,293	44.71	3,360,070	43.15	2,907,544	41.78	2,230,460	38.06	1,924,749	38.96	1,534,884	37.98
Distribution cost	(1,954,022)	(22.80)	(1,445,978)	(18.57)	(1,234,866)	(17.75)	(993,825)	(16.96)	(850,012)	(17.21)	(786,593)	(19.47)
Administrative expenses	(154,298)	(1.80)	(160,740)	(2.06)	(156,472)	(2.25)	(148,898)	(2.54)	(139,198)	(2.82)	(51,547)	(1.28)
Other operating expenses	(125,372)	(1.46)	(127,212)	(1.63)	(115,857)	(1.66)	(81,316)	(1.39)	(70,767)	(1.43)	(51,810)	(1.28)
Other operating income	103,174	1.20	113,582	1.46	72,549	1.04	73,820	1.26	82,582	1.67	23,576	0.58
	1,701,775	19.85	1,739,722	22.34	1,472,898	21.17	1,080,241	18.43	947,354	19.18	668,510	16.54
Restructuring cost	-	-	-	-	-	-	-	-	(30,359)	(0.61)	(10,202)	(0.25)
Profit from operations	1,701,775	19.85	1,739,722	22.34	1,472,898	21.17	1,080,241	18.43	916,995	18.56	658,308	16.29
Finance cost	(36,090)	(0.42)	(49,793)	(0.64)	(9,043)	(0.13)	(8,066)	(0.14)	(6,863)	(0.14)	(12,449)	(0.31)
Profit before taxation	1,665,685	19.43	1,689,929	21.70	1,463,855	21.04	1,072,175	18.29	910,132	18.42	645,859	15.98
Taxation	(433,557)	(5.06)	(518,108)	(6.65)	(459,100)	(6.60)	(343,194)	(5.86)	(293,437)	(5.94)	(208,396)	(5.16)
Profit after taxation	1,232,128	14.38	1,171,821	15.05	1,004,755	14.44	728,981	12.44	616,695	12.48	437,463	10.83
Other comprehensive (loss)/ income	(4,421)	(0.05)	1,008	0.01	(1,175)	(0.02)	898	0.02	-	-	-	-
Total comprehensive income	1,227,707	14.32	1,172,829	15.06	1,003,580	14.42	729,879	12.45	616,695	12.48	437,463	10.83

# Graphical Analysis

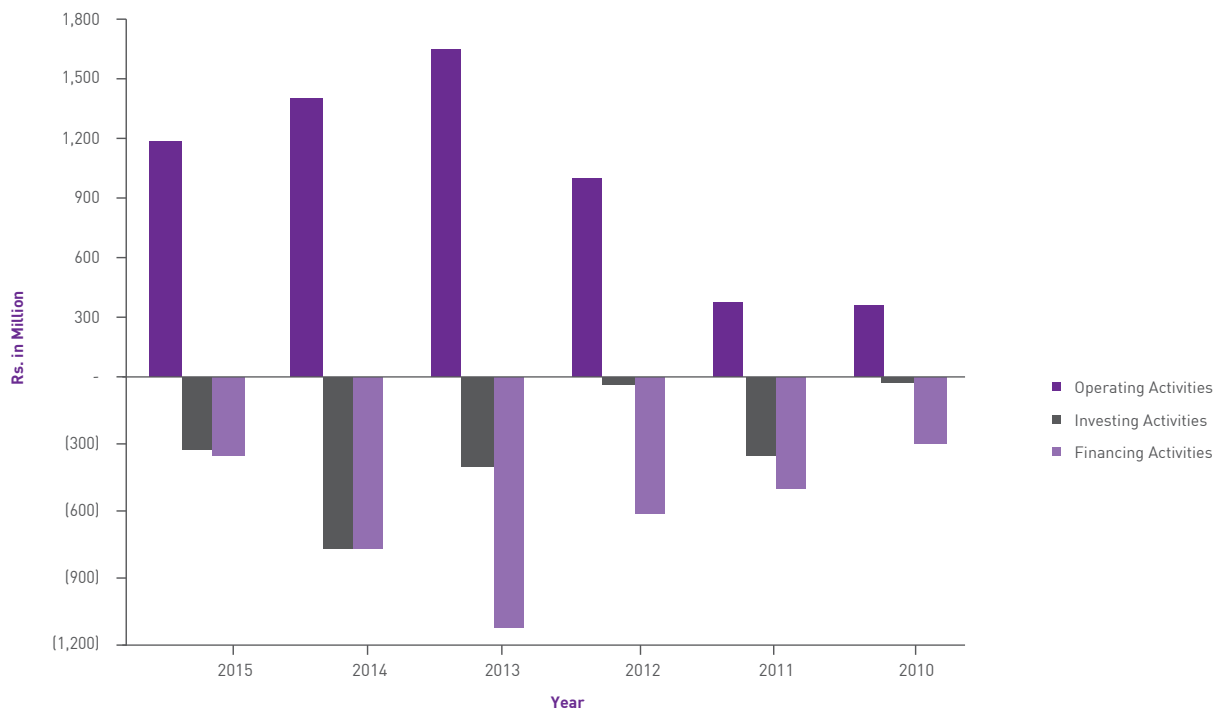
## Profit and Loss Analysis - Income



## Profit and Loss Analysis - Expenses



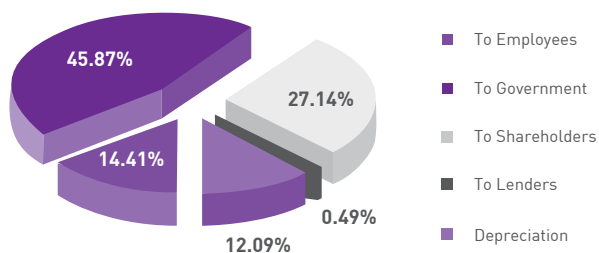
## Cash Flow Analysis



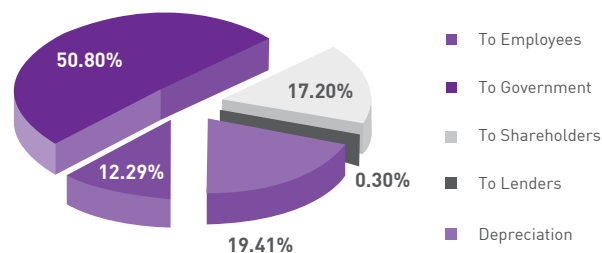
# Statement of Wealth Generated and Distributed

	2015		2014	
	Rs. in thousand	%	Rs. in thousand	%
<b>WEALTH GENERATED</b>				
Total Revenue inclusive of sales tax and other Income	<b>9,367,782</b>		8,548,935	
Bought in material	<b>(5,964,891)</b>		(5,184,669)	
	<b><u>3,402,891</u></b>	<b><u>100</u></b>	<b><u>3,364,266</u></b>	<b><u>100</u></b>
<b>WEALTH DISTRIBUTION</b>				
<b>To Employees</b>				
Salaries, benefits and other costs	<b>490,492</b>	<b>14.41</b>	413,399	12.29
<b>To Government</b>				
Income tax, sales tax, excise duty, custom duty, WWF and WPPF	<b>1,560,754</b>	<b>45.87</b>	1,708,776	50.80
<b>To Providers of Capital</b>				
Dividend to shareholders	<b>923,643</b>	<b>27.14</b>	578,816	17.20
Mark-up / interest expenses on borrowed funds	<b>16,655</b>	<b>0.49</b>	10,161	0.30
<b>To Company</b>				
Depreciation, amortization and retained profit	<b>411,347</b>	<b>12.09</b>	653,114	19.41
	<b><u>3,402,891</u></b>	<b><u>100</u></b>	<b><u>3,364,266</u></b>	<b><u>100</u></b>

**WEALTH DISTRIBUTION 2015**



**WEALTH DISTRIBUTION 2014**



# Pattern of Shareholding

As at December 31, 2015

Number of Shareholders	Shareholdings' Slab		Total Shares Held
689	1	100	23,274
101	101	500	19,635
18	501	1000	11,297
8	1001	5000	19,170
2	20001	25000	44,581
1	25001	30000	28,760
1	35001	40000	37,080
3	40001	45000	131,552
1	60001	65000	61,670
1	65001	70000	67,180
2	75001	80000	153,573
1	90001	95000	94,344
2	95001	100000	191,847
1	110001	115000	113,860
1	130001	135000	134,865
1	150001	155000	153,728
1	200001	205000	200,947
1	4670001	4675000	4,670,255
<b>835</b>			<b>6,157,618</b>

Categories of Shareholders	Number of Shareholders	Number of Shares Held	Percentage
Associated Companies, undertakings and related parties	1	4,670,255	75.85
Directors, CEO and their spouse(s) and minor children	10	371,457	6.03
Public Sector Companies and Corporations	2	64	0.00
Banks, development finance institutions, non-banking finance companies insurance companies, takaful, modarabas and pension funds	1	867	0.01
<b>General Public</b>			
a. Local	801	1,113,950	18.09
b. Foreign	8	12	0.00
Foreign Companies	2	92	0.00
Others	10	921	0.02
<b>Totals</b>	<b>835</b>	<b>6,157,618</b>	<b>100.00</b>

Shareholders holding 5% or more	Shares Held	Percentage
CONOPCO, INC.	4,670,255	75.85



## Pattern of Shareholding Additional Information

As at December 31, 2015

Information on shareholding required under reporting framework of Code of Corporate Governance is as follows:

Shareholders' Category	Number of Shareholders	Number of Shares Held
i) Associated Companies, undertakings and related parties (name-wise details)		
CONOPCO, INC.	1	4,670,255
ii) Directors, CEO and their spouse(s) and minor children		
Mr. Kamran Y. Mirza	1	1,760
Ms. Fariyha Subhani	1	1
Ms. Shazia Syed	1	1
Mr. Ali Tariq	1	1
Mr. Zulfikar Monnoo	1	153,828
Mian M. Adil Monnoo	1	96,246
Mr. Kamal Monnoo	1	114,060
Mr. Badaruddin F. Vellani	1	101
Mrs. Sarwat Zulfikar W/o Mr. Zulfikar Monnoo	1	5,430
Ms. Amna Monnoo D/o Mr. Zulfikar Monnoo	1	29
iii) Public Sector Companies and Corporations	2	64
iv) Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	1	867
v) Shareholders holding 5% or more voting rights (name-wise details)		
CONOPCO Inc.	1	4,670,255

## Dealings in Shares by Directors, Executives, and their spouses and minor children

During 01-01-2015 to 31-12-2015

S.No.	Name	Acquired during the year
1	Ms. Shazia Syed	1

S.No.	Name	Transferred during the year
1	Mr. Ehsan A.Malik	1

# Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (the Code), set out in the listing regulations of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code, in the following manner:

1. The Company encourages representation of independent and non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	<ul style="list-style-type: none"> <li>• Mr. Kamran Y. Mirza (Chairman of the Board)</li> </ul>
Executive Directors	<ul style="list-style-type: none"> <li>• Ms. Shazia Syed (CEO)</li> <li>• Mr. Ali Tariq (CFO)</li> <li>• Ms. Farheen Salman Amir</li> <li>• Ms. Fariyha Subhani (resigned w.e.f. March 6, 2016)</li> </ul>
Non-Executive Directors	<ul style="list-style-type: none"> <li>• Mr. Zulfikar Monnoo (Chairman Audit Committee)</li> <li>• Mian M. Adil Monnoo</li> <li>• Mr. Kamal Monnoo</li> <li>• Mr. Badaruddin F. Vellani</li> <li>• Mr. Noman Amjad Lutfi</li> </ul>

2. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member/broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Two casual vacancies in the Board of Directors occurred on October 31, 2015 and March 6, 2016 which were filled up by the Directors within stipulated time.
5. The Company has adopted a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Company has a Vision Statement and overall corporate strategy. The Company, traditionally, maintains and follows policies designed to align with the Unilever group of companies and global best practices. The Board considers any significant amendments to the policies, as and when required.
7. All the powers of the Board have been duly exercised and decisions on material transactions, based on the significance of the matters involved, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other Executive Directors and Non-Executive Directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and in his absence, by a Director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least 7 days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The Directors have been provided with copies of the Listing Regulations of the Stock Exchange; the Company's Memorandum and Articles of Association and the code of Corporate Governance and are well conversant with their duties and responsibilities. Out of the nine Directors of the Board, eight Directors have completed Directors training Program.
10. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
11. The Financial Statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
12. The Directors, CEO and Executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
13. The Company has complied with all the corporate and financial reporting requirements of the Code.
14. The Board has formed an Audit Committee. It comprises of four Members; three Non-Executive Directors and one Independent Director.
15. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
16. The Board has formed a Human Resource and Remuneration (HR&R) Committee. It comprises of three members, two of whom are Non-Executive Directors and the Chairman of the Committee is a Non-Executive Director.
17. During the year, Ms. Mehwish Iqbal has been appointed by the Audit Committee and approval of the Board as Head of Internal Audit and Secretary of the Audit Committee in place of Mr. Azhar Shahid. Internal Audit services are secured through Unilever Pakistan Limited (an associated company) through shared services arrangements. The audit staff of Unilever Pakistan Limited is suitably qualified and conversant with the policies and procedures. The Company had applied to obtain the concurrence of SECP on these arrangements.
18. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. The "closed period", prior to the announcement of interim and final results, and business decisions, which may materially affect the market price of Company's Securities, was determined and intimated to Directors, employees and Stock Exchanges.
21. Material/price sensitive information has been disseminated among all market participants at once through Stock Exchanges.
22. The related party transactions have been placed before the Audit Committee and approved by the Board of Directors.
23. We confirm that all material principles enshrined in the Code have been complied with except for any exception already disclosed hereinabove.

## Shazia Syed

Chief Executive

Karachi

March 7, 2016

# Auditors' Review Report

## Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors of Unilever Pakistan Foods Limited ("the Company") for the year ended 31 December 2015 to comply with the requirements of Listing Regulation of the Pakistan Stock Exchange Limited where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 31 December 2015.

Further, we highlight below instance of non-compliance with the requirement of the Code as reflected in the paragraph reference where it is stated in the Statement of Compliance:

### Paragraph Description reference

- 17** Internal Audit services are secured through Unilever Pakistan Limited (an associated company) through shared services arrangements. The audit staff of Unilever Pakistan Limited is suitably qualified and conversant with the policies and procedures. The Company had applied to obtain the concurrence of SECP on these arrangements.

Karachi  
Dated: March 7, 2016

**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Karachi

# 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 Foods Limited ("the Company") as at December 31, 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 account 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 December 31, 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.

Dated: March 7, 2016  
Karachi

**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Mohammad Mahmood Hussain

# Balance Sheet

as at December 31, 2015

	Note	2015 (Rupees in thousand)	2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	<b>2,040,339</b>	1,803,992
Intangible assets	6	<b>81,637</b>	81,637
Long term loans and advances	7	<b>37,749</b>	17,855
Staff retirement benefits	17	-	1,776
		<b>2,159,725</b>	1,905,260
<b>Current assets</b>			
Stores and spares	8	<b>22,483</b>	25,682
Stock in trade	9	<b>959,276</b>	849,057
Trade debts	10	<b>209,064</b>	204,351
Loans and advances	11	<b>15,180</b>	16,077
Trade deposits and short term prepayments	12	<b>50,484</b>	60,067
Other receivables	13	<b>30,868</b>	51,901
Taxation - net		<b>376,961</b>	173,843
Sales tax refundable		-	42,690
Cash and bank balances	14	<b>593,252</b>	137,024
		<b>2,257,568</b>	1,560,692
<b>Total assets</b>		<b>4,417,293</b>	3,465,952

# Balance Sheet

as at December 31, 2015

	Note	2015 (Rupees in thousand)	2014
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital	15	61,576	61,576
Reserves	16	1,617,018	721,822
		<b>1,678,594</b>	783,398
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Staff retirement benefits	17	5,691	1,369
Deferred taxation	18	214,953	110,870
		<b>220,644</b>	112,239
<b>Current liabilities</b>			
Trade and other payables	19	2,348,513	2,518,817
Provisions	20	37,935	21,791
Accrued interest / mark-up		1,119	757
Sales tax payable		48,812	-
Short term borrowings	21	81,676	28,950
		<b>2,518,055</b>	2,570,315
<b>Total liabilities</b>		<b>2,738,699</b>	2,682,554
<b>Total equity and liabilities</b>		<b>4,417,293</b>	3,465,952
<b>Contingency and commitments</b>	22		

The annexed notes 1 to 41 form an integral part of these financial statements.

**Shazia Syed**  
Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

# Profit and Loss Account

for the year ended December 31, 2015

	Note	2015 (Rupees in thousand)	2014
Sales	23	8,571,097	7,787,059
Cost of sales	24	(4,738,804)	(4,426,989)
Gross profit		3,832,293	3,360,070
Distribution cost	25	(1,954,022)	(1,445,978)
Administrative expenses	26	(154,298)	(160,740)
Other operating expenses	27	(125,372)	(127,212)
Other income	28	103,174	113,582
		1,701,775	1,739,722
Finance costs	29	(36,090)	(49,793)
Profit before taxation		1,665,685	1,689,929
Taxation	30	(433,557)	(518,108)
Profit after taxation		1,232,128	1,171,821
Other comprehensive income:			
<b>Items that will not be reclassified to Profit or Loss</b>			
(Loss) / gain on remeasurements of post employment benefit obligations		(6,316)	1,552
Impact of deferred tax		1,895	(544)
		(4,421)	1,008
<b>Items that may be subsequently reclassified to Profit or Loss</b>		-	-
Total comprehensive income		1,227,707	1,172,829
Basic and diluted earnings per share (Rupees)	31	200.09	190.29

The annexed notes 1 to 41 form an integral part of these financial statements.

**Shazia Syed**  
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	1,665,685	1,689,929
Adjustments for non-cash charges and other items		
Depreciation	107,283	59,101
Provision for fixed assets to be written off	-	13
Gain on disposal of property, plant and equipment	(1,965)	-
Provision for staff retirement benefits	1,744	2,061
Mark-up on short term borrowings	16,655	10,161
Return on savings accounts	(10,909)	(56,101)
	112,808	15,235
	1,778,493	1,705,164
<b>Effect on cash flows due to working capital changes</b>		
(Increase) / Decrease in current assets		
Stores and spares	3,199	(3,453)
Stock in trade	(110,219)	(254,952)
Trade debts	(4,713)	(21,554)
Loans and advances	897	788
Trade deposits and short term prepayments	9,583	(10,855)
Sales tax refundable	42,690	(6,623)
Other receivables	21,033	(32,058)
	(37,530)	(328,707)
Increase / (decrease) in current liabilities		
Trade and other payables	(45,505)	732,209
Provisions	16,144	5,849
Sales tax payable	48,812	-
	19,451	738,058
Cash generated from operations (carried forward)	1,760,414	2,114,515

# Cash Flow Statement

for the year ended December 31, 2015

	Note	2015 (Rupees in thousand)	2014
Cash generated from operations (brought forward)		<b>1,760,414</b>	2,114,515
Mark-up paid		<b>(16,293)</b>	(10,267)
Income tax paid		<b>(530,697)</b>	(695,383)
Staff retirement benefits - contributions paid		<b>(1,962)</b>	(4,325)
Increase in long term loans		<b>(19,894)</b>	703
<b>Net cash from operating activities</b>		<b>1,191,568</b>	1,405,243
<b>Cash used in investing activities</b>			
Purchase of property, plant and equipment		<b>(342,910)</b>	(842,692)
Proceeds from disposal of property, plant and equipment		<b>1,244</b>	-
Return received on savings accounts		<b>10,909</b>	58,019
Net cash used in investing activities		<b>(330,757)</b>	(784,673)
<b>Cash used in financing activities</b>			
Dividends paid		<b>(457,309)</b>	(771,089)
Net increase / (decrease) in cash and cash equivalents		<b>403,502</b>	(150,519)
Cash and cash equivalents at beginning of the year		<b>108,074</b>	258,593
Cash and cash equivalents at end of the year	39	<b>511,576</b>	108,074

The annexed notes 1 to 41 form an integral part of these financial statements.

**Shazia Syed**  
Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

# Statement of Changes in Equity

for the year ended December 31, 2015

	SHARE	CAPITAL			RESERVES		SUB TOTAL	TOTAL
	Issued, subscribed and paid up capital	Share Premium	Special	REVENUE				
				General	Unappropriated Profit			
	← (Rupees in thousand) →							
Balance as at January 1, 2014	61,576	24,630	628	138	362,757	388,153	449,729	
Transactions with owners of the Company								
Final dividend for the year ended December 31, 2013 @ Rs. 42.28 per share	-	-	-	-	(260,344)	(260,344)	(260,344)	
Interim dividend for the year ended December 31, 2014 @ Rs. 94 per share	-	-	-	-	(578,816)	(578,816)	(578,816)	
Total comprehensive income for the year ended December 31, 2014								
- Profit for the year ended December 31, 2014	-	-	-	-	1,171,821	1,171,821	1,171,821	
- Other comprehensive income for the year ended December 31, 2014	-	-	-	-	1,008	1,008	1,008	
	-	-	-	-	1,172,829	1,172,829	1,172,829	
Balance as at December 31, 2014	61,576	24,630	628	138	696,426	721,822	783,398	
Transactions with owners of the Company								
Interim dividend for the year ended December 31, 2015 @ Rs. 54 per share	-	-	-	-	(332,511)	(332,511)	(332,511)	
Total comprehensive income for the year ended December 31 2015								
- Profit for the year ended December 31 2015	-	-	-	-	1,232,128	1,232,128	1,232,128	
- Other comprehensive income for the year ended December 31 2015	-	-	-	-	(4,421)	(4,421)	(4,421)	
	-	-	-	-	1,227,707	1,227,707	1,227,707	
<b>Balance as at December 31, 2015</b>	<b>61,576</b>	<b>24,630</b>	<b>628</b>	<b>138</b>	<b>1,591,622</b>	<b>1,617,018</b>	<b>1,678,594</b>	

The annexed notes 1 to 41 form an integral part of these financial statements.

**Shazia Syed**  
Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

# Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2015

## 1. THE COMPANY AND ITS OPERATIONS

The Company is a limited liability company incorporated in Pakistan and is listed on the Pakistan Stock Exchange. It manufactures and sells consumer and commercial food products under brand names of Rafhan, Knorr, Energile, Glaxose-D and Food solutions. The registered office of the Company is situated at Avari Plaza, Fatima Jinnah Road, Karachi.

The Company is a subsidiary of Conopco Inc. USA, whereas its ultimate parent company is Unilever N.V. Holland.

## 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 disclosure which is included in note 37.2 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. SIGNIFICANT ACCOUNTING POLICIES**

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 reporting date.

Maintenance and normal repairs are charged to income as and when incurred. Individual assets costing up to Rs. 10,000 are charged to income. Major renewals and improvements are capitalized 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 indefinite useful life are stated at cost less accumulated amortisation and impairment, if any. Carrying amounts of intangibles are subject to impairment review at each balance sheet date and where conditions exist, impairment is recognized. The determination of recoverable amount is based on value-in-use calculations that require use of judgement to determine net cash flows arising from continuing use and applicable discount rate.

The useful lives of intangible assets are reviewed at each balance sheet date to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

## **3.3 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 which case it is recognised in other comprehensive income or directly in equity.

### **3.3.1 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.

### **3.3.2 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.

## **3.4 Staff retirement benefits**

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

### 3.4.1 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 base 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 April 1, 2012; and
- b) permanent employees who joined on or before March 31, 2012 and opted for DC Pension plan in lieu of future benefits under the existing pension and management gratuity.

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

### 3.4.2 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 plans is the present value of the defined benefit obligations 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 Company, 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 bond. 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 and 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'.

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.

### **3.4.3 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 profit and loss 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.

### **3.5 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.

### **3.6 Stock in trade**

Stock in trade is valued at the lower of cost and net realizable 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 realizable 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.

### **3.7 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.



### **3.8 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 and short term running finance.

### **3.9 Impairment**

#### **3.9.1 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.

#### **3.9.2 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.

### **3.10 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.

### **3.11 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.

### **3.12 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 recognized in the period in which the Company becomes legally or constructively committed to incur.

### **3.13 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. The financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

### **3.14 Derivative financial instruments**

Derivatives are initially recognised at fair value. Any directly attributable transaction costs are recognised in the profit and loss account as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss account.

### **3.15 Earnings per share**

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

### **3.16 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.

### **3.17 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.
- return on savings accounts and deposit accounts is recognised on time proportion basis, taking effect of the effective interest rate.

### **3.18 Dividend**

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

### **3.19 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.

### **3.20 Operating segment**

The financial statements are prepared on the basis of single reporting segment consistent with the information reviewed by the chief operating decision maker of the company.

## **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.

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.

**4.1** The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

### **4.1.1 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.

#### 4.1.2 Defined benefit plans

The Company has adopted certain actuarial assumptions as disclosed in note 17 to the financial statements for valuation of present value of defined benefit obligations and fair value of plan assets, based on actuarial advice.

#### 4.1.3 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.

4.2 No critical judgement has been used in applying accounting policies.

	Note	2015 (Rupees in thousand)	2014
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	5.1	<b>1,946,209</b>	995,280
Capital work in progress	5.3	<b>94,130</b>	808,712
		<b>2,040,339</b>	1,803,992

## 5.1 Operating assets

	Freehold land	Building on freehold land	Leasehold improvements	Plant and machinery	Electrical, mechanical and office equipment	Furniture and fittings	Motor vehicles	Total
← (Rupees in thousand) →								
<b>Net carrying value basis</b>								
<b>Year ended December 31, 2015</b>								
Opening Net Book Value (NBV)	8,179	273,408	-	656,639	50,657	6,397	-	995,280
Additions (at cost)	-	215,336	-	835,190	6,966	-	-	1,057,492
Disposals (NBV)	-	(12)	-	(1,543)	(40)	-	-	(1,595)
Depreciation charge	-	(14,519)	-	(88,880)	(3,189)	(695)	-	(107,283)
Reversal of provision for fixed assets to be written off	-	12	-	1,452	851	-	-	2,315
Closing NBV	8,179	474,225	-	1,402,858	55,245	5,702	-	1,946,209
<b>Gross carrying value basis</b>								
<b>At December 31, 2015</b>								
Cost	8,179	599,660	14,918	1,868,155	125,213	16,628	1,405	2,634,158
Provision for fixed assets to be written off	-	-	-	(3,401)	-	-	-	(3,401)
Accumulated depreciation	-	(125,435)	(14,918)	(461,896)	(69,968)	(10,926)	(1,405)	(684,548)
NBV	8,179	474,225	-	1,402,858	55,245	5,702	-	1,946,209
<b>Net carrying value basis</b>								
<b>Year ended December 31, 2014</b>								
Opening Net Book Value (NBV)	8,179	139,148	-	431,356	50,872	5,509	-	635,064
Additions (at cost)	-	139,639	-	275,350	2,896	1,445	-	419,330
Disposals (NBV)	-	-	-	-	-	-	-	-
Fixed assets written off	-	-	-	(10)	-	(3)	-	(13)
Depreciation charge	-	(5,379)	-	(50,057)	(3,111)	(554)	-	(59,101)
Closing NBV	8,179	273,408	-	656,639	50,657	6,397	-	995,280
<b>Gross carrying value basis</b>								
<b>At December 31, 2014</b>								
Cost	8,179	384,348	14,918	1,063,456	120,184	16,769	1,405	1,609,259
Provision for fixed assets to be written off	-	(12)	-	(4,853)	(851)	-	-	(5,716)
Accumulated depreciation	-	(110,928)	(14,918)	(401,964)	(68,676)	(10,372)	(1,405)	(608,263)
NBV	8,179	273,408	-	656,639	50,657	6,397	-	995,280
<b>Depreciation rate % per annum</b>								
	-	2.5	25	7 to 10	10 to 25	20	20	

5.2 The details of operating fixed assets disposed of during the year are as follows:

Description	Original Cost	Accumulated Depreciation	Net Book Value	Sales proceeds	Mode of Disposal	Particulars of Buyer
(Rupees in thousand)						
<b>Plant and machinery</b>						
High Speed Mixing Tank	165	110	55	25	Tender	Akram Trading
Product Holding Tank	338	226	112	46	Tender	Akram Trading
Small H.Spd Mixing Tank2	320	150	170	9.5	Tender	Akram Trading
Small H.Spd Mixing Tank1	305	143	162	9.5	Tender	Akram Trading
Stacker Model Logitrans	686	321	365	8	Tender	Akram Trading
Conduction Heat Sealer	170	63	107	8	Tender	Akram Trading
Fuji Impulse Sealer Fa-4	465	171	294	6	Tender	Akram Trading
Bradman Lake Post Pack M	4,467	4,318	149	100	Tender	Akram Trading
	<b>6,916</b>	<b>5,502</b>	<b>1,414</b>	<b>212</b>		
<b>Other assets with book value less than Rs. 50,000</b>						
Plant and machinery	23,575	23,446	129	1,000		
Building on freehold land	24	12	12	-		
Electrical, mechanical and office equipment	1,937	1,897	40	23		
Furniture and fittings	141	141	-	9		
	<b>25,677</b>	<b>25,496</b>	<b>181</b>	<b>1,032</b>		
<b>December 31, 2015</b>	<b>32,593</b>	<b>30,998</b>	<b>1,595</b>	<b>1,244</b>		

5.2.1 The provision of Rs. 2.32 million (2014: nil) was reversed during the year against the assets disposed of.

2015                      2014  
(Rupees in thousand)

### 5.3 Capital Work In Progress – at cost

Civil work	6,450	198,524
Plant and machinery	87,480	589,226
Advances to suppliers	200	20,962
	<b>94,130</b>	<b>808,712</b>

## 6. INTANGIBLE ASSETS

### Gross carrying value basis

Cost		
- Goodwill	94,578	94,578
- Agreement in restraint of trade	139,661	139,661
- Trademark	20,000	20,000
	<b>254,239</b>	<b>254,239</b>
Accumulated amortization and impairment	<b>(172,602)</b>	<b>(172,602)</b>
Net book value	<b>81,637</b>	<b>81,637</b>

The above represents amount paid for the acquisition of Glaxose-D in 1999 to Glaxo Wellcome Pakistan Limited (now GlaxoSmithKline Pakistan Limited).

The management has assessed the useful life of the intangible as indefinite, since it is expected that the underlying brand, Glaxose-D, will operate in the market for an indefinite period of time.

For impairment testing, the estimated recoverable amount has been determined using the discounted cash flows for a period of five years. Key assumptions used in estimation of recoverable amount include profit forecasts (based on both internal and external market information and past performance) and discount rate.

The discount rate used is 8.4% (2014: 8.7%), a pre-tax measure based on government bonds rate. The valuation exceeds the carrying amount sufficiently such that a reasonably possible change to key assumptions is unlikely to result in an impairment of Glaxose-D.

	Note	2015 (Rupees in thousand)	2014
<b>7. LONG TERM LOANS AND ADVANCES - considered good</b>			
Executives	7.1	<b>18,915</b>	28,259
Recoverable within one year	11	<b>(8,009)</b>	(10,404)
		<b>10,906</b>	17,855
Advance to supplier		<b>26,843</b>	-
		<b>37,749</b>	17,855
<b>7.1 Reconciliation of carrying amount of loans to executives:</b>			
- Opening balances		<b>28,259</b>	26,542
- Disbursements		<b>8,331</b>	16,391
- Repayments		<b>(17,675)</b>	(14,674)
		<b>18,915</b>	28,259
<b>7.2 Loans to employees have been provided to facilitate purchase of houses and vehicles in accordance with the Company's policy and are repayable over a period of five years. These loans are interest free and secured against retirement benefits of the employees.</b>			
<b>7.3 The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 29.04 million (2014: Rs. 32.38 million).</b>			

	Note	2015 (Rupees in thousand)	2014
<b>8. STORES AND SPARES</b>			
Stores		12,098	12,879
Spares (including in transit Rs. 2.47 million; 2014: nil)		12,053	14,410
		<b>24,151</b>	27,289
Provision for obsolescence		<b>(1,668)</b>	(1,607)
		<b>22,483</b>	25,682

<b>9. STOCK IN TRADE</b>			
Raw and packing materials (including in transit Rs. 93.25 million; 2014: Rs. 64.98 million)		582,289	544,797
Provision for obsolescence		<b>(13,950)</b>	(46,768)
		<b>568,339</b>	498,029
Work in process		41,664	20,782
Finished goods		369,036	349,744
Provision for obsolescence		<b>(19,763)</b>	(19,498)
		<b>349,273</b>	330,246
		<b>959,276</b>	849,057

**9.1** Stock in trade includes Rs. 732.15 million (2014: Rs. 646.86 million) held with third parties.

**9.2** The above balances include stock in trade costing Rs. 19.68 million (2014: Nil) valued at net realisable value of Rs. 10.54 million (2014: Nil).

**9.3** The Company made a provision of Rs. 46.02 million (2014: Rs. 58.18 million) for obsolescence and has written off inventory of Rs. 78.58 million (2014: Rs. 16.83 million) by utilising the provision during the year.

		2015 (Rupees in thousand)	2014
<b>10. TRADE DEBTS</b>			
Considered good		209,064	204,351
Considered doubtful		23,379	25,398
		<b>232,443</b>	229,749
Provision for doubtful debts	10.1	<b>(23,379)</b>	(25,398)
		<b>209,064</b>	204,351

**10.1** The Company has reversed a provision of Rs. 2.02 million (2014: charge of Rs. 3.51 million) and has not written off any debtors during the year (2014: Rs. 0.28 million).



- 10.2** As of December 31, 2015 trade debts of Rs. 13.21 million (2014: Rs. 37.57 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 (Rupees in thousand)	2014
Up to 3 months		10,754	30,168
More than 3 months to not later than 6 months		2,317	7,252
More than 6 months		138	153
		13,209	37,573

**11. LOANS AND ADVANCES - considered good**

Current portion of loans to employees	7	8,009	10,404
Advances to:			
executives	11.1	864	824
other employees		3,378	2,180
suppliers and others		2,929	2,669
		7,171	5,673
		15,180	16,077

- 11.1** The advances to executives are given to meet business expenses and are settled as and when the expenses are incurred. Further, the Company provides advance house rent to its employees.

		2015 (Rupees in thousand)	2014
<b>12. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS</b>			
Trade deposits		3,788	3,650
Prepayments - Advertisement	12.1	40,393	52,417
Prepaid rent		6,303	4,000
		50,484	60,067

- 12.1** This includes media bulk discount on airing TV commercials .

		2015 (Rupees in thousand)	2014
<b>13. OTHER RECEIVABLES</b>			
Due from associated undertakings		9,385	41,500
DC Pension Fund - unsecured		2,455	307
Rafhan Best Foods Superannuation Fund		724	-
Others		18,304	10,094
		30,868	51,901

	Note	2015	2014
(Rupees in thousand)			
<b>14. CASH AND BANK BALANCES</b>			
With banks on:			
savings accounts	14.1	421,913	88,706
current accounts		171,241	48,210
		<b>593,154</b>	136,916
		<b>98</b>	108
Cash in hand		<b>593,252</b>	137,024

**14.1** Mark-up on savings accounts was at rates ranging from 4% to 6% per annum (2014: 6% to 9% per annum).

		2015	2014
(Rupees in thousand)			
<b>15. SHARE CAPITAL</b>			
<b>Authorised share capital</b>			
<b>Number of shares</b>			
20,000,000	Ordinary shares of Rs. 10 each	200,000	200,000
<b>Issued, subscribed and paid up capital</b>			
<b>Number of shares</b>			
1,239,327	Ordinary shares of Rs. 10 each allotted:		
24,196	for consideration paid in cash	12,393	12,393
4,894,095	for consideration other than cash	242	242
6,157,618	as bonus shares	48,941	48,941
		<b>61,576</b>	61,576

**15.1** As at December 31, 2015 and 2014 Conopco Inc. USA, subsidiary of Unilever N.V. Holland, held 4.67 million ordinary shares of Rs. 10 each.

		2015	2014
(Rupees in thousand)			
<b>16. RESERVES</b>			
<b>Capital reserves</b>			
Share premium		24,630	24,630
Special		628	628
		<b>25,258</b>	25,258
<b>Revenue reserves</b>			
General		138	138
Unappropriated profit		1,591,622	696,426
		<b>1,591,760</b>	696,564
		<b>1,617,018</b>	721,822

## 17. STAFF RETIREMENT BENEFITS

**17.1** As stated in note 3.4, the Company operates two retirement benefit plans (The Plans) namely approved funded defined benefit gratuity scheme for all management and non-management employees and approved funded defined benefit pension scheme for all management employees 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.

**17.2** 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.

**17.3** 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:

Note	2015		2014	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in thousand)			
<b>17.4 Balance sheet reconciliation</b>				
Present value of defined benefit obligation at December 31	17.5	(31,696)	(23,772)	(29,470) (17,016)
Fair value of plan assets at December 31	17.6	31,346	18,431	31,246 15,647
(Deficit) / surplus		(350)	(5,341)	1,776 (1,369)
<b>17.5 Movement in the present value of defined benefit obligation</b>				
Balances as at January 1		29,470	17,016	30,313 14,994
Benefits paid by the plan		(2,840)	-	(2,840) -
Current service costs		-	1,897	- 1,876
Interest cost		3,085	1,872	3,683 1,912
Remeasurement on obligation		1,981	2,987	(1,686) (1,766)
Balance as at December 31		31,696	23,772	29,470 17,016
<b>17.6 Movement in the fair value of plan assets</b>				
Fair value of plan assets at January 1		31,246	15,647	25,985 15,699
Contributions paid into the plan		-	1,962	4,325 -
Benefits paid by the plan		(2,840)	-	(2,840) -
Interest income		3,281	1,829	3,408 2,002
Remeasurement on plan assets		(341)	(1,007)	368 (2,054)
Fair value of plan assets at December 31		31,346	18,431	31,246 15,647

	2015		2014	
	Funded		Funded	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in thousand)			
<b>17.7 (Income) / Expense recognized in profit and loss account</b>				
Current service costs	-	1,897	-	1,876
Net interest (income) / cost	(196)	43	275	(90)
(Income) / expense recognized in profit and loss account	<u>(196)</u>	<u>1,940</u>	<u>275</u>	<u>1,786</u>
<b>17.8 Remeasurement recognised in other comprehensive income</b>				
Loss from changes in demographic assumptions	-	-	-	-
Loss from changes in financial assumptions	-	1,430	-	-
Experience loss / (gain)	1,981	1,557	(1,686)	(1,766)
Remeasurement of fair value of plan assets	341	1,007	(368)	2,054
Remeasurements	<u>2,322</u>	<u>3,994</u>	<u>(2,054)</u>	<u>288</u>
<b>17.9 Net recognized liability / (asset)</b>				
Net (asset) / liability at January 1	(1,776)	1,369	4,328	(705)
(Income) / charge for the year	(196)	1,940	275	1,786
Contribution made during the year to the Fund	-	(1,962)	(4,325)	-
Remeasurements recognized in other comprehensive income	2,322	3,994	(2,054)	288
Recognised liability / (asset) as at December 31	<u>350</u>	<u>5,341</u>	<u>(1,776)</u>	<u>1,369</u>
<b>17.10 Plan assets comprise of following:</b>				
Government bonds	18,778	19,693	18,717	3,865
Cash at bank	13,292	462	13,073	11,782
Due (to) / from DC Pension Fund	-	-	(237)	-
Due (to) / from Company	(724)	(1,724)	(307)	-
Total as at December 31	<u>31,346</u>	<u>18,431</u>	<u>31,246</u>	<u>15,647</u>

	2015		2014	
	Funded		Funded	
	Pension	Gratuity	Pension	Gratuity
	(Percentage)			

### 17.11 Actuarial assumptions

Discount rate at December 31	9.25	9.25	11.00	11.00
Future salary increases	7.25	7.25	8.50	8.50
Future pension increases	0.00	0.00	1.00	1.00

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

**17.13** 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 bonds offer the best returns over the long term with an acceptable level of risk.

**17.14** 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 gratuity funds in 2016 is expected to amount to Rs 3.5 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.

### 17.15 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 (Percentage)	Increase in assumption (Rupees in thousand)	Decrease in assumption
Discount rate at December 31	1.00	(2,903)	3,456
Future salary increases	1.00	3,491	(2,978)

There is no significant change in the obligation if life expectancy increases by 1 year.

The sensitivity analysis 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 and when calculating the pension liability recognized within the balance sheet.

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

	2015	2014	2013	2012	2011
	(Rupees in thousand)				
<b>17.16 Comparison for five years</b>					
Present value of the defined benefit obligations as at December 31	<b>(55,468)</b>	(46,485)	(45,307)	(41,651)	(152,933)
Fair value of plan assets	<b>49,777</b>	46,892	41,684	41,188	120,224
(Deficit) / surplus in the plan	<b>(5,691)</b>	407	(3,623)	(463)	(32,709)
<b>Experience adjustments</b>					
Loss / (gain) on obligation (as percentage of plan obligation)	<b>8.96</b>	-7.43	1.20	-3.50	-3.40
(Loss) / gain on plan assets (as percentage of plan assets)	<b>-2.71</b>	-3.60	-2.97	-0.20	-1.20

**17.17** 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.

**17.18** The Company's contributions towards the Rafhan Best Foods Superannuation Fund and Rafhan Best Foods Limited Employees Gratuity Fund for the year ended December 31, 2015 amounted to Rs. 1.96 million (2014: Rs. 4.33 million).

**17.19** The weighted average duration of the defined benefit obligation is 14.8 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)				
At December 31 2015					
Retirement benefit plans	31,764	658	2,224	15,148	49,794

	Note	2015 (Rupees in thousand)	2014
<b>18. DEFERRED TAXATION</b>			
Credit balance arising in respect of:			
- accelerated tax depreciation allowance		<b>209,656</b>	128,885
- amortisation of intangible assets		<b>24,491</b>	27,757
		<b>234,147</b>	156,642
Debit balance arising in respect of:			
- provision for stock in trade		<b>(12,855)</b>	(23,755)
- provision for staff retirement benefits		<b>(1,706)</b>	(1,370)
- provision for doubtful debts		<b>(7,014)</b>	(8,889)
- provision for restructuring		<b>(5,562)</b>	(2,455)
- other provisions		<b>7,943</b>	(9,303)
		<b>(19,194)</b>	(45,772)
		<b>214,953</b>	110,870

## 19. TRADE AND OTHER PAYABLES

Creditors		<b>480,107</b>	331,662
Bills payable	19.1	<b>129,518</b>	147,159
Forward foreign exchange contract		<b>742</b>	9,172
Accrued liabilities		<b>1,091,719</b>	1,469,812
Royalty and technology fee		<b>520,084</b>	341,762
Advances from customers		<b>51,135</b>	66,119
Withholding tax		<b>8,460</b>	1,100
Workers' Profits Participation Fund	19.2	<b>2,166</b>	88,495
Workers' Welfare Fund	19.3	<b>47,309</b>	42,742
Unclaimed dividend		<b>9,516</b>	10,984
Others		<b>7,757</b>	9,810
		<b>2,348,513</b>	2,518,817

**19.1** Bills payable represents inland letters of credit under vendor financing arrangements which includes interest cost as per Company's negotiated rates.

	2015	2014
	(Rupees in thousand)	
<b>19.2 Workers' Profits Participation Fund</b>		
Balance as at January 1	88,495	76,438
Allocation for the year	<u>89,551</u>	<u>90,856</u>
	178,046	167,294
Paid to trustees of the fund	<u>(92,000)</u>	<u>(78,799)</u>
Payment made on behalf of the fund	<u>(83,880)</u>	<u>-</u>
Balance as at December 31	<u><u>2,166</u></u>	<u><u>88,495</u></u>

<b>19.3 Workers' Welfare Fund</b>		
Balance as at January 1	42,742	35,048
Charge for the year	<u>35,821</u>	<u>36,343</u>
	78,563	71,391
Payments during the year	<u>(31,254)</u>	<u>(28,649)</u>
Balance as at December 31	<u><u>47,309</u></u>	<u><u>42,742</u></u>

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

	Note	2015	2014
		(Rupees in thousand)	
Holding company		394,817	209,798
Other related parties		267,161	241,651

## 20. PROVISIONS

Sindh Infrastructure Cess	20.1	19,394	14,778
Restructuring	20.2	<u>18,541</u>	<u>7,013</u>
		<u><u>37,935</u></u>	<u><u>21,791</u></u>

### 20.1 Sindh Infrastructure Cess

Balance as at January 1	14,778	10,529
Charge for the year	<u>4,616</u>	<u>4,249</u>
Balance as at December 31	<u><u>19,394</u></u>	<u><u>14,778</u></u>

### 20.2 Restructuring

Balance as at January 1	7,013	5,413
Provision during the year	13,128	1,600
Reversed during the year	<u>(1,600)</u>	<u>-</u>
Balance as at December 31	<u><u>18,541</u></u>	<u><u>7,013</u></u>



## 21. SHORT TERM BORROWINGS

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

The facilities for running finance available from various banks amount to Rs. 1.6 billion (2014: Rs. 1.9 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 hypothecation over the Company's current assets amounting to Rs. 848.9 million (2014: Rs. 1.4 billion).

The facilities for opening letters of credit and guarantees as at December 31, 2015 amounted to Rs. 2.3 billion (2014: Rs. 2.7 billion) of which the amount remained unutilized at year end was Rs. 1.8 billion (2014: Rs. 2.1 billion).

## 22. CONTINGENCY AND COMMITMENTS

### 22.1 Contingency

22.1.1 There were no contingencies as at December 31, 2015.

### 22.2 Commitments

22.2.1 Aggregate commitments outstanding for capital expenditure as at December 31, 2015 amounted to Rs. 28.54 million (2014: Rs. 166.72 million).

## 23. SALES

2015  
2014  
(Rupees in thousand)

Gross sales	11,330,238	10,198,504
Sales tax	(1,503,494)	(1,370,649)
	<u>9,826,744</u>	<u>8,827,855</u>
Returns, rebates and allowances	(1,255,647)	(1,040,796)
	<u>8,571,097</u>	<u>7,787,059</u>

23.1 The Company analyses its net revenue by the following product groups:

Products used by end consumers	7,297,405	6,575,835
Products used by entities	1,273,692	1,211,224
	<u>8,571,097</u>	<u>7,787,059</u>

23.2 Sales to domestic customers in Pakistan are 97.4% (2014: 98.1%) and to customers outside Pakistan are 2.6% (2014: 1.9%) of the revenue during the year.

23.3 Revenue from one customer approximates 15% of the total revenue of the Company.

	Note	2015	2014
		(Rupees in thousand)	
<b>24. COST OF SALES</b>			
Raw and packing materials consumed		<b>4,019,651</b>	3,913,482
Manufacturing charges paid to third party		<b>77,196</b>	77,695
Stores and spares consumed		<b>6,300</b>	10,755
Staff costs	24.1	<b>312,367</b>	248,645
Utilities		<b>137,932</b>	136,963
Depreciation		<b>104,463</b>	57,548
Repairs and maintenance		<b>37,299</b>	24,843
Rent, rates and taxes		<b>12,580</b>	11,805
Travelling and entertainment		<b>4,685</b>	4,127
Insurance		<b>4,686</b>	2,175
Stationery and office expenses		<b>3,065</b>	1,507
Other expenses		<b>7,282</b>	3,530
Charges by related party	24.2	<b>51,207</b>	49,432
		<b>4,778,713</b>	4,542,507
Opening work in process		<b>20,782</b>	15,878
Closing work in process		<b>(41,664)</b>	(20,782)
Cost of goods manufactured		<b>4,757,831</b>	4,537,603
Opening stock of finished goods		<b>330,246</b>	219,632
Closing stock of finished goods		<b>(349,273)</b>	(330,246)
		<b>4,738,804</b>	4,426,989

#### 24.1 Staff costs

Salaries and wages	<b>303,925</b>	237,166
Medical expenses	<b>2,152</b>	5,091
Pension - defined benefit plan	<b>(45)</b>	65
Gratuity - defined benefit plan	<b>464</b>	428
Cost of defined contribution plan	<b>5,871</b>	5,895
	<b>312,367</b>	248,645

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

	Note	2015 (Rupees in thousand)	2014
<b>25. DISTRIBUTION COST</b>			
Staff costs	25.1	<b>151,052</b>	149,136
Advertisement and sales promotion		<b>1,044,979</b>	790,959
Outward freight and handling		<b>196,967</b>	168,286
Royalty, technology fee and related duties		<b>410,387</b>	219,516
Travelling and entertainment		<b>18,532</b>	15,728
Rent, rates and taxes		<b>11,282</b>	10,587
Depreciation		<b>2,240</b>	1,233
Repairs and maintenance		<b>1,332</b>	1,549
Stationery and office expenses		<b>2,524</b>	1,944
Other expenses		<b>4,223</b>	1,790
Charges by related party	25.2	<b>110,504</b>	85,250
		<b>1,954,022</b>	1,445,978

#### 25.1 Staff costs

Salaries and wages		<b>139,286</b>	134,369
Medical expenses		<b>865</b>	3,781
Pension - defined benefit plan		<b>(147)</b>	204
Gratuity - defined benefit plan		<b>1,436</b>	1,321
Cost of defined contribution plan		<b>9,612</b>	9,461
		<b>151,052</b>	149,136

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

		2015 (Rupees in thousand)	2014
<b>26. ADMINISTRATIVE EXPENSES</b>			
Staff costs	26.1	<b>27,073</b>	15,618
Depreciation		<b>580</b>	320
Travelling and entertainment		<b>1,372</b>	1,202
Auditors' remuneration	26.2	<b>1,707</b>	1,351
(Reversal) / provision for doubtful debts		<b>(2,019)</b>	3,507
Legal and professional charges		<b>8,236</b>	5,168
Other expenses		<b>1,069</b>	3,452
Charges by related party	26.3	<b>116,280</b>	130,122
		<b>154,298</b>	160,740

	2015	2014
	(Rupees in thousand)	
<b>26.1 Staff costs</b>		
Salaries and wages	14,833	13,560
Pension - defined benefit plan	(4)	6
Gratuity - defined benefit plan	40	37
Cost of defined contribution plan	676	415
Restructuring (net)	11,528	1,600
	<b>27,073</b>	<b>15,618</b>

#### 26.2 Auditors' remuneration

Audit fee	1,000	800
Interim review and other certifications	595	455
Out of pocket expenses	112	96
	<b>1,707</b>	<b>1,351</b>

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

	Note	2015	2014
		(Rupees in thousand)	
<b>27. OTHER OPERATING EXPENSES</b>			
Fixed assets written off / provision for fixed assets to be written off		-	13
Workers' Profits Participation Fund	19.2	89,551	90,856
Workers' Welfare Fund	19.3	35,821	36,343
		<b>125,372</b>	<b>127,212</b>

#### 28. OTHER INCOME

##### Income from financial assets

Return on savings accounts		10,909	56,101
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##### Income from non-financial assets

Scrap sales		29,104	18,799
Gain on disposal of property, plant and equipment	5.2.1	1,965	-

##### Others

Liabilities no longer payable written back		31,069	18,799
Service fee		-	9,504
Others	28.1	57,377	27,685
		<b>3,819</b>	<b>1,493</b>
		<b>103,174</b>	<b>113,582</b>

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

	Note	2015 (Rupees in thousand)	2014
<b>29. FINANCE COSTS</b>			
Mark-up on short term borrowings		16,655	10,161
Exchange loss		9,718	32,933
Bank charges		9,717	6,699
		<u>36,090</u>	<u>49,793</u>

### 30. TAXATION - charge

#### Current year:

- Current tax
- Deferred tax

#### Prior year:

- Current tax -net

30.1

304,708	515,380
105,978	2,728
<u>410,686</u>	<u>518,108</u>
22,871	-
<u>433,557</u>	<u>518,108</u>

**30.1** This is adjusted with super tax charge levied via Finance Act, 2015 amounting to Rs. 48 million.

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

**30.3** Reconciliation between tax expense and accounting profit:

	2015 (Rupees in thousand)	2014
Accounting profit before tax	<u>1,665,685</u>	<u>1,689,929</u>
Tax at the applicable tax rate of 32% (2014: 33%)	533,019	557,677
Tax effect of credits	(94,495)	(23,972)
Tax effect of final tax	(27,286)	(21,015)
Tax effect of change in tax rate	(22,904)	6,335
Tax effect of prior years	22,871	-
Others	22,352	(917)
Tax expense for the year	<u>433,557</u>	<u>518,108</u>

### 31. BASIC AND DILUTED EARNINGS PER SHARE

Profit after taxation attributable to ordinary shareholders

Weighted average number of shares in issue during the year (in thousand)

<u>1,232,128</u>	<u>1,171,821</u>
<u>6,158</u>	<u>6,158</u>

	2015	2014
	(Rupees)	
Basic earnings per share	<u>200.09</u>	<u>190.29</u>

There is no dilutive effect on the basic earnings per share of the Company.

### 32. RELATED PARTY DISCLOSURES

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	2015	2014
		(Rupees in thousand)	
i) Holding company	Royalty	<b>188,998</b>	156,358
ii) Other related parties	Technology fee	<b>193,711</b>	85,952
	Purchase of goods	<b>1,409,535</b>	1,371,273
	Sale of goods	<b>25,286</b>	106,286
	Fee for receiving of services from related parties	<b>266,918</b>	253,894
	Fee for providing of services to related parties	<b>57,377</b>	27,685
	Contribution to:		
	- Defined Contribution plans	<b>16,159</b>	15,452
	- Defined Benefit plans	<b>1,961</b>	4,325
	Settlement on behalf of:		
	- Defined Contribution plans	<b>59,612</b>	19,156
	- Defined Benefit plans	<b>2,840</b>	2,840
	Other settlements on behalf of fund	<b>2,757</b>	779
iii) Key management personnel	Salaries and other short-term employee benefits	<b>5,290</b>	6,004

Royalty and technology fee are paid in accordance with the agreements duly acknowledged by the State Bank of Pakistan. 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 Limited to share various administrative and other resources. Service fee from the associate have been disclosed in note 28.

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 ordinary course of business.

### 33. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

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

	Note	Executive Directors		Chief Executive		Executives	
		2015	2014	2015	2014	2015	2014
		← (Rupees in thousand) →					
Managerial remuneration and allowances		1,269	1,704	2,651	3,786	99,761	108,168
Retirement benefits	33.1	-	-	-	-	13,183	13,014
Medical expenses		-	-	-	-	1,326	4,317
Other expenses		-	-	-	-	5,272	4,554
		<u>1,269</u>	<u>1,704</u>	<u>2,651</u>	<u>3,786</u>	<u>119,542</u>	<u>130,053</u>
Number of persons		<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>65</u>	<u>70</u>

In addition to this, a lump sum amount of Rs. 20.1 million (2014: Rs. 12.7 million) on account of variable pay has been accounted for in financial statements for the current year payable in 2016 after verification of target achievement.

Out of the variable pay recognised for 2015 and 2014 following payments were made:

	Paid in 2015 relating to 2014	Paid in 2014 relating to 2013
	(Rupees in thousand)	
Executive Director	549	255
Chief Executive	821	231
Executives	14,309	12,489
Other employees	595	83
	<u>16,274</u>	<u>13,058</u>

Aggregate amount charged in these financial statements for the year for fee to five non-executive directors was Rs. 2.1 million (2014: five non executive directors Rs. 1.2 million).

Certain executives of the Company are also provided with the Company maintained cars.

In respect of full time working Director, Chief Executive and Company Secretary, the Company is charged monthly by an associated undertaking (Unilever Pakistan Limited) on agreed basis.

**33.1** Retirement benefits represent amount contributed towards various retirement benefit plans.

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

**34. PLANT CAPACITY AND PRODUCTION**

Actual production of the plant in metric tons

	<b>30,003</b>	28,362
--	---------------	--------

**34.1** The capacity of the plant is indeterminable as it is a multiproduct plant capable of producing several interchangeable products.

**35. PROVIDENT FUND RELATED DISCLOSURE**

The following information is based on un-audited financial statements of the Fund:

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

Size of the Fund - Total Assets

	<b>149,112</b>	158,977
Fair value of investments	<b>149,053</b>	140,927

Percentage of investments made

	<b>99.96</b>	88.65
--	--------------	-------

**35.1** The cost of above investments amounted to Rs. 135.66 million (2014: Rs. 127.82 million).

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

	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>(Percentage)</b>		<b>(Rupees in thousand)</b>	
National Savings Schemes	<b>48.39</b>	37.23	<b>72,123</b>	52,470
Government Securities	<b>31.55</b>	48.92	<b>47,033</b>	68,934
Equity Securities	<b>20.06</b>	13.85	<b>29,897</b>	19,523
	<b>100</b>	100	<b>149,053</b>	140,927

**35.3** 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.



	2015	2014
<b>36. NUMBER OF EMPLOYEES</b>		
Number of employees including contractual employees at year end	<u>296</u>	<u>248</u>
Average number of employees including contractual employees during the year	<u>272</u>	<u>250</u>

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### 37.1 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.

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

	Interest / Mark-up bearing			Non-interest / Non mark-up 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 and advances	-	-	-	15,180	10,906	26,086	26,086
Trade debts	-	-	-	209,064	-	209,064	209,064
Trade deposits	-	-	-	3,788	-	3,788	3,788
Other receivables	-	-	-	30,868	-	30,868	30,868
Cash and bank balances	421,913	-	421,913	171,339	-	171,339	593,252
<b>December 31, 2015</b>	<u>421,913</u>	<u>-</u>	<u>421,913</u>	<u>430,239</u>	<u>10,906</u>	<u>441,145</u>	<u>863,058</u>
December 31, 2014	<u>88,706</u>	<u>-</u>	<u>88,706</u>	<u>324,297</u>	<u>17,855</u>	<u>342,152</u>	<u>430,858</u>
<b>FINANCIAL LIABILITIES</b>							
Trade and other payables	130,260	-	130,260	2,109,183	-	2,109,183	2,239,443
Short term borrowings	81,676	-	81,676	-	-	-	81,676
Accrued interest / mark-up	-	-	-	1,119	-	1,119	1,119
<b>December 31, 2015</b>	<u>211,936</u>	<u>-</u>	<u>211,936</u>	<u>2,110,302</u>	<u>-</u>	<u>2,110,302</u>	<u>2,322,238</u>
December 31, 2014	<u>185,281</u>	<u>-</u>	<u>185,281</u>	<u>2,164,787</u>	<u>-</u>	<u>2,164,787</u>	<u>2,350,068</u>
<b>ON BALANCE SHEET GAP</b>							
<b>December 31, 2015</b>	<u>209,977</u>	<u>-</u>	<u>209,977</u>	<u>(1,680,063)</u>	<u>10,906</u>	<u>(1,669,157)</u>	<u>(1,459,180)</u>
December 31, 2014	<u>(96,575)</u>	<u>-</u>	<u>(96,575)</u>	<u>(1,840,490)</u>	<u>17,855</u>	<u>(1,822,635)</u>	<u>(1,919,210)</u>
<b>OFF BALANCE SHEET ITEMS</b>							
Letters of credit / guarantee:							
<b>December 31, 2015</b>							<u>560,550</u>
December 31, 2014							<u>392,850</u>

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

For valuation of derivative (forward foreign exchange contract: refer note 19) 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 counterparties failed completely to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of total financial assets of Rs. 863.06 million (2014: Rs. 430.86 million), the financial assets which are subject to credit risk amounted to Rs. 209.06 million (2014: Rs. 204.35 million).

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. 13.209 million (2014: Rs. 37.57 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 and advances to employees are not exposed to any material credit risk since these are secured against their retirement benefits.

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 loss 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.

**(iii) Market risk**

Market risk is the risk that changes in foreign exchange rate, interest rates will affect 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 optimizing 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. 47.96 million (2014: Rs. 101.35 million) and financial liabilities of Rs. 96.94 million (2014: Rs. 186.99 million) were in foreign currency which were exposed to foreign currency risk.

The foreign currency assets are 100% in USD. The foreign currency liabilities are approx. 70.1% in USD and 29.9% in Euro.

As at December 31, 2015, if the Pakistan Rupee had weakened / strengthened by 5% against Euro with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 1.45 million (2014: Rs. 0.36 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 5% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 1.00 million (2014: Rs. 3.92 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar 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 result 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. 421.91 million (2014: Rs. 88.71 million) and financial liabilities of Rs 211.94 million (2014: Rs. 185.28 million), 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. 4.20 million (2014: Rs. 1.93 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings.

### **38. 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 ratios as at December 31, 2015 and 2014 were as follows:

	<b>2015</b>	<b>2014</b>
	<b>(Rupees in thousand)</b>	
Total borrowings	<b>81,676</b>	28,950
Cash and bank	<b>(593,252)</b>	(137,024)
Net (cash surplus) / debt	<b>(511,576)</b>	(108,074)
<b>Total equity</b>	<b>1,678,594</b>	783,398
Total capital	<b>1,678,594</b>	783,398
<b>Gearing ratio</b>	<b>0.00%</b>	0.00%

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.

	<b>Note</b>	<b>2015</b>	<b>2014</b>
		<b>(Rupees in thousand)</b>	
<b>39. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	14	<b>593,252</b>	137,024
Short term borrowings - running finance under mark-up arrangements	21	<b>(81,676)</b>	(28,950)
		<b>511,576</b>	108,074

#### **40. PROPOSED AND DECLARED DIVIDENDS**

At the Board of Directors' meeting held on March 7, 2016, a final dividend of Rs. 96 per share amounting to Rs. 591.13 million in respect of 2015 is proposed (2014: nil).

The Board of Directors in its meeting held on August 24, 2015 declared cash dividend in respect of six months period ended June 30, 2015 of Rs. 54 per share amounting to Rs. 332.51 million (Interim cash dividend for the nine months period ended September 30, 2014: Rs. 94 per share amounting to Rs. 578.82 million).

These financial statements do not reflect the proposed final dividend 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.

#### **41. DATE OF AUTHORISATION**

These financial statements were authorised for issue on March 7, 2016 by the Board of Directors of the Company.

**Shazia Syed**  
Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

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

	2015 (Rupees in thousand)	2014
Total borrowings	81,676	28,950
Cash and bank	(593,252)	(137,024)
Net (cash surplus) / debt	(511,576)	(108,074)
<b>Total equity</b>	<b>1,678,594</b>	783,398
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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.

	Note	2015 (Rupees in thousand)	2014
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Cash and bank balances	14	593,252	137,024
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**Shazia Syed**  
Chief Executive

**Ali Tariq**  
Director and Chief Financial Officer

## Notice of Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of Unilever Pakistan Foods Limited will be held at Pearl Continental Hotel, Club Road, Karachi, on Wednesday, April 20<sup>th</sup>, 2016, at 10:30 a.m. to transact the following business:

#### Ordinary Business

- To receive, consider and adopt the Company's Financial Statements for the year ended 31 December, 2015 together with the Reports of the Auditors and Directors thereon.
- To approve and declare dividend (2015) on the Ordinary Shares of the Company.  
The Directors have recommended a final cash dividend of 960% (or Rs.96.00 per share) on the Ordinary Shares. Together with the Interim dividend of 540% (or Rs. 54.00 per ordinary share), already paid, the total dividend for 2015 will thus amount to 1500% (or Rs.150.00 per ordinary share).
- 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 28, 2016

**Amar Naseer**  
Company Secretary

#### Notes:

- Share Transfer Books will be closed from April 14, 2016 to April 20, 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 Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400 by the close of the business on April 13, 2016 will be treated in time for the purpose of payment of Final Dividend to the transferees.
- All Members / Shareholders are entitled to attend and vote at the meeting. A Member may appoint a proxy who need not be a Member of the Company.
- 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.
- 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) at least 48 hours before the time of the meeting.

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2. All Members / Shareholders are entitled to attend and vote at the meeting. A Member may appoint a proxy who need not be a Member of the Company.
3. The 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.
4. 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) at least 48 hours before the time of the meeting.

5. CDC Account Holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

**A. For Attending the Meeting:**

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

**B. For Appointing Proxies:**

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
  - ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - iii. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - iv. The proxy shall produce his / her original valid CNIC or original passport at the time of meeting.
  - v. 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.
6. 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 Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. The Shareholders who hold shares with Participants / Stock Brokers or with Central Depository Company may approach to provide the CNIC number / NTN details to their Participants / Stock Broker or to CDC to update the details in their electronic system. 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.
7. (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 i.e. April 14, 2016 for entitlement to final dividend to be paid on May 12, 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: The Manager, Share Registrar Department, Central Depository Company of Pakistan Limited, telephone number: 0800 - 23275 (Toll Free), e-mail address: info@cdcpak.com and /or the Company: Ms. Wajiha Khan, telephone number: +92- 21-35660062 e-mail address: wajiha.khan@unilever.com.

(iii) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholder should send a copy of their NTN certificate to the company or it's Share Registrar M/s Central Depository Company of Pakistan Limited, Share Registrar Department. The Shareholders while sending NTN or NTN certificates, as the case may be, must code 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 Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400, in writing, otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint -Holder(s).

8. 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. The Shareholders who hold shares with participants / stock brokers or with Central Depository Company may approach to submit the prescribed Dividend Mandate details to their participants / stock broker or to CDC for this option, with a copy of the Dividend Mandate Form to Share Registrar of the Company.
9. Any change of address of Members should be immediately notified to the Company's Share Registrars, M/s Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi-74400.

















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-  Financial calculator
-  Subscription to Alerts (event  
notifications, corporate and  
regulatory actions)
-  Jamapunji application for  
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and ios devices

# Dividend Mandate Form

SHARE REGISTRAR DEPARTMENT  
**CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**  
CDC HOUSE, 99-B, BLOCK "B",  
S.M.C.H.S., MAIN SHAHRA-E-FAISAL,  
KARACHI-74400

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

I / We, Mr. / Ms. / Mrs. / M/s, \_\_\_\_\_, holding CNIC No. /  
Passport No. / NTN \_\_\_\_\_ and being the registered shareholder  
of Unilever Pakistan Foods 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. (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)	
Telephone Number (Mobile)	

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

شیئر رجسٹرار ڈیپارٹمنٹ،

سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ،

Block "B", 99-B،

سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی،

مین شاہراہ فیصل، کراچی-74400

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

میں/ہم/مسٹر/مس/میسز/میسرز \_\_\_\_\_ بطور یونی لیور پاکستان فوڈز لمیٹڈ کے رجسٹرڈ شیئر ہولڈر سی این آئی سی نمبر/ پاسپورٹ نمبر/ این ٹی این \_\_\_\_\_ مستقبل میں کوئی نقد منافع منقسمہ دیا جائے تو ڈیویڈنڈ وارنٹ جاری کرنے کے بجائے اسے براہ 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 (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)	
ٹیلی فون نمبر (موبائل)	

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

SHARE REGISTRAR DEPARTMENT  
**CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**  
CDC HOUSE, 99-B, BLOCK "B",  
S.M.C.H.S., MAIN SHAHRA-E-FAISAL,  
KARACHI-74400

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, Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, in writing.

Following are the details of Principal/Joint holder(s) of the shares of **Unilever Pakistan Foods Limited** and proportion of their 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

تاریخ: \_\_\_\_\_

شیئر رجسٹرار ڈیپارٹمنٹ،  
سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ،  
Block "B", 99-B، CDC ہاؤس،  
سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی،  
مین شاہراہ فیصل، کراچی-74400

آپ کو مزید یاد دہانی کرائی جاتی ہے کہ اکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت اور فنانس ایکٹ 2015 کے مطابق منافع منقسمہ کی آمدنی پر وہولڈنگ ٹیکس "فائلر" اور "نان فائلر" شیئر 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 وہولڈنگ 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 رجسٹرار سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ، شیئر رجسٹرار ڈیپارٹمنٹ، CDC ہاؤس، Block "B", 99-B سندھی مسلم کوآپریٹو ہاؤسنگ، سوسائٹی، مین شاہراہ فیصل، کراچی-74400 کو تحریری طور پر فراہم کریں۔

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

جوائنٹ شیئر ہولڈر (ز)		پرنسپل شیئر ہولڈر		مجموعی شیئرز	فولیو/ CDS اکاؤنٹ نمبر
شیئر ہولڈنگ کا تناسب (شیئرز کی تعداد)	نام اور CNIC نمبر	شیئر ہولڈنگ کا تناسب (شیئرز کی تعداد)	نام اور 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 رجسٹرار کو فوری طور پر تحریری صورت میں مطلع کروں گا/کروں گی۔

ممبر کا دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

جوائنٹ شیئر ہولڈر ۲ کا دستخط: \_\_\_\_\_

جوائنٹ شیئر ہولڈر ۱ کا دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

نام: \_\_\_\_\_

# Form of Proxy

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

I/We \_\_\_\_\_ son/daughter/wife of \_\_\_\_\_ shareholder of Unilever Pakistan Foods Limited, holding \_\_\_\_\_ ordinary 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 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 18th Annual General Meeting of the Company to be held on April 20<sup>th</sup> 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 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 valid Passport for their identification, CDC shareholders should also 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 فوڈز لمیٹڈ  
آداری پلازہ، فاطمہ جناح روڈ  
کراچی۔ 75530، پاکستان۔

میں/ہم \_\_\_\_\_ ولد/خاوند \_\_\_\_\_  
یونی لیور پاکستان فوڈز لمیٹڈ کا شیئر ہولڈر ہوں اور \_\_\_\_\_ عمومی شیئرز کی تحویل رکھتا ہوں، میں بذریعہ لہذا  
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 شیئرز،  
فولیو نمبر \_\_\_\_\_ کے تحت رکھتے ہیں [یہ حکومتی ضابطوں کے تحت درکار ہے، پراکسی کے کمپنی کا شیئر ہولڈر نہ ہونے کی صورت میں کراس (X) لگادیں] کو اپنا  
پراکسی (مختار) نامزد کرتا/کرتی ہوں جو میری/ہماری جانب سے کمپنی کے 18 ویں سالانہ اجلاس عام میں شرکت کرنے اور ووٹ دینے کے اہل ہیں۔ جو کہ  
20 اپریل 2016 کو یا التواء کی صورت میں کسی بھی دیگر وقت مقررہ پر منعقدہ ہوگا۔

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

گواہ نمبر 1:

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

5 روپے کا رسیدی ٹکٹ  
چسپاں کر کے دستخط کریں

ممبر (ز) کا/کے دستخط:

دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

سی این آئی سی نمبر: \_\_\_\_\_

پتہ: \_\_\_\_\_

گواہ نمبر 2:

دستخط: \_\_\_\_\_ شیئر ہولڈر کا فولیو نمبر: \_\_\_\_\_

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

سی این آئی سی نمبر: \_\_\_\_\_ اور ذیلی اکاؤنٹ نمبر: \_\_\_\_\_

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

نوٹ:

(1) ممبر سے درخواست ہے کہ:

(i) درج بالا واضح کردہ جگہ پر 5 روپے کا رسیدی ٹکٹ چسپاں کریں۔

(ii) رسیدی ٹکٹ پر دستخط کریں جیسے کہ کمپنی کے ریکارڈ میں ہیں۔

(iii) اپنا فولیو نمبر لکھیں۔

(iv) شیئر ہولڈر (ز) کے کارآمدی آئی سی/پاسپورٹ/بورڈ کی قرارداد اور پراکسی کے کارآمدی آئی سی کی تصدیق شدہ کاپی فارم کے ساتھ منسلک کریں۔

(2) باضابطہ مکمل شدہ پراکسی فارم کمپنی کے رجسٹرڈ آفس میں اجلاس کے وقت سے کم از کم 48 گھنٹے قبل موصول ہو جانا چاہیے۔

(3) شیئر ہولڈر (ز) اور ان کے پراکسی 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۔

(4) تفصیلی طریقہ کار سالانہ اجلاس عام کی اطلاع کے نوٹس میں درج ہے۔

## ریٹائرمنٹ فنڈز میں ملازمین کی سرمایہ کاری کے فوائد:

یونی لیور پاکستان فوڈز لمیٹڈ نے سال بھر میں ملازمین کے ریٹائرمنٹ فنڈ میں 18.1 ملین روپے کا حصہ ملا یا۔ 31 دسمبر 2015 کو ختم شدہ سال کے لئے کمپنی کی طرف سے چلائے جانے والے اسٹاف ریٹائرمنٹ فنڈ سے ہونے والی سرمایہ کاری کی تفصیل درج ذیل ہے:

ملین روپے	پراویڈنٹ فنڈ	پنشن فنڈ	گریجویٹی فنڈ
149			
19			
18			

## کارپوریٹ انتظامیہ

یونی لیور پاکستان فوڈز لمیٹڈ کی انتظامیہ بہتر و مربوط نظام اور اعلیٰ کاروباری اقدار پر عمل پیرا رہنے کے لئے پرعزم ہے۔ کوڈ آف کارپوریٹ گورننس کے تحت ڈائریکٹرز درج ذیل بیان کرتے ہیں:

- کمپنی انتظامیہ کی جانب سے تیار کئے گئے فنانشل اسٹیٹمنٹس، کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلوز، پیچھے ان ایکویٹی ادارے کی بہتر صورتحال پیش کرتے ہیں۔
- لسٹڈ کمپنی کے اکاؤنٹ بکس بہتر انداز میں بحال ہیں۔
- فنانشل اسٹیٹمنٹس کی تیاری اکاؤنٹنگ کی پالیسیوں کے تحت کی گئی ہے اور حساب کتاب کے تخمینے حقیقت پسندانہ اور مناسب انداز میں لگائے گئے ہیں۔
- فنانشل اسٹیٹمنٹس کی تیاری میں عالمی مالیاتی رپورٹنگ کے معیاروں کو سامنے رکھ کر اور ان سے باہر جانے کی مناسب وجہ بھی لکھی گئی ہے۔
- داخلی نظام مربوط ہے اور موثر انداز میں عمل درآمد اور نگرانی کے پہلوؤں کو جانچا جاتا ہے۔
- کوئی بھی ایسی وجہ موجود نہیں جس سے کمپنی کی ترقی کی اہلیت پر شک پیدا ہو۔
- کارپوریٹ گورننس پر کسی بھی طرح عدم تعمیل کا کوئی ثبوت نہیں۔
- درج ذیل اسٹیٹمنٹس سے متعلق فنانشل اسٹیٹمنٹس کے نوٹس میں تفصیل کی گئی ہے۔
- ہونے والی بورڈ میٹنگز کی تعداد اور ڈائریکٹرز کی حاضری
- گزشتہ 6 سالوں کی اہم فنانشل ڈیٹا
- پیٹرن آف شیئر ہولڈنگ

## ڈائریکٹرز:

2014 میں منعقد کی گئی AGM میں ڈائریکٹرز کا انتخاب کیا گیا اور موجودہ ڈائریکٹرز کی مدت 19 اپریل 2017 کو ختم ہوگی۔ محترم احسان ملک نے 31 اکتوبر 2015 کو کمپنی کی ڈائریکٹرشپ سے استعفیٰ دیا۔

جناب نعمان امجد لطفی کو بورڈ کی خالی نشست پر یکم نومبر 2015 سے ڈائریکٹر منتخب کیا گیا ہے۔

7 مارچ 2016 کو محترمہ شازبہ سید کو محترمہ فریحہ سجانی کی جگہ کمپنی کی چیف ایگزیکٹو منتخب کیا جا چکا ہے۔ محترمہ فریحہ سجانی کو یونی لیور پاکستان کے دیگر برنس کی ذمہ داری سونپی گئی ہے۔ 7 مارچ 2016 کو ہی محترمہ فریحہ سجانی کو ڈائریکٹر کے طور پر بورڈ کی خالی نشست پر منتخب کیا جا چکا ہے۔

## آڈیٹرز:

آڈیٹرز KPMG تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کا تقریر 31 دسمبر 2015 تک کیا گیا تھا۔

بورڈ نے KPMG تاثیر ہادی اینڈ کمپنی کی سال 2016 کیلئے کمپنی کے آڈیٹرز کے طور پر تقریر کی سفارش کی ہے جس کا انحصار اگلی ہونے والی میٹنگ 20 اپریل 2016 میں شیئر ہولڈرز کی منظوری سے ہوگا۔

## ہولڈنگ کمپنی:

Conopco, Inc امریکہ، کی مکمل ملکیت کی حامل یونی لیور NV، ایک کمپنی جو ہالینڈ میں رجسٹرڈ ہے اس کے پاس یونی لیور پاکستان فوڈز لمیٹڈ کے 75.85% حصص ہیں۔

## توثیقی بیان

ہمارے ملازمین یونی لیور پاکستان فوڈز لمیٹڈ کی پائیدار ترقی میں اہم کردار ادا کر رہے ہیں اور ہمارے ڈائریکٹرز ان کی کاوشوں کو تسلیم کرتے ہیں۔ ہم اپنے تمام 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 حالات کے باوجود کمپنی نے اپنی منافع بخش ترقی جاری رکھی۔ ہمارے کاروبار کا مستقبل روشن ہے۔ ہم صارف کی بہتر سوچ، عالمی تجربے اور R&D صلاحیت، جدت اور عالمی سطح کی کسٹمر سروس سے آنے والی مشکلات سے نبرد آزما ہوں گے۔ ہمارے اعلیٰ برانڈز ہماری اصل طاقت ہیں اور اسی سے ہی ہم اپنے صارفین کی روزمرہ کی ضروریات کو بہترین انداز میں پورا کریں گے۔ اسے حاصل کرنے کیلئے ہم مستقل طور پر ملک میں ترقی اور بہترین ٹیلنٹ پرائیونڈ پر انحصار کریں گے۔

برائے بورڈ  
کراچی

تاریخ 7 مارچ 2016

کامران مرزا  
چیئرمین



● ماہانہ بنیادوں پر کاغذ کی تقسیم اور نگرانی کے ساتھ کاغذ کے دو طرفہ استعمال کی تلقین سے کاغذ کی خاطر خواہ بچت ہوئی۔

iii. کمیونٹی میں سرمایہ کاری اور فلاحی کام: مبلغ 95.8 ملین روپے

(ا) Knorr نے اسکولوں کے دوروں سے اپنی مہم جاری رکھی ہوئی ہے اور خصوصی طور پر ڈیزائن کردہ گاڑیوں سے 235,000 اسٹوڈنٹس تک اپنا پیغام پہنچایا۔ اس سے بچوں کو روایتی کھانوں سے ہٹ کر صحت مند اور میڈیٹریٹیکس سے متعلق آگہی ملی۔ کنور نے پاکستانی نوجوانوں میں صحت مند خوراک کی عادت سے متعلق آگہی کے لئے اپنی کوششوں کو تیز کرتے ہوئے 600,000 افراد تک پہنچ کر کنور کا ڈانٹھ دار پیغام پہنچایا۔

(ب) یونی یوفو ڈسٹریبیوٹرز نے 2015 میں بھی رمضان کمپین کے ذریعے اپنے کسٹمرز سے جڑے رہنے کی روایت برقرار رکھی، اس مہم میں ہر کارٹن کی خریداری پر 100 روپے واپسی والی پیشکش نے پذیرائی حاصل کی۔ اس میں صارفین کو یہ اختیار تھا کہ وہ نقد رقم لیں یا ایک بچے کی خوراک کے لئے ورلڈ فوڈ پروگرام کو عطیہ کرے۔

iv. صارف کی حفاظت کے اقدامات:

کمپنی ایک شکارٹی سیل بنام رابطہ چلارہی ہے تاکہ صارف کا ردعمل موصول ہو سکے۔ اس سیل کے قیام کا مقصد جلسا زمی کی بروہتی ہوئی لعنت کو ختم کیا جائے اور اس سے لوگوں کو آگاہ کیا جائے۔

v. پیشہ ورانہ حفاظت اور صحت:

یونی یور پاکستان فوڈز لمیٹڈ سیفٹی، ہیلتھ اور انوائرنمنٹ (SHE) کو اپنے کاروباری منصوبہ بندی کا اہم جز سمجھتی ہے۔

یونی یور پاکستان فوڈز لمیٹڈ کی انتظامیہ مستقل طور پر کمپنی کے انتظام کار اور معیار کو نظر میں رکھے ہوئے ہے۔ یہ اقدام صرف کام کی جگہوں پر محدود نہیں بلکہ ”آفس کے باہر حفاظت“ کے اقدام سے اپنے ملازمین کو ہر وقت لائحہ فکر کا ازالہ کیا جا رہا ہے۔

یونی یور کے عالمی SHE معیار اس کے کاروبار کے اہم اصول ہیں اور CSHEC مستقل بنیادوں پر اپنے پیداواری اور غیر پیداواری یونٹس کی اس پر عمل درآمد سے متعلق کارکردگی کی نگرانی کرتا رہتا ہے۔

مستقل بہتری کے پیش نظر یونی یور نے ایمرجنسی ریسپانس، لاک آؤٹ ٹیک آؤٹ (LOTO) اور ہینڈل مشین (HIM) سب کمیٹی قائم کی۔ اس کمیٹی کا مقصد یونی یور پاکستان فوڈز لمیٹڈ کے آپریشنز میں مشینری پر موثر انداز میں کام کرتے ہوئے اور ہنگامی حالات میں مقررہ SHE معیاروں پر عمل درآمد سے حفاظتی اقدامات کو یقینی بنانا ہے۔

اس کے علاوہ CSHEC سب کمیٹی کے ذریعے ملازمین کو آفس کے باہر بھی حفاظتی اقدامات، خطرات سے نمٹنے اور کام کرتے ہوئے موثر حفاظتی عادات اپنانے کی تربیت دی جاتی رہی ہے۔

یونی یور پاکستان فوڈز لمیٹڈ ہر سال ملازمین کے لئے صحت کی جانچ پڑتال کے لئے ہیلتھ چیک اپ کا اہتمام کرتی ہے تاکہ ان کی بہترین صحت برقرار رہے۔ کمپنی ملازمین کو بہترین طبی سہولیات فراہم کرتی ہے اور قرب و جوار کے لوگوں کو بھی مفت طبی امداد کے لئے ایک ڈسپنری کا اہتمام کیا گیا ہے۔

vi. ہماری کاروباری اقدار اور انسداد رشوت کے اقدامات:

یونی یور پاکستان فوڈز لمیٹڈ ایسی تمام سرگرمیاں جاری رکھ رہتی ہے کہ ملازمین ہر وقت کاروباری اقدار کے اصولوں (CoBP) پر عمل درآمد کو یقینی بنائیں۔ کاروباری اقدار پر بلا کسی تفریق کے پوری آگنا تزیین میں عمل درآمد ہوتا ہے۔ تمام ملازمین کے لئے ان اصولوں کی پاسداری کے دستاویز پر اپنے دستخط کرنا لازم ہے۔ کمپنی نے شکایات کے اندراج کے لئے چوہیں گھنٹے کال سینٹر اور ای میل سروس قائم کر رکھی ہے۔

vii. قومی خزانے سے تعاون:

یونی یور پاکستان فوڈز لمیٹڈ نے سال 2015 میں 2,282 ملین روپے (2014 میں 1,888 ملین روپے) قومی خزانے میں جمع کرائے جس میں امپورٹ ڈیوٹی، جرنل سبزی ٹیکس، انکم ٹیکس اور دیگر حکومتی ٹیکسز شامل ہیں۔

ملازمین کی شرکت:

ہمارے ملازمین پائیدار ترقی کے ہمارے عزم کی تکمیل میں ہماری مدد کرتے ہیں۔ اس ضمن 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 ایسپلائی پے رول پروگرام کے تحت تعلیم کے لئے سٹیزن فاؤنڈیشن، چائلڈ کارڈ ایک سرجری کے لئے آغا خان یونیورسٹی ہسپتال اور UN ورلڈ فوڈ پروگرام سے بچوں کو کھانا فراہم کرنے کے لئے بھر پور تعاون 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 انہروں میں کمی واقع ہو سکے۔

ہمارے ملازمین نے رہبر پروگرام کے تحت TCF اسٹوڈنٹس کے ساتھ وقت گزارا اور انہیں مفید مشوروں سے نوازا۔

## کارپوریٹ سوشل ریسپانسیبلٹی:

- یونی لیور پاکستان فوڈز لمیٹڈ میں ٹھنڈے میں 15 فیصد تک کمی لانے کے لئے کم بجلی خرچ کرنے والے اسٹیم ٹریپس لگائے گئے ہیں۔
- ٹیوب لائٹس کی جگہ انرجی سیورز اور LED لائٹس لگائی گئی ہیں۔

## ii. ماحول کی حفاظت کے اقدامات:

یونی لیور پاکستان فوڈز لمیٹڈ مستقل طور پر ”سٹین ایبل لیونگ اے کامن پلیس“ کے تحت کئی اقدامات کے ذریعے یونی لیور سٹین ایبل لیونگ پلان کے دائرے میں سرگرم عمل ہے۔ ماحول دوست مینوفیکچرنگ یونی ایف ایل کی پیداواری منصوبہ بندی کا بنیادی عنصر رہا ہے۔ ہم کاربان ڈائی آکسائیڈ کے اثرات کو پیداواری صلاحیت میں بہت زیادہ اضافے کے باوجود 2008 کی سطح سے کم یا اس کے برابر رکھنا چاہتے ہیں۔ وقت کے ساتھ مینی کی فیٹری مینوفیکچرنگ بڑھنے کے باوجود توانائی کی بچت کے لئے کوشاں ہے۔ اس کے پیش نظر سائٹ میز توانائی اور پانی کی بچت کی منصوبہ بندی کر رہی ہیں تاکہ مستحکم پیداوار کے عالمی مقاصد برائے 2020 پرمل درآمد بھی ہو۔ اس ضمن میں بجلی کی بچت اور کاربان ڈائی آکسائیڈ کے اخراج میں کمی لانے کے لئے کئی اقدامات کئے گئے جن میں شامل ہیں:

- CO2 اور SOX میں کمی لانے کے لئے ہائیو ماس بوائلر کی تنصیب اور نگرانی۔ یہ یونی لیور میں پہلا ہائیو ماس بوائلر ہے جو سائٹ کو صفر فیصد گرین انرجی (ماحول دوست توانائی) سے 70 فیصد گرین انرجی کا حامل بنائے گا۔
- فیکٹری میں کئی اقدامات مثلاً ڈیزل کافرٹس آئل سے تبادلہ، بجلی بچانے والی اسٹیم ٹریپس، کم بجلی پر چلنے والے ایئر کمپریسیور کی تنصیب۔
- مینوفیکچرنگ سائٹ کی جگہ سنسٹریٹس لگائے گئے اور پانی کی بچت اور نگرانی کے لئے واٹر میٹرنگ سسٹم کی تنصیب۔
- پیمائش اور نگرانی کے سسٹم سے مزین سائٹ کے چار ڈیزل جنریٹرز مناسب خرچ سے بھر پور کام کر رہے ہیں۔
- ٹیکنالوجی مثلاً ویڈیو اور ٹیلی کانفرنسنگ کی بدولت سفر کے اخراجات میں کمی واقع ہوئی۔
- یونی ایف ایل اپنی پیکیجنگ، پیداوار اور ری سائیکلنگ سے پیدا ہونے والے پچھڑے کو بھی کم سے کم کرنے کے لئے کام کر رہی ہے اور پچھڑے کو ٹھکانے لگانے کے بہتر نظام والی کمپنی ہے۔
- گلیکوز ڈی اور انرجی کے کارٹن کے فولڈنگ فلیپ میں 10mm کی کمی سے کارٹن کی تہ میں استعمال ہونے والے کاغذ میں 4.2 ٹن بچت ہوئی۔
- چھوٹے کنٹینر کی جگہ 50 فٹ کے کنٹینر لگائے گئے تاکہ کاربان کے اثرات کم سے کم ہوں۔

یونی لیور پاکستان فوڈز 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 سٹین ایبل لیونگ پلان مرتب کیا ہے جس کے ذریعے ہم اپنے مقررہ ہدف تک پہنچ کر کامیابی حاصل کر سکتے ہیں۔ یونی لیور فاؤنڈیشن جو کہ عالمی طور پر ایک بلین 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۔ یونی لیور پاکستان لوکل اور بیرون ملک شراکت داروں کے ساتھ کام کر رہا ہے تاکہ مستحکم اور پرمزور ایجنڈے پر عمل ہو سکے۔

یونی لیور سٹین ایبل 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 پارٹنرشپ 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. توانائی کا استعمال:

یونی لیور پاکستان فوڈز لمیٹڈ (UPFL) اپنے منظم پروگرام کے تحت پائیدار اقدامات کی بدولت پہلے سے ہی ”WWF گرین آفس“ کا تصدیق شدہ ممبر ہے۔ اس پروگرام میں توانائی کی کھپت، نگرانی، بچت کے اقدام اور کاغذ کا استعمال، کچرے اور کاربان ڈائی آکسائیڈ کا اخراج شامل ہے۔ اس کے ساتھ بجلی کے بچت کے کئی دیگر اقدام بھی ہیں جن میں:

- IEF2 اور IEF3 والے موٹرز کی جگہ کم بجلی خرچ کرنے والے موٹرز لگائے گئے۔
- بجلی بچانے والے ایئر کمپریسیور کی تنصیب سے ایئر سرکٹ کے عین ڈیزائن پر عمل درآمد کے ساتھ بجلی کے اخراجات میں کمی واقع ہوئی اور کاربان ڈائی آکسائیڈ کے اثرات بھی کم ہوئے۔
- گرمی پد کی جانچ اور نگرانی کے باعث اے سی یونٹس کے چلانے اور بند کرنے کے موثر نظام سے بجلی کی بچت ہوئی اور بلا ضرورت استعمال پر کنٹرول ہوا، جبکہ مین پر رکھے جانے والے اے سی یونٹس کی تنصیب سے اوقات کار کے بعد سینٹرل اے سی چلانے کی ضرورت نہ رہی۔
- میٹنگ رومز میں ضرور کے وقت چلانے کے لئے چھوٹے اے سی یونٹس لگائے گئے ہیں۔
- گرم پانی کی فراہمی کے لئے سولر واٹر گیزر لگائے گئے ہیں۔

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

### کاروباری جائزہ:

سال 2015 میں ہمارے کاروبار نے 7 فیصد حجم میں اضافے کے ساتھ 10 فیصد ترقی کی۔ چوتھی سہ ماہی کا حجم میں اضافہ 15% تھا۔ سالانہ مجموعی منافع 1.56% سے بڑھا جس کی وجہ قیمتوں میں اضافہ اور سیلز کی بہتری ہے۔ برانڈز کے استحکام کے لئے ایڈورٹائزنگ اور پروموشن پر 2.03% اضافی خرچہ کیا گیا۔ EPS میں 5 فیصد اضافہ ہوا۔

### ہماری مالیاتی کارکردگی کا خلاصہ:

2014	2015	روپے ملین میں
7,787	8,571	سیلز
3,360	3,832	مجموعی منافع
1,740	1,702	آپریٹنگ منافع
1,690	1,666	ٹیکس سے قبل منافع
1,172	1,232	ٹیکس کے بعد منافع
190.29	200.09	EPS basic (روپے)

### ڈیویڈنڈ (منافع منقسمہ):

عبوری منافع برائے 2015 (پہلے ہی دیا جا چکا ہے) 54 روپے فی حصص (2014):  
94 روپے فی حصص (حتمی منافع منقسمہ برائے 2015: 96 روپے فی حصص (2014):  
صفر روپے فی حصص)

### سال 2015 کے لئے ہمارے کاروباری سنگ میل یہ ہیں:

**Knorr:** ہمارے نوڈلز، سوپس اور ساسز پر مشتمل Knorr برانڈ نے مجموعی طور پر 20 فیصد ترقی کی۔ نوڈلز کے شعبے نے دو نئے ویریئنٹ اور بہترین پیش کش کے ساتھ اپنی مایہ ناز ترقی کا سفر جاری رکھا۔ سوپ کینگری میں کپ۔ اے۔ سوپ لانچ نے لوگوں کے دل جیتے اور برنس میں اضافے کا بڑا سبب بنی۔

رفان: یہ ہمارا سب سے بڑا مقامی برانڈ ہے جو اپنی مضبوط برانڈ ایکویٹی کے ساتھ اپنی ایک تاریخ رکھتا ہے۔ یہ برانڈ دو نئے ڈانقوں، چاکلیٹ اور کیرامل کی بدولت مارکیٹ پر چھایا اور رفان نے خوشی کے لمحات کو منانے کے لئے ایڈورٹائزنگ میمپن لانچ کی جس کی بدولت ایک بار پھر یہ برانڈ ماؤں اور بچوں میں بہت زیادہ مشہور ہوا۔

### ہمارے ملازمین:

یونیورسٹی پاکستان فوڈز لمیٹڈ اپنے ملازمین کو کمپنی کی جان سمجھتی ہے۔ ہمارا یہ کامل یقین ہے کہ اپنے ملازمین کی ذاتی صلاحیت اور کاروباری لگن میں ترقی سے ہی کاروبار ترقی کرے گا۔ اپنے ملازمین کے لئے ہونے والی سرمایہ کاری ہمیں دوسروں سے ممتاز بناتی ہے اور ہمیں ان کی صلاحیتوں کی بدولت اپنے مقاصد کی تکمیل ملتی ہے۔

یونیورسٹی پاکستان فوڈز لمیٹڈ ایک تربیتی ادارہ ہے جہاں پر ملازمین کو ہر وقت چیلنج سے نمٹنے، وقت پر صحیح فیصلہ کرنے کی صلاحیت پیدا کرنے کا ماحول میسر ہے۔

کمپنی یونیورسٹی کے عالمی نیٹ ورک کا سہارا لیتے ہوئے مارکیٹنگ، سیلز، سپلائی چین، فنانس اور HR منجمنٹ کو بذریعہ ای لرننگ اور انسٹرکٹری ٹیکنالوجی میں کرائے گئے پروگرام کا اہتمام کر کے ٹیلنٹ کو فروغ دیتی ہے۔ ملازمین کی ذاتی صلاحیت کو مشکل اہداف پر کام کرنے کی ذمہ داری، تربیت، نگرانی اور تنخواہوں میں ترقی کے بہترین نظام کے ذریعے نکھارا جاتا ہے۔

ہر شعبے میں جدت کا پہلو 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۔ ملازم خواتین کی ضروریات کے پیش نظر یونیورسٹی پاکستان فوڈز کی 2003 میں شروع کیا گیا اب اس سے وہ مرد ملازمین بھی استفادہ کر رہے ہیں جن کی بیویاں کسی اور جگہ ملازمت کر رہی ہیں۔ ہم نے بچے کی ولادت (میٹرنٹی) کے لیے چھٹیوں کے سلسلے میں 2014 کی 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 پیٹرنٹی 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 یونیورسٹی نے خواتین کے لئے ایک پروگرام شروع کیا تاکہ وہ ایک پلیٹ فارم کے ذریعے اپنی پیشہ ورانہ زندگی کو ایک بار پھر شروع کر سکیں اس پلیٹ فارم کو کیریئر بائی چوائس (CBC) کا نام دیا گیا ہے۔ اس پلیٹ فارم سے خواتین کو ہمارے ساتھ کام کا موقع ملتا ہے کہ وہ اپنی گھر بیٹو ذمہ داریاں بھی پارٹ ٹائم یا اپنی مرضی کے اوقات میں کام کر کے مکمل کر سکتی ہیں۔

ہم اپنے ملازمین کی صحت کے لئے مسلسل کوشاں ہیں اور اس ضمن میں کئی اقدامات جاری ہیں جیسا کہ وائٹلٹی ہیلتھ پاسپورٹ، ورزش کی سہولیات اور کام کرنے کی جگہ کھانے پینے کی سہولیات شامل ہیں۔

یہ تمام تر کاوشیں اس لئے کی جارہی ہیں کہ ہمارے ملازمین مستعد، باصلاحیت رہیں اور مستقبل کو بہتر بنانے کے لئے ہمارے ہاں مناسب مواقع فراہم ہوں۔

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