

**Wyeth®**



**Wyeth Pakistan Limited**

Annual Report 2018



# Mission, Vision And Values

## ***Mission***

Our mission is to apply science and our global resources to improve health and well-being at every stage of life.

## ***Vision***

Working together for a healthier world.

## ***Our Commitments***

We are committed to:

- ▶ Advance wellness, prevention, treatments and cures.
- ▶ Bring the best scientific minds together to challenge the most feared diseases of our time.
- ▶ Set the standard for quality, safety and value of medicines.
- ▶ Promote curiosity, inclusion and a passion for our work.
- ▶ Be a leading voice for improving everyone's ability to have reliable and affordable health care.
- ▶ Maximize our financial performance so we can meet our commitments to all who rely on us.

## ***Values***

- ▶ **Customer Focus:** We are deeply committed to meeting the needs of our customers, and we constantly focus on customer satisfaction.
- ▶ **Community:** We play an active role in making every community in which we operate - a better place to live and work knowing that its ongoing vitality has a direct impact on the long term health of the business.
- ▶ **Respect for People:** We recognize that people are a cornerstone of our success. We value our diversity as a source of strength and are proud of our history of treating employees with respect and dignity.
- ▶ **Performance:** We strive for continuous improvement in our performance, measuring results carefully and ensuring that integrity and respect for people are never compromised.
- ▶ **Collaboration:** We know that to be a successful company we must work together, frequently transcending organizational and geographic boundaries to meet the changing needs of our customers.
- ▶ **Leadership:** We believe that leaders empower those around them by sharing knowledge and rewarding outstanding individual effort. We are dedicated to providing opportunities for leadership at all levels in our organization.
- ▶ **Innovation:** Innovation is the key to improving health and sustaining our growth and profitability.
- ▶ **Quality:** Quality is ingrained in the work of our colleagues and all our values. We are dedicated to the delivery of quality healthcare. Our business practices and processes are designed to achieve quality results that exceed the expectations of all of our stakeholders.
- ▶ **Integrity:** We demand of ourselves and others the highest ethical standards, and our product and processes will be of the highest quality.

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

Iftikhar Soomro

S. M. Wajeehuddin

M. Z. Moin Mohajir

Badaruddin F. Vellani

Iqbal Bengali

Syed Zakwan Ahmed

Shoaib Mir

Chairman

Chief Executive

### COMPANY SECRETARY

Tafazzul Khan

### CHIEF FINANCIAL OFFICER

Kashif Shafi

### AUDIT COMMITTEE

M.Z. Moin Mohajir

Chairman

Iftikhar Soomro

Badaruddin F. Vellani

### HUMAN RESOURCES AND REMUNERATION COMMITTEE

M.Z. Moin Mohajir

Chairman

Badaruddin F. Vellani

Iftikhar Soomro

S. M. Wajeehuddin

### EXECUTIVE COMMITTEE

S. M. Wajeehuddin

Chairman

Syed Zakwan Ahmed

### SHARE TRANSFER COMMITTEE

S. M. Wajeehuddin

Chairman

M.Z. Moin Mohajir

Syed Zakwan Ahmed

### BANKERS

Citibank, N.A.

Standard Chartered Bank (Pakistan) Limited

### AUDITORS

KPMG Taseer Hadi & Co.

Chartered Accountants

### LEGAL ADVISORS

Vellani & Vellani

Orr, Dignam & Co.

Mohammad Mitha

### SHARE REGISTRAR

THK Associates (Pvt.) Ltd.

1st Floor, 40-C, Block-6 P.E.C.H.S., Karachi - 75400

UAN: 021 111-000-322, Fax 021-34168271

### HEAD OFFICE / REGISTERED OFFICE

Room No. 002 & 003, PGS Admin Block, First Floor, B-2, S.I.T.E., Karachi.

Ph. # 92-21-32570621-5 Fax # 92-21-32331045-32577023

Website: [www.wyethpakistan.com](http://www.wyethpakistan.com)

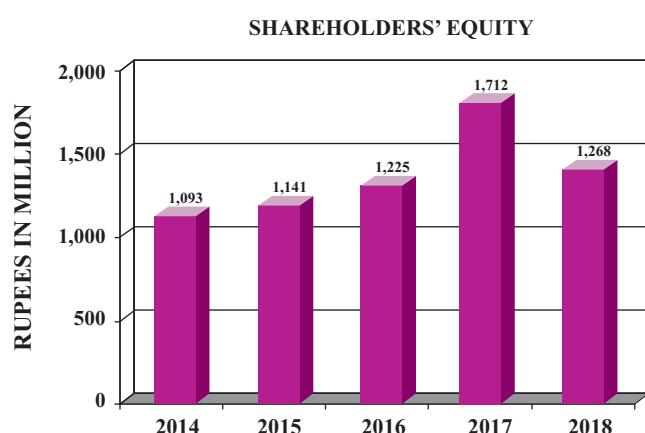
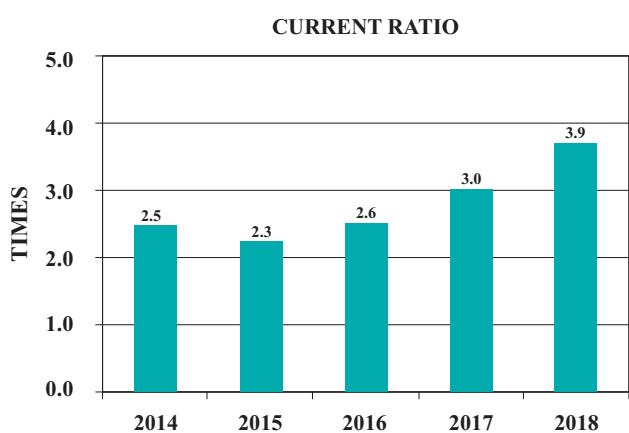
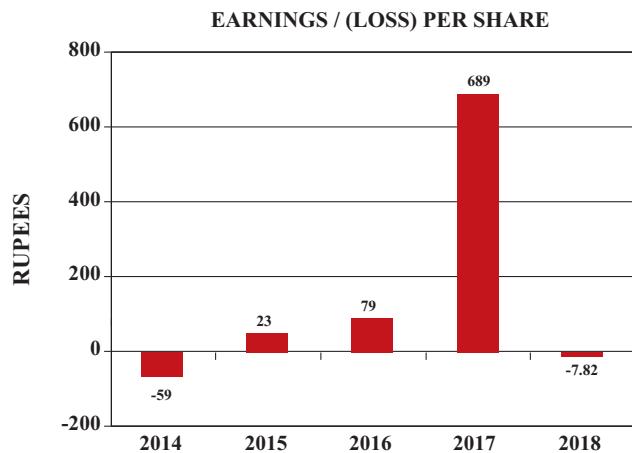
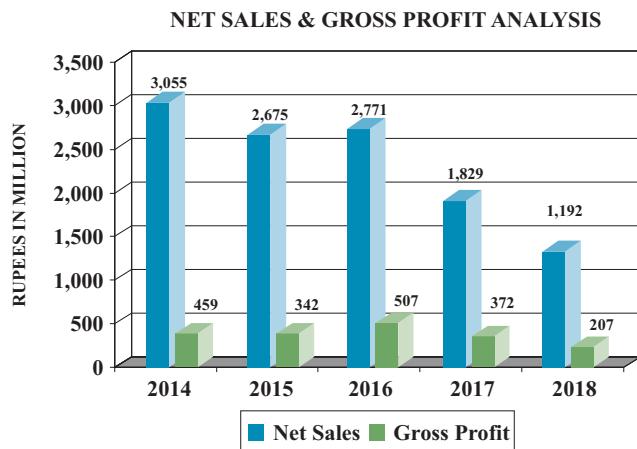
**Note:** These accounts are also available on our website.

## KEY OPERATING AND FINANCIAL DATA OF SIX YEARS

KEY INDICATORS	2013	2014	2015	2016	2017	2018
(Restated)						
<b>Operating results (Rs. in millions)</b>						
Net sales	3,116	3,055	2,675	2,771	1,829	1,192
Gross profit	585	459	342	507	372	207
Operating profit / (loss)	57	(13)	82	196	1,357	52
Profit / (loss) before tax	57	(14)	81	195	1,355	24
Profit / (loss) after tax	17	(85)	32	113	980	(11)
<b>Financial position (Rs. in millions)</b>						
Shareholder's equity	1,207	1,093	1,141	1,225	1,712	1,268
Property, plant & equipment	208	264	382	17	7	13
Net current assets	954	800	738	1,178	1,699	1,242
<b>Profitability</b>						
Gross profit %	18.78	15.02	12.79	18.28	20.34	17.32
Operating profit / (loss) %	1.82	(0.42)	3.08	7.08	74.20	4.40
Profit / (loss) before tax %	1.82	(0.45)	3.04	7.03	74.08	2.03
Profit / (loss) after tax %	0.54	(2.77)	1.20	4.07	53.58	(0.93)
<b>Performance</b>						
Fixed assets turnover Times	14.98	11.56	7.00	* 7.81	275.09	88.42
Avg. inventory holding period Days	143	120	114	125	192	163
Average collection period Days	10	8	5	4	7	8
Return on equity %	1.39	(7.73)	2.81	9.21	57.25	(0.88)
<b>Liquidity</b>						
Current Times	2.91	2.47	2.34	2.58	2.97	3.94
Quick Times	1.06	0.94	1.10	1.36	2.24	3.32
<b>Valuation</b>						
Earnings / (loss) per share Rs.	11.82	(59.48)	22.52	79.36	689.36	(7.82)
Book value per share Rs.	849.80	769.05	802.44	861.37	1,204.03	891.96
Dividend per share Rs.	20.00	-	20.00	35.00	600.00	50.00
Price earning ratio Times	432.65	-	103.01	53.47	2.34	(141.17)

\* Based on total value of Plant & Machinery inclusive of Assets held for sale

## PERFORMANCE AT A GLANCE



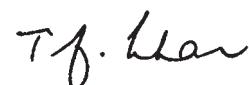
## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 70th Annual General Meeting of Wyeth Pakistan Limited ("Company") will be held at the Council Hall, Overseas Investors Chamber of Commerce & Industry (OICCI), Chamber of Commerce Building, Talpur Road, Karachi, at 11:30 a.m. on Thursday March 28, 2019 to transact the following business:

### ORDINARY BUSINESS

1. (a) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended November 30, 2018 together with the Directors' and Auditors' Reports thereon.  
(b) To consider, approve and authorize the payment of final dividend for the year ended November 30, 2018. The Directors have recommended the payment of a final dividend of 50%, that is, Rs.50 per share of Rs.100 each, for the year ended November 30, 2018 payable to those Members whose names appear on the Register of Members as at the close of business on March 20, 2019.
2. To appoint Auditors for the year ending November 30, 2019 and to authorize the Board to fix their remuneration.
3. To transact any other business with permission of the Chair.

By Order of the Board



**Tafazzul Khan**  
Company Secretary

Karachi: March 05, 2019

### Notes:

1. The Share Transfer Books of the Company will remain closed from Thursday, March 21, 2019 to Thursday, March 28, 2019 (both days inclusive). The Members whose names appear on the Register of Members as on March 20, 2019 shall be entitled to attend and vote at the AGM.
2. A member entitled to attend, speak and vote at the above meeting shall be entitled to appoint another member, as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of him/her. A proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company. The completed proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
3. In case of a corporate entity which is a member of the Company, the Board of Directors' resolution/power of attorney with specimen signature shall be required to be submitted along with proxy form to the Company.

4. Members (Non-CDC) are requested to promptly communicate (and in any event before the first day of book closure) any change in their addresses and submit, if applicable to them, the non-deduction of Zakat Form CZ-50 with the Company's Share Registrar, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400 or update their address and Zakat status with their Participant/CDC Investor Account Services which maintains their CDC account in case of electronic shares.
5. CDC Account Holders will further have to follow the under mentioned guidelines as prescribed in Circular 1 dated 26 January 2000 issued 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 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 as per the above requirement.
- 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 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 CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

6. The shareholders holding physical shares are also required to bring their original CNIC and attested copy of CNIC of shareholder(s) of whom he/she/they hold proxy(ies) without which such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the AGM.
7. A copy of the accounts of the Company for the year ended November 30, 2018 is also available on the Company's website: [www.wyethpakistan.com](http://www.wyethpakistan.com)

## 8. Payment of Cash Dividend Electronically

The Securities and Exchange Commission of Pakistan (SECP) had earlier initiated e-dividend mechanism through its letter No: 8(4)SM/CDC/2008 dated April 05, 2013. The Companies Act, 2017 also now provides in Section 242 that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. As such, the Company will only be able to make payment of cash dividend to its shareholder through electronic mode. Therefore shareholders are advised that in order for them to receive their dividends through electronic mode, the details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address be provided as soon as possible, to the Share Registrar of the Company, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400.

## 9. As regards deduction of withholding tax on the amount of dividend:

i) The Government of Pakistan through Finance Act, 2017, effective 1 July, 2017 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. These tax rates are as under:

(a)	For filers of income tax returns	15.0%
(b)	For non-filers of income tax returns	20.0%

To enable the Company to make a tax deduction on the amount of dividend @ 15.0% instead of 20.0%, all the shareholders whose names are not entered into the Active Taxpayers 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 date for payment of the cash dividend i.e. April 10, 2019 otherwise tax on their cash dividend will be deducted @20.0% instead @15.0%.

ii) As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June, 2010 and C. No.1 (43) DG (WHT)/2008-Vol. II-66417-R dated 12 May 2015, a valid exemption certificate is mandatory to claim exemption of withholding tax under section 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part-IV of Second Schedule is available. Shareholders who fall in the aforementioned category and wish to avail exemption under Section 150 of the Income Tax Ordinance 2001, must provide valid Tax Exemption Certificate to our Share Registrar THK Associates (Pvt) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400 before the first day of book closure otherwise tax will be deducted on dividend as per applicable rates.

iii) Further, the Federal Board of Revenue (FBR) has clarified that 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.

Accordingly, shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (**only if not already provided**) to the Company's Share Registrar, THK Associates (Pvt) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400 in writing within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

iv) For any query/problem/information, the investors may contact the Company's Registrar, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400, at the following phone number (021) 111-000-322, (021) 34168266-68-70 or email address [secretariat@thk.com.pk](mailto:secretariat@thk.com.pk).

- v) The corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company's Registrar, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company's name and their respective folio numbers.

## **10. Circulation of Annual Audited Accounts and Notice of AGM through E-mail, CD or DVD or USB**

We are pleased to inform shareholders that the Securities and Exchange Commission of Pakistan has under and pursuant to SRO No. 787(I)/2014 dated 8 September, 2014 and SRO 470(I) dated 31 May, 2016 permitted companies to circulate their annual balance sheet and profit and loss accounts, auditor's report and directors' report etc. ("Annual Audited Accounts") along with the notice of annual general meeting ("AGM Notice"), to its shareholders by email, CD or DVD or USB. Shareholders of the Company who wish to receive Notice and Annual Audited Accounts in the future by email, CD or DVD or USB are requested to provide the completed Form that shall be available on the company's website [www.wyethpakistan.com](http://www.wyethpakistan.com), to the Company's Share Registrar, Central Depository Company of Pakistan Limited, Company Secretary.

Members are also required to intimate any change in their registered email addresses in a timely manner to ensure effective communication by the Company.

## **11. Video Conferencing facility:**

In terms of SECP Circular No. 10 of 2014 dated 21 May, 2014 read together with the provisions contained in Section 134(1)(b) of the Companies Act, 2017, members of the Company may also attend and participate in the AGM through video conference facility in a city other than Karachi, if members residing outside Karachi, collectively holding 10% or more shareholding and residing at a geographical location, request in writing, to participate in the AGM through video conference at least 10 (ten) days prior to the date of the AGM.

After receiving the members request as above, the Company shall arrange video conference facility and will intimate members regarding the venue of the video conference facility at least 5 (five) days prior to the date of the AGM.

## سالانہ اجلاسِ عام کی اطلاع

اطلاع دی جاتی ہے کہ وائیچ پاکستان لمبیڈ کا 70 وائی اجلاسِ عام 28 مارچ 2019 بروز جمعرات، صبح 11:30 بجے کا ویسٹ ہال، اور سینے انور یسٹر زیمیر آف کا مرس ایئڈ ایڈ سٹری (OICCI)، چیئر آف کا مرس بلڈنگ، تاپور روڈ، کراچی میں منعقد کیا جا رہا ہے جس میں مندرجہ ذیل امور پر کارروائی ہو گی:

### عمومی کارروائی:

- 1- (الف)۔ 30 نومبر 2018 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹ اور ڈائریکٹریز اور آڈیٹریز پورٹس کی وصولی، غور اور منظوری۔
- (ب)۔ 30 نومبر 2018 کو ختم ہونے والے سال کیلئے حقیقی منافع منقسمہ پر غور، اس کی منظوری اور اعلان ڈائریکٹریز نے 30 نومبر 2018 کے سال کیلئے ان میران کیلئے جن کے نام 20 مارچ 2019 کو کاروباری اختتام پر میران کے رجسٹر میں موجود ہوں 50 فیصد کے حقیقی منافع منقسمہ کی ادائیگی کی تجویز دی ہے جو کہ ہر 100 روپے کے شیئر پر 50 روپے بنتا ہے۔
- 2- 30 نومبر 2019 کو اختتام پذیر سال کیلئے آڈیٹریز کا تقرر اور ان کے مشاہرے کے تعین کیلئے بورڈ کو اختیار دینا۔
- 3- چیئر پرنس کی اجازت سے کوئی دیگر کارروائی عمل میں لانا۔

بھکم بورڈ

Tf. ۱۰۰

تفضل خان  
کمپنی سکریٹری

کراچی: 05 مارچ 2019

### نوٹ:

- 1- کمپنی کی شیئر رانفسر بکس بروز جمعرات 21 مارچ 2019 سے 28 مارچ 2019 تک (بیشول دنوں دن) بند رہیں گی وہ میران جن کے نام میرز کے رجسٹر میں 20 مارچ 2019 کو درج ہوں گے سالانہ اجلاسِ عام میں شرکت اور ووٹ دینے کے اہل ہوں گے۔
- 2- اجلاس میں شرکت اور ووٹ ڈالنے کا اہل میراگر چاہے تو اپنی جگہ اجلاس میں شرکت کرنے، ووٹنگ کا مطالبہ کرنے یا مطالبہ میں شامل ہونے یا اخبار خیال کرنے اور ووٹ ڈالنے کیلئے کسی دوسرے فرد کا بطور پر اکسی تقرر کر سکتا ہے۔ اس طرح منتخب کردہ پر اکسی کو اجلاس میں شرکت کرنے، اظہار خیال کرنے اور ووٹ ڈالنے کے وہی اختیارات میسر ہوں گے جو اصل میر کو حاصل ہیں۔ پر اکسی کیلئے کمپنی کا میر ہونا لازمی ہے۔ مکمل شدہ پر اکسی فارم اجلاس سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں جمع کرنا لازمی ہے۔
- 3- کارپوریٹ میر ہونے کی صورت میں، پر اکسی فارم کے ہمراہ بورڈ آف ڈائریکٹریز کی قرارداد/پاور آف اٹارنی مع دستخط کے نمونے کمپنی کے پاس جمع کرائے جائیں۔
- 4- میران (CDC) کے علاوہ) سے درخواست ہے کہ وہ (بک گلودر کے پہلے دن سے قبل کسی بھی صورت میں) اپنے پتے میں تبدیلی سے متعلق فوری آگاہ کریں گے اور اگر اطلاع ہو تو کمپنی کے رجسٹر میرز کی THK ۱۰۰۰۰ ایس (پرائیمیٹ) لمبیڈ بیلی منزل، C-40 بلاک-6، PECHS، کراچی 75400 کو زکوٰۃ کی غیر کنوتی کے لئے فارم CZ-50 جمع کرائیں گے یا اپنے پتے اور زکوٰۃ اسٹیٹس کو اپنے پارٹیپیٹ/سی ڈی اسی انویسٹر کا ونٹ سروز کے ساتھ اپ ڈیٹ کریں گے جو ایکسٹر ایک شیئر زکی صورت میں ان کے اکاؤنٹس کو فعال رکھتے ہیں۔
- 5- CDC کے اکاؤنٹ ہولڈر کو دی گئی شرائط کے علاوہ سیکیوریٹی ریٹریٹ ایڈاپکچر کیمیشن آف پاکستان کے جاری کردہ سرکولر 1 بتارن 26 جنوری 2000 میں دی گئی مندرجہ ذیل ہدایات پر بھی عمل کرنا ہو گا:

## A- اجلاس میں شرکت کیلئے:

- انفرادی صورت میں اکاؤنٹ ہولڈر، سب اکاؤنٹ ہولڈر یا / اور وہ فرد جس کی سیکیوریٹیز گروپ اکاؤنٹ میں ہیں اور جس کی رجسٹریشن کی تفصیلات ریگولیشن کے مطابق اپ لوڈ کر لی گئی ہیں، اجلاس میں شرکت کے موقع پر اپنی شناخت کی تصدیق اپنے اصل کمپیوٹر ایڈوڈ تو می شناختی کارڈ یا اصل پاسپورٹ کے ذریعے کرائیں گے۔
- کارپوریٹ ممبر ہونے کی صورت میں اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی اور نمائندے کے دستخط کے نمونے (اگر یہ سب پہلے فراہم نہ کئے گئے ہوں) پیش کرنے ہوں گے۔

## B- پرائسی کے تقریر کیلئے:

- انفرادی صورت میں اکاؤنٹ ہولڈر، سب اکاؤنٹ ہولڈر یا / اور وہ فرد جس کی سیکیوریٹیز گروپ اکاؤنٹ میں ہیں، اور جس کی رجسٹریشن تفصیلات ریگولیشن کے مطابق اپ لوڈ کر لی گئی ہوں، اوپر درج شدہ طریقے کے مطابق پرائسی فارم جمع کرائیں گے۔
- پرائسی فارم کی تصدیق دو افراد کریں گے جن کے نام، پتے اور تو می شناختی کارڈ نمبر فارم پر درج ہوں گے۔
- پرائسی فارم کے ساتھ بینفیشل اوزر اور پرائسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کا پیاں گانا لازمی ہے۔
- اجلاس کے موقع پر پرائسی اپنا اصل کمپیوٹر ایڈوڈ تو می شناختی کارڈ یا پاسپورٹ پیش کریں گے۔
- کارپوریٹ ممبر ہونے کی صورت میں، پرائسی فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی اور دستخط کے نمونے (اگر یہ سب پہلے فراہم نہ کئے گئے ہوں) پیش کرنا ہوں گے۔
- فریکل شیئرز کے مالکان کو اپنا اصلی قومی شناختی کارڈ اور پرائیسیر کو قومی شناختی کارڈ کی تصدیق شدہ کا پی ہمراہ لانا لازمی ہے جس کے بغیر انہیں اجلاس میں شرکت کرنے اور / یا ممبر ان / شیئر ہولڈر کے رجسٹر میں دستخط کرنے کی اجازت نہیں ہوگی۔
- 30 نومبر 2018 کو اختتام پذیر میں کمپنی کے اکاؤنٹس کمپنی کی ویب سائٹ [www.wyethpakistan.com](http://www.wyethpakistan.com) پر بھی فراہم کردیے ہیں۔

## الیکٹرائیک طریقے سے منافع منقسمہ کی ادائیگی

- SECP نے سرکولر نمبر 2008 SM/CDC (4)8 بارہ خ 15 اپریل 2013 کے تحت بذریعہ الیکٹرائیک ادائیگی کا آغاز کیا تھا کمپنیا یکٹ، 2017 کے سیشن 242 کے تحت کسی بھی قابل ادائیگی صرف بذریعہ الیکٹرائیک برادرست شیئر ہولڈر کے نامزد کردہ بینک اکاؤنٹ میں کی جائے گی۔ اس لئے کمپنی شیئر ہولڈر کو نقد منافع منقسمہ کی ادائیگی صرف الیکٹرائیک طریقہ کارکے تحت ادا کر سکتی۔ لہذا شیئر ہولڈر کو مطلع کیا جاتا ہے کہ الیکٹرائیک طریقہ کارکے تحت منافع منقسمہ کی وصولی کے لئے اپنے بینک مینڈیٹ کی تفصیلات جن میں: (i) ٹالٹ آف اکاؤنٹ (ii) اکاؤنٹ نمبر، (iii) بینک کا نام، (iv) براخ کا نام، کوڈ اور پیٹھے شامل ہیں، جلد از جلد کمپنی کے شیئر رجسٹر ایمیسٹر THK ایسوئی ایٹس (پرائیویٹ) لیمیٹڈ پہلی منزل، C-40 بلاک-6، کراچی، پکستان 75400، PECHS کو فراہم کریں۔

## ڈیویڈنڈ پر وہولڈنگ کمپنی کی کٹوٹی کے حوالے سے:

- ا۔ حکومت پاکستان کی جانب سے اکمیکس آرڈیننس 2001 میں فانس ایکٹ 2015 کے سیشن 150 کی موڑ تاریخ کیم جولائی 2017 ہے، کے تحت کی جانے والی ترمیم کے مطابق کمپنی کی طرف سے ادا کی جانے والی ڈیویڈنڈ کی رقم پر وہولڈنگ کی کٹوٹی کے لئے مختلف شرچیں تجویز کی گئی ہیں۔ یہ شرچیں مندرجہ ذیل ہیں:

- (الف) اکمیکس فائلز کیلئے 15.0 فیصد  
(ب) اکمیکس نان فائلز کیلئے 20.0 فیصد

کمپنی کو 20 فیصد کے بجائے 15 فیصد ٹکس کی کٹوتی کا مجاز بنانے کیلئے تمام شیئر ہولڈر زجن کے نام FBR کی ویب سائٹ پر فراہم کردہ ایکٹیو ٹکس پیئر زلسٹ (ATL) میں موجود نہیں باوجود فاٹکر ہونے کے، ان کو متنبہ کیا جاتا ہے کہ وہ کیش ڈیویڈنڈ کی ادائیگی کی تاریخ 10 اپریل 2019 سے قبل ATL میں اپنے نام کا اندر راج یقینی بنا سکیں۔ بصورت دیگران کے کیش ڈیویڈنڈ پر ٹکس کی کٹوتی 15% کے بجائے 20% کی جائے گی۔

ii - ایف بی آر کے سرکولر C/2006-No.1(29)WHT/2008-Vol.II-66417 جون 2010 اور R-143(DG(WHT)/2008) کے تاریخ 30 جون 2010 میں (C. No. 1) کے تحت اکم ٹکس آرڈیننس 2001 (ڈیویڈنڈ کی قم پر ٹکس) کے سکشن 150 کے مطابق کی کٹوتی سے استثنی کا عوی کرنے کیلئے موثر استثنی کا سرٹیکیٹ لازمی جمع کرنا ہوگا، اگر دوسری شیڈول کے پارٹ-IV کی کلاز B 47 کے تحت قانونی استثنی موجود ہو۔ ایسے شیئر ہولڈر ز جو مکورہ پالا کلاز کے تحت اس کیلگری میں شامل ہیں اور آرڈیننس کے سکشن 150 کے تحت استثنی حاصل کرنے کے خواہش مند ہیں تو وہ اپنا ٹکس استثنی سرٹیکیٹ ہمارے شیئر رجسٹر ار میسرز THK ایسوی ایٹس (پرائیویٹ) لمیڈن، پہلی منزل C-40، بلاک 6، کراچی 75400 کو کتابوں کی بندش سے قابل لازمی فراہم کریں۔ بصورت دیگر لاگو شرح کے مطابق ڈیویڈنڈ پر ٹکس کی کٹوتی کی جائے گی۔

iii - مزید یہ کہ فیڈرل یورڈ آف ریونیو (FBR) وضاحت کر چکا ہے کہ جو ائٹ اکاؤنٹ کی صورت میں اصل شیئر ہولڈر ز پر فاٹکر / نان فاٹکر کی حیثیت اور جو ائٹ ہولڈر ز کے وہ ہولڈنگ ٹکس کی جائیج علیحدہ علیحدہ ان کے شیئر کے تابع سے کی جائے گی۔

اسی طرح ایسے شیئر ہولڈر ز جن کے شیئر میشتر کے ہیں، ان سے درخواست کی جاتی ہے کہ وہ اصل شیئر ہولڈر ز اور جو ائٹ ہولڈر ز کے شیئر کے تابع کے تابع کی تفصیلات (اگر پہلے فراہم نہیں کی گئی ہیں) کمپنی کے شیئر رجسٹر ار میسرز THK ایسوی ایٹس (پرائیویٹ) لمیڈن، پہلی منزل C-40 بلاک 6، کراچی 75400 کو تحریری طور پر اس اطلاع سے 10 دن کے اندر فراہم کریں۔ بصورت دیگر اصل شیئر ہولڈر ز اور جو ائٹ ہولڈر ز کا برابر شیئر تصور کیا جائے گا۔

iv - مزید سوالات / مسائل / معلومات کیلئے سرمایہ کار کمپنی کے شیئر رجسٹر ار میسرز THK ایسوی ایٹس (پرائیویٹ) لمیڈن، پہلی منزل C-40 بلاک 6، کراچی 75400، کراچی 021-34168266-68-70، فون نمبر 021-111-000-322 سے پر ایڈریس secretariat@thk.com.pk پر ارتباط رکھ سکتے ہیں۔

v - CDC اکاؤنٹ رکھنے والے کار پوریت شیئر ہولڈر ز سے درخواست کی جاتی ہے کہ وہ اپنے NTN اپنے متعلقہ پارٹیمیٹس سے اپ ڈیٹ کر لیں۔ جبکہ کار پوریت فویکل شیئر ہولڈر کمپنی کے شیئر رجسٹر ار میسرز THK ایسوی ایٹس (پرائیویٹ) لمیڈن، پہلی منزل C-40، بلاک 6، کراچی کو روانہ کریں۔ شیئر ہولڈر ز NTN یا NTN سرٹیکیٹ (جو بھی صورت ہو) بھیجتے ہوئے کمپنی کا نام اور ان کے متعلقہ فویکل نمبر ضرور بتائیں۔

vi - سالانہ آڈٹ شدہ اکاؤنٹس اور سالانہ اجلاس عام کی اطلاع بذریعہ ای میل، سی ڈی یا ڈی یا ڈی یا USB تریں مطلع کرتے ہیں کہ سکیورٹیز ایڈنڈ ایچی پیچ کیش آف پاکستان نے 8 ستمبر 2014 اور (1) No.787/1(1) SRO میں شیئر ہولڈر ز کو سخنی مطلع کرتے ہیں کہ سکیورٹیز ایڈنڈ ایچی پیچ کیش آف پاکستان نے 2016 کے تحت کمپنی کو اجازت دی ہے کہ وہ اپنی سالانہ اجلاس عام کی اطلاع کے ساتھ سالانہ ٹیلنس شیٹ اور لفج و نقصان کی تفصیلات، آڈٹریز اور ڈائریکٹر پورٹ وغیرہ (سالانہ آڈٹ شدہ اکاؤنٹس) اپنے شیئر ہولڈر ز کو بذریعہ CD یا DVD یا USB تریں کرے۔ کمپنی کے وہ شیئر ہولڈر ز جو مستقیل میں نوٹس اور سالانہ آڈٹ شدہ اکاؤنٹس بذریعہ ای میل، CD یا DVD یا USB وصول کرنے کے خواہشمند ہیں، ان سے درخواست کی جاتی ہے کہ وہ کمپنی کی ویب سائٹ [www.wyethpakistan.com](http://www.wyethpakistan.com) پر موجود کمپلی فارم پر کر کے کمپنی کے شیئر رجسٹر ار، سینٹرل

ڈپارٹمنٹ کمپنی آف پاکستان لمبیٹ، کمپنی سیکریٹری کوفر اہم کریں۔

کمپنی کی جانب سے موثر کمپنی نیکیشن کو لیکنی بتانے کیلئے وقتاً فوقتاً میران اپنے رجسٹرڈ ای میل ایڈریس میں ہونے والی کسی بھی تبلیگی کی اطلاع فوری طور پر کمپنی کے شیئر رجسٹر ارکوڈ میں۔

## -11- ویڈیو کانفرنس کی سہولت:

سیکورٹیز ایڈیشن پیچھے کمیشن آف پاکستان کے، 21 مئی 2014 کو جاری کردہ سرکولر نمبر 10 اور کمپنیز ایکٹ 2017 کے لیکن (b) (1) (b) کے مطابق، کراچی کے سوا کسی دوسرے شہر میں موجود کمپنی کے ممبران بذریعہ ویڈیو کانفرنس کی سہولت، اجلاس میں شریک ہو سکتے ہیں۔ یہ سہولت صرف کراچی سے باہر رہنے والے ممبران جو کہ 10% یا اس سے زائد شیئر ہوئے گے کے مالک ہیں کیلئے ہے۔ اس سلسلے میں ممبران کو ویڈیو کانفرنس کی سہولت حاصل کرنے کیلئے اجلاس کی تاریخ سے کم از کم 10 دن پہلے تحریری درخواست جمع کرنا ہوگا۔

میران کی درخواست موصول ہونے پر کمپنی ڈیوکان فرنز کا انتظام کرے گی اور اجلاس کی تاریخ سے کم از کم 5 دن پہلے ویڈیو کانفرنس کے مقام سے آگاہ کرے گا۔

## DIRECTORS' REPORT TO SHAREHOLDERS

We are pleased to present your Company's Annual Report together with the audited financial statements for the year ended November 30, 2018.

The Company is primarily engaged in import, marketing, distribution and sale of research based pharmaceutical products.

### Operating Results

The summarized operating results of your Company for the year ended November 30, 2018 are as follows:

Rupees in '000	
Sales	1,192,352
Gross Profit	206,510
Profit before tax	24,196
Loss after tax	(11,118)

The (loss) / earning per share of your Company for the year ended November 30, 2018 is Rupees (7.82) [2017: 689.36].

Sales for the year under review have increased by Rs. 66 million (6%) as compared to last year. Domestic sales growth has been very healthy, at 16%, mainly due to strong contributions from the products like Myrin, and Enbrel which are now back on promotion. Tazocin, which was unavailable for over two years, also contributed to the sales growth. Unfortunately lower exports of Myrin diluted this strong local performance.

Gross profit increased by 13% over last year, surpassing the 6% growth in sales. This is mainly due to better product mix, and an efficient operation, post divestiture of the plant and some non-core brands to ICI. Our gross profit would have been even better, but the Company had to absorb cost of inventory write off due to obsolescence. Operating expenses during the year have reduced by 12% over last year mainly due to operational efficiencies, and lower restructuring costs. The Company was also able to realize higher profits on surplus funds resulting from better cash flows. However, exchange losses due to unprecedented depreciation of local currency almost nullified the impact. After accounting for all these factors, the Company reported profit before tax of Rs. 24 million which compares very favorably with a loss of Rs. 29 million last year. However despite the profit before tax, the Company has reported a loss after tax in view of tax charge under presumptive tax regime.

Regulatory transfer for market authorizations of brands and manufacturing license of the plant to ICI Pakistan has been approved by the Drug Regulatory Authority of Pakistan (DRAP) during the current year.

### Future Outlook

Currently, the principal challenge faced by the Government in the macroeconomic environment is the poor performance on Balance of Trade and Balance of Payment, resulting in the Pakistani Rupee coming under pressure and depreciating by over 25% during the year under report. In addition inflation has also increased in the last six months of the year, partially due to increasing oil prices together with rupee devaluation. Measures to manage the external account may instigate further devaluation of Pakistan Rupee (PKR) and stringent fiscal and monetary policy, resulting in decelerated growth in the coming year. Due to the pressure on FX Reserves and devaluation of currency, inflation and interest rates may also further increase.

The factors discussed above may impact the business environment in general, and pharmaceuticals in particular. However, recent progress in the pricing regime of pharmaceutical products is a positive factor; new pricing policy provides reasonable framework for adjustment in prices on account of inflation, as well as for hardship cases. In addition, Government has also granted a one-time adjustments in prices to somewhat address the adverse impact of devaluation of PKR. These steps facilitate a predictable business environment which results in investment and growth and we appreciate the efforts of the Government for moving in the right direction.

We are confident that with the implementation of new pricing policy, with timely resolution of hardship cases, and fair implementation of IPR regime, your company will register healthy volume growth and report improved performance in the top-line as well as the bottom-line in the coming years.

### **Dividend and Transfer to General Reserve**

The Directors have proposed dividend @ 50 % (i.e. Rs. 50 per share) as final dividend for the year 2018.

The Directors have also approved transfer of Rs. 400 million to General Reserve.

### **Holding Company**

Wyeth LLC, U.S.A. holds 576,470 (40.55%) shares, and Wyeth Holdings Corporation, U.S.A. (a 100% wholly owned subsidiary of Wyeth LLC,) holds 448,560 (31.55%) shares, in Wyeth Pakistan Limited, thus the total holding of Wyeth in Wyeth Pakistan Limited is 72.10%. Further, as a result of the global acquisition of Wyeth by Pfizer Inc., on October 15, 2009, Pfizer Inc. is the ultimate majority shareholder of Wyeth Pakistan Limited.

### **Pattern of Shareholding**

The shareholding information as at November 30, 2018 and the pattern of shareholding of the Company are given at pages 78 to 79 of the Annual Report.

### **Corporate and Financial Reporting Framework**

In compliance with the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting Framework:

- a) The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, comprehensive income, changes in equity and cash flows.
- b) Proper books of account of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements, and accounting estimates are based on reasonable and prudent judgment.
- d) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of the financial statements. There has been no departure from IFRS.
- e) The system of internal control including the system of internal financial control is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.

- g) There has been no material departure from best practices of corporate governance, as detailed in the listing regulations.
- h) Key operating and financial data for the last six years (including current period) is set out on page 2 of the Annual Report.
- i) There are certain disputed demands for Income Tax, which have not been accrued or paid. These have been explained in Note 16 to the Financial Statements on Taxation under the head of Contingencies and Commitments.
- j) The value of investments by the pension, gratuity and provident funds as at 30 November 2018 were as follows:

Name of Fund	Unaudited 2018
DB Pension Fund	Rs. 90 million
DC Pension Fund	Rs. 87 million
Gratuity Fund	Rs. 11 million
Provident Fund	Rs. 96 million

The value of investments includes accrued interest, and the audit of these funds for 2018 is in progress.

- k) During the year six Board of Directors' meetings were held and the attendance of Directors at those meetings was as follows:

Name	No. of Meetings Attended
Mr. Iftikhar Soomro	6
Mr. S. M. Wajeehuddin	6
Mr. Husain Lawai *	2
Mr. Badaruddin F. Vellani	6
Mr. M. Z. Moin Mohajir	5
Mr. Iqbal Bengali	4
Syed Zakwan Ahmed	6

\* Mr. Husain Lawai ceased to be the Director of the Company w.e.f. August 31, 2018

- l) All Board members have the necessary qualifications and experience and are fully conversant with their duties and responsibilities required under the Code of Corporate Governance. The Board is compliant with the training requirement and the criteria as prescribed in the Code of Corporate Governance.

## Performance Evaluation

Annual evaluation of the Board's performance is carried out in accordance with the requirements of the Code of Corporate Governance. For this purpose, the Pakistan Institute of Corporate Governance (PICG) has been engaged to provide Board Evaluation Services.

## **Risk Management**

Risk management process, affected by the Board of Directors, management and other colleagues, is conducted at strategic and at multiple levels across the Company. This is designed to identify potential events that may affect the Company, and manage such risks, to provide reasonable assurance regarding the achievement of Company's objectives.

The key areas that can impact the operations of the Company include pricing of pharmaceutical products, currency devaluation, and disruption in supplies. Since the prices for medicines are highly regulated, the prices cannot be increased in line with the significant increase in costs due to the devaluation of PKR, therefore the profits of the Company are subject to significant risks and uncertainties based on the pricing decision from DRAP for pharmaceutical products.

The Company is closely monitoring the impact of these risks and will take all necessary measures to ensure no further adverse impact on the Company's profits is attracted.

## **Directors trading in company's shares**

No trade in the shares of the Company was carried out by any Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, their spouses and minor children.

## **Related Party Transactions**

All related party transactions during the year were approved by the Board and the details of all such transactions were placed before the Audit Committee. The Company maintains a full record of all such transactions, along with the terms and conditions of these transactions.

## **Capital Expenditure**

Capital expenditure of Rs. 12.14 million was made during the year under review in respect of motor vehicles.

## **Defaults in payments**

There were no defaults in payment of any debts falling due during the current year.

## **Environment, Health and Safety**

Being a trading company, our business does not have any adverse impact on the environment. We also provide safe working environment for all employees and contractors, visitors and other stakeholders.

## **Subsequent Events**

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of this report.

## **Directors**

Since the last election of Board of Directors held on April 27, 2017, following changes to the Board were made:

Dr. Farid Khan resigned as Chief Executive on December 01, 2017 and in his place Mr. S. M. Wajeehuddin was appointed as Chief Executive on December 01, 2017.

During the year 2018, Dr. Farid Khan ceased to be the Director of the Company w.e.f. January 15, 2018 and Syed Zakwan Ahmed was appointed as Director on the Board w.e.f. February 19, 2018 in his place. Further, Mr. Husain Lawai also ceased to be a Director of the Company w.e.f. August 31, 2018 and Mr. Shoaib Mir was appointed as Director on the Board w.e.f. November 15, 2018 in his place.

Currently, the Board of Directors consists of seven male Directors and current composition of the Board is as follows:

Mr. Iftikhar Soomro	Chairman/Non-Executive Director
Mr. S. M. Wajeehuddin	Chief Executive/Executive Director
Mr. M. Z. Moin Mohajir	Independent Director
Mr. Shoaib Mir	Non-Executive Director
Mr. Badaruddin F. Vellani	Non-Executive Director
Mr. Iqbal Bengali	Non-Executive Director
Syed Zakwan Ahmed	Executive Director

The Company pays a fee for attending the Company's Board meetings to the Non-Executive and Independent Directors. The fee is determined with regard to the Company's need to maintain appropriately experienced and qualified Board members.

## Audit Committee

The terms of reference of the Audit Committee have been determined by the Board of Directors in accordance with the guidelines provided in the Code of Corporate Governance. The current Audit Committee consists of three members, Mr. M. Z. Moin Mohajir (Chairman), Mr. Iftikhar Soomro and Mr. Badaruddin F. Vellani. The Committee held four meetings during the year. Attendance of members in those meetings is as follows:

Name	No. of Meetings Attended
Mr. M. Z. Moin Mohajir	4
Mr. Iftikhar Soomro	4
Mr. Badaruddin F. Vellani	4

## Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee was reconstituted on February 28, 2018 and one meeting was held during the year. The members of the committee are as follows:

Mr. M. Z. Moin Mohajir
Mr. Badaruddin F. Vellani
Mr. Iftikhar Soomro
Mr. S. M. Wajeehuddin

### Share Transfer Committee

The composition of the Share Transfer Committee is as follows:

Mr. S.M. Wajeehuddin (Chairman)
Mr. M. Z. Moin Mohajir
Syed Zakwan Ahmed

### Auditors

The present Auditors, KPMG Taseer Hadi & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment. The Board of Directors endorses the recommendation of the Audit Committee for the re-appointment of KPMG Taseer Hadi & Co., Chartered Accountants, as auditors of the Company for the financial year ending November 30, 2019 till the conclusion of the AGM to be held in 2020 at remuneration to be determined by the Board of Directors.

### Corporate Governance

A statement of compliance with the Code of Corporate Governance is attached with this report.

### Note of thanks

We are thankful to all our colleagues for their sincere and steady efforts during the year and wish to place on record our appreciation of their dedication and hard work.

By Order of the Board

  
S. M. Wajeehuddin  
Chief Executive

Karachi: March 01, 2019

  
Iftikhar Soomro  
Chairman and Director

## حصہ یافتگان کے لئے ڈائریکٹر زر پورٹ

ہم کمپنی کی سالانہ رپورٹ 2018 کے ساتھ آڈٹ شدہ مالیاتی گوشوارے برائے مختتمہ سال 30 نومبر 2018 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کمپنی بیوادی طور پر دو سازی کی مصنوعات کی درآمد، مارکیٹنگ، تقسیم اور فروخت میں مصروف عمل ہے۔

### مالیاتی تباہ

آپ کی کمپنی کے مختصر آکار و باری تباہ برائے سال مختتمہ 30 نومبر 2018 درج ذیل ہیں:

روپے "000 میں

فروخت	
1,192,352	
206,510	خام منافع
24,196	منافع قبل از ٹکیس
(11,118)	خسارہ بعد از ٹکیس

آپ کی کمپنی کو سال مختتمہ 30 نومبر 2018 میں فحص آمدنی / (خسارہ) (7.82) روپے ہوا (2017 میں 689.36)

زیر جائزہ سال کے دوران فروخت میں گزشتہ سال کی نسبت 66 ملین روپے (6 فیصد) کا اضافہ ہوا۔ مقامی فروخت کی نمو (16 فیصد) بھی بہت اچھی رہی جس میں مائیزین اور اینڈر جیسی مصنوعات نے مضبوط بیوادی کردار ادا کیا جو کہ ایک مرتبہ پھر ترقی کی طرف گام زن ہیں۔ ٹیز میں جو کہ گزشتہ دو سال سے مستیاب نہیں تھی، نے بھی فروخت کی نمو میں کردار ادا کیا۔ بدقتی سے بآمدی طلب میں کمی مستحکم کارکردگی پر اثر انداز ہوئی۔

کمپنی کی فروخت میں 6 فیصد سے زیادہ اضافے کی وجہ سے خام منافع میں گزشتہ سال کی نسبت 13 فیصد اضافہ ہوا۔ اس کی بیوادی و جوہات مصنوعات کا بہتر مرکب، پلانٹ اور چند غیر بیوادی براہنڈز کی آئی اسی کی متقلی کے بعد مستعد آپریشن ہے۔ ہمارا خام منافع مزید اور بہتر ہوتا لیکن کچھ مال فرسودہ ہونے کی وجہ سے کمپنی کو کچھ نقصان کو برداشت کرنا پڑا۔ سال کے دوران کاروباری اخراجات میں 12 فیصد کی ہوئی جس کی بیوادی وجہ آپریشنل استعداد اور از سر نو ساخت کی کم لاگتیں ہیں۔ نقدی کے بہتر بہاؤ کی وجہ سے کمپنی اضافی فنڈ زپر بہتر منافع حاصل کرنے میں کامیاب رہی۔ تاہم مقامی کرنی کی قدر میں غیر معمولی کی کی وجہ سے زر مبادلہ کے نقصانات نے تقریباً مکمل طور پر ثبت اثرات کو زائل کر دیا۔ ان تمام عناصر کے باوجود کمپنی کو 24 ملین روپے کا مکمل از ٹکیس منافع ہوا جو کہ گزشتہ سال کے 29 ملین روپے خسارہ کی نسبت بہتر صورتحال کی عکاسی کرتا ہے۔ اگرچہ کمپنی کو قبل از ٹکیس منافع ہوا لیکن Presumptive ٹکیس کے تحت ٹکیس کے خرچ کی وجہ سے بعد از ٹکیس خسارہ ہوا۔

سال کے دوران برانڈز کو مارکیٹ میں لانے اور پلانٹ کے میتوپیک گلائنس کی آئی اسی کوئی تباہی کوڈرگ ریگویٹری نے منظور کر لیا ہے۔

### مستقبل کی پیش بینی

اس وقت حکومت کو اقتصادی سطح پر جس اہم چیلنج کا سامنا ہے وہ گراس ڈو مسیک پروڈکٹ کے لحاظ سے مالیاتی خسارہ کے نتیجے میں بیرونی کھاتے پر دباؤ کی وجہ سے پاکستانی روپے کی قدر میں 25 فیصد کی ہوئی۔ مالیات اور زر میں متعلق خخت پالیسیوں کے نتیجے میں نموکی رفتار آنے والے سال میں سست ہو جائے گی۔ زر مبادلہ کے ذخیرہ پر دباؤ اور کرنی کی قدر میں کمی سے افراط از ریٹریٹ اضافے کے ساتھ شرح سود میں بھی اضافہ ہو گا۔

مذکورہ بالاعناء عمومی طور پر کاروباری ماحول اور خاص طور پر دو اسازی کی صنعت پر اثرات ڈالیں گے۔ تاہم دو اؤں کی قیتوں میں حالیہ اضافہ دو اسازی کی صنعت کے لئے ایک ثابت عضر ہے، جی تیم گری کی پالیسی قیتوں میں درستگی کے فریم ورک کے ساتھ ساتھ Hardship Cases کو بھی حل کرے گی۔ اس کے علاوہ حکومت نے ایک مرتبہ قیتوں میں درستگی منتظر کر لی جس سے کسی حد تک پاکستانی روپے کی قدر میں کسی کے اثرات کا ازالہ ہو جائے گا۔ ان اقدامات سے بہتر کاروباری ماحول پیدا ہو گا جس کے نتیجے میں سرمایہ کاری اور نرم ہو گی اور ہم حکومت کے ان اقدامات کو صحیح سمت میں ایک قدم دیکھ رہے ہیں۔

ہم پر اعتماد ہیں کہ نئی قیمت گری کی پالیسی کے ساتھ Hardship Cases کا حل اور IPR Regime کے خلاف نتائج سے آپ کی کمپنی کے فروخت کے حجم میں صحت منداضافہ ہو گا اور آنے والے سالوں میں فروخت اور منافع تک ہر سطح پر کارکردگی میں اضافہ ہو گا۔

## منافع منقسمہ اور عمومی ذخائر میں منتقلی

ڈاکٹر کیمپریٹر ان سال 2018 کے لئے 50 فیصد (یعنی 50 روپے فی حصہ) کے حساب سے تینی منافع منقسمہ کی تجویز دی ہے۔

ڈاکٹر کیمپریٹر ان سال 400 میلین روپے کی عمومی ذخائر میں منتقلی بھی منتظر کیا ہے۔

## ہولڈنگ کمپنی

وائٹھ ایل آئی یو ایس اے کے پاس 576,470 (40.55 فیصد) حصوں اور وائٹھ ہولڈنگ کارپوریشن یو ایس اے (جو کہ وائٹھ ایل آئی کی 100 فیصد ملکیت میں کمپنی ہے) کے پاس وائٹھ پاکستان لمبینڈ کے 448,560 (31.55 فیصد) حصوں ہیں، اس طرح وائٹھ کے پاس وائٹھ پاکستان لمبینڈ کے کل 72.10 فیصد حصوں ہیں۔ مزید یہ کہ 15 اکتوبر 2009 کو عالمی سطح پر وائٹھ کافائز رائک کے ساتھ الحاق کی جب سے فائز رائک وائٹھ پاکستان لمبینڈ کا سب سے بڑا شیئر ہولڈر ہو گیا ہے۔

## حصص داری کی ساخت

30 نومبر 2018 کی حصص داری کی معلومات اور کمپنی کی حصص داری کی ساخت سالانہ پورٹ کے صفحات 78 تا 79 پر موجود ہیں۔

## ادارتی اور مالیاتی رپورٹنگ فریم ورک

ادارتی نظم و نت کے ضابطہ کی پاسداری کرتے ہوئے ہم ادارتی اور مالیاتی رپورٹنگ فریم ورک پر مندرجہ تجسسیات دے رہیں:

(a) کمپنی کی انتظامیہ کی جانب سے تیار کئے گئے مالیاتی گوشوارے کمپنی کا حالت کار، اس کی سرگرمیوں، امور کے نتائج، جامع آمدن، حصص میں تبدیلی اور نقد بہاؤ کو منصفانہ طور پر پیش کرتے ہیں۔

(b) کمپنی کے کھاتوں کی کتابیں مناسب انداز میں رکھی گئی ہیں۔

(c) کمپنی کے مالی گوشواروں میں تسلسل کے ساتھ مناسب حساباتی پالیسیاں اختیار کی گئی ہیں اور حساباتی کھاتوں کی نیاد محتاط اور مناسب فیصلوں پر ہے۔

(d) رپورٹنگ کے عالمی مالیاتی معیارات (IFRS) جو پاکستان میں نافذ ہیں ان کی مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے اور کسی بھی طرح کا کوئی انحراف نہیں ہوا۔

- (e) اندرونی گرفت کے نظام کو مضبوط طرز پر بنایا گیا ہے اور اس کا موثر طور پر نفاذ کیا گیا ہے اور مسلسل نگرانی کی جاتی ہے۔
- (f) کمپنی کے مسلسل چلتے ہوئے ادارے کی حیثیت میں کوئی قابل ذکر شکوہ و شبہات نہیں ہیں۔
- (g) لشنگ ریگولیشنز میں دیئے گئے ادارتی لظم ذمکن کے بہترین طور طریقوں کی سے کوئی انحراف نہیں کیا گیا۔
- (h) گزشتہ چھ سالوں (بیشول موجودہ مدت) کے انہم کاروباری اور مالیاتی اعداد و شمار سالانہ رپورٹ کے صفحہ 2 پر دیئے گئے ہیں۔
- (i) انکم لیکس سے متعلق کچھ متنازع مطالبات ہیں، جنہیں جھیجیا دیا گیا ہے۔ ان کیوضاحت مالیاتی گوشواروں کے نوٹ نمبر 16 میں ہیڈ آف کمپنیز اینڈ کمپنیز کی ٹیکسیشن کی مدد میں کی گئی ہے۔
- (j) 30 نومبر 2018 کو پیشان، گریجوئی اور پروڈینٹ فنڈ میں سرمایہ کاری کی مالیت درج ذیل ہے:

فندک کا نام	غیر آڈٹ شدہ 2018
ڈی بی پیشن فنڈ	90 ملین روپے
ڈی سی پیشن فنڈ	87 ملین روپے
گریجوئی فنڈ	11 ملین روپے
پروڈینٹ فنڈ	96 ملین روپے

سرمایہ کارویوں کی مالیت میں جمع شدہ قابل وصول سود شامل ہے اور ان فنڈز کا 2018 کا آڈٹ جاری ہے۔

- (k) سال کے دوران یورڈ آف ڈائریکٹرز کے 16 جلس ہوئے اور ان اجلاسوں میں ڈائریکٹران کی حاضری کی تعداد درج ذیل رہی:

نام	اجلاسوں میں حاضری کی تعداد
جناب افتخار سومرو	6
جناب ایم ایم وجیہ الدین	6
جناب حسین لوائی*	2
جناب بدرالدین ایف ویلانی	6
جناب ایم زید معین مہاجر	5
جناب اقبال بیگانی	4
سید رکوان احمد	6

\* جناب حسین لوائی نے 31 اگست 2018 سے یورڈ میں اپنے عہد کو چھوڑ دیا ہے۔

- (l) یورڈ کے تمام ممبران لازمی تفاسی تابیعت اور تحریک کے حامل ہیں اور مکمل طور پر اپنی ذمہ داریوں اور فرائض سے آگاہ ہیں جو کہ کوڈ آف کارپوریٹ گورننس کے تحت درکار ہیں۔ یورڈ کوڈ آف کارپوریٹ گورننس میں وضاحت کی گئی ترمیتی ضروریات اور معیار اصول کی پاسداری کرتا ہے۔

## کارکردگی کا جائزہ

بورڈ کی سالانہ کارکردگی کوڈ آف کارپوریٹ گورننس کے ضابطوں کے مطابق کیا جاتا ہے۔ اس مقصد کے لئے پاکستان اسٹیٹیوٹ آف کارپوریٹ گورننس (PIGC) کو بورڈ کی خدمات کا جائزہ لینے کے لئے شامل رکھا جاتا ہے۔

## خطرات سے نمٹنے کا نظام

خطرات سے نمٹنے کا عمل بورڈ آف ڈائریکٹری یئر، انتظامیہ اور دیگر ساتھیوں کی کاوشوں سے کمپنی بھر میں کثیر الہتی اور کلیدی سطح پر انجام دیا جاتا ہے۔ یہ اس طرح تشکیل دیا گیا ہے کہ کمپنی کے اہم امکانی خطرات کی تشخیص کی جاسکے اور خطرات کے ظہور پذیر ہونے سے قبل ہی خطرات سے نمٹ لیا جائے، تاکہ کمپنی کے مقاصد کا میابی سے حاصل کئے جاسکیں۔

اہم اجزاء جو کہ کمپنی کے کاروبار پر اثر انداز ہوتے ہیں ان میں دو اسازی مصنوعات کی قیمت کا تعین، کرنی کی قدر میں کمی اور خام مال کی فراہمی میں رکاوٹیں شامل ہیں۔ کیونکہ دو ایجیوں کی تیزیں بہت زیادہ ضابطوں کے تحت طے ہوتی ہیں، لہذا روپے کی قدر میں کمی کی وجہ سے لاگوں میں قابل ذکر اضافہ کے باوجود قیتوں میں اضافہ نہیں کیا جاسکتا، جس کے نتیجے میں کمپنی کے منافع کو قابل ذکر خطرات لاحق ہو جاتے ہیں اور دو اسازی مصنوعات کی قیتوں سے متعلق DRAP کے فیصلوں کی وجہ سے غیر لقینی صورتحال پیدا ہو جاتی ہے۔ کمپنی ان خطرات کے اثرات کا باریک بینی سے جائزہ لے رہی ہے اور ایسے اقدامات کر رہی ہے کہ جن سے کمپنی کے منافع پر مزید ناموزوں اثرات نہ پڑیں۔

## کمپنی کے حصہ میں ڈائریکٹران کی خرید و فروخت

کسی ڈائریکٹر، چیف ایگزیکیٹو، چیف فائیشل آفیسر اور کمپنی یکریٹری ان کے شریک حیات اور چھوٹے بچوں نے کمپنی کے حصہ میں کوئی خرید و فروخت نہیں کی۔

## ملحقہ پارٹی کے سودے

سال کے دوران ملحقہ پارٹی کے تمام سودے بورڈ کی منتظری سے ہوئے اور ایسے تمام سودوں کی تفصیلات آڈٹ کمیٹی کے سامنے پیش کی گئی۔ کمپنی کے پاس ان تمام سودوں کے مکمل ریکارڈ کے ساتھ ان سودوں کی شرائط و ضوابط بھی موجود ہیں۔

## سرمایہ جاتی اخراجات

جائزہ سال کے دوران 12.4 میلیون روپے کے سرمایہ جاتی اخراجات موڑو ہیکل کی مدیں ہوئے۔

## ادائیگیوں میں نادہندگی

موجودہ سال کے دوران کسی بھی قرضے کے سلسلے میں عدم ادائیگیاں نہیں ہوئیں۔

## ماحولیات، صحبت اور حفاظت

ایک تجارتی کمپنی ہونے کے ناطے ہمارا کاروبار ماحول پر کوئی برے اثرات نہیں ڈالتا۔ ہم اپنے تمام ملازمین اور ٹھیکیداروں، ملاقاتیوں اور دیگر مستفیدان کو محفوظ کام کا ماحول بھی فراہم کرتے ہیں۔

## بعد ازاں واقعات

مالیاتی سال کے اختتام اور اس روپورٹ کی تاریخ کے درمیانی عرصے میں ایسی کوئی قابل ذکر تبدیلی یا وعدے نہیں ہوئے جو کمپنی کی مالی پوزیشن کو متاثر کرتے ہوں۔

### ڈائریکٹر ان

بورڈ آف ڈائریکٹرز کے آخری انتخابات 27 اپریل 2017 کو ہوئے، جس کے ذریعے بورڈ میں مندرجہ تبدیلیاں ہوئیں:  
چیف ایگزیکیوٹو اکٹر فرید خان نے یکم نومبر 2017 کو اپنے عہدے سے استعفی دے دیا تھا اور ان کی جگہ جناب ایس ایم و جیہ الدین کو یکم نومبر 2017 سے چین ایگزیکیوٹو تقریراً گیا ہے۔

سال 2018 کے دوران ڈائریکٹر فرید خان نے 15 جنوری 2018 سے کمپنی کے ڈائریکٹر کے عہدے سے سکدوش ہو گئے ہیں اور ان کی جگہ پر سید زکوان احمد کو 19 فروری 2018 سے ڈائریکٹر تقریراً گیا ہے۔ مزید، جناب حسین اولیٰ بھی 31 اگست 2018 سے کمپنی کے ڈائریکٹر کے عہدے سے سکدوش ہو گئے ہیں اور ان کی جگہ پر جناب شعیب میر کو 15 نومبر 2018 سے ڈائریکٹر تقریراً گیا ہے۔

اس وقت بورڈ آف ڈائریکٹرز سات مردمیران پر مشتمل ہے اور بورڈ کی موجودہ تشکیل درج ذیل ہے:

جناب افشار سومرو	چیئرمین/ نان ایگزیکیوٹو ڈائریکٹر
جناب ایس ایم و جیہ الدین	چیف ایگزیکیوٹو ایگزیکیوٹو ڈائریکٹر
جناب ایم زید معین مہاجر	انڈسپینڈنٹ ڈائریکٹر
جناب شعیب میر	نان ایگزیکیوٹو ڈائریکٹر
جناب بدر الدین ایف ویلانی	نان ایگزیکیوٹو ڈائریکٹر
جناب اقبال بھگلی	نان ایگزیکیوٹو ڈائریکٹر
سید زکوان احمد	ایگزیکیوٹو ڈائریکٹر

کمپنی کے بورڈ کے اجلاسوں میں حاضری کے عوض کمپنی آزاد ڈائریکٹر ان اور نان ایگزیکیوٹو ڈائریکٹر ان کو معاوضہ ادا کرتی ہے۔ کمپنی کی ضروریات کو برقرار رکھنے کے لئے بورڈ میران کی درست قابلیت اور تجربہ کے مطابق ان کے معاوضے کا تعین کیا جاتا ہے۔

### آڈٹ کمیٹی

آڈٹ کمیٹی کی ذمہ داریوں کا تعین بورڈ کا فریضہ گورننس کے فرماہم کردارہ رہنماء اصولوں کے مطابق کرتے ہیں۔ موجودہ آڈٹ کمیٹی تین مردمیران پر مشتمل ہے یعنی جناب ایم زید معین مہاجر (چیئرمین)، جناب افشار سومرو اور جناب بدر الدین ایف ویلانی۔ سال کے دوران کمیٹی کے چار اجلاس ہوئے۔ اجلاسوں میں میران کی حاضری کی تعداد درج ذیل رہی:

نام	اجلاسوں میں حاضری کی تعداد
جناب ایم زید معین مہاجر	4
جناب افشار سومرو	4
جناب بدر الدین ایف ویلانی	4

## انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل اور معاوضہ کمیٹی کی از سر نو تشكیل بندی 28 فروری 2018 کو ہوئی اور سال کے دوران اس کا ایک اجلاس ہوا۔ کمیٹی کے میران درج ذیل ہیں:

جتناب ایم ڈی میعن مہاجر
جتناب بدر الدین الیف ویلانی
جتناب افتخار سومرو
جتناب ایس ایم وجیہ الدین

## حصص منتقلی کمیٹی

حصص منتقلی کمیٹی کی تشكیل بندی درج ذیل ہے:

جتناب ایس ایم وجیہ الدین (چیئر مین)
جتناب ایم ڈی میعن مہاجر
سیدر زکوان احمد

## آڈیٹر

موجودہ آڈیٹر، کے پی ایم جی تاثیر ہادی اینڈ کو، چارڑا کاؤنٹرنس آنے والے سالانہ اجلاس عام کے اختتام پر پیٹر ہو جائیں گے اور تقریبی کی الہیت ہونے کے باعث، انہیوں نے اپنی دوبارہ تقریبی پیشکش کی ہے۔ یورڈ نے آڈٹ کمیٹی کی کے پی ایم جی تاثیر ہادی اینڈ کو، چارڑا کاؤنٹرنس کمیٹی کے مالیاتی سال اختتام 30 نومبر 2019 کے لئے 2020 کے اجلاس عام تک دوبارہ بھیتیت آڈیٹر تقریبی کی سفارش کی تو شیق کی ہے جن کے معاوضہ کا تعین یورڈ آف ڈائریکٹر ز کرے گا۔

## ادارتی نظم و ضبط

ادارتی نظم و ضبط کی پاسداری سے متعلق بیان اس رپورٹ میں مشکل کیا گیا ہے۔

## شکریہ کا نوٹ

سال اختتام 2019 میں اپنے ساتھیوں کی مسلسل دیانت دارانہ خدمات کا اعتراف کرتے ہیں اور ان کی سخت محنت اور کاوشوں کی تعریف کو رقم کرتے ہیں۔

جھنگم یورڈ



## Chairman's Report on Board's Overall Performance (Under Section 192(4) of the Companies Act, 2017)

The Chairman is responsible for leadership of the Board, ensuring that the Board fulfills its responsibilities, and for reviewing the overall performance of the Board and its effectiveness in achieving the Company's objectives.

The Board comprises of an appropriate mix of directors in terms of relevant experience. The Directors have performed their duties diligently and effectively in the best interest of the Company. The primary objectives of the Board include:

- 1- Providing strategic direction to the Company and supervising management;
- 2- Acting in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of the environment;
- 3- Approval of significant policies and procedures;
- 4- Establishing a sound system of internal controls; and
- 5- Approval of budgets and financial results.

Pakistan Institute of Corporate Governance (PICG) has been appointed to carry out the Board evaluation and is in the process of finalizing.

As per the requirements of the Code of Corporate Governance Regulations, 2017, the Board has the following committees:

### 1- AUDIT COMMITTEE:

The Audit Committee plays a key role in maintaining the overall control environment of the Company. It reviews financial statements and internal audit reports and suggests implementation of various further improvements in the control environment.

### 2- HUMAN RESOURCE AND REMUNERATION COMMITTEE:

The committee has developed a policy framework for determining remuneration of directors (both executive and non-executive directors).

### 3- SHARE TRANSFER COMMITTEE:

The committee is engaged in the approval of registration, transfer and transmission of shares held by members in physical form.

  
Iftikhar Soomro  
Chairman  
March 01, 2019

## بورڈ کی مجموعی کارکردگی پر چیئر مین کی رپورٹ (کمپنی ایکٹ 2017 کی دفعہ (4) 192 کے مطابق)

چیئر مین بورڈ کی قیادت کا ذمہ دار ہے اور اس بات کو لقینی بتاتا ہے کہ بورڈ اپنی ذمہ داریاں بھر پور طریقے سے ادا کرے، بورڈ کی مکمل کارکردگی کا جائزہ لے سکے اور بورڈ موثر طریقے سے کمپنی کے مقاصد حاصل کرے۔

بورڈ متعلقہ تجربہ کے حامل ڈائریکٹریٹ ان پر مشتمل ہے۔ ڈائریکٹریٹ ان نے اپنی ذمہ داریاں شائع کی اور موثر انداز میں کمپنی کے مقادیں انجام دیں۔ بورڈ کے بنیادی مقاصد درج ذیل ہیں:

- 1- کمپنی کوکلیدی مستفرہ کرنا اور انتظامیہ کی مگرائی کرنا،
- 2- نیک نیت کے ساتھ عمل کرتے ہوئے کمپنی کے مقاصد کو پروان چڑھانا تاکہ مجموعی طور پر میران کو فائدہ ہو اور جو کہ کمپنی، اس کے ملاز میں، اس کے حصص یا فنگان، معاشرے کے مقاد میں ہو اور جس سے ماحول کو تحفظ حاصل ہو،
- 3- اہم پالیسیوں اور طریقہ کارکی مختلروی،
- 4- اندر و فنی گرفت کے نظام کی مضبوطی، اور
- 5- بیجٹ اور مالیاتی متابعہ کی مختلروی

2017-2018 میں بورڈ آف ڈائریکٹریز کی کارکردگی کا جائزہ لینے کے لئے پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) کا تقریب کیا گیا ہے جس کی رپورٹ تکمیل کے مرحل میں ہے۔

ادارتی نظم و نق کے شاہراویں 2017 کے تحت بورڈ نے مندرجہ ذیل کمیٹیاں تشكیل دیں۔

- 1- آڈٹ کمیٹی  
آڈٹ کمیٹی کمپنی کے مجموعی گرفت کے نظام کو برقرار رکھنے میں بنیادی کردار ادا کرتی ہے۔ یہ مالیاتی گوشواروں اور اندر و فنی گرفت کی رپورٹوں کا جائزہ لیتی ہے اور متعلقہ گرفت کے نظام میں مزید بہتریوں کو عملی جامہ پہناتی ہے۔
- 2- انسانی وسائل اور معاوضہ کمیٹی  
یہ کمیٹی ڈائریکٹریٹ ان (نان ایگزیکٹو اور ریگیکٹو) کے معاوضہ کے تعین کے لئے ایک پالیسی فریم ورک ترویج دیتی ہے۔
- 3- حصہ منتقلی کمیٹی  
یہ کمیٹی حصہ جو کہ ممبران کے پاس مادی طور پر موجود ہیں، کی رجسٹریشن کی مختلروی، منتقلی اور ترسیل میں مصروف ہوتی ہے۔

Wyeth  
افتخار سومرو  
چیئر مین  
2019 مارچ

## **Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017**

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven (7) as per the following:
  - a. Male: 7
  - b. Female: Nil
2. The composition of the board is as follows:

<b>Category</b>	<b>Names</b>
Independent Director	Mr. M. Z. Moin Mohajir
Non-Executive Directors	Mr. Iftikhar Soomro
	Mr. Shoaib Mir
	Mr. Badaruddin F. Vellani
	Mr. Iqbal Bengali
Executive Directors	Syed Zakwan Ahmed
	Mr. S. M. Wajeehuddin

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
4. The company has prepared 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.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. 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. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board is compliant with the training requirement and the criteria prescribed in the CCG.
10. Mr. Tafazzul Khan was appointed Company Secretary effective February 28, 2018 in place of Mr. Kashif Shafi. The board has approved appointment of the Company Secretary including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
  - a) Audit Committee

Mr. M. Z. Moin Mohajir (Chairman)  
Mr. Iftikhar Soomro  
Mr. Badaruddin F. Vellani
  - b) HR and Remuneration Committee

Mr. M. Z. Moin Mohajir (Chairman)  
Mr. Badaruddin F. Vellani  
Mr. Iftikhar Soomro  
Mr. S. M. Wajeehuddin
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:
  - a) Audit Committee - Four (4) quarterly meetings during the year ended November 30, 2018.
  - b) HR and Remuneration Committee - One (1) meeting during the year ended November 30, 2018.
15. The board has set up an effective internal audit function/ or has outsourced the internal audit function to EY Ford Rhodes who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board 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 ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.



**S.M. WAJEEHUDDIN**  
Chief Executive

Karachi: March 01, 2019



**IFTIKHAR SOOMRO**  
Chairman & Director



**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
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## **REVIEW REPORT ON STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("the Regulations") prepared by the Board of Directors of Wyeth Pakistan Limited ("the Company") for the year ended 30 November 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

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 Regulations require 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 procedures to assess and determine the Company's process for identification of related parties and that 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 requirements contained in the Regulations as applicable to the Company for the year ended 30 November 2018.

**Date: 1 March 2019**

Karachi

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

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of Independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.



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**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Wyeth Pakistan Limited**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of Wyeth Pakistan Limited (the Company), which comprise the statement of financial position as at 30 November 2018, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 November 2018 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## KPMG Taseer Hadi & Co.

Following are the Key audit matters:

S. No.	Key audit matter	How the matters were addressed in our audit
1.	<b>Revenue Recognition</b>  Refer notes 4.6 & 17 to the financial statements.  Revenue is recognized when significant risks and rewards of ownership have been transferred to the customer. We identified revenue recognition as a key audit matter because there is a potential risk of revenue being overstated due to revenue transactions not being recognized in the appropriate period. This could be resulting from the pressure local management may feel to achieve performance targets.	Our audit procedures in respect of recognition of revenue, amongst others, included the following: <ul style="list-style-type: none"><li>Assessing the appropriateness of the Company's revenue recognition accounting policies by comparing with applicable accounting standards;</li><li>Obtaining an understanding of and testing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period;</li><li>Comparing, on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the appropriate accounting period;</li><li>Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li><li>Testing, on a sample basis, invoices and inspecting credit notes issued subsequent to year end for accuracy of revenue.</li></ul>
2.	<b>Valuation of stock-in-trade</b>  Refer notes 4.2 & 8 to the financial statements.  Stock-in-trade forms a significant part of the Company's total assets. Stock-in-trade comprise of raw and packing materials, work in process and finished goods which are stated net of provision for slow moving and obsolete stocks.	Our audit procedures in respect of valuation of stock-in-trade, amongst others, included the following: <ul style="list-style-type: none"><li>Obtaining an understanding of and assessing the design and testing implementation of management's controls over valuation of stock-in-trade including identification of slow moving and / or obsolete stock-in-trade and estimation of NRV;</li></ul>



**KPMG Taseer Hadi & Co.**

<b>S. No.</b>	<b>Key audit matter</b>	<b>How the matters were addressed in our audit</b>
<b>2.</b>	<b>Valuation of stock-in-trade</b>	<p>We identified the valuation of stock in- trade as a key audit matter because there is a potential risk of inappropriate valuation as determining an appropriate write-down as a result of net realizable value (NRV) being lower than their cost and provisions for slow moving and obsolete stock-in-trade involve significant management judgment and estimation.</p> <ul style="list-style-type: none"><li>● Evaluating and testing, on a sample basis, management's determination of NRV and the key estimates adopted, including future selling prices and costs necessary to make the sales and their basis of calculation; and</li><li>● Assessing compliance of management's policies with regards to provisioning of slow moving and / or obsolete stock-in-trade; aging analysis of stock-in-trade and forecasted sales determined by management.</li></ul>

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The Other Information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.



**KPMG Taseer Hadi & Co.**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## KPMG Taseer Hadi & Co.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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.

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Mahmood Hussain.

**Date: 1 March 2019**

Karachi

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

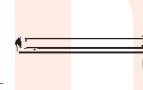
## STATEMENT OF FINANCIAL POSITION AS AT NOVEMBER 30, 2018

	Note	2018	2017
		(Rupees in '000)	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	<b>13,485</b>	6,650
Long-term loans to employees	6	<b>11,794</b>	1,366
Long-term deposits		<b>1,095</b>	4,917
Deferred taxation	7	<b>-</b>	-
		<b>26,374</b>	<b>12,933</b>
<b>Current assets</b>			
Stock-in-trade	8	<b>254,484</b>	623,612
Trade debts	9	<b>17,405</b>	34,711
Loans and advances	10	<b>85,498</b>	132,747
Deposits, prepayments and other receivables	11	<b>299,544</b>	397,881
Interest accrued		<b>7,598</b>	2,881
Taxation - net		<b>92,272</b>	-
Cash and bank balances	12	<b>907,654</b>	<b>1,367,165</b>
		<b>1,664,455</b>	<b>2,558,997</b>
<b>Total assets</b>		<b>1,690,829</b>	<b>2,571,930</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital	13	<b>142,161</b>	142,161
Reserves		<b>529,006</b>	953,842
Unappropriated profits		<b>596,852</b>	615,656
		<b>1,268,019</b>	<b>1,711,659</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	14	<b>412,051</b>	838,820
Unclaimed dividend		<b>10,759</b>	3,947
Taxation - net		<b>-</b>	17,504
		<b>422,810</b>	<b>860,271</b>
<b>Total equity and liabilities</b>		<b>1,690,829</b>	<b>2,571,930</b>
<b>Contingencies and commitments</b>	16		

The annexed notes 1 to 40 form an integral part of these financial statements.

  
S. M. Wajeehuddin  
Chief Executive

  
M. Z. Moin Mohajir  
Director

  
Kashif Shafi  
Chief Financial Officer

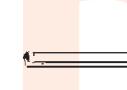
## STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED NOVEMBER 30, 2018

	Note	2018	2017
		(Rupees in '000)	
<b>CONTINUED OPERATIONS</b>			
Net sales	17	1,192,352	1,126,669
Cost of sales	18	(985,842)	(943,971)
Gross profit		<u>206,510</u>	<u>182,698</u>
Selling, marketing and distribution expenses	19	(174,756)	(175,140)
Administrative expenses	20	(47,758)	(78,422)
		<u>(222,514)</u>	<u>(253,562)</u>
		<u>(16,004)</u>	<u>(70,864)</u>
Other income	22	70,530	50,257
Other expenses	23	(2,098)	(7,474)
		<u>68,432</u>	<u>42,783</u>
		<u>52,428</u>	<u>(28,081)</u>
Finance costs	24	(28,232)	(1,567)
Profit / (loss) before taxation		<u>24,196</u>	<u>(29,648)</u>
Taxation	25	(35,314)	(29,209)
Loss from continuing operations after taxation		<u>(11,118)</u>	<u>(58,857)</u>
<b>DISCONTINUED OPERATIONS</b>			
Profit from discontinued operations - net of tax	26	-	1,038,852
(Loss) / profit for the year		<u>(11,118)</u>	<u>979,995</u>
		(Rupees)	
(Loss) / earnings per share	27	(7.82)	689.36
Loss per share - continuing operations	27	<u>(7.82)</u>	<u>(41.40)</u>

The annexed notes 1 to 40 form an integral part of these financial statements.

  
S. M. Wajeehuddin  
Chief Executive

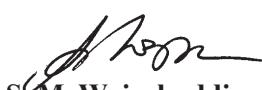
  
M. Z. Moin Mohajir  
Director

  
Kashif Shafi  
Chief Financial Officer

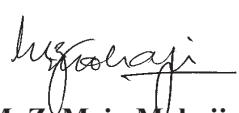
## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED NOVEMBER 30, 2018

	2018	2017
	(Rupees in '000)	
(Loss) / profit after taxation	(11,118)	979,995
<b>Other comprehensive income:</b>		
Items that will not be reclassified to profit or loss		
Loss on remeasurement of defined benefit obligation (Note 29.5)	(7,686)	(16,272)
Impact of deferred tax	-	(1,592)
	(7,686)	(17,864)
<b>Total comprehensive (loss) / income for the year</b>	<b>(18,804)</b>	<b>962,131</b>

The annexed notes 1 to 40 form an integral part of these financial statements.



S. M. Wajeehuddin  
Chief Executive



M. Z. Moin Mohajir  
Director



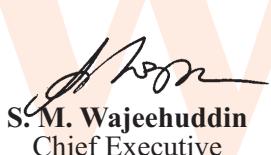
Kashif Shafi  
Chief Financial Officer

# Wyeth

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED NOVEMBER 30, 2018

	Note	2018	2017
		(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	32	<b>60,524</b>	131,327
Taxes paid		<b>(145,090)</b>	(96,365)
Net cash (used in) / generated from operating activities		<b>(84,566)</b>	34,962
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		<b>(12,138)</b>	(1,129)
Profit received on bank deposits		<b>54,281</b>	20,406
Proceeds from disposal of property plant & equipment and brands		<b>2,583</b>	1,778,126
Net cash generated from investing activities		<b>44,726</b>	1,797,403
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		<b>(419,671)</b>	(475,749)
Net (decrease) / increase in cash and cash equivalents		<b>(459,511)</b>	1,356,616
Cash and cash equivalents at beginning of the year		<b>1,367,165</b>	10,549
Cash and cash equivalents at end of the year	34	<b>907,654</b>	<u>1,367,165</u>

The annexed notes 1 to 40 form an integral part of these financial statements.

  
S. M. Wajeehuddin  
Chief Executive

  
M. Z. Moin Mohajir  
Director

  
Kashif Shafi  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED NOVEMBER 30, 2018

	Issued, subscribed and paid-up capital	General reserve	Reserves	Sub total	Unappro- priated profits	Total
	(Rupees in '000)					
<b>Balance as at November 30, 2016</b>	142,161	931,753	20,848	952,601	129,764	1,224,526
Total comprehensive income for the year						
Profit for the year	-	-	-	-	979,995	979,995
Remeasurements of defined benefit obligation - net of tax	-	-	-	-	(17,864)	(17,864)
	-	-	-	-	962,131	962,131
<b>Transactions with owners recognised directly in equity</b>						
Final dividend for the year ended November 30, 2016 at Rs. 35 per share	-	-	-	-	(49,756)	(49,756)
Interim dividend for the year ended November 30, 2017 at Rs. 300 per share	-	-	-	-	(426,483)	(426,483)
Share-based payments - (note 30.4)	-	-	1,241	1,241	-	1,241
	-	-	1,241	1,241	(476,239)	(474,998)
<b>Balance as at November 30, 2017</b>	142,161	931,753	22,089	953,842	615,656	1,711,659
<b>Total comprehensive loss for the year</b>						
Loss for the year	-	-	-	-	(11,118)	(11,118)
Remeasurements of defined benefit obligation	-	-	-	-	(7,686)	(7,686)
	-	-	-	-	(18,804)	(18,804)
<b>Transactions with owners recognised directly in equity</b>						
Final dividend for the year ended November 30, 2017 at Rs. 300 per share	-	(426,483)	-	(426,483)	-	(426,483)
Share-based payments - (note 30.4)	-	-	1,647	1,647	-	1,647
	-	(426,483)	1,647	(424,836)	-	(424,836)
<b>Balance as at November 30, 2018</b>	<u>142,161</u>	<u>505,270</u>	<u>23,736</u>	<u>529,006</u>	<u>596,852</u>	<u>1,268,019</u>

\* Others represent reserve for share based payment plan.

The annexed notes 1 to 40 form an integral part of these financial statements.



**S. M. Wajeehuddin**  
Chief Executive



**M. Z. Moin Mohajir**  
Director



**Kashif Shafi**  
Chief Financial Officer

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED NOVEMBER 30, 2018

### 1. STATUS AND NATURE OF BUSINESS

Wyeth Pakistan Limited ("the Company") is a public limited company incorporated in 1949 in Pakistan. The Company is listed on the Pakistan Stock Exchange and is engaged in import, marketing, distribution and sale of research based ethical specialties and other pharmaceutical products.

The Company's registered office is situated at Room No. 002 & 003, PGS Admin Block, First Floor, B-2, S.I.T.E., Karachi.

Pfizer Inc. is the ultimate parent of the Company. Wyeth LLC, USA and Wyeth Holding LLC USA, which are subsidiaries of Pfizer Inc., are the principal shareholders of the Company.

### 2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

In continuation of approval granted by the shareholders during 2017, transfer of the Marketing Authorisation of the Anti-TB Products from the Company to Pfizer Pakistan Limited (Pfizer) was effected on May 21, 2018. Accordingly, a Commercialization Agreement was entered into between Pfizer and the Company on July 20, 2018 in terms whereof, Pfizer has conferred upon the Company the right to commercialize (i.e. right to distribute, market, promote, detail, offer for sale and sell) the Anti-TB Products in Pakistan.

### 3. BASIS OF PREPARATION

#### 3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless stated otherwise.

### **3.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand unless stated otherwise.

### **3.4 Use of estimates and judgments**

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

In particular, information about judgments made by the management in the application of approved accounting and reporting standards, as applicable in Pakistan, that have significant effect on the financial statements, and estimates that have a significant risk of resulting in a material adjustment in the subsequent years are included in following notes:

- (a) Property, plant and equipment (note 4.1)
- (b) Stock-in-trade (note 4.2)
- (c) Trade debts (note 4.3)
- (d) Taxation (note 4.9)
- (e) Staff retirement benefits (note 4.7)

### **3.5 Changes in accounting standards, interpretations and pronouncements**

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

The following new interpretations became effective during the year which are considered to be relevant to the Company's financial statements :

- The Companies Act, 2017 ('the Act') has brought certain changes with regards to preparation and presentation of annual financial statements of the Company. These changes include change in nomenclature of primary financial statements and disclosure requirements in the fourth schedule to the Act have been revised resulting in the elimination of duplicative disclosures to align with the IFRSs and incorporation of significant additional disclosures, which have been included in these financial statements.

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

The following standards, amendments and interpretations of accounting standards are only effective for annual periods beginning from the dates specified below:

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on Company's financial statements.
- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. Management is in the process of assessing implications of this standard on its revenue recognition.
- IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 1 July 2019). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement.  
IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.
- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases-Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The Company is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI').

The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on Company's financial statements.

- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on Company's financial statements.
- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with IFRS Standards.
- Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 1, 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and /or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' effective for annual periods beginning on or after January 1, 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after January 1, 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange

rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The amendments are not likely to have an impact on Company's financial statements.

- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
  - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
  - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
  - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale. The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on Company's financial statements.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Property, plant and equipment

The property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for capital work-in-progress which is stated at cost. Assets having cost exceeding the minimum threshold as determined by the management are capitalized. All other assets are charged in the year of acquisition. Cost includes expenditure that is directly attributable to the acquisition of the asset.

#### Subsequent cost

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity, and its cost can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalised and the asset so replaced is retired from use.

Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

## Depreciation

Depreciation is charged to income applying the straight line method whereby the cost less residual value of an asset is written off over its estimated useful life. Residual values, depreciation rates and method are reviewed at each reporting date and adjusted if the impact is significant.

Depreciation on additions is charged from the month in which the asset is available for use while no depreciation is charged in the month of disposal. The rates of depreciation are stated in note 5.3 to the financial statements.

## Gains and losses on disposal

An item of property, plant and equipment is derecognised upon disposal or where no future economic benefits are expected to be realised from its use or disposal. Gains or losses on disposal of an item of operating fixed asset is recognised in the statement of profit or loss.

## Capital work in progress

Capital work in progress is stated at cost and consists of expenditure incurred and advances made in respect of assets in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

### **4.2 Stock in trade**

Stock in trade are valued at the lower of cost and net realisable value. Cost is determined using first-in first-out method.

Cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and cost necessary to make the sale.

Provision is made for slow moving and obsolete items wherever necessary and is recognised in statement of profit or loss.

### **4.3 Trade debts**

Trade debts are initially measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment, if any. A provision for impairment of trade debts is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts are written off when considered irrecoverable.

### **4.4 Cash and cash equivalents**

For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand, with banks in deposit accounts and term deposit receipts with original maturity period of three months or less.

## 4.5 Provisions

Provisions are recognised when, the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimates of the obligations can be made. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

## 4.6 Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Return on short term deposits is accounted for on an accrual basis using the effective interest rate method.

## 4.7 Staff retirement benefits

### 4.7.1 Defined benefit plan

The Company operates the following defined benefit schemes:

- An approved funded pension scheme for management staff. Pension is payable for life and thereafter to surviving spouses and / or dependent children; and
- An approved funded gratuity scheme for all its permanent employees.

Benefits under such schemes are payable on completion of prescribed qualifying period of service. Contributions are made by the Company to these funds on the basis of actuarial valuations carried out annually by a qualified actuary using projected unit credit method. All actuarial gains and losses are recognized immediately in other comprehensive income and all expenses related to defined benefit plans are recognized in statement of profit or loss.

### 4.7.2 Defined contribution plan

The Company also operates following defined contribution plans:

- An approved funded contributory provident fund for all eligible employees. Equal monthly contributions are made both by the Company and the employee.
- An approved funded defined contribution pension scheme (DC Pension Scheme) for:
  - All employees joining on or after April 1, 2013;
  - All employees who opted for DC Pension Scheme in place of DB Pension Scheme on July 1, 2014. The benefits of such employees were transferred from DB Pension Scheme to DC Pension Scheme based on actuarial recommendations.

### 4.7.3 Employees' compensated absences

The Company accounts for liability against employees' compensated absences in the period in which these are earned upto the reporting date.

## 4.8 Share-based payments

The Company participates in a time-vested share based rewards plan operated by Pfizer Inc., (the ultimate parent company) whereby, Pfizer Inc. grants rights of its shares to the eligible employees of the Company. The primary share-based awards and their general terms and conditions are as follows:

- Stock options / total shareholders return unit (TSRUs), which, when vested, entitle the holder to purchase a specified number of shares of Pfizer common stock at a price per share equal to the market price of Pfizer Inc., share on the date of grant.
- Restricted stock units (RSUs), which, when vested, entitle the holder to receive a specified number of shares of Pfizer Inc., including shares resulting from dividend equivalents paid on such RSUs.

The cost of award is charged to statement of profit or loss over the vesting period and credited to equity as a contribution from the parent.

## 4.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

### Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

### Deferred

Deferred tax is recognised using financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation.

Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 4.10 Borrowings cost

Borrowing costs are recognised as an expense in the period in which these are incurred using effective interest rate method except where such cost are directly attributable to the acquisition, construction or production of a qualifying asset in which case such cost are capitalised as part of the cost of that asset.

#### **4.11 Foreign currency transactions**

Transactions denominated in foreign currencies are translated to Pak Rupees, at the foreign exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the foreign exchange rates at the reporting date. Exchange differences are taken to the statement of profit or loss.

#### **4.12 Financial instruments**

The Company recognises financial asset or a financial liability when it becomes a party to the contractual provision of the instrument. Financial assets and liabilities are recognised initially at cost, which is the fair value of the consideration given or received respectively. These are subsequently measured at fair value or amortised cost, as the case may be.

Financial assets are derecognised when the contractual right to cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the financial asset are transferred. Financial liability is derecognised when its contractual obligations are discharged, cancelled or expired.

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset.

#### **4.13 Dividends and appropriation of profit**

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

#### **4.14 Impairment**

The carrying amounts of the Company's non-current assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

#### **4.15 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

#### **4.16 Discontinued operations**

A discontinued operation is a component of the Company's business that has been disposed of or is held for sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative period.

## 5. PROPERTY PLANT AND EQUIPMENT

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
Operating property, plant and equipment	5.1	<u>13,485</u>	<u>6,650</u>

### 5.1 Operating property, plant and equipment

	Vehicles	Office equipments	Total
-----(Rupees in '000)-----			
<b>At November 30, 2016</b>			
Cost	33,408	22,526	55,934
Accumulated depreciation	(22,394)	(16,780)	(39,174)
Net book value	<u>11,014</u>	<u>5,746</u>	<u>16,760</u>
<b>Year ended November 30, 2017</b>			
Opening net book value	11,014	5,746	16,760
Additions	1,129	-	1,129
<b>Disposals</b>			
Cost	6,556	10,083	16,639
Accumulated depreciation	(5,849)	(9,718)	(15,567)
	<u>707</u>	<u>365</u>	<u>1,072</u>
Depreciation	(5,519)	(4,648)	(10,167)
Closing net book value	<u>5,917</u>	<u>733</u>	<u>6,650</u>
<b>At November 30, 2017</b>			
Cost	27,981	12,443	40,424
Accumulated depreciation	(22,064)	(11,710)	(33,774)
Net book value	<u>5,917</u>	<u>733</u>	<u>6,650</u>
<b>Year ended November 30, 2018</b>			
Opening net book value	5,917	733	6,650
Additions	12,138	-	12,138
<b>Disposals</b>			
Cost	8,413	-	8,413
Accumulated depreciation	(7,749)	-	(7,749)
	<u>664</u>	<u>-</u>	<u>664</u>
Depreciation	(3,906)	(733)	(4,638)
Closing net book value	<u>13,485</u>	<u>-</u>	<u>13,485</u>
<b>At November 30, 2018</b>			
Cost	31,706	12,443	44,149
Accumulated depreciation	(18,220)	(12,443)	(30,663)
Net book value	<u>13,485</u>	<u>-</u>	<u>13,485</u>

## 5.2 Capital work in progress

	Cost			
	As at December 1, 2017	Additions	Transfer to operating property, plant and equipment	As at November 30, 2018
----- (Rupees in '000) -----				
Vehicles	-	12,138	(12,138)	-
	-	12,138	(12,138)	-

	Cost			
	As at December 1, 2016	Additions / adjustment	Transfer to operating property, plant and equipment	As at November 30, 2017
----- (Rupees in '000) -----				
Office equipments	140	(140)	-	-
	140	(140)	-	-

## 5.3 Depreciation on operating property, plant and equipment is charged at the following rates:

	Annual rate of depreciation (%)
Vehicles	25
Office equipments	8 to 33.33

## 5.4 The depreciation charge for the year has been allocated as under:

	Note	November 30, 2018		November 30, 2017
		(Rupees in '000)		
Cost of sales	18.1	-	143	
Selling, marketing and distribution expenses	19	3,456	8,948	
Administrative expenses	20	1,182	497	
Charged in discontinued operations		-	579	
		<b>4,638</b>	<b>10,167</b>	

## 5.5 The operating property, plant and equipment (note 5.1) include items costing Rs. 20.258 million (2017: Rs. 29.896 million) which are fully depreciated as of November 30, 2018 but are still in active use.

- 5.6** The following operating property, plant and equipment were disposed / written off during the year:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Purchaser	2018	Relationship with the purchaser
								(Rupees in '000)	
<b>Vehicles</b>									
CUORE AXY - 047	938	938	-	235	235	Policy	Mr. Nadeem Abbas Shaikh	Employee	
CUORE AXY - 062	938	938	-	235	235	Policy	Mr. Amanullah Khan	Employee	
SUZUKI CULTUS AXZ - 271	938	938	-	235	235	Policy	Mr. Mohammad Adnan	Employee	
CUORE AXZ - 159	938	938	-	235	235	Policy	Mr. Arshad Zaman Khan	Employee	
SUZUKI CULTUS BFW - 458	1,099	435	664	754	89	Policy	Mr. Muhammad Tariq Khan	Employee	
SUZUKI CULTUS AZN - 685	1,005	1,005	-	251	251	Policy	Mr. Shabir Hussain	Employee	
TOYOTA COROLLA XLI BAR - 208	1,572	1,572	-	393	393	Policy	Mr. Naved Akhtar	Employee	
SUZUKI CULTUS BAS - 469	985	985	-	246	246	Policy	Khalid Mehmood	Employee	
	<b>8,413</b>	<b>7,749</b>	<b>664</b>	<b>2,584</b>	<b>1,919</b>				

**6. LONG-TERM LOANS TO EMPLOYEES - considered good**

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
Loans to Employees	6.1, 6.2 & 6.3	<b>16,901</b>	3,951
Less: Receivable within one year	10	<b>5,107</b>	2,585
		<b>11,794</b>	<b>1,366</b>

- 6.1** This includes loan amounting to Rs. 1.931 million provided to Taffazul Khan (Company Secretary) repayable in two years with monthly installments of Rs. 0.085 million.

- 6.2** This includes loans to executives, the details of which are as follows:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
Opening balance	<b>2,956</b>	6,287
Loans disbursed during the year	<b>4,222</b>	5,437
Loans repaid during the year	<b>(4,382)</b>	(8,768)
Closing balance	<b>2,796</b>	<b>2,956</b>

- 6.3** These represent interest free loans to executives and other employees for purchase of motor cars and motor cycles in accordance with the Company's policy and are recoverable in one to six years in monthly instalments.

#### 6.4 Receivable in:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
- less than three years but over one year	5,636	1,139
- more than three years	6,158	227
	<u>11,794</u>	<u>1,366</u>

- 6.5** The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 3.735 million (2017: Rs. 6.96 million).

#### 7. DEFERRED TAXATION

##### 7.1 Deferred (credits) / debits arising in respect of:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
Accelerated tax depreciation	585	2,518
Provision for gratuity and pension	10,724	14,657
Provision for slow moving and obsolete stocks	15,063	14,484
Provision for deposits	-	835
Provision for voluntary separation scheme	2,512	1,454
Provision for sales tax on toll manufacturing	1,644	2,575
	<u>30,528</u>	<u>36,523</u>
Deferred tax asset not recognized	<u>(30,528)</u>	<u>(36,523)</u>
	<u>-</u>	<u>-</u>

- 7.2** No deferred tax asset has been recognised at year end as taxable profit under normal tax regime may not be sufficient.

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
<b>8. STOCK-IN-TRADE</b>			
Raw and packing materials	8.1	6,099	136,559
Work-in-process		-	61,765
Finished goods	8.2	361,440	383,830
Stock-in-transit		22,528	99,042
		<u>390,067</u>	<u>681,196</u>
Less: Provision for slow moving and obsolete stocks	8.3	135,583	57,584
		<u>254,484</u>	<u>623,612</u>

- 8.1** Raw & Packing materials includes stocks of Rs. Nil (2017: Rs. 0.024 million) which is held by Pfizer Pakistan Limited given as loan.
- 8.2** Finished goods include items costing Rs. 2.11 million (2017: Rs. 12.534 million) has been recognized and net realizable value of Rs. 1.89 million (2017: Rs. 11.232 million).
- 8.3** During the year, provision of Rs. 78.885 million (2017: Rs. 19.453 million) has been recognized and stock-in-trade valued at Rs. 0.886 million (2017: Rs. 0.75 million) have been written off from provision.
- 8.4** As at November 30, 2018, raw materials, packing materials and work in progress of Rs. 6.099 million (2017: Rs. 198.324 million) are held at S -33 Hawkes Bay SITE by ICI Pakistan Limited.

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
<b>9. TRADE DEBTS - unsecured</b>			
Trade debts		<b>17,405</b>	34,711
Less: Provision for doubtful debts	9.1	<b>-</b>	-
		<b>17,405</b>	<b>34,711</b>
<b>9.1 Provision for doubtful debts</b>			
Balance as at December 1		-	30,861
Recoveries during the year		-	(18,199)
Write off during the year		-	(12,662)
Balance as at November 30		-	-
		<b>17,405</b>	<b>34,711</b>
<b>10. LOANS AND ADVANCES - considered good</b>			
Current portion of long-term loans to employees	6	<b>5,107</b>	2,585
Receivable from gratuity fund		<b>60,000</b>	60,000
Advances - unsecured			
- Suppliers		<b>18,242</b>	67,380
- Employees	10.1 & 10.2	<b>2,149</b>	2,782
		<b>20,391</b>	<b>70,162</b>
		<b>85,498</b>	<b>132,747</b>

- 10.1** This includes amounts due from executives amounting to Rs. 0.7 million (2017: Rs. 1.6 million).
- 10.2** The maximum aggregate amount of advances due from executives at the end of any month during the year was Rs. 0.7 million (2017: Rs. 0.862 million).

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
<b>11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Trade deposits		<b>22,458</b>	25,377
Prepayments		<b>4,663</b>	4,684
Margin deposits for guarantees and letters of credit	11.1	<b>23</b>	1,343
Receivable from Pfizer Pakistan Limited		<b>18,733</b>	18,459
Receivable from ICI Pakistan Limited	11.2 & 11.3	<b>253,330</b>	298,038
Receivable from pension fund	29.2	<b>337</b>	43,829
Export rebate claim		-	4,397
Insurance Claim Receivable		-	1,754
		<b>299,544</b>	<b>397,881</b>

**11.1** During the year, provision of Rs. Nil (2017: Rs. 4.838 million) was recognised in respect of margin deposits.

**11.2** ICI Pakistan Limited (ICI) acquired certain specified assets of Wyeth Pakistan Limited (Wyeth) (hereinafter referred to as the Transaction). The assets forming part of the Transaction include inter alia land, building, plant and machinery situated at the designated Wyeth site, Hawkesbay Road, S.I.T.E, Karachi, along with Manufacturing License (Facility), pharmaceutical products and its Market Authorizations, intellectual properties and specified third party contracts (Divested Products) (collectively, the Specified Assets).

The Asset Purchase Agreement (Products) and Asset Purchase Agreement (Plant) dated May 19, 2017 (collectively, APA) constitute the main agreements governing the asset purchase transaction between Wyeth and ICI (Parties). The sale price agreed for specified assets was Rs. 1.68 billion.

The transaction was completed on August 11, 2017 whereby, ICI made full payment of the purchase consideration as specified in the APA against transfer of the Facility and title relating to the Specified Assets in the name of ICI. However, the legal process of recording transfer/registration of the Manufacturing License (ML) and the Market Authorization (MA) (collectively Authorizations) in the name of ICI is a time consuming process and therefore the parties had commercially agreed to proceed with completion and payment of consideration pending transfer of the Authorizations and thereafter pursue the transfer of Authorizations in the name of ICI i.e. post completion of the Transaction.

However, in order to give effect to the aforesaid APAs and intentions of the Parties therein, interim arrangements as discussed below had been made till such time that the necessary Authorizations would be transferred to the relevant parties (Transition Period):

- (i) Company had appointed ICI as an operations & management service provider for the Facility till the transfer of Drug Manufacturing License (DML);
- (ii) Company had conferred commercialization rights of the Products to ICI; and
- (iii) the Transition Period concluded in Q2, 2018.

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
<b>11.3 Receivable from ICI Pakistan Limited</b>			
Long term deposits		-	5,717
Stock-in-trade		-	133,332
Other receivable	11.3.1	<b>253,330</b>	<b>158,989</b>
		<b>253,330</b>	<b>298,038</b>

**11.3.1** This represents net receivable in respect of various receivable and payables from / to ICI Pakistan Limited during the transition period with ICI Pakistan Limited.

## 12. CASH AND BANK BALANCES

With banks:			
- Term deposit receipts	12.1	<b>850,000</b>	1,330,000
- In saving accounts	12.2	<b>57,654</b>	<b>37,165</b>
		<b>907,654</b>	<b>1,367,165</b>

**12.1** These carry mark-up ranging from 7.10% to 7.95% (2017: 5.25% to 5.35%) and will mature by February 2019.

**12.2** These carry mark-up at the rate of 3.75% to 6.5% (2017: 3.75% to 4%) per annum.

## 13. SHARE CAPITAL

### Authorized capital

5,000,000 ordinary shares of Rs. 100 each	<b>500,000</b>	500,000
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### Issued, subscribed and paid-up capital

November 30, 2018	November 30, 2017	(Number of shares)	November 30, 2018	November 30, 2017	(Rupees in '000)
<b>386,711</b>	386,711	Ordinary shares of Rs. 100 each	<b>38,671</b>	38,671	
		Shares fully paid in cash			
		Shares issued as fully paid for consideration other than cash			
		- note 13.2	<b>47,749</b>	47,749	
		Shares issued as fully paid bonus shares	<b>55,741</b>	55,741	
<b>1,421,609</b>	<b>1,421,609</b>		<b>142,161</b>	<b>142,161</b>	

- 13.1** As on November 30, 2018, Wyeth LLC, USA and Wyeth Holdings LLC, USA held 576,470 (2017: 576,470) and 448,560 (2017: 448,560) shares of Rs. 100 each respectively. On October 15, 2009 Pfizer Inc. has acquired Wyeth LLC, USA and has become the ultimate parent of the Company.
- 13.2** These shares include 473,529 shares issued under the scheme of arrangement for amalgamation of Wyeth Laboratories (Pakistan) Limited and Cyanamid (Pakistan) Limited in the year 1996.

#### 14. TRADE AND OTHER PAYABLES

		November 30, 2018	November 30, 2017
		(Rupees in '000)	
Creditors	14.1	<b>94,957</b>	318,820
Accrued liabilities		<b>155,526</b>	224,109
Advances from customers		<b>41,223</b>	54,251
Accumulated compensated absences		<b>6,884</b>	6,507
Payable to provident fund		-	116
Payable to gratuity funds	29.2	<b>97,650</b>	128,732
Workers' Welfare Fund	14.2	<b>14,725</b>	18,671
Central Research Fund		<b>974</b>	14,552
Workers' Profit Participation Fund	14.3	-	72,761
Sales tax payable		<b>112</b>	301
		<b>412,051</b>	<b>838,820</b>

- 14.1** Creditors include Rs. 66.707 million (2017: Rs. 63.020 million) payable to associated undertakings.

#### 14.2 Workers' Welfare Fund

		November 30, 2018	November 30, 2017
		(Rupees in '000)	
Opening balance		<b>18,671</b>	6,231
Allocation for the year		-	12,891
		<b>18,671</b>	<b>19,122</b>
Less: adjustment / payments made during the year		<b>(3,946)</b>	<b>(451)</b>
Closing balance		<b>14,725</b>	<b>18,671</b>

#### 14.3 Workers' Profit Participation Fund

		November 30, 2018	November 30, 2017
		(Rupees in '000)	
Opening balance		<b>72,761</b>	11,587
Allocation for the year		-	72,761
		<b>72,761</b>	<b>84,348</b>
Paid / reclassification during the year		<b>(72,761)</b>	<b>(11,587)</b>
Closing balance		-	<b>72,761</b>

## **15. SHORT TERM FINANCE FACILITY**

The facilities for opening letters of credit and guarantees, as at 30 November 2018 amounted to Rs. 50 million (2017: letters of credit Rs. 50 million; guarantees Rs. 317.9 million) out of which Rs. 50 million remained unutilized at year end.

The facilities for overdraft available from bank amounts to Rs. 100 million (2017: Rs. 100 million) which remained unutilized at year end.

## **16. CONTINGENCIES AND COMMITMENTS**

### **16.1 Contingencies**

**16.1.1** During the year 2003, certain ex-employees of the Company filed claims in High Court of Sindh, Karachi, aggregating to Rs. 247.572 million against the Company for recovery of damages.

Management expect that the decision will be in the Company's favor. Accordingly, no provision has been recognized in these financial statements.

**16.1.2** During the year 2016, certain 3rd party ex-employees whose employment was terminated by their employer have filed cases in the National Industrial Relations Court Bench (NIRC) Karachi alleging that they were employed by the Company and not the 3rd party and should be re-instated. The Company is contesting the claims in the court and the management is confident that the ultimate decision on the subject claims will be in favour of the Company. Accordingly, no provision has been made in these financial statements.

**16.1.3** During the year 2005, an ex-distributor has filed claims in High Court of Sindh, Karachi against the Company aggregating to Rs. 75.1 million for recovery of damages. The management is confident that the case will be decided in the Company's favour and hence no provision has been made in this respect.

**16.1.4** During the year 1994, the Company has filed appeal before the Supreme Court of Pakistan against the order of the then Income Tax Appellate Tribunal (ITAT) confirming the addition on account of Transfer Pricing under section 79 of the Income Tax Ordinance 1979(repealed). The aggregate liability is approximately Rs. 3.0 million. Management is confident that the ultimate decision of the appeal will be in the Company's favour. Accordingly, no provision has been recognised in these financial statements.

**16.1.5** During the income year 2002-2003, the Company has filed appeals against Federal Board of Revenue before Income Tax Appellate Tribunal (ITAT) in respect adverse appellate orders of the then Commissioner of Income Tax (appeals) in respect of arbitrary additions and disallowances made in assessment orders for the assessment years from 1997-98 to 2002-03 and for tax years 2003 to 2005 which have resulted in an aggregate tax liability of Rs. 181.162 million (2017: Rs.181.162 million). The tax liability has arisen mainly due to the following reasons:

- The assessing officer has made additions to the income based on the contention that the Company has allegedly paid excessive amount on import of raw materials.
- The assessing officer charged tax on purchases related to agriculture business of the Company under presumptive tax regime by treating all purchases as commercial imports.

- The assessing officer also charged tax on gain on sale of the Company's agriculture business and has also arbitrarily disallowed certain expenses attributed to that segment of the business.
- The assessing officer has disallowed the credit for adjustment of tax refunds and adjustment of compensation on delayed refunds.

Although the Company has filed appeals with various appellate authorities in respect of the above, however, a provision of Rs. 137.614 million (2017: Rs. 137.614 million) is being carried against the above demands on grounds of prudence. In consultation with their tax advisors, the management is confident that the ultimate decision of the appeals will be in the Company's favour.

During the year 2017, the Company has filed appeal for the Tax Year 2011 against Federal Board of Revenue before Appellate Tribunal in Land revenue (ATIR) in respect of certain issues either set-aside or confirmed by the Commissioner of Appeals. Since, the appeal is pending adjudication, no provision has been recognised in these financial statements.

**16.1.6** During the year 2013, the Company has filed an appeal against Federal Board of Revenue in Appellate Tribunal Inland Revenue (ATIR), which has resulted in an aggregate tax liability of Rs. 7.4 million (2017: Rs. 7.4 million). The tax liability has arisen on account of transfer pricing and fixed assets written off for the assessment year 2004. The management is confident that the appeal will be decided in the Company's favour and therefore no provision has been made in this respect.

**16.1.7** Further during the year 2013, the Company has filed various rectification applications before the Deputy Commissioner Inland Revenue for various disallowances and additions made for the tax years from 1998 to 2005 which have resulted in an aggregate tax liability of Rs. 52.440 million (2017: Rs. 92.440 million). The claims are mainly for the following reasons:

- The assessing officer charged on the bases of applying tax rate on raw materials, as of imported finished goods.
- The assessing officer disallowed provision of obsolete stock.
- The assessing officer added on account of reclaiming bad debts written off, during the year and that were disallowed in prior year.

The management is confident that the application will be decided in the Company's favour and therefore no provision has been made in this respect.

**16.1.8** The tax department has carried out the monitoring of withholding tax audit for 4 years (viz Tax Years 2010, 2012, 2013 and 2015), for which the aggregate demand of Rs. 8.276 million (2017: Rs. 11.303 million) has been raised. The Company has filed appeals against these orders in 2016 and 2017, before Commissioners of Inland Revenue. The management is of the opinion that the ultimate decision of the appeals will be in Company's favour.

**16.1.9** The Assistant Collector, Sales Tax and Federal Excise has issued an order in 2008 requiring the Company to pay Federal Excise Duty (FED) along with penalty and default surcharge amounting to approximately Rs. 1 million in respect of technical services availed by the Company.

The Company has filed an appeal against this order. The Commissioner Inland Revenue Appeals (CIRA) passed an order in favour of the Company. However, the Tax Department has filed an appeal before the Tribunal, and the case has been remanded back by tribunal during the year 2012 to the department for de novo consideration. The matter is pending since then.

	Note	November 30, 2018 (Rupees in '000)	November 30, 2017
<b>16.2 Commitments</b>			
16.2.1 Commitments for capital expenditure		<b>4,796</b>	<b>7,196</b>
16.2.2 Guarantees and indemnity bonds for imported raw materials and other guarantees		<b>4,855</b>	<b>1,343</b>
16.2.3 Outstanding letters of credit		<b>-</b>	<b>27,543</b>
<b>17. NET SALES</b>			
Sales - Domestic		<b>1,308,075</b>	<b>1,116,641</b>
- Export		<b>23,243</b>	<b>117,398</b>
		<b>1,331,318</b>	<b>1,234,039</b>
Less: Discounts and commission		<b>134,824</b>	<b>105,709</b>
Returns		<b>4,142</b>	<b>1,661</b>
		<b>138,966</b>	<b>107,370</b>
		<b>1,192,352</b>	<b>1,126,669</b>
<b>18. COST OF SALES</b>			
Opening stock of finished goods		<b>383,830</b>	<b>569,765</b>
Cost of goods manufactured	18.1	<b>396,643</b>	<b>393,387</b>
Purchases of finished goods		<b>566,809</b>	<b>365,602</b>
Closing stock of finished goods		<b>(361,440)</b>	<b>(383,830)</b>
Physician samples charged to advertising and sales promotion		<b>-</b>	<b>(953)</b>
		<b>985,842</b>	<b>943,971</b>
<b>18.1 Cost of goods manufactured</b>			
Opening stock of raw and packing materials		<b>136,559</b>	<b>239,764</b>
Purchase of raw and packing materials		<b>60,068</b>	<b>184,586</b>
Closing stock of raw and packing materials		<b>(6,099)</b>	<b>(136,559)</b>
Raw and packing materials consumed		<b>190,528</b>	<b>287,791</b>

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
Salaries, wages and other benefits	18.2	-	42,592
Depreciation	5.4	-	143
Fuel and power		-	11,673
Rent, rates and taxes		-	934
Repairs and maintenance		-	5,320
Production and other supplies		-	3,583
Spare parts consumed		-	977
Travelling and vehicles running expenses		-	2,641
Provision for slow moving and obsolete stock-in-trade		<b>78,885</b>	19,453
Outside manufacturing charges		<b>65,465</b>	2,597
Security Charges		-	1,376
Postage, communication and stationery		-	381
Insurance		-	714
Others		-	181
		<b>144,350</b>	92,565
		<b>334,878</b>	380,356
Opening work-in-process		<b>61,765</b>	74,796
Closing work-in-process		-	(61,765)
Cost of goods manufactured		<b>396,643</b>	393,387
<b>18.2</b>			
Salaries, wages and other benefits include a net charge of Rs. Nil (2017: Rs. 4.454 million) in respect of staff retirement benefits.			
<b>19. SELLING, MARKETING AND DISTRIBUTION EXPENSES</b>	<b>Note</b>	<b>November 30, 2018</b>	<b>November 30, 2017</b>
		(Rupees in '000)	
Salaries, wages and other benefits	19.1 & 21	<b>82,519</b>	77,822
Fuel and power		<b>392</b>	3,082
Rent, rates and taxes		<b>648</b>	2,163
Insurance		<b>1,338</b>	668
Repairs and maintenance		<b>874</b>	408
Transportation		<b>5,246</b>	27,329
Travelling and entertainment		<b>14,130</b>	6,566
Postage, communication and stationery		<b>5,054</b>	2,730
Depreciation	5.4	<b>3,456</b>	8,948
Advertising and sales promotion		<b>59,478</b>	44,777
Others		<b>1,621</b>	647
		<b>174,756</b>	175,140
<b>19.1</b>			
Salaries, wages and other benefits include a net charge of Rs. 16.641 million (2017: Rs. 10.341 million) in respect of staff retirement benefits.			

	Note	November 30, 2018		November 30, 2017
		(Rupees in '000)		
<b>20. ADMINISTRATIVE EXPENSES</b>				
Salaries, wages and other benefits	20.1 & 21	<b>30,011</b>	61,434	
Fuel and power		<b>22</b>	1,010	
Rent, rates and taxes		<b>83</b>	66	
Insurance		<b>233</b>	230	
Travelling and entertainment		<b>2,030</b>	1,962	
Postage, communication and stationery		<b>1,098</b>	821	
Legal and professional charges		<b>6,585</b>	7,867	
Auditors' remuneration	20.2	<b>1,836</b>	1,709	
Depreciation	5.4	<b>1,182</b>	497	
Others		<b>4,678</b>	2,826	
		<b>47,758</b>	<b>78,422</b>	

**20.1** Salaries, wages and other benefits include a net charge of Rs. 4.622 million (2017: Rs. 2.064 million) in respect of staff retirement benefits.

	Note	November 30, 2018		November 30, 2017
		(Rupees in '000)		
<b>20.2 Auditors' remuneration</b>				
Audit fee - annual		<b>895</b>	910	
Fee for half yearly review		<b>324</b>	320	
Other certifications		<b>617</b>	479	
		<b>1,836</b>	<b>1,709</b>	

## 21. VOLUNTARY SEPARATION SCHEME (VSS)

VSS programme is in place for the last few years to achieve rationalisation and corporate restructuring of the Company. Aggregate cost is Rs. 22.798 million (2017: Rs. 39.048 million) including Rs. Nil (2017: Rs. 12.58 million) pertaining to discontinued operations.

	Note	November 30, 2018		November 30, 2017
		(Rupees in '000)		
Selling, marketing and distribution expenses		<b>19,298</b>	-	
Administrative expenses		<b>3,500</b>	26,468	
		<b>22,798</b>	<b>26,468</b>	

## 22. OTHER INCOME

### *Income from financial assets*

Profit on saving accounts and term deposits

**58,998** 22,888

### *Income from non-financial assets*

Gain on disposal of property, plant and equipment - net

**1,919** 1,889

Exchange gain

**-** 739

Liabilities no longer payable written back

**9,613** 5,878

Export rebate claims and recovery of export freight

**-** 664

Recovery of debts earlier provided

**-** 18,199

November 30,  
2018      November 30,  
2017

	(Rupees in '000)	
<b>23. OTHER EXPENSES</b>		
Central research fund	243	-
Non recoverable advances written off	-	1,978
Deposits written off	1,855	658
Provision of margin deposits	-	4,838
	<u><u>2,098</u></u>	<u><u>7,474</u></u>
<b>24. FINANCE COSTS</b>		
Net exchange loss	27,161	-
Bank charges	<u><u>1,071</u></u>	1,567
	<u><u>28,232</u></u>	<u><u>1,567</u></u>
<b>25. TAXATION</b>		
Current	35,314	11,442
Deferred	-	17,767
	<u><u>35,314</u></u>	<u><u>29,209</u></u>
<b>25.1 Reconciliation of effective tax rate</b>		
Profit / (loss) before taxation	<u><u>24,196</u></u>	<u><u>(29,648)</u></u>
Tax at the applicable rate of 29% (2017: 30%)	7,017	(8,894)
Effect of income taxable under presumptive tax regime	20,103	19,583
Charge of deferred tax asset	-	17,767
Minimum turnover tax	6,934	-
Tax effect of others items	<u><u>1,260</u></u>	<u><u>753</u></u>
	<u><u>35,314</u></u>	<u><u>29,209</u></u>

- 25.2** Sufficient provision for tax has been made in these financial statements taking into account the profit or loss for the year and various admissible and inadmissible allowances and deduction under the Income Tax Ordinance, 2001. Position of provision and assessment including returns filed and deemed assessed for last three years are as follows:

	2017	2016	2015
	----- (Rupees in '000) -----		
Tax provision	<u><u>357,252</u></u>	<u><u>93,751</u></u>	<u><u>45,012</u></u>
Tax assessed	<u><u>119,037</u></u>	<u><u>53,761</u></u>	<u><u>43,279</u></u>

The tax assessed amount stated above for all three years represents the amount as per return filed.

## 26. DISCONTINUED OPERATIONS

The revenues and related expenses related to manufacturing plant, Anne French and non-core products which are part of disposal group are as follows:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
<b>26.1 Results of discontinued operations</b>		
Net Sales	-	702,427
Expenses	-	758,058
Results from operating activities	<u>-</u>	<u>(55,631)</u>
Gain on sale of plant and brands	-	1,440,293
Profit before taxation	<u>-</u>	<u>1,384,662</u>
Taxation	-	345,810
Profit from discontinued operations - net of tax	<u>-</u>	<u>1,038,852</u>
<b>26.2 CASH FLOWS FROM DISCONTINUED OPERATIONS</b>		
Net cash generated from operating activities	<u>-</u>	<u>54,993</u>
<b>27. EARNINGS PER SHARE - Basic and Diluted</b>		
(Loss) after taxation - Continuing operations	<u>(11,118)</u>	<u>(58,857)</u>
Profit after taxation - Discontinued operations	<u>-</u>	<u>1,038,852</u>
(Loss) / Profit for the year	<u>(11,118)</u>	<u>979,995</u>
	<b>(Number of shares)</b>	
Weighted average number of ordinary shares outstanding during the year	<u>1,421,609</u>	<u>1,421,609</u>
	<b>(Rupees)</b>	
Loss per share - basic and diluted - Continuing operations	<u>(7.82)</u>	<u>(41.40)</u>
Earnings per share - basic and diluted - Discontinued operations	<u>-</u>	<u>730.76</u>
Total loss / earnings per share - basic and diluted	<u>(7.82)</u>	<u>689.36</u>

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

The aggregate amounts charged in the financial statements for remuneration including certain benefits to the Chief Executive, Directors and Executives of the Company are as follows:

	November 30, 2018			November 30, 2017		
	*Chief Executive	*Directors	Executives	*Chief Executive	*Directors	Executives
	(Rupees in '000)					
Managerial remuneration	-	-	<b>46,058</b>	-	-	45,268
Bonus	-	-	<b>3,706</b>	-	-	2,764
Medical expenses	-	-	<b>2,529</b>	-	-	2,169
Retirement benefits	-	-	<b>13,019</b>	-	-	8,475
Directors meeting fees	-	<b>1,680</b>	-	-	<b>2,020</b>	-
	<b>—</b>	<b>1,680</b>	<b>65,312</b>	<b>—</b>	<b>2,020</b>	<b>58,676</b>
Number of persons	<b>1</b>	<b>5</b>	<b>18</b>	<b>1</b>	<b>6</b>	<b>19</b>

\* Rs. 2.955 million (2017: Rs. 12.118 million) and Rs. Nil (2017: Rs. 6.280 million) have been charged in these financial statements on account of allocation of cost of services provided by Chief Executive and one Director (2017: two Directors) respectively of associated company.

**28.1** In addition to the above, some of the executives are provided with Company owned and maintained cars and their residential telephone bills are also paid by the Company.

**28.2** Comparative figures have been restated to reflect changes in the definition of Executive as per Companies Act, 2017.

**28.3** Further, the impact of benefits available to executives recognised by the Company in the expenses during the year on account of share-based payment plan aggregate to Rs. 1.646 million (2017: Rs. 1.241 million).

### 28.4 Number of Employees

	November 30, 2018	November 30, 2017
Total number of employees as of the reporting date	<b>82</b>	83
Average number of employees during the year	<b>82</b>	142

## 29. DEFINED BENEFIT PLANS

As mentioned in note 4.7, the Company operates approved funded pension and gratuity schemes. The latest actuarial valuations of the schemes were carried out as at November 30, 2018. Projected Unit Credit Method using the following significant assumptions was used for these valuations:

	November 30, 2018	November 30, 2017
Discount rate	<b>12.25% per annum</b>	8.50% per annum
Expected rate of increase in salary	<b>11.75% per annum</b>	8.00% per annum
Pension increase	<b>4.5% per annum</b>	1.00% per annum
Minimum wage increase	<b>7.5% per annum</b>	4.00% per annum

**29.1** The disclosures made in notes 29.2 to 29.6 and 29.9 are based on the information included in the actuarial valuation as of November 30, 2018 and November 30, 2017.

### 29.2 Balance sheet reconciliation

	November 30, 2018			November 30, 2017		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Present value of defined benefit obligation	<b>86,235</b>	<b>58,419</b>	<b>144,654</b>	78,438	53,726	132,164
Fair value of plan assets	<b>11,415</b>	<b>(58,756)</b>	<b>(47,341)</b>	50,294	(97,555)	(47,261)
Funded status	<b><u>97,650</u></b>	<b><u>(337)</u></b>	<b><u>97,313</u></b>	<b><u>128,732</u></b>	<b><u>(43,829)</u></b>	<b><u>84,903</u></b>

	November 30, 2018			November 30, 2017		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	(Rupees in '000)			(Rupees in '000)		
<b>29.3 Movement in present value of defined benefit obligation</b>						
Present value of defined benefit obligation at beginning of the year	78,438	53,726	132,164	185,968	55,488	241,456
Current service cost	4,232	76	4,308	6,679	102	6,781
Interest cost	6,598	4,298	10,896	14,901	4,330	19,231
Past service cost	-	-	-	21,702	-	21,702
Remeasurement of change in financial assumptions	(1,043)	5,531	4,488	7,462	(417)	7,045
Remeasurement of obligation	(1,990)	(5,212)	(7,202)	(158,274)	(5,777)	(164,051)
Present value of defined benefit obligation at end of the year	<b>86,235</b>	<b>58,419</b>	<b>144,654</b>	<b>78,438</b>	<b>53,726</b>	<b>132,164</b>
<b>29.4 Movement in the fair value of plan assets</b>						
Fair value of plan assets at beginning of the year	(50,294)	97,555	47,261	101,030	96,265	197,295
Expected return on plan assets	(4,046)	8,024	3,978	9,905	6,313	16,218
Remeasurement of plan assets	4,391	(7,589)	(3,198)	(9,981)	754	(9,227)
Inter fund transfer	34,023	(34,023)	-	-	-	-
Actual contributions by employer	6,501	-	6,501	7,026	-	7,026
Benefits paid	(1,990)	(5,211)	(7,201)	(158,274)	(5,777)	(164,051)
Fair value of plan assets at end of the year	<b>(11,415)</b>	<b>58,756</b>	<b>47,341</b>	<b>(50,294)</b>	<b>97,555</b>	<b>47,261</b>
<b>29.5 Components of defined benefit cost</b>						
<b>Charge for the year to be recognised in profit and loss</b>						
Current service cost	4,232	76	4,308	6,679	102	6,781
Interest cost	6,598	4,298	10,896	14,901	4,330	19,231
Expected return on plan assets	4,046	(8,024)	(3,978)	(9,905)	(6,313)	(16,218)
Past service cost - vested	-	-	-	21,702	-	21,702
	<b>14,876</b>	<b>(3,650)</b>	<b>11,226</b>	<b>33,377</b>	<b>(1,881)</b>	<b>31,496</b>
<b>Defined benefit cost recognised in Other Comprehensive Income (OCI)</b>						
Loss / (gain) on obligation	(1,043)	5,531	4,488	7,462	(417)	7,045
Gain on plan asset	(4,391)	7,589	3,198	9,981	(754)	9,227
Net loss / (gain)	<b>(5,434)</b>	<b>13,120</b>	<b>7,686</b>	<b>17,443</b>	<b>(1,171)</b>	<b>16,272</b>

	November 30, 2018			November 30, 2017		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	(Rupees in '000)			(Rupees in '000)		
<b>29.6 Movement in amounts (receivable from) / payable to defined benefit plan</b>						
Balance at beginning of the year	128,732	(43,829)	84,901	84,938	(40,777)	44,161
Charge / (reversal) for the year	14,876	(3,650)	11,226	33,377	(1,881)	31,496
Contributions during the year	(6,501)	-	(6,501)	(7,026)	-	(7,026)
Inter-Fund Transfer	(34,023)	34,023	-	-	-	-
Total remeasurements recognised in OCI	(5,434)	13,120	7,686	17,443	(1,171)	16,272
Balance at end of the year	<b>97,650</b>	<b>(337)</b>	<b>97,313</b>	<b>128,732</b>	<b>(43,829)</b>	<b>84,903</b>
<b>29.7 Remeasurements during the year</b>						
<i>Actuarial (gain) / loss on obligation</i>						
(Gain) / loss due to change in financial assumptions	-	-	-	-	-	-
(Gain) / loss due to investment return	(4,391)	7,589	3,198	9,981	(754)	9,227
(Gain) / loss due to change in experience adjustments	(1,043)	5,531	4,488	7,462	(417)	7,045
Total actuarial (gain) / loss on obligation	<b>(5,434)</b>	<b>13,120</b>	<b>7,686</b>	<b>17,443</b>	<b>(1,171)</b>	<b>16,272</b>
<i>Actuarial (gain) / loss on plan assets</i>						
Gain on plan assets	-	-	-	-	-	-
Total re-measurement (gain) / loss for the year	<b>(5,434)</b>	<b>13,120</b>	<b>7,686</b>	<b>17,443</b>	<b>(1,171)</b>	<b>16,272</b>
<b>29.8 Major categories / composition of plan assets are as follows:</b>						
Government bonds	11,197	90,700	101,897	9,706	88,271	97,977
Bank deposits	1,284	443	1,727	-	9,285	9,285
Debtors / (Creditors)	(23,896)	(32,388)	(56,284)	(60,000)	-	(60,000)
	<b>(11,415)</b>	<b>58,755</b>	<b>47,340</b>	<b>(50,294)</b>	<b>97,556</b>	<b>47,262</b>
<b>29.9</b> Amounts for the current year and previous four annual periods of the fair value of plan assets, present value of defined benefit obligation and surplus arising thereon is as follows:						

As at 30 November

Present value of defined benefit obligation  
Fair value of plan assets  
Deficit / (surplus)

	2018	2017	2016	2015	2014
	(Rupees in '000)				
Present value of defined benefit obligation	<b>144,654</b>	132,164	241,456	237,253	226,171
Fair value of plan assets	(47,341)	(47,261)	(197,295)	(195,735)	(168,648)
Deficit / (surplus)	<b>97,313</b>	<b>84,903</b>	<b>44,161</b>	<b>41,518</b>	<b>57,523</b>

**29.10 Components of defined benefit cost for the next year**

	Gratuity	Pension	Total
	(Rupees in '000)		
Current service cost	4,625	77	4,702
Net interest cost / (income)	10,931	(43)	10,888
	<u>15,556</u>	<u>34</u>	<u>15,590</u>

**29.11 Maturity profile of the defined benefit obligation**

2019	1,844	7,135	8,979
2020	9,023	7,303	16,326
2021	1,980	7,420	9,400
2022	2,251	7,512	9,764
2023	6,629	7,577	14,206
2024 - 2028	59,885	38,467	98,352

**29.12 Sensitivity analysis on significant actuarial assumptions: Actuarial Liability**

Discount rate +1%	(11,587)
Discount rate -1%	13,396
Salary increase +1%	10,052
Salary increase -1%	(8,781)
Pension increase +1%	3,552
Pension increase -1%	(3,120)
Minimum wage increase +1%	(78)
Minimum wage increase -1%	73

**29.13** The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy.

**29.14** The Company expects to contribute Rs. 16.831 million in next year towards gratuity fund.

**29.15** During the year, the Company contributed Rs. 5.283 million (2017: Rs. 9.395 million) to the provident fund.

**29.16 Provident fund**

	November 30, 2018 (Unaudited)	December 31, 2017 (Audited)
	(Rupees in '000)	
Net assets of the fund	97,800	92,396
Cost of investments made (actual investment made)	69,376	65,089
Cost of investments / net assets of the fund	71%	70%
Fair value of investments	90,246	83,463

**Break-up of Investments of provident fund**

Break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	November 30, 2018 (Unaudited)		December 31, 2017 (Audited)	
	Investments (Rupees in '000)	% of investment as size of the fund	Investments (Rupees in '000)	% of investment as size of the fund
<b>Fair value</b>				
Defence Saving Certificates	31,530	35%	28,375	34%
Pakistan Investment Bonds	55,912	62%	-	0%
Balances with banks in Savings account	2,804	3%	55,088	66%
	<b><u>90,246</u></b>	<b><u>100%</u></b>	<b><u>83,463</u></b>	<b><u>100%</u></b>

All investments in collective investment schemes, listed equity and listed debt securities out of aforementioned fund have been made in accordance with the provisions of section 218 of the Companies Act 2017, and the conditions specified thereunder.

## 30 SHARE-BASED REWARD PLANS

### 30.1 Details of the share-based reward plans are as follows:

	November 30, 2018			November 30, 2017		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options	RSU's
----- (Number of shares) -----						
Outstanding as at December 1	2,077	2,353	633	1,253	3,254	685
Granted during the year	791	-	173	824	-	152
Dividend equivalent units	-	-	-	-	-	25
Exercised during the year	-	(388)	(221)	-	(901)	(229)
Outstanding as at November 30	<b><u>2,868</u></b>	<b><u>1,965</u></b>	<b><u>585</u></b>	<b><u>2,077</u></b>	<b><u>2,353</u></b>	<b><u>633</u></b>

### 30.2 The weighted average exercise price of stock options are as follows:

	November 30, 2018			November 30, 2017		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options	RSU's
----- (in US\$) -----						
Outstanding as at December 1	32.14	27.50	32.84	30.59	27.50	32.33
Granted during the year	35.74	-	35.74	36.26	-	36.26
Outstanding as at November 30	<b><u>33.26</u></b>	<b><u>27.82</u></b>	<b><u>33.18</u></b>	<b><u>31.97</u></b>	<b><u>28.85</u></b>	<b><u>32.84</u></b>

- 30.3** The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using a Black scholes model, with the following inputs:

<b>Fair value of share options and assumptions</b>	<b>November 30, 2018</b>	<b>November 30, 2017</b>
Share price	<b>\$35.74</b>	\$31.97
Expected volatility (weighted average volatility)	<b>20.02%</b>	18.39%
Option life (expected weighted average life)	<b>5 years</b>	6.75 years
Expected dividends	<b>\$1.36</b>	\$1.28

Expected volatility of share price of Pfizer Inc. USA, (the ultimate parent company) was determined using both implied and historical volatility rates.

- 30.4** The total expense recognised for the year arising from share-based payment transactions is Rs. 1.647 million (2017: Rs. 1.241 million).

### **31. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise the ultimate parent company (Pfizer Inc., USA), related group companies, staff retirement benefits, directors, key management personnel and close members of the family of all the aforementioned related parties. The Company in the normal course of business carries out transactions with various related parties.

- 31.1** Details of transactions with related parties, other than those which have been specifically disclosed elsewhere are as follows:

<b>Relationship with the company</b>	<b>Nature of transactions</b>	<b>November 30, 2018</b>	<b>November 30, 2017</b>
		<b>(Rupees in '000)</b>	
Associated Companies	Sale of goods	<b>23,243</b>	120,875
	Purchase of goods	<b>626,865</b>	315,907
Associated Companies	Services received	<b>7,218</b>	38,113
	Services rendered	<b>75,269</b>	61,685
	Reimbursement of expenses	<b>9,630</b>	-
Staff retirement	Contribution to: - Defined contribution plans - Defined benefit plans	<b>10,135</b> <b>6,501</b>	9,395 7,026
Ultimate Parent Company	Dividend paid	<b>307,509</b>	343,385
Common Directorship	Fee for receiving legal services	<b>675</b>	807

- 31.2** The following are the related parties with whom the Company had entered into transaction or have arrangement / agreement in place:

Name of the Related Party	Basis of association	Aggregate % of Shareholding
Pfizer Pakistan Limited	Associated Company	0.0001%
Wyeth Employees Gratuity fund	Staff Retirement Fund	N/A
Wyeth Provident Fund	Staff Retirement Fund	N/A
Wyeth Pension fund	Staff Retirement Fund	N/A
Wyeth DC Pension fund	Staff Retirement Fund	N/A
Vellani & Vellani	Common Directorship	N/A

- 31.3** Details of related parties, including those incorporated outside Pakistan, with whom the Company had entered into transactions or have arrangement / agreement in place are as below:

Name	Registered Address and Country of Incorporation	Basis of Association	Aggregate % of shareholding	Name of CEO
Pfizer Service Company BVBA	Hoge Wei 10, 1930 Zaventem, Belgium	Associated Company	N/A	Marc Keenan
Pfizer Innovative Supply Point. Intl	Hoge Wei 10, 1930 Zaventem, Belgium	Associated Company	N/A	Marc Keenan
Wyeth LLC USA	235 East 42 Street, New York, USA	Holding Company	40.55%	Kristen J Axelsen Carmel
Wyeth Holdings LLC, USA	235 East 42 Street, New York, USA	Holding Company	31.55%	Kristen J Axelsen Carmel
Pfizer Incorporation	8,1209 Rockwell Dr, Makati, Philippines	Ultimate Parent	N/A	Brent Robert Denning

All above entities are operational and further, the independent auditor of the above entities has issued an unqualified opinion on the latest available financial statements.

Note **November 30,  
2018** November 30,  
2017

(Rupees in '000)

**32. CASH GENERATED FROM OPERATIONS**

(Loss) / Profit for the year after tax	<b>(11,118)</b>	979,995
Adjustments for non-cash charges and other items:		
Net increase in reserve for share-based payment plans	<b>1,647</b>	1,241
Charge for defined benefit plans	<b>11,227</b>	31,496
Actuarial losses recognized in other comprehensive account	<b>(7,686)</b>	(17,864)
Depreciation	<b>4,638</b>	10,167
Provision for slow moving and obsolete stock-in-trade	<b>77,999</b>	15,614
Reversal of provision for doubtful debts	<b>-</b>	(30,861)
Net gain on disposal of property, plant and equipment	<b>(1,919)</b>	(1,439,148)
Profit on bank deposits	<b>(58,998)</b>	(22,888)
Tax expense	<b>35,314</b>	375,019
Working capital changes	<b>9,420</b>	228,556
	<b>32.1</b>	
	<b>60,524</b>	<u>131,327</u>

**32.1 Working capital changes**

(Increase) / decrease in current assets:		
Spares	<b>-</b>	35,006
Stock-in-trade	<b>291,129</b>	507,736
Trade debts	<b>17,306</b>	30,620
Loans and advances	<b>47,249</b>	(95,741)
Deposits, prepayments and other receivables	<b>54,845</b>	(320,799)
Long term loans to employees	<b>(10,428)</b>	3,186
Long term deposits	<b>3,822</b>	6,212
Retirement benefit plans	<b>1,068</b>	9,363
	<b>404,991</b>	<u>175,583</u>
(Decrease) / increase in current liabilities:		
Trade and other payables	<b>(395,571)</b>	52,973
	<b>9,420</b>	<u>228,556</u>

**33. OPERATING SEGMENTS**

The financial information has been prepared on the basis of a single reportable segment.

**33.1 The sales percentage by geographic region is as follows:**

Pakistan  
Other Asian countries

<b>November 30, 2018</b>	November 30, 2017
<b>(Percentage)</b>	
<b>98.3%</b>	94.2%
<b>1.7%</b>	5.8%
<b>100%</b>	<u>100%</u>

**33.2** All non-current assets of the Company as at November 30, 2018 are located in Pakistan.

**33.3** Sales to two major customers of the Company is around 63.71% during the year ended November 30, 2018 (2017: 55.93%).

#### **34. CASH AND CASH EQUIVALENTS**

	Note	November 30, 2018	November 30, 2017
		(Rupees in '000)	
Cash and bank balances	12	<b>907,654</b>	<u>1,367,165</u>

#### **35. FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE MEASUREMENT**

The following table shows the carrying amounts financial assets and financial liabilities along with fair value measurement hierarchy.

	Carrying Amount				Fair value		
	Loans and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
----- (Rupees in '000) -----							
<b>Financial assets not measured at fair value</b>							
Loans to employees	<b>16,901</b>	-	-	<b>16,901</b>	-	-	-
Long term deposits	<b>1,095</b>	-	-	<b>1,095</b>	-	-	-
Loans and advances	<b>62,149</b>	-	-	<b>62,149</b>	-	-	-
Deposits and other receivables	<b>294,881</b>	-	-	<b>294,881</b>	-	-	-
Interest accrued	<b>7,598</b>	-	-	<b>7,598</b>	-	-	-
Trade debts	<b>17,405</b>	-	-	<b>17,405</b>	-	-	-
Cash and bank balances	-	<b>907,654</b>	-	<b>907,654</b>	-	-	-
As at 30 November 2018	<b>400,029</b>	<b>907,654</b>	-	<b>1,307,683</b>	-	-	-
As at 30 November 2017	<b>502,439</b>	<b>1,367,165</b>	-	<b>1,869,604</b>	-	-	-
<b>Financial liabilities not measured at fair value</b>							
Trade and other payables	-	-	<b>355,017</b>	<b>355,017</b>	-	-	-
Unclaimed dividend	-	-	<b>10,759</b>	<b>10,759</b>	-	-	-
As at 30 November 2018	-	-	<b>365,776</b>	<b>365,776</b>	-	-	-
As at 30 November 2017	-	-	<b>682,231</b>	<b>682,231</b>	-	-	-

Management considers that fair value of above assets and liabilities approximate their carrying amount due to short term nature of these assets and liabilities or fair value not significantly different to their carrying amounts owing to credit standing of counter parties.

## 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

Risk management systems are reviewed regularly by the Board to reflect changes in market conditions and the Company's activities. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### 36.1 Credit risk

#### Exposure to credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and other receivables. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers. Outstanding customer balances are regularly reviewed.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements.

The maximum exposure to credit risk at the reporting date is given below:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
Loans to employees	<b>16,901</b>	1,366
Long-term deposits	<b>1,095</b>	4,917
Trade debts	<b>17,405</b>	34,711
Loans and advances	<b>62,149</b>	65,367
Interest accrued	<b>7,598</b>	2,881
Trade deposits and other receivables	<b>294,881</b>	393,197
Bank balances	<b>907,654</b>	1,367,165
	<b><u>1,307,683</u></b>	<b><u>1,869,604</u></b>

- 36.1.1** Credit risk is mitigated as the Company has an advance cash receipt model for all its domestic distributors. Accordingly, the Company believes that it is not exposed to any major concentration of credit risk in respect of trade debtors.
- 36.1.2** The bank balances represents low credit risk as they are placed with reputed banks with strong credit ratings.
- 36.1.3** The aging of trade debtors at the balance sheet date is as follows:

	November 30, 2018	November 30, 2017
	(Rupees in '000)	
Not past due	17,405	34,711
Past due and impaired	-	-
	<u><u>17,405</u></u>	<u><u>34,711</u></u>

## 36.2 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 is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities based on the remaining period at the balance sheet date to maturity date.

	November 30, 2018				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
----- (Rupees in '000) -----					
<b>Financial liabilities</b>					
Creditors	94,957	94,957	(94,957)	-	-
Accrued liabilities	155,526	155,526	(155,526)	-	-
Accumulated compensated absences	6,884	6,884	(6,884)	-	-
Payable to provident fund	-	-	-	-	-
Payable to gratuity fund	97,650	97,650	(97,650)	-	-
Unclaimed dividend	10,759	10,759	(10,759)	-	-
	<u><u>365,776</u></u>	<u><u>365,776</u></u>	<u><u>(365,776)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

	November 30, 2017				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
----- (Rupees in '000) -----					
<b>Financial liabilities</b>					
Creditors	318,820	318,820	(318,820)	-	-
Accrued liabilities	224,109	224,109	(224,109)	-	-
Accumulated compensated absences	6,507	6,507	(6,507)	-	-
Payable to provident fund	116	116	(116)	-	-
Payable to gratuity fund	128,732	128,732	(128,732)	-	-
Unclaimed dividend	3,947	3,947	(3,947)	-	-
	<u>682,231</u>	<u>682,231</u>	<u>(682,231)</u>	<u>-</u>	<u>-</u>

### 36.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of foreign currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

#### 36.3.1 Foreign Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies.

Following is the gross balance sheet exposure classified into foreign currency:

	November 30, 2018	November 30, 2017	Amount in USD
Other receivables	-	130,843	
Creditors	(613,728)	(956,696)	
Gross balance sheet exposure	<u>(613,728)</u>	<u>(825,853)</u>	

The average rate for US Dollars during the year was USD 1 = Rs. 118.49 (2017: USD 1 = Rs. 105.13) and the rate at year end was USD 1 = Rs.141.00 (2017: USD 1 = Rs. 105.38).

#### 36.3.2 Sensitivity analysis

At reporting date, if the Pak Rupee had strengthened / weakened by 10% against the US Dollar with all other variables held constant, post-tax profit for the year would have been higher / lower by Rs. 8.68 million (2017: Rs. 8.70 million).

### 36.3.3 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in the market interest rate. As at November 30, 2018, Rs. 907.65 million (2017: Rs. 1367.17 million) interest bearing financial assets are on fixed interest rates, hence management believes that the Company is not materially exposed to interest rate changes.

## 37. 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 benefits for other stakeholders and to maintain an optimal capital structure to support the sustained development of its business.

The current capital structure of the Company is equity based with minimal or no financing through borrowings.

## 38. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary and to comply with the requirements of Companies Act, 2017.

## 39. EVENTS AFTER BALANCE SHEET DATE

The Board of Directors have proposed a final cash dividend for the year ended November 30, 2018 of Rs. 50 (2017: Rs. 300) per share, amounting to Rs. 71.080 million (2017: Rs. 426.483 million) at their meeting held on March 01, 2019 subject to the approval of members at the annual general meeting to be held on March 28, 2019.

The Board of Directors in its meeting held on March 01, 2019 approved the transfer of Rs. 400 million from Unappropriate Profits to General Reserve.

These financial statements do not reflect the final cash dividend as this has been proposed subsequent to the balance sheet date.

## 40. DATE OF AUTHORISATION

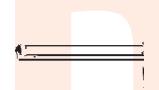
These financial statements were authorized for issuance by the Board of Directors of the Company on March 01, 2019.



S. M. Wajeehuddin  
Chief Executive



M. Z. Moin Mohajir  
Director



Kashif Shafi  
Chief Financial Officer

**SIX YEARS AT A GLANCE**  
**from 2013 to 2018**

**(Rupees in '000)**

	2013 (Restated)	2014	2015	2016	2017	2018
Sales	3,115,717	3,054,725	2,674,709	2,770,780	1,829,096	1,192,352
Cost of sales	2,530,654	2,595,819	2,332,608	2,264,245	1,457,125	985,842
Gross profit	585,063	458,906	342,101	506,535	371,971	206,510
Selling, marketing, distribution and administrative expenses	539,644	514,489	286,536	284,163	397,781	222,514
Other operating income / (expenses) - net	11,233	42,030	26,880	(26,278)	1,383,024	68,432
Operating profit / (loss)	56,652	(13,553)	82,445	196,094	1,357,214	52,428
Finance cost	208	339	1,112	1,315	2,200	28,232
Profit/ (loss) before taxation	56,444	(13,892)	81,333	194,779	1,355,014	24,196
Taxation	39,643	70,660	49,316	81,963	375,019	35,314
Profit/ (loss) after taxation	16,801	(84,552)	32,017	112,816	979,995	(11,118)
Shareholders' equity	1,207,231	1,093,295	1,140,762	1,224,526	1,711,659	1,268,019
Property, plant and equipment	207,974	264,195	382,239	16,900	6,650	13,485
Current assets	1,453,802	1,345,947	1,288,636	1,923,697	2,558,997	1,664,455
Current liabilities	499,878	545,626	551,013	745,394	860,271	422,810
Current ratio	2.91	2.47	2.34	2.58	2.97	3.94
Dividend	20%	-	20%	35%	600%	50%
Number of employees as at November 30	231	195	187	173	83	82

**PATTERN OF SHAREHOLDING  
AS AT NOVEMBER 30, 2018**

NO. OF SHAREHOLDERS	HAVING SHARES FROM	TO	SHARES HELD	PERCENTAGE
939	1	100	27,127	1.91
182	101	500	45,657	3.21
29	501	1000	21,665	1.52
27	1001	5000	48,153	3.39
1	5001	10000	6,000	0.42
1	10001	15000	10,201	0.72
1	15001	20000	16,040	1.13
1	50001	55000	52,374	3.68
1	55001	60000	57,788	4.07
1	110001	115000	111,574	7.85
1	445001	450000	448,560	31.55
1	575001	580000	576,470	40.55
<b><u>1,185</u></b>			<b><u>1,421,609</u></b>	<b><u>100.00</u></b>

**CATEGORIES OF SHAREHOLDERS  
AS AT NOVEMBER 30, 2018**

PARTICULARS	SHAREHOLDERS	SHAREHOLDING	PERCENTAGE
Associated companies	2	1,025,030	72.10
NIT	2	114,574	8.06
Directors, Chief Executive and their spouses and minor children	6	127	0.01
Banks, DFI & NBFI	1	59,477	4.18
Insurance companies	2	68,414	4.81
Residents Individuals	1,128	134,314	9.45
Non - resident Individuals	32	6,056	0.43
Others	12	13,617	0.96
<b>COMPANY TOTAL</b>	<b><u>1,185</u></b>	<b><u>1,421,609</u></b>	<b><u>100.00</u></b>

## CATEGORIES OF SHAREHOLDERS AS AT NOVEMBER 30, 2018

### Information under clause xvi (j) of the Code of Corporate Governance

Category No.	Categories of Shareholders	Number of shares held	Percentage
<b>1</b>	<b>Associated companies, undertakings and related parties</b>		
	Wyeth LLC, U.S.A	576,470	40.5505
	Wyeth Holdings Corporation, U.S.A.	448,560	31.5530
<b>2</b>	<b>NIT</b>	114,574	8.0595
<b>3</b>	<b>Directors, Chief Executive and their spouses and minor children</b>		
	S.M. Wajeehuddin	2	0.0001
	Ifthikhar Soomro	2	0.0001
	Iqbal Bengali	2	0.0001
	Syed Zakwan Ahmed	1	0.0001
	Badaruddin Fatehali Vellani	100	0.0070
	Muhammad Zindah Moin Mohajir	20	0.0014
<b>4</b>	<b>Public Sectors Companies and corporations</b>	Nil	Nil
<b>5</b>	<b>Banks, Developments Financial Institutions, Non-Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds</b>		
	National Bank of Pakistan	59,477	4.1838
	State Life Insurance Corp. of Pakistan	52,374	3.6841
	Efu General Insurance Ltd	16,040	1.1283
	Trustee National Bank of Pakistan		
	Employees Pension Fund	10,201	0.7176
	Trustee National Bank of Pakistan		
	Emp Benevolent Fund Trust	358	0.0252
	Memon Securities (Pvt.) Limited	60	0.0042
	Irfan Mazhar Securities (Pvt) Ltd.	80	0.0056
	Ncc - Pre Settlement Delivery Account	60	0.0042
	Intermarket Securities Limited - MF	1,900	0.1337
	Mra Securities Limited - MF	200	0.0141
<b>6</b>	<b>Shareholders holding five percent or more voting interest in the Listed Company</b>		
	Wyeth LLC, U.S.A	576,470	40.5505
	Wyeth Holdings Corporation, U.S.A.	448,560	31.5530
	CDC - Trustee National Investment (Unit) Trust		
	CDC - Trustee National Investment (Unit) Trust	114,574	8.0595



## FORM OF PROXY 70th Annual General Meeting

I, We \_\_\_\_\_ of \_\_\_\_\_  
(full address) being a member of **Wyeth Pakistan Limited**  
hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ (full address) or failing him  
\_\_\_\_\_ of \_\_\_\_\_ (full address) as my / our Proxy to attend and vote for me / us and on my / our behalf at the 70th Annual General Meeting of the Company to be held on Thursday, March 28, 2019 at 11:30 a.m. and any adjournment thereof.

**As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2019 signed**  
**by \_\_\_\_\_ in presence of \_\_\_\_\_**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please affix  
Revenue  
Stamp of  
Rs 5.00

Signature and address of Witness

Signature of Member

Folio No. / CDC Account and  
Participant's CNIC Number

Number of Shares held

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy must be a member of the Company.
2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If the member is a corporation its common seal should be affixed to the instrument.
3. The instrument appointing a proxy, together with the Power of Attorney if any under which it is signed or a notarilly certified copy thereof, should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
4. In case of Proxy for any individual beneficial owner of CDC, entitled to attend and vote at this meeting, it is necessary to deposit the attested copies of beneficial owner's Computerized National Identity Card (CNIC), Account and Participant's CNIC numbers. The Proxy shall produce his original CNIC at the time of the meeting. Representative of corporate members should bring the usual documents for such purpose.

وائیٹھ پاکستان لمیڈیڈ

پرائسی فارم

۷۰ وال سالانہ اجلاس عام

میں مسمی / مسماء ساکن

صلع بھیت ممبر وائیٹھ پاکستان لمیڈیڈ، مسمی / مسماء

ساکن کو بطور مختار (پرائسی) مقرر کرتا / کرتی ہوں تاکہ وہ میری / ہماری طرف سے

کمپنی کے ۷۰ وال سالانہ اجلاس عام جو بتارخ ۲۸ مارچ ۲۰۱۹ء بروز جمعرات ۱۱:۳۰ صبح

منعقد ہو رہا ہے میں اور اس کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

گواہ میرے / ہمارے دن ..... دن ..... دستخط ۲۰۱۹ء

..... ان کی موجودگی میں ..... برائے

ریونیونگٹ
۵ روپے
چپا کریں

دستخط نمبر

دستخط / پتہ گواہ

شیئرز کی تعداد

فولیونیر-CDC کاؤنٹ نمبر اور شرکت دار کے

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-  Knowledge center
-  Risk profiler\*
-  Financial calculator
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