

Wyeth

Wyeth Pakistan Limited

ANNUAL REPORT 2020



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	Chairman
S. M. Wajeehuddin	Chief Executive
M. Z. Moin Mohajir	
Badaruddin F. Vellani	
Iqbal Bengali	
Shoaib Mir	
Rashid Muhammad Khan	
Seema Adil	

COMPANY SECRETARY

Sana Iftikhar Qamar

CHIEF FINANCIAL OFFICER

Tafazzul Khan

AUDIT COMMITTEE

M.Z. Moin Mohajir	Chairman
Iftikhar Soomro	
Badaruddin F. Vellani	
Shoaib Mir	

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Seema Adil	Chairperson
Badaruddin F. Vellani	
Iftikhar Soomro	
S. M. Wajeehuddin	

SHARE TRANSFER COMMITTEE

S. M. Wajeehuddin	Chairman
M.Z. Moin Mohajir	

BANKERS

Citibank, N.A.
Standard Chartered Bank (Pakistan) Limited

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

LEGAL ADVISORS

Vellani & Vellani
Mohammad Mitha

SHARE REGISTRAR

THK Associates (Pvt.) Ltd.
Plot # 32-C, Jami Commercial, Street # 2,
DHA Phase VII, Karachi. Tel: +92-21-35310191-95 Fax : +92-21-35310190

HEAD OFFICE / REGISTERED OFFICE

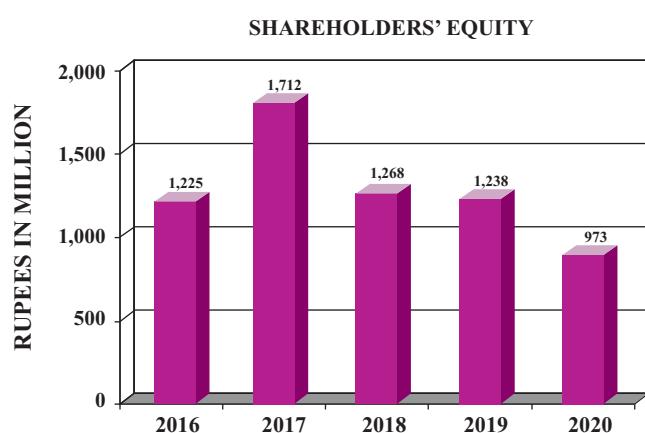
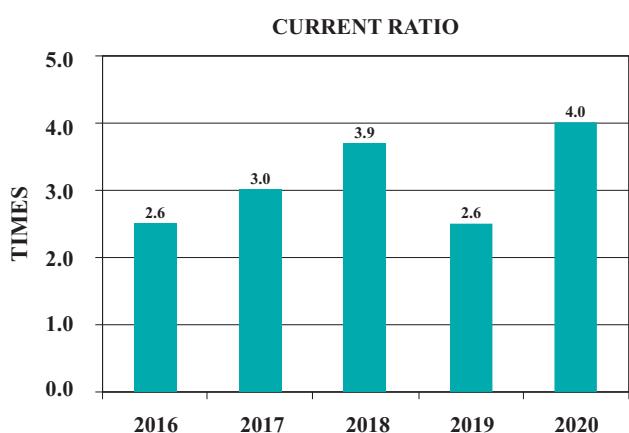
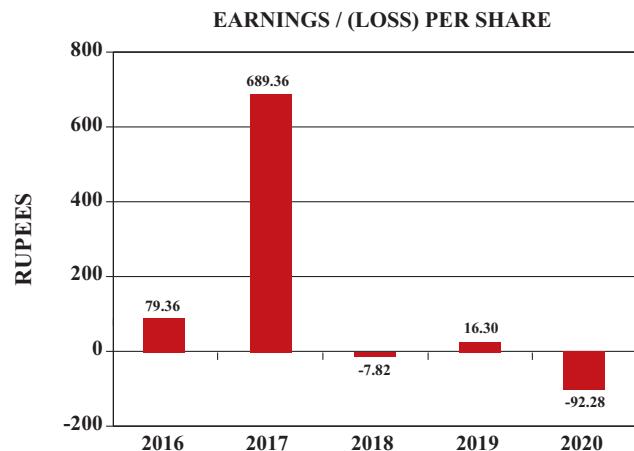
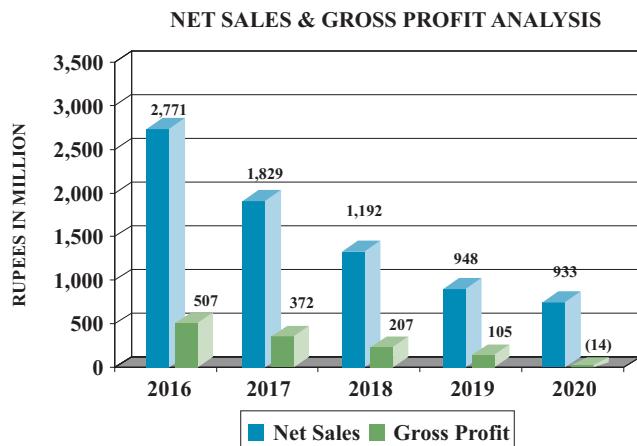
Room No. 002 & 003, PGS Admin Block, First Floor, B-2, S.I.T.E., Karachi.
Ph. # 92-21-32570621-5 Fax # 92-21-32331045-32577023
Website: www.wyethpakistan.com

Note: These accounts are also available on our website.

KEY OPERATING AND FINANCIAL DATA OF SIX YEARS

KEY INDICATORS	2015	2016	2017	2018	2019	2020
Operating results (Rs. in millions)						
Net sales	2,675	2,771	1,829	1,192	948	933
Gross profit	342	507	372	207	105	(14)
Operating profit / (loss)	82	196	1,357	52	95	(59)
Profit / (loss) before tax	81	195	1,355	24	68	(59)
Profit / (loss) after tax	32	113	980	(11)	23	(131)
Financial position (Rs. in millions)						
Shareholder's equity	1,141	1,225	1,712	1,268	1,238	831
Property, plant & equipment	382	17	7	13	15	9
Net current assets	738	1,178	1,699	1,242	1,214	954
Profitability						
Gross profit %	12.79	18.28	20.34	17.32	11.08	(1.54)
Operating profit / (loss) %	3.08	7.08	74.20	4.40	10.00	(6.30)
Profit / (loss) before tax %	3.04	7.03	74.08	2.03	7.18	(6.32)
Profit / (loss) after tax %	1.20	4.07	53.58	(0.93)	2.44	(14.07)
Performance						
Fixed assets turnover Times	7.00	7.81	275.09	88.42	62.70	99.10
Avg. inventory holding period Days	114	125	192	163	178	184
Average collection period Days	5	4	7	8	4	1
Return on equity %	2.81	9.21	57.25	(0.88)	1.87	(13.48)
Liquidity						
Current Times	2.34	2.58	2.97	3.94	2.60	3.99
Quick Times	1.10	1.36	2.24	3.32	1.85	2.77
Valuation						
Earnings / (loss) per share Rs.	22.52	79.36	689.36	(7.82)	16.30	(92.28)
Book value per share Rs.	802.44	861.37	1,204.03	891.96	870.65	684.77
Dividend per share Rs.	20.00	35.00	600.00	50.00	100.00	25.00
Price earning ratio Times	103.01	53.47	2.34	(141.17)	54.29	(12.35)

PERFORMANCE AT A GLANCE



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the SEVENTY SECOND ANNUAL GENERAL MEETING of the shareholders of Wyeth Pakistan Limited will be held on Monday, March 29, 2021 at 11:00 a.m. at the Council Hall, Overseas Investors Chamber of Commerce & Industry (OICCI), Chamber of Commerce Building, Talpur Road, Karachi to transact the following business:

1. (a) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended November 30, 2020 together with the Directors' and Auditors' Reports thereon.
- (b) To consider, approve, declare and authorize the payment of final dividend for the year ended November 30, 2020. The Directors have recommended the payment of a final dividend of 25% that is, Rs.25 per share of Rs.100 each, for the year ended November 30, 2020 payable to those Members whose names appear on the Register of Members as at the close of business on March 19, 2021.
2. To appoint Auditors for the year ending November 30, 2021 and to authorize the Board to fix their remuneration.

By Order of the Board



Sana Iftikhar Qamar
Company Secretary

Karachi: March 5, 2021

Notes:

1. Reference is made to the Securities and Exchange Commission of Pakistan Notification SRO 831(I) of 2012 dated July 5, 2012. In this connection the individual Members, who have not yet submitted photostat copy of their valid CNIC to the Company, are once again requested to send their CNIC (copy) with Folio Number mentioned thereon at the earliest to the Company's Share Registrar at THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan. Corporate Entities are also requested to provide their National Tax Number (NTN) certificate (copy) with Folio Number mentioned thereon to the Company's Share Registrar (as mentioned above). In case on non-receipt of valid CNICs, the Company will be constrained to withhold dispatch of dividend warrants to such shareholders.
2. The Share Transfer Books of the Company will remain closed from Monday, March 22, 2021 to Monday, March 29, 2021 (both days inclusive).
3. A member entitled to attend, speak and vote at the above meeting shall be entitled to appoint another person, 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.
4. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.

5. Members are requested to promptly communicate any change in their addresses or bank mandate as registered to the Company's Share Registrar, THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan.
6. 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.

7. 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
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, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan.

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 | 30.0% |

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 Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend i.e. April 1, 2021 otherwise tax on their cash dividend will be deducted @30.0% 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 category mentioned in above clause 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, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan before 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, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan 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, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan (021) 35310191-95 or email address sfc@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, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company's name and their respective folio numbers.

9. **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, to the Company's Share Registrar, Central Depository Company of Pakistan Limited, Company Secretary.
10. 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. COVID-19 Precautions:

- i) Any shareholder who is not feeling well or has symptoms such as cough; flu and/or fever is encouraged to attend the AGM via electronic means. Such shareholders are encouraged to email the Company Secretary at info@wyethpakistan.com not later than March 25, 2021 along with copy of their CNIC/Passport (or in case of corporate entity, the Board of Directors' resolution/power of attorney) and necessary instructions for participating in AGM via electronic means shall be sent to them via a return email.
- ii) Rest assured, the Company shall implement necessary protective measures (such as availability of hand sanitizers and face masks; maintaining appropriate seating distance) for shareholders who intend to attend the AGM in person.

سالانہ اجلاس عام کا نوٹس

مطلع کیا جاتا ہے کہ وائیچ پاکستان لمبیڈ کے حصہ یافتگان کا 72 واس سالانہ اجلاس عام بروز ہیر 29 مارچ 2021 دوپہر 11:00 بجے کنول ہال، اودیز انویٹر زیبیر آف کامرس اینڈ انڈسٹری (OICCI)، چیبیر آف کامرس بلڈنگ، تالپور روڈ، کراچی پر مندرجہ ذیل امور کی انجام دہی کے لئے منعقد ہوگا:

- 1 (a) کمپنی کے آٹھ شدہ مالیاتی گوشواروں برائے مختتمہ مدت 30 نومبر 2020 کے ساتھ ڈائریکٹریٹر زیبیر کی روپرٹوں کی وصولی، غور و خوض اور منظوری
 (b) سال مختتمہ 30 نومبر 2020 کے لئے حقیقی منافع منقسمہ کی ادائیگی کی منظوری، اقرار، غور اور مجازیت۔ ڈائریکٹریٹر زیبیر ان نے 25 فیصد یعنی 100 روپے کے حصہ پر 25 روپے فی حصہ کے حساب سے حقیقی منافع منقسمہ برائے سال مختتمہ 30 نومبر 2020 کی سفارش کی ہے جو کہ ان ممبر ان کو ادا کیا جائے گا جن کے نام 19 مارچ 2020 کو ففتری اوقات ختم ہونے سے قبل ممبر ان کے رجسٹر امیں موجود ہو گے۔
- 2 سال 30 نومبر 2021 کے لئے آڈیٹر زیبیری تقریبی اور ان کے معاوضہ کے تینیں کے لئے بورڈ کو مجاز بنا

حسب احتمم بورڈ

بعض اہم اعلانات

شناختی اتفاقیہ

کمپنی یکریٹری

کراچی: 5 مارچ 2021

گزارشات:

- 1 بحوالہ سیکریٹریز اینڈ ایچیچیکیشن آف پاکستان نوٹیفیکیشن نمبر (I) 831 SRO 2012 5 جولائی 2012- اس ملٹے میں انفرادی ممبر ان جنہوں نے اپنے درست CNIC کی نوٹ اسٹیٹ کاپی کمپنی کو ایک ہم تک فراہم نہیں کی ہے، ان سے ایک مرتبہ پھر درخواست کی جاتی ہے کہ اپنے CNIC (نقل) پر فویونبر درج کر کے کمپنی کے شیئر رجسٹرار THK آیسوی ایش (پرائیویٹ) لمبیڈ، پلات نمبر C-32، جائی کمرشیل اسٹریٹ-2، ڈی ایچ اے، فیوری 77، کراچی، پاکستان کو فراہم کر دیں۔ کارپوریٹ ادارے سے بھی گزارش کی جاتی ہے کہ اپنے تو قوی ٹکنیکل نمبر (NTN) کے شرکتیں (نقل) پر فویونبر درج کر کے کمپنی کے (مندرجہ بالا) شیئر رجسٹرار کو فراہم کر دیں۔ اگر CNIC کی درست نقول موصول نہ ہوئیں تو کمپنی ایسے حصہ یافتگان کے منافع منقسمہ کے نوٹ روکنے پر مجبور ہو گی۔
- 2 کمپنی کی حصہ متعلقی کی کتابیں بروز ہیر 22 مارچ 2021 تا بروز ہیر 29 مارچ 2021 (بیشتر دن) بند رہیں گی۔
- 3 وہ ممبر جو کہ مذکورہ بالا اجلاس میں حاضر ہونے، بولنے اور ووٹ دینے کا حق رکھتا ہو وہ اپنی طرف سے اجلاس میں حاضر ہونے، طلب کرنے یا مطلوب حق رائے دہی میں شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پر اکسی مقرر کر سکتا / اکر سکتی ہے۔ تقریبہ ایسے پر اکسی کو تمام حقوق یعنی اجلاس میں حاضر ہونے، بولنے اور ووٹ دینے کے حقوق حاصل ہونے گے۔ پر اکسی کے لئے کمپنی کا ممبر ہونا لازمی ہے۔ کمپل پر کیا ہوا پر اکسی فارم کمپنی کے رجسٹر آفس میں اجلاس منعقد ہونے سے لازمی طور پر کم از کم 48 گھنٹے قبل جمع کروادیا جائے۔
- 4 کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹریٹر زیبیری قرارداد / اختیار نامہ بین نمونہ دستخط پر اکسی فارم کے ساتھ کمپنی کو پیش کئے جائیں گے۔
- 5 ممبر ان سے درخواست ہے کہ اپنے پتے یا بینک مینڈیٹ میں کسی قسم کی تبدیلی سے کمپنی کے شیئر رجسٹرار THK آیسوی ایش (پرائیویٹ) لمبیڈ، پلات نمبر C-32، جائی کمرشیل اسٹریٹ-2، ڈی ایچ اے، فیوری 77، کراچی، پاکستان کو فوری طور پر مطلع کر دیں۔

-6 CDC کھاتے داروں کو مزید سکیورٹیز اینڈ ایچیجن کیمیشن آف پاکستان کے سرکلر 1 مورخہ 26 جنوری 2000 میں بیان کردہ درج ذیل رہنماء صولوں پر عمل کرنا ہوگا:

-A اجلاس میں حاضری کے لئے:

- (i) انفرادی فرد کی صورت میں کھاتے دار یا ذیلی کھاتے دار اور / یا وہ افراد جن کے حصص گروپ اکاؤنٹ کی صورت میں ہوں اور ان کی رجسٹریشن کی تفصیلات CDC کے ضوابط کے تحت اپ لوڈ کر دی گئی ہوں، وہ اپنی شناخت کیلئے اپنا اصل کمپیوٹر آئرڈ تومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ اجلاس میں حاضری کے وقت پیش کریں گے۔
- (ii) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / اختیار نامہ بمح نامزد فرد کے نمونہ دستخط اجلاس میں حاضری کے وقت پیش کئے جائیں گے (اگر پہلے پیش نہ کئے ہوں)

-B پرکسی کی تقریبی کے لئے:

- (i) انفرادی صورت میں کھاتے دار یا ذیلی کھاتے دار ایوہ فرد جس کے حصص گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات CDC ریگیولیشن کے تحت اپ لوڈ کر دی گئی ہوں وہ مندرجہ بالا ضابطہ کے تحت پرکسی فارم پیش کریں گے۔
- (ii) پرکسی فارم پر دو گواہان کے دستخط ہونگے جن کے نام، پتے اور CNIC نمبر پرکسی فارم پر درج کئے جائیں گے۔
- (iii) پرکسی اور انتظامی ماکان کی CNIC یا پاسپورٹ کی مصدقہ نقل پرکسی فارم کے ساتھ پیش کی جائیں گی۔
- (iv) پرکسی اجلاس میں حاضر ہوتے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرے گا۔
- (v) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / اختیار نامہ بمح نمونہ دستخط کمپنی کے پرکسی فارم کے ساتھ پیش کئے جائیں گے (اگر پہلے فراہم نہ کئے ہوں)

-7 حصہ یافتگان جن کے طبعی حصہ میں ان کے لئے ضروری ہے کہ وہ اپنا اصل CNIC اور جن حصص یافتگان کی طرف سے وہ پرکسی ہیں ان کے CNIC کی مصدقہ نقل ہمراہ لائیں بصورت دیگر انہیں AGM میں حصہ یافتگان کے رجسٹر پر دستخط کرنے اور / یا حاضر ہونے کی اجازت نہیں ہوگی۔

-8 برقی طریقہ سے منافع منقسمہ کی تقسیم (ای ڈویڈ کا طریقہ): سکیو ریٹیز اینڈ ایچیجن کیمیشن آف پاکستان (SECP) نے قبل ازیں اپنے مراسد نمبر 05/SM/CDC/2008 (4) مورخہ 05 اپریل 2013 کے ذریعے ایک ای ڈویڈ کیمیزم کا آغاز کیا ہے کہنپیرا ایک 2017 کی وفعہ 242 کی شقون کے تحت کوئی بھی واجب الادا نقد منافع منقسمہ صرف برقی طریقہ کارکے ذریعے اہل حصہ یافتگان کے صاحبت شدہ اکاؤنٹ میں بلا واسطہ نقل کیا جائے گا۔ لہذا کمپنی نقد منافع منقسمہ کی ادائیگی صرف برقی طریقے سے کر پائے گی۔ لہذا حصہ یافتگان کو مشورہ دیا جاتا ہے کہ برقی طریقے سے اپنا منافع منقسمہ وصول کرنے کے لئے اپنے بینک مینڈیٹ کی تفصیلات (i) اکاؤنٹ نمبر، (ii) بینک کا نام، (iii) بینک کا نام، (iv) برائی کا نام، کوڈ اور پرکسی کے شیئر رجسٹر ار THK ایسوی ایمس (پرائیویٹ) لیمیٹڈ، پلاٹ نمبر C-32، جامی کرشیل اسٹریٹ-2، ڈی ایچ اے، فیرا 77، کراچی، پاکستان کو جلد از جلد فراہم کر دیں۔

منافع منقسمہ پر وہ ہولڈنگ ٹکس متعلق:

(i) حکومت پاکستان نے بذریعہ فناس ایکٹ 2017 قابل نفاذ کیم جولائی 2017 کے ذریعے انکمکس آرڈننس 2001 کی وفعہ 150 میں کچھ مخصوص تراجمم کی ہیں جس میں کمپنیوں کی جانب سے ادا کردہ منافع منقسمہ کی رقم پر تھہ ہولڈنگ ٹکس کی کٹوتی کے لئے مختلف نرخ مرتب کئے ہیں۔ یہ نرخ درج ذیل ہیں:

- | | |
|---|-----|
| انکمکس ریٹن فائل کرنے والوں کے لئے 15.0 فیصد | (a) |
| انکمکس ریٹن فائل نہ کرنے والوں کے لئے 30.0 فیصد | (b) |

کمپنی سے منافع منقسمہ سے 20 فیصد کے بجائے 15 فیصد کوئی کے لئے حصص یافتگان اگر چہ فاکر ہوں، لیکن ان کے نام FBR کی ویب سائٹ پر دستیاب فعال ٹکس دہنگان کی فہرست میں موجود ہونا ضروری ہے، لہذا تمام حصص یافتگان کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کے نام اندھمنافع منقسمہ کی ادائیگی کی تاریخ یعنی کیم اپریل 2021 سے قبل FBR کی ویب سائٹ کی فعال ٹکس دہنگان کی فہرست میں موجود ہوں، بصورت دیگران کے نظر منافع منقسمہ سے 15.0 فیصد کے بجائے 30.0 فیصد کے حساب سے کوئی کری جائے گی۔

(ii) FBR کے سرکاری WHT/2006 (29) C. No.1 (43) DG (WHT)/2008-Vol. II مورخہ 30 جون 2010 اور 66417-R 12 مئی 2015، کے مطابق اکم ٹکس آرڈیننس 2001 (منافع منقسمہ کی رقم پر ٹکس) کے تحت ایک درست ٹکس استھانی شفقیت کے ذریعے وہ ہولڈنگ ٹکس کی کوئی سے آئینی استثناء-B-47 حصہ ۷۱ سینٹنڈیول میں دستیاب ہے۔ حصص یافتگان جو کہ مندرجہ بالا شق کے نامے میں آتے ہیں اور اکم ٹکس آرڈیننس 2001 کی دفعہ 150 کے تحت استثناء حاصل کرنے چاہتے ہیں، وہ لازمی طور پر ہمارے شیئر جسٹر ارک THK ایسوی ایش (پرائیویٹ) لمبینڈ، پلاٹ نمبر-C-32، جامی کرشیل اسٹریٹ-2، ڈی ایچ اے، فیرا، VII، کراچی، پاکستان کو تباہی میں بند ہونے سے قبل درست ٹکس استھانی شفقیت فراہم کر دیں بصورت دیگر منافع منقسمہ پر لا گونزخ کے مطابق کوئی کری جائے گی۔

(iii) مزید برآں، فیئرل بورڈ آف ریونیو (FBR) نے دساخت کی ہے کہ مشترک کھاتوں پر وہ ہولڈنگ ٹکس کوئی کے لئے بینا دی حصص یافتہ کے ساتھ ساتھ مشترک حصص یافتگان کے "فاکر/نان فاکر" کی حیثیت کا حصہ داری کی بنیاد پر علیحدہ تینیں کیا جائے گا۔

لہذا حصص یافتگان جن کے حصہ مشترک ہے اسے درخواست ہے کہ اپنی ملکیت میں موجود حصص سے متعلق بینا دی حصص یافتہ اور مشترک حصص یافتگان کی حصہ داری کا تناسب کمپنی کے شیئر جسٹر اسٹریٹر کے لیے ایش (پرائیویٹ) لمبینڈ، پلاٹ نمبر-C-32، جامی کرشیل اسٹریٹ-2، ڈی ایچ اے، فیرا، VII، کراچی، پاکستان کو تحریری طور پر اس نوٹ کے 10 دن کے اندر فراہم کر دیں (اگر پہلے فراہم نہ کئے ہوں)، بصورت دیگر بینا دی حصص یافتہ اور مشترک حصص یافتگان کے حصوں کو ابرابر تصور کیا جائے گا۔

(iv) سرمایہ کا رمز یہ کسی استفسار/مسئلہ/معلومات کے لئے کمپنی کے شیئر جسٹر ارک THK ایسوی ایش (پرائیویٹ) لمبینڈ، پلاٹ نمبر-C-32، جامی کرشیل اسٹریٹ 2، ڈی ایچ اے، فیرا، VII، کراچی، پاکستان سے فون 95-35310191 یا ای میل sfc@thk.com.pk پر رابطہ کر سکتے ہیں۔

(v) کارپوریٹ حصص یافتگان جن کے کھاتے CDC میں ہیں ان کے لئے ضروری ہے کہ اپنے متعلقہ شرکاء کو اپنا حالیہ NTN فراہم کر دیں جبکہ کارپوریٹ طبق حصص یافتگان اپنے NTN شفقیت کی نقل کمپنی کے شیئر جسٹر ارک THK ایسوی ایش (پرائیویٹ) لمبینڈ، پلاٹ نمبر-C-32، جامی کرشیل اسٹریٹ-2، ڈی ایچ اے، فیرا، VII، کراچی، پاکستان کو فراہم کر دیں۔ حصص یافتگان اپنے NTN یا NTN سری شفقیت بھیجتے وقت، جو کہی ہو، اس پر کمپنی کا نام اور اپنا متعلقہ فویونر لکھ کر بھیج دیں۔

-9 سالانہ آڈٹ شدہ مالیاتی گوشواروں اور AGM کے نوٹ کی بذریعہ ای میل، CD یا USB ترکیل: ہم اپنے حصص یافتگان کو مطلع کرتے ہوئے مسٹر محسوس کرتے ہیں کہ سکریٹری ایڈا ٹکچن کیشن آف پاکستان نے 2014/01/787 SRO No. 470 اور 2014/01/8 SRO مورخہ 31 مئی 2016 کے تحت کمپنیوں کو اپنے میزانے اور منافع و خسارے کے گوشوارے، آڈیٹریز رپورٹ اور ڈاٹریکٹر رپورٹ وغیرہ (سالانہ آڈٹ شدہ مالیاتی گوشوارے) کے ساتھ سالانہ اجلاس عام کے نوٹ (AGM نوٹ) اپنے حصص یافتگان کو بذریعہ ای میل، CD، DVD یا USB ترکیل کرنے کی اجازت دی ہے۔ حصص یافتگان جو کہ مستقبل میں نوٹ اور سالانہ آڈٹ شدہ مالیاتی گوشوارے بذریعہ ای میل، CD، DVD یا USB موصول کرنا چاہیں تو کمپنی کی ویب سائٹ www.wyethpakistan.com پر دستیاب فارم مکمل کر کے کمپنی کے شیئر جسٹر اسٹریٹر ڈپارٹمنٹ کمپنی آف پاکستان لمبینڈ، کمپنی سکریٹری کو فراہم کر دیں۔

-10 ممبران کے لئے ضروری ہے اپنے ای میل ایڈریس میں کسی بھی تدبیلی سے بروقت مطلع کر دیں تاکہ کمپنی موثر انداز میں خط و کتابت کر سکے۔

-11 COVID-19 کے لئے احتیاطی مداری

(i) کوئی بھی حصہ یا فنڈ جس کی طبیعت ناساز ہے یا اس میں کھانی، نزلہ اور/ یا بخار کی علامات ہیں تو ان کی حوصلہ افزائی کی جاتی ہے کہ بر قی طریقے کے ذریعہ AGM میں شرکت کریں۔ ایسے حصہ یا فنڈ کی حوصلہ افزائی کی جاتی ہے کہ وہ کمپنی کے سیکریٹری کے ای میل ایڈریس CNIC / پاپورٹ کی نقل (کارپوریٹ ائٹھی کی صورت میں بورڈ آف ڈائریکٹریز کی قراؤں/اختیارنامہ) فراہم کر دیں اور بر قی طریقے سے AGM میں شرکت کے لئے ضروری ہدایات انہیں بذریعہ و اپسی ای میل موصول ہو جائیں گی۔

(ii) متحملہ اور بیان کی گئی شکوہوں کے علاوہ، جو حصہ یا فنڈ کی بذات خود AGM میں شرکت کرنے کا ارادہ رکھتے ہوں ان کے لئے کمپنی نے ضروری خلافتی اقدامات کئے ہیں (جیسے کہ پینڈ سینی نائزرزا اور چہرے پر لگانے والے ماسک کی دستیابی، سیٹوں کے درمیان مناسب فاصلہ وغیرہ)

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, 2020.

Review of Operations and Future outlook

The summarized operating results of your Company for the year ended November 30, 2020 are as follows:

	Rupees in '000
Net Sales	932,673
Gross Loss	(14,356)
Loss before tax	(58,981)
Loss after tax	(131,189)

The earning / (loss) per share of your Company for the year ended November 30, 2020 is Rupees (92.28) [2019: 16.30].

The year under review was challenging due to COVID-19 pandemic which disrupted all walks of life, including businesses. Although the Pharmaceutical Industry was notified as essential services by the Government, but the operations were still impacted, due to certain logistical challenges and closure of clinics and outpatient departments (OPDs), generally lower patient inflow in hospitals. The Company also in light of the Government advisories and keeping safety and well-being of its employees and their family's paramount, ceased in- field activities, for almost 6 months, and the sales-force did not visit any healthcare professionals, and facilities. During this period, we however explored various innovative ways, including utilization of certain digital tools, to engage with the healthcare professionals, to minimize any impact on our operations.

Further, deteriorated exchange parity of Pakistani Rupee versus US Dollar and other major currencies has increased the costs of the Company significantly, besides increase in fuel and energy costs.

In view of the various challenges which were prevalent throughout the year , the Company recorded sales of Rs. 932 million, which is 2% lower than last year. Exchange rate erosion has resulted in deterioration of margins and the Company reported Gross Loss of Rs. 14 million. Increase in operating expenses are mainly due to inflation, while provision of safety and security protocols, in wake of the pandemic, to the employees of the Company and at our offices also entailed additional expenses. Lower interest rates during the year have resulted in lower interest income. As a result of the above factors, the company has reported Net Loss of Rs. 59 million for the year.

However, we must appreciate the efforts and commitment of the supply chain and sales-force colleagues, who defied all the odds to ensure uninterrupted supplies of our medicines to our patients, in these trying conditions.

Lately, as being reported by the Government, the Covid-19 situation in the country appears to be improving with significant drop in the number of cases and casualties. Resumption of OPDs and Clinics has also increased the patient flows in the Hospitals. Further, the sales force of the Company is back in the field, though with many restrictions in light of Government directives continue to be imposed to ensure their safety. This appears to have positive impact on the business, while yearly inflationary price adjustment on Company's products with stable exchange rate will fortify margins going forward and we expect to have a better year in terms of business operations in 2021.

Dividend and Transfer to General Reserve

The Directors have proposed dividend @ 25% (i.e. Rs. 25 per share) as final dividend for the year 2020.

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, 2020 including the pattern of shareholding of the Company is given at pages 81 to 82 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 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 given 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 under the head of Contingencies and Commitments.
- j) The value of investments by the pension, gratuity and provident funds as at 30 November 2020 were as follows:

Name of Fund	Unaudited 2020
DB Pension Fund	Rs. 57 million
DC Pension Fund	Rs. 88 million
Gratuity Fund	Rs. 23 million
Provident Fund	Rs. 88 million

The value of investments includes accrued interest. Audit of these funds for 2020 is in progress.

- k) During the year eight (8) 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	8
Mr. S. M. Wajeehuddin	8
Mr. Badaruddin F. Vellani	8
Mr. M. Z. Moin Mohajir	8
Mr. Rashid Muhammad Khan	8
Ms. Seema Adil	1*
Mr. Shoaib Mir	8
Mr. Iqbal Bengali	8
Ms. Roofi Jamil	1**

* Ms. Seema Adil was appointed on the Board of Directors of the Company on October 14, 2020.

** Ms. Roofi Jamil resigned from the Board of Directors of the Company on July 24, 2020.

- 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

In accordance with Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has carried out an evaluation of performance of its individual members, the board and the performance of its Committees.

Board evaluation process was conducted by Pakistan Institute of Corporate Governance (PICG) who prepared an annual Evaluation Assessment Questionnaire which is circulated amongst the Board Members to provide clarifications and further insights and perspectives on the performance of the Board.

Risk Management

Risk management process, undertaken 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 risk to be within the risk appetite, to provide reasonable assurance regarding the achievement of Company's objectives.

The key areas that can impact the operations of the Company continue to be pricing of pharmaceutical products and the currency devaluation. Cost of sales is sensitive and is significantly impacted by devaluation of the Pakistan Rupee and pricing of medicines continue to be highly regulated and may not increase in line with increase in cost, consequently the profits of the Company are subject to risks and uncertainties.

The Company is closely monitoring the impact of these risks and will endeavor to take measures to mitigate these risks.

Directors trading in company's shares

Following transactions in the shares of the Company was carried out during the year by Directors.

Name	No. of Shares	Nature
Rashid Muhammad Khan - Director	1	BUY
Shoaib Mir - Director	2	BUY

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

No Capital expenditure were made during the year under review.

Defaults in payments

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

Environment, Health and Safety

The company is committed to protecting health and safety of everyone including visitors at our facilities and the environment of the communities in which we live and work. As a responsible corporate citizen, the Company is also committed to maintaining occupational health, safety and environmental performance in line with corporate standards.

Corporate Social Responsibility (CSR)

The Company did not carry out any CSR activity during the year.

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

Election of Directors were held during the year on July 16, 2020 and eight (8) directors were elected to serve for a term of three (3) years. A casual vacancy was created by the resignation of Ms. Roofi Jamil on July 24, 2020 and was filled by the Board of Directors on October 14, 2020, through the appointment of Ms. Seema Adil as an Independent Director of the Company for the remainder of the term.

The 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
Ms. Seema Adil	Independent Director
Mr. Shoaib Mir	Independent Director
Mr. Badaruddin F. Vellani	Non-Executive Director
Mr. Iqbal Bengali	Non-Executive Director
Mr. Rashid Muhammad Khan	Executive Director

Internal Controls

The Company has employed an effective system of internal controls to carry its business in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. The Management supervision and reviews are an essential element of the system of internal controls. The Management has outsourced its Internal Audit function to EY Ford Rhodes Chartered Accountants & Co.

The Board reviews the Company's financial operations and position at regular intervals by means of interim financial statements, reports, profit forecasts and other financial and statistical information.

Remuneration Policy of Non-Executive Directors

The Board of Directors has approved a policy on "Remuneration for Executive and Non-Executive Directors", whereby the remuneration of a Director for attending meetings of the Board of the Directors or its Committees shall be determined and approved by the Board of Directors, from time to time.

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 Committee held four (4) meetings during the year. The current Audit Committee consists of four members namely;

Name
Mr. M.Z. Moin Mohajir
Mr. Iftikhar Soomro
Mr. Badaruddin F. Vellani
Mr. Shoaib Mir

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee held three (3) meetings during the year. The members of the committee are as follows:

Name
Ms. Seema Adil (Chairperson)
Mr. Iftikhar Soomro
Mr. Badaruddin F. Vellani
Mr. S. M. Wajeehuddin

Share Transfer Committee

The Share Transfer Committee is composed of Mr. S.M. Wajeehuddin and Mr. M.Z. Moin Mohajir.

Auditors

The present Auditors, KPMG Taseer Hadi & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and, being eligible for reappointment, 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, 2021 till the conclusion of the AGM to be held in 2022 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.

By Order of the Board



S.M. Wajeehuddin
Chief Executive



Iftikhar Soomro
Chairman

Karachi: March 01, 2021

Wyeth

حصص یا فنگان کے لئے ڈائریکٹری زر پورٹ

ہم کمپنی کی سالانہ رپورٹ 2020 کے ساتھ آڈٹ شدہ مالیاتی گوشوارے برائے سال اختتامی 30 نومبر 2020 پیش کرتے ہوئے اظہار مسrt کرتے ہیں۔

افعال کا جائزہ اور مستقبل کی پیش بینی

آپ کی کمپنی کے مختصر اکاروباری ستائج برائے سال اختتامی 30 نومبر 2020 درج ذیل ہیں:

روپے "000" میں

932,673	خالص فروخت
(14,356)	خام خسارہ
(58,981)	خسارہ قبل از ٹکس
(131,189)	خسارہ بعد از ٹکس

آپ کی کمپنی کی سال اختتامی 30 نومبر 2020 میں نی حصص آمدن / (خسارہ) 92.28 روپے (2019 میں 30.16 روپے) رہی۔

زیر جائزہ مدت 19-COVID کی وبا کی وجہ سے دشوار گزار رہ جس نے زندگی کے ہر شعبہ یا شمول کا روپا کو بڑی طرح متاثر کیا۔ اگرچہ کہ دو اسازی کی صنعت کو حکومت کی طرف سے انتہائی بنیادی صنعت قرار دے دیا گیا لیکن کچھ نقل و حمل کی دشواریوں اور کلینک و اوپی ڈسی (OPDS) کی بندش سے عمومی طور پر ہسپتاں میں مریضوں کی کم آمد کے نتیجے میں کمپنی کے کاروبار پر اثرات مرتب ہوئے۔ حکومتی مشاورتی اداروں کی روشنی میں اور اپنے ملازمین اور ان کی فیملیوں کی بہبود کے لئے یہ ورنی سرگرمیاں تقریباً 6 ماہ تک بذریعہ ہیں اور فروخت کے عملے نے کسی پیشہ و رطہی معاٹج اور سہولیات کا دورہ نہیں کیا۔ تاہم اس مدت کے دوران ہم مختلف اختراعی طریقوں، شمول ڈیجیٹل ٹوائز کے استعمال کے ذریعے پیشہ و رطہی معا lavoroں کے ساتھ مصروف عمل رہے جس سے ہمارے کاروباری افعال پر مشکل حالات کا اثر کم پڑا۔

مزید برآں، US ڈالر اور دیگر کرنسیوں کے مقابلے میں پاکستانی روپے کی گرتی ہوئی مساواتی قدر، اس کے علاوہ ایندھن اور تو اتائی کی لگت میں اضافے سے بھی کمپنی کی لالگتوں میں قابل ذکر اضافہ ہوا۔

سال کے دوران مختلف دشواریاں جاری رہیں جن کی وجہ سے کمپنی کی فروخت 932 ملین روپے رہی جو کہ گزشتہ سال کی بنت 2 فیصد کم ہے۔ مبادلہ نرخ میں کمی کی وجہ سے منافع پر خراب اثرات مرتب ہوئے اور کمپنی کا خام خسارہ 14 ملین روپے رہا۔ کاروباری اخراجات میں اضافہ کی بنیادی وجہ افراطی تھی، جبکہ وباء کے نتاظر میں کمپنی اور اس کے ملازمین اور ہمارے دفاتر میں تحفظ و حفاظت کے طریقہ کار کے لئے اضافی اخراجات ہوئے۔ کم شرح سود کے نتیجے میں سودی آمدن کم رہی۔ مندرجہ بالا عوامل کی وجہ سے کمپنی کو سال کے دوران 59 ملین روپے کا خالص خسارہ ہوا۔

تاہم ہم اپنے فروخت اور سپلائی کے عملہ کے ساتھیوں کی کوششوں اور عزم کا اعتراف کرتے ہیں جنہوں نے مشکل حالات میں ہمارے مریضوں کو دوائیوں کی بلا رکاوٹ فراہمی کو تینی بنا لیا۔

سال کے آخری حصے میں حکومت کی رپورٹ کے مطابق کیسوں اور اموات کی تعداد میں قابل ذکر کی 19-Covid کی صورتحال ملک میں بہتر ہو گئی۔ OPDS اور کلینک کے دوبارہ کھلنے سے ہسپتاں میں مریضوں کا بہاؤ بڑھا۔ مزید یہ کہ کمپنی کے شعبہ فروخت کی افرادی قوت دوبارہ میدان میں آگئی اگرچہ کہ ان کے تحفظ کو تینی بنا نے کے لئے سرکاری ہدایات کی روشنی میں بہت سی پابندیاں تسلسل کے ساتھ جاری رہیں۔ اس کا کاروبار پر ثبت اثر پڑے گا۔ جبکہ کمپنی کی مصنوعات کی اوپری جانب اضافے اور مبادلہ نرخ میں استحکام سے منافع میں اضافہ ہو گا اور ہمیں موقع ہے کہ 2021 کاروباری افعال کے لئے بہتر سال ہو گا۔

منافع منقسمہ اور عمومی ذخائر میں منتقلی

ڈاکٹر کیٹر ان نے سال 2020 کے لئے 25% فیصد (یعنی 25 روپے فی حصہ) کے حساب سے جتنی منافع منقسمہ کی تجویز دی ہے۔

ہولڈنگ کمپنی

وائچ ایل ایل سی کی ملکیت میں وائچ پاکستان لمیٹ کے 576,470 (55.40 فیصد) حصہ ہیں اور وائچ ہولڈنگ کار پوریشن یوائیس اے (جو کہ وائچ ایل ایل سی کی 100 فیصد ملکیت میں کمپنی ہے) کی ملکیت میں 448,448 (31.55 فیصد) حصہ ہیں، اس طرح وائچ کی ملکیت میں وائچ پاکستان لمیٹ کے کل 72.10 فیصد حصہ ہیں۔ مزید یہ کہ 15 اکتوبر 2009 کو وائچ کے فائز رائکار پوریشن کے ساتھ عالمی سطح پر الماق کی وجہ سے فائز رائکار پوریشن وائچ پاکستان لمیٹ کی سب سے بڑی شرکت ہولڈنگ بن گئی ہے۔

حصہ داری کی ساخت

30 نومبر 2020 کی حصہ داری کی معلومات بشمل کمپنی کی حصہ داری کی ساخت سالانہ رپورٹ کے صفحات 81 تا 82 پر موجود ہے۔

ادارتی اور مالیاتی رپورٹنگ کا ضابطہ

ادارتی نظم و نت کے ضابطہ کی پاسداری کرتے ہوئے ہم ادارتی اور مالیاتی رپورٹنگ ضابطہ سے متعلق مندرجہ ذیل بیانات دے رہے ہیں:

- (a) کمپنی کی انتظامیہ کی جانب سے تیار کئے گئے مالیاتی گوشوارے کمپنی کی حالت کار، اس کی سرگرمیوں، امور کے نتائج، جامع آمدن، حصہ میں تبدیلی اور نقد بہاؤ کو منصفانہ طور پر پیش کرتے ہیں۔
- (b) کمپنی کے کھاتوں کی سماں میں مناسب انداز میں برقرار رکھی گئی ہیں۔
- (c) کمپنی کے مالی گوشواروں میں تسلیم کے ساتھ مناسب حساباتی پالیسیاں اختیار کی گئی ہیں اور حساباتی کھاتوں کی بنیاد 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۔ IRFS سے کوئی بھی انحراف نہیں ہوا۔
- (e) اندر وی گرفت کے نظام کو مضمبوط 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 شہہرات نہیں ہیں۔
- (g) لسٹنگ ریگیلیشنز میں دیئے گئے ادارتی نظم و نت کے بہترین طور طریقوں کی سے کوئی انحراف نہیں کیا گیا۔
- (h) گزشتہ چھ سالوں (بشمل موجودہ مدت) کے اہم کاروباری اور مالیاتی اعداد و شمار سالانہ رپورٹ کے صفحہ 2 پر دیئے گئے ہیں۔
- (i) آئم ٹکس سے متعلق کچھ تازع مطالبات ہیں، جنہیں جمع یا ادا نہیں کیا گیا۔ ان کی وضاحت مالیاتی گوشواروں کے نوٹ نمبر 16 کے ہیئت "امکانی واجبات اور وعدوں کے حصے میں کی گئی ہے۔

(j) 30 نومبر 2019 کو پشن، گرچوئی اور پویڈنٹ فنڈ سے کی گئی سرمایہ کاری کی مالیت درج ذیل ہے:

فنڈ کا نام	فناہ کا ٹوٹ شدہ 2020
ڈی بی پشن فنڈ	57 ملین روپے
ڈی سی پشن فنڈ	88 ملین روپے
گرچوئی فنڈ	23 ملین روپے
پروڈینٹ فنڈ	88 ملین روپے

سرمایہ کاریوں کی مالیت میں جمع شدہ قابل وصول سود شامل ہے۔ ان فنڈ زکا آٹھ براے 2020 جاری ہے۔

(k) سال کے دوران بورڈ آف ڈائریکٹر کے 8 جلس ہوئے اور ان اجلاسوں میں ڈائریکٹر ان کی حاضری کی تعداد درج ذیل رہی:

نام	حاضر اجلاسوں کی تعداد
جناب افتخار سومرو	8
جناب ایم ایم وجیہ الدین	8
جناب بدر الدین ایف ویلانی	8
جناب ایم زید معین مہاجر	8
جناب راشد محمد خان	8
مس سیما عادل	*1
جناب شعیب میر	8
جناب اقبال بکالی	8
مس رونی جبیل	**1

*مس سیما عادل کی 14 اکتوبر 2020 کو بورڈ آف ڈائریکٹر میں تقرری ہوئی۔

**مس رونی جبیل نے 24 جولائی 2020 کو کمپنی کے ڈائریکٹر کے عہدہ سے استعفی دے دیا تھا۔

(l) بورڈ کے تمام ممبر ان ضروری تعلیمی قابلیت اور تجربے کے حامل ہیں اور ادارتی نظم و نسق کے تحت کامل طور پر اپنی ذمہ داریوں اور فرائض سے آگاہ ہیں۔ بورڈ تربیتی تھانوں کی پاسداری کرتا ہے اور ادارتی نظم و ضبط کے صراحت کردہ معیار مالیت پر پورا ارتقا ہے۔

کارکردگی کی تشخیص

لٹکنیز (کوڈ آف کارپوریٹ گورننس) ریگلیشن 2019 کے تحت بورڈ نے افرادی ممبران، بورڈ اور اس کی کمیٹیوں کی کارکردگی کی ایک تشخیص کی ہے۔

بورڈ کی تشخیص کا عمل پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) نے انجام دیا ہے جس نے سالانہ تشخیصی سوالنامہ تیار کیا ہے جسے بورڈ کے ممبران میں وضاحتی فراہم کرنے اور مزید گمراہی اور بورڈ کی کارکردگی پر تناظر کے حصول کے لئے قسم کیا گیا ہے۔

خدشات سے منٹنے کا نظام

خدشات سے نمٹنے کا عمل بورڈ آف ڈائریکٹریٹریز، انتظامیہ اور دیگر ساتھیوں کی کاوشوں سے کمپنی بھر میں کلیدی اور کشیر لجھتی سطح پر انجام دیا جاتا ہے۔ اسے اس طرح تکمیل دیا گیا ہے کہ یہ کمپنی کے اہم امکانی خدرات کی نشاندہی کر سکے اور خدرات کے ظہور پذیر ہونے سے قبل ہی خدرات سے نمٹا جائے جس سے کمپنی کے مقاصد کا حصول یقینی ہو جاتا ہے۔

کلیدی اجزاء جو کہ کمپنی کے کاروبار پر اثر انداز ہو سکتے ہیں ان میں دو اساز مصنوعات کی قیمت کا تین اور کرنی کی قدر میں کی شامل ہیں۔ پیداواری لاگت حساس ہوتی ہے اور پاکستانی کرنی کی قدر میں کی سے اس پر مقابل ذکر اثرات مرتب ہوتے ہیں جبکہ دوسری جانب دوائیوں کی قیمتیں بہت زیادہ ضابطوں کے ماتحت ہوتی ہیں، جس کی وجہ سے لاگت میں اضافہ کے باوجود ان کی قیمتیوں میں اضافہ نہیں ہو پاتا، جس کے نتیجے میں کمپنی کے منافع پر خدرات اور غیر یقینی صور تھال مندرجہ اورتی رہتی ہے۔

کمپنی ان خدرات کے اثرات کا باریک بینی سے جائزہ لے رہی ہے اور ایسے اقدامات کے لئے کوشش ہے جن سے ان خدرات کو کم کیا جائے۔

ڈائریکٹریٹریان کی کمپنی کے حصص میں خرید و فروخت
سال کے دوران کمپنی کے حصص میں ڈائریکٹریٹریان کی خرید و فروخت درج ذیل رہی:

نوعیت	حصص کی تعداد	نام
خریداری	1	راشد محمد خان-ڈائریکٹر
خریداری	2	شیعیب میر-ڈائریکٹر

محققہ پارٹی کے سودے

سال کے دوران محققہ پارٹی کے تمام سودوں کی منظوری بورڈ نے دی اور ایسے تمام سودوں کی تفصیلات آڈٹ کمیٹی کے سامنے پیش کی گئیں۔ کمپنی کے پاس ان تمام سودوں کے مکمل ریکارڈ کے ساتھ ان سودوں کی شراکت و ضوابط بھی موجود ہیں۔

سرمایہ جاتی اخراجات

جائزہ سال کے دوران کوئی سرمایہ جاتی اخراجات نہیں ہوئے۔

ادائیگیوں میں نادہندگی

موجودہ سال کے دوران کسی بھی واجب الادا قرضے کی عدم ادائیگی نہیں ہوئی۔

ماحولیات، صحت و تفظ

کمپنی ہر فرد شمول ہماری سہولیات پر آنے والے ملاقاتیوں کے لئے صحت و تحفظ کی حفاظت اور جن برادریوں کے درمیان ہم رہتے ہیں اور کاروبار کرتے ہیں ان کے ماحول کے تحفظ کے لئے کوشش ہے۔ ایک ذمہ دار ادارتی شہری کی حیثیت سے کمپنی ادارتی معیارات کے مطابق پیشہ جاتی تحفظ، حفاظت اور ماحولیاتی کارکردگی کو برقرار رکھنے کے لئے کوشش ہے۔

ادارتی سماجی ذمہ داری (CSR)

سال کے دوران کمپنی نے کوئی CSR سرگرمی منعقد نہیں کی۔

بعد ازاں و اتعات

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

سال کے دوران 16 جولائی 2020 کو ڈائریکٹر ان کے انتخابات ہوئے اور آٹھ (8) ڈائریکٹر ان تین سالہ مدت کے لئے منتخب ہوئے۔ 24 جولائی 2020 کو ایک انتقائی آسامی مسروپی ججیل کے استعفی کی وجہ سے خالی ہو گئی تھی اور 14 اکتوبر 2020 کو بورڈ آف ڈائریکٹر ز نے مس سیما عادل کی بطور آزاد ڈائریکٹر بقاہی مدت کے لئے تقرری کر کے اس آسامی کو پر کر دیا گیا۔

بورڈ کی موجودہ تشکیل بندی درج ذیل ہے:

جناب افتخار سعید	جنابر ایمین
جناب ایمین امیم وجہ الدین	جنابر ایمین امیم وجہ الدین
جنابر ایم زید معین مہاجر	جنابر ایم زید معین مہاجر
جنابر شعیب میر	جنابر شعیب میر
محترمہ سیدہ عادل	محترمہ سیدہ عادل
جنابر بدر الدین ایف ویلانی	جنابر بدر الدین ایف ویلانی
جنابر اقبال بگالی	جنابر اقبال بگالی
جنابر راشد محمد خان	جنابر راشد محمد خان

اندرونی گرفت

کاروبار کو منظم انداز میں چلانے اور ریکارڈ کی درستگی کو برقرار رکھنے کے لئے کمپنی کے پاس ایک موثر اندرونی گرفت کا نظام ہے۔ انتظامی گرفت اور جائزے اندرونی گرفت کے نظام کے بنیادی عناصر ہیں۔ انتظامیہ نے اندرونی گرفت کا شعبہ بیرونی ادارے ۲۷ فورڈ روڈ چارٹرڈ کاؤنٹنیشن اور کمپنی کو سونپا ہے۔

بورڈ کمپنی کے مالیاتی افعال اور کارکردگی کا جائزہ مالیاتی گوشواروں، روپورٹ، منافع، پیشگوئی اور دیگر مالیاتی اور شاریاتی معلومات کے ذریعے با قاعدگی کے ساتھ وقہ و قفعے سے لیتا ہے۔

نام ایگریکٹو ڈائریکٹر ان کے معاوضہ کی پالیسی

بورڈ آف ڈائریکٹر ز نے "ایگریکٹو نام ایگریکٹو ڈائریکٹر ان کا معاوضہ" مفظور کیا ہے جس کے تحت ڈائریکٹر ان کے بورڈ آف ڈائریکٹر یا اس کی کمیٹیوں کے اجلاس میں حاضری کی فیس کا تعین اور مفظوری و قیمت فو قیما بورڈ کرے گا۔

آڈٹ کمیٹی

آڈٹ کمیٹی کی ذمہ داریوں کا تعین بورڈ آف ڈائریکٹرز نے ادارتی صالبوں کے فرائم کردارہ رہنماء صالبوں کے مطابق کیا ہے۔ سال کے دوران کمیٹی کے چار (4) اجلاس ہوئے۔ موجودہ آڈٹ کمیٹی درج ذیل ممبران پر مشتمل ہے:

نام

جناب ایم زید میعن مہاجر

جناب افتخار سومرو

جناب بدرالدین ایف ویلانی

جناب شعیب میر

انسانی و سائل اور معاوضہ کمیٹی

سال کے دوران انسانی و سائل اور معاوضہ کمیٹی کے تین (3) اجلاس ہوئے۔ موجودہ کمیٹی درج ذیل ممبران پر مشتمل ہے:

نام

محترمہ سیدہ عادل (چیریئر مین)

جناب افتخار سومرو

جناب بدرالدین ایف ویلانی

جناب ایس ایم وجیہ الدین

حصص منتقلی کمیٹی

حصص منتقلی کمیٹی جناب ایس ایم وجیہ الدین اور جناب ایم زید میعن مہاجر پر مشتمل ہے۔

آڈٹریور

موجودہ آڈٹریور، کے پی ایم جی تاشیر ہادی اینڈ کو، چارٹڈ اکاؤنٹنٹس آنے والے سالانہ اجلاس عام کے اختتام پر پیشہ ہو جائیں گے اور اہلیت کے باعث انہوں نے اپنی دوبارہ تقری کی پیشکش کی ہے۔ بورڈ کی آڈٹ کمیٹی نے کے پی ایم جی تاشیر ہادی اینڈ کو، چارٹڈ اکاؤنٹنٹس کی کمپنی کے مالیاتی سال نئتھے 30 نومبر 2021 کے لئے 2022 کے اجلاس عام کے اختتام تک دوبارہ تقری کی سفارش کی تویش کی ہے جن کے معاوضہ کا تعین بورڈ آف ڈائریکٹرز کرے گا۔

ادارتی نظم و ضبط

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

حسب اکٹم بورڈ

Wfther Scom
افتخار سومرو
چیریئر مین اینڈ ڈائریکٹر

ایس ایم وجیہ الدین
چیف ایگزیکٹو
کراچی: ستمبر 2021

Chairman's Report on Board's Overall Performance

The Board plays an effective role in fulfilling its responsibilities and reviewing the overall performance of the Board and 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 shareholders. The primary objectives of the Board include:

- 1- Providing strategic direction to the Company and supervising the 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 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.

The Board has formulated the following committees:

1- AUDIT COMMITTEE:

The Audit Committee played a key role in maintaining the overall control environment of the Company. It was primarily engaged in review of financial statements and internal audit reports which enabled it to implement identified respective control improvements.

2- HUMAN RESOURCE AND REMUNERATION COMMITTEE (HR&R):

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



Iftikhar Soomro
Chairman
March 01, 2021

بورڈ کی مجموعی کارکردگی پر چیئرمن کی رپورٹ

کمپنی کے مقاصد کے حصول میں بورڈ کی کارکردگی اور اثر پذیری کا جائزہ لیتے اور اپنی ذمہ داریوں کو پورا کرنے میں بورڈ ایک موثر کردار ادا کرتا ہے۔

بورڈ متعلقہ تجربات کے حامل ڈاکٹر کیکٹر ان پر مشتمل ایک مرکب ہے۔ ڈاکٹر کیکٹر ان نے اپنی ذمہ داریاں شائع کی اور موثر انداز میں حصہ یافتگان کے مفاد میں انجام دیں ہیں۔ بورڈ کے بنیادی مقاصد میں درج ذیل شامل ہیں:

- 1 کمپنی کو کلیدی سست فراہم کرنا اور انتظامیہ کی نگرانی کرنا
 - 2 یک نیتی کے ساتھ مجموعی طور پر گھر ان کے فائدے اور کمپنی، اس کے ملازمین، حصہ یافتگان، معاشرے کے بہترین مفاد میں کمپنی کے مقاصد کو پروان چڑھانا اور ماحول کا تحفظ کرنا
 - 3 قابل ذکر پالیسیوں اور طریقہ کارکرکی منظوری دینا
 - 4 اندروںی گرفت کا مضبوط نظام کو قائم کرنا اور
 - 5 بحث اور مالیاتی بتائج کی منظوری دینا
- پاکستان انٹی ٹریڈ آف کار پوریٹ گروپس (PICG) کو بورڈ کی تشخیص کے لئے مقرر کیا گیا ہے۔

بورڈ نے مندرجہ ذیل کمیٹیاں تھکلیں دی ہیں:

-1 آڈٹ کمیٹی
آڈٹ کمیٹی کمپنی نے مجموعی ماحولیاتی نظم و ضبط کو برقرار رکھنے میں بنیادی کردار ادا کیا۔ یہ بنیادی طور پر مالیاتی گوشواروں اور اندروںی آڈٹر پروٹوں کے جائزے میں معروف رہی جس سے متعلقہ شاندہنی کردار کٹروں میں بہتری لانے میں کامیابی ہوئی۔

-2 انسانی وسائل اور معاوضہ کمیٹی (HR&R):
کمیٹی نے ڈاکٹر کیکٹر ان (ایگزیکٹو اور نان ایگزیکٹو ڈاکٹر کیکٹر ان دونوں کے لئے) کے معاوضہ کے لئے ایک پالیسی فریم ورک مرتب کیا ہے۔

-3 حصہ منتقلی کمیٹی
کمیٹی بنیادی طور پر حصہ یافتگان کی ملکیت میں حصہ کی رجسٹریشن، منتقلی اور ترسیل کی منظوری میں معروف رہتی ہے۔

فخار سمو و
چیئرمن
کی مارچ 2021

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Wyeth Pakistan Limited For the year ended November 30, 2020

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are eight (8) as per the following:
 - a. Male: Seven (7)
 - b. Female: One (1)
2. The composition of the Board is as follows:

Category	Name
Independent Director	Mr. M. Z. Moin Mohajir
	Mr. Shoaib Mir
	Ms. Seema Adil
Non-Executive Directors	Mr. Iftikhar Soomro
	Mr. Badaruddin F. Vellani
	Mr. Iqbal Bengali
Executive Directors	Mr. S. M. Wajeehuddin
	Mr. Rashid Muhammad Khan
Female Director	Ms. Seema Adil

3. The directors have confirmed that none of them is serving as a director on more than seven 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. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.
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 Companies Act, 2017 and the 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 the Companies Act 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act 2017 and the Regulations.
9. The Board is compliant with the training requirement and the criteria prescribed in the Regulations.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Members of Audit Committee	Designation
Mr. M.Z. Moin Mohajir (Chairman)	Chairman (Independent Director)
Mr. Iftikhar Soomro	Non-executive Director
Mr. Badaruddin F. Vellani	Non-executive Director
Mr. Shoaib Mir	Independent Director

Members of HR and Remuneration Committee	Designation
Ms. Seema Adil	Chairperson (Independent Director)
Mr. Badaruddin F. Vellani	Non-executive Director
Mr. Iftikhar Soomro	Non-executive Director
Mr. S. M. Wajeehuddin	Executive Director

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees were as per following:
 - a) Audit Committee - 4 meetings during the year ended November 30, 2020
 - b) HR and Remuneration Committee - 3 meetings during the year ended November 30, 2020
15. The Board has outsourced the internal audit function to EY Ford Rhodes Chartered Accountants & Co., 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 Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act 2017, the 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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.


S.M. WAJEEHUDDIN
 Chief Executive

Karachi: March 01, 2021


IFTIKHAR SOOMRO
 Chairman & Director



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Wyeth Pakistan Limited
Review Report on the Statement of Compliance contained in Listed
Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Wyeth Pakistan Limited** (the Company) for the year ended 30 November 2020 in accordance with the requirements of regulation 36 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. 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.

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 2020.

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi
Date: 2 March 2021



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

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 2020, 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, 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 2020 and of the loss and other comprehensive income, 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.

Following are the Key audit matters:

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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Following are the Key audit matters:

S. No.	Key audit matter	How the matters were addressed in our audit
1.	Revenue recognition Refer notes 4.7 and 17 to the Company's financial statements. Revenue is recognized when control of the underlying product has been transferred to the customer. We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not be recognized in the appropriate period.	<p>Our audit procedures in relation to recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none">assessed the design, implementation and operating effectiveness of the relevant key internal controls over the Company's system which governs revenue recognition;assessed the appropriateness of the Company's accounting policies for revenue recognition including those related to discounts and commissions including its compliance with applicable accounting standards;obtained an understanding of the nature of the revenue contracts entered into by the Company, tested a sample of sales contracts to understand and assess appropriateness of management's application of applicable accounting standard's requirements;obtained invoices and related documents, on a sample basis for selected revenue transactions recorded during the current year to assess whether the related revenue was recognized in accordance with the requirements of applicable accounting standard; andtested 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.



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S. No.	Key audit matter	How the matters were addressed in our audit
2.	Valuation of Stock in trade Refer notes 4.3 and 8 to the Company's financial statements. Stock in trade forms a significant part of the Company's total assets. Stock in trade comprise of packing material, work in process and finished goods which are stated at lower of cost and net realizable value. We identified the valuation of stock-in-trade as a key audit matter as it directly affects the profitability of the Company. Further, calculation of net realizable value (NRV) and provisions for obsolete and slow moving stock-in-trade involves significant management judgment and estimation.	<p>Our audit procedures in relation to valuation of stock in trade, amongst others, included the following:</p> <ul style="list-style-type: none">• obtained an understanding of and assessed the design and implementation of management's controls over valuation of stock in trade including identification of slow moving and obsolete stock in trade and estimation of NRV;• tested, on a sample basis, management's assessment of the NRV of stock in trade by comparing to its subsequent sales prices;• tested the accuracy of provision for slow moving and obsolete stock in trade with the help of aging report, sales forecast report and underlying documentation; and• assessed that valuation of stock in trade has been appropriately done at lower of cost and net realizable value.

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.



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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.

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.



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- 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.

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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 Muhammad Mahmood Hussain.

Date: 2 March 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

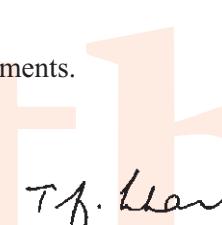
STATEMENT OF FINANCIAL POSITION AS AT NOVEMBER 30, 2020

	Note	2020 (Rupees in '000)	2019
ASSETS			
Non-current assets			
Property, plant and equipment	5	9,411	15,123
Long term loans to employees	6	10,259	8,127
Long term deposits		145	145
Deferred taxation	7	-	-
		19,815	23,395
Current assets			
Stock-in-trade	8	389,678	567,552
Trade receivables	9	89	2,545
Loans and advances	10	48,812	51,483
Deposits, prepayments and other receivables	11	42,090	40,876
Interest accrued		3,561	16,902
Taxation - net		82,741	142,787
Cash and bank balances	12	705,119	1,149,185
		1,272,090	1,971,330
TOTAL ASSETS		1,291,905	1,994,725
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	13	142,161	142,161
Reserves		831,318	1,095,558
		973,479	1,237,719
LIABILITIES			
Current liabilities			
Trade and other payables	14	307,487	745,821
Unclaimed dividend		10,939	11,185
		318,426	757,006
TOTAL EQUITY AND LIABILITIES		1,291,905	1,994,725
Contingencies and commitments	16		

The annexed notes 1 to 38 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director


Tafazzul Khan
Chief Financial Officer

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED NOVEMBER 30, 2020

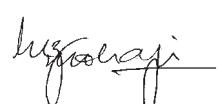
	Note	2020 (Rupees in '000)	2019
Net sales	17	932,673	948,237
Cost of sales	18	(947,029)	(843,143)
Gross (loss) / profit		(14,356)	105,094
Selling, marketing and distribution expenses	19	(120,225)	(113,783)
Administrative expenses	20	(52,370)	(44,839)
		(172,595)	(158,622)
		(186,951)	(53,528)
Other income	22	128,154	148,331
Finance costs	23	(184)	(26,735)
(Loss) / profit before taxation		(58,981)	68,068
Taxation	24	(72,208)	(44,892)
(Loss) / profit for the year		(131,189)	23,176
(Loss) / earnings per share (basic and diluted)	25	(92.28)	16.30

The annexed notes 1 to 38 form an integral part of these financial statements.



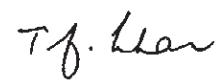
S. M. Wajeehuddin

Chief Executive



M. Z. Moin Mohajir

Director



Tafazzul Khan

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED NOVEMBER 30, 2020

	2020	2019
	(Rupees in '000)	
(Loss) / profit for the year	(131,189)	23,176
Other comprehensive (loss) / income		
Items that will never be reclassified to statement of profit or loss		
Recognition of remeasurement gain on defined benefit plans (Note 27.5)	6,961	15,524
Impact of deferred tax	-	15,524
Total comprehensive (loss) / income for the year	(124,228)	38,700

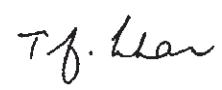
The annexed notes 1 to 38 form an integral part of these financial statements.



S. M. Wajeehuddin
Chief Executive



M. Z. Moin Mohajir
Director



Tafazzul Khan
Chief Financial Officer

Wyeth

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED NOVEMBER 30, 2020

Issued, subscribed and paid-up capital	Reserves			Sub total	Total
	Revenue Reserve	Capital Reserve	General reserve (Accumulated loss) /Unappro- priated profit Others*		
(Rupees in '000)					
Balance as at November 30, 2018	142,161	505,270	596,852	23,736	1,125,858 1,268,019
Total comprehensive income for the year					
Profit for the year	-	-	23,176	-	23,176 23,176
Other comprehensive income	-	-	15,524	-	15,524 15,524
	-	-	38,700	-	38,700 38,700
Transactions with owners recognised directly in equity					
Final dividend for the year ended November 30, 2018 at Rs. 50 per share	-	-	(71,080)	-	(71,080) (71,080)
Share-based payments (note 28.4)	-	-	(71,080)	2,080	(69,000) 2,080
Transfer to general reserve	-	400,000	(400,000)	-	-
Balance as at November 30, 2019	142,161	905,270	164,472	25,816	1,095,558 1,237,719
Transactions with owners recognised directly in equity					
Final dividend for the year ended November 30, 2019 at Rs. 100 per share	-	-	(142,161)	-	(142,161) (142,161)
Share-based payments (note 28.4)	-	-	(142,161)	2,149	(140,012) 2,149
Total comprehensive loss for the year					
Loss for the year	-	-	(131,189)	-	(131,189) (131,189)
Other comprehensive income	-	-	6,961	-	6,961 6,961
	-	-	(124,228)	-	(124,228) (124,228)
Balance as at November 30, 2020	142,161	905,270	(101,917)	27,965	831,318 973,479

* Others represent reserve for share based payment plan.

The annexed notes 1 to 38 form an integral part of these financial statements.



S. M. Wajeehuddin
Chief Executive



M. Z. Moin Mohajir
Director



Tafazzul Khan
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED NOVEMBER 30, 2020

	Note	2020	2019
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	30	(379,095)	298,833
Taxes paid (net off tax refunds)		(12,162)	(95,407)
Long term loans to employees		(2,132)	3,667
Long term deposits		-	950
Net cash (used in) / generated from operating activities		(393,389)	208,043
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		-	(10,450)
Profit received on bank deposits		91,730	110,748
Proceeds from disposal of operating fixed assets		-	3,844
Net cash generated from investing activities		91,730	104,142
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(142,407)	(70,654)
Net (decrease) / increase in cash and cash equivalents		(444,066)	241,531
Cash and cash equivalents at beginning of the year		1,149,185	907,654
Cash and cash equivalents at end of the year	32	<u>705,119</u>	<u>1,149,185</u>

The annexed notes 1 to 38 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director


Tafazzul Khan
Chief Financial Officer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED NOVEMBER 30, 2020

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

2. IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

On March 11, 2020, the World Health Organization (WHO) declared the 2019 Novel Coronavirus (COVID-19) outbreak a pandemic which impacted countries globally including Pakistan. COVID-19 and resulting measures taken to control the spread of virus including travel bans, quarantines, social distancing and closures of non-essential services adversely impacted various businesses and enhanced volatility in the Pakistan Stock Exchange (PSX). From March 2020 onwards, the Company was conducting business with some modifications while following all necessary Standard Operating Procedures (SOPs). However, the operations of the Company were not significantly impacted due to COVID-19 and therefore it did not have any material effect on these financial statements.

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 4.2)
- (b) Stock-in-trade (note 4.3)
- (c) Trade receivables (note 4.4)
- (d) Staff retirement benefits (note 4.8)
- (e) Taxation (note 4.10)

3.5 Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- 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 judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process - this means that the overall impact on standard setting may take some time to crystallize. The Companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Company.

- Amendments to IFRS-16 - IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022, clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognised in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual period beginning on or after 1 July 2020 and are not likely to have an impact on the Company's financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Changes in significant accounting policies

The Company has adopted IFRS 16 'Leases' from 1 December 2019 which is effective for annual periods beginning on or after 1 January 2019 and the key changes to the Company's accounting policies resulting from adoption of IFRS 16 are summarized below:

4.1.1 IFRS 16 'Leases'

International Accounting Standards Board (IASB) introduced IFRS 16 'Leases' which had a mandatory effective date for annual reporting periods beginning on or after 1 January 2019. By virtue of SRO 434(I)/2018, SECP made mandatory for all classes of companies to adopt IFRS 16 'Leases' for annual reporting periods beginning on or after 1 January 2019.

IFRS 16 has introduced a single, on-balance sheet accounting model for lessees. As a result, the entity, as a lessee is required to recognize right-of-use asset representing its rights to use the underlined assets and lease liabilities representing its obligation to make lease payments.

The Company has applied IFRS 16 using the modified retrospective approach. Under this approach the cumulative effect of initial application is recognized in retained earnings as at 1 December 2019.

Accordingly, the comparative information presented for 2019 has not been restated - i.e. it is presented, as previously reported, under IAS 17 and related interpretations.

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised.

The Company has elected not to recognize right-of-use assets and lease liabilities for some leases of low value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. The right-of-use assets are presented in the same line items as it presents underlying assets of the same nature that it owns.

The Company did not have any property leases arrangement therefore, adoption of IFRS 16 at 1 December 2019 did not have an effect on the financial statements of the Company.

4.2 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 6.2 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.

4.3 Stock in trade

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

4.4 Trade receivables

Trade and other receivables are recognized initially at their transaction price and subsequently measured at amortised cost less loss allowances. These assets are written off when there is no reasonable expectation of recovery. The Company applies the IFRS 9 simplified approach for measuring expected credit loss (ECL) on trade receivables at an amount equal to lifetime credit loss. The ECL on trade receivables are calculated based on actual credit loss experience over the last year on the total balance of non-credit impaired trade receivables.

4.5 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.

4.6 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.7 Revenue recognition

Revenue from the sale of goods is recognized at the point in time when the performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled to, can be determined. This usually occurs when control of the asset is transferred to the customer, which is when goods are invoiced and delivered to the customer.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is disclosed net of returns, discounts and other allowances.

Return on bank deposits, investments and interest on loans is accounted for on a time proportionate basis using the applicable rate of return / interest.

Miscellaneous income is recognized on receipt basis.

4.8 Staff retirement benefits

4.8.1 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.

4.8.2 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.

4.8.3 Employees' compensated absences

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

4.9 Share-based payments

The Company participates in a time-vested share based rewards plan operated by Pfizer Incorporation, (the ultimate parent company) whereby, Pfizer Incorporation 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 Incorporation 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 Incorporation, 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.

4.10 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.

4.11 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.

4.12 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.

4.13 Financial instruments

4.13.1 Financial assets

4.13.1.1 Classification

The Company classifies financial assets on the basis of the business model within which they are held and their contractual cash flow characteristics. The financial assets of the Company are categorized as follows:

a) Financial assets at amortised cost

- these are the financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets measured at fair value through other comprehensive income (FVOCI)

- these are the financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets measured at fair value through profit or loss (FVTPL)

- these are the financial assets measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income (FVOCI).

4.13.1.2 Initial recognition and measurement

All financial assets are recognised at the time the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are taken directly to the statement of profit or loss.

4.13.1.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) Debt Investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income.

On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

b) Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.

c) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in statement of profit or loss.

d) Financial assets measured at amortized cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

4.13.1.4 Impairment

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. Impairment losses related to trade and other receivables, are presented separately in the statement of profit or loss. Trade and other receivables are written off when there is no reasonable expectation of recovery. Management has used actual credit loss experience over past years to base the calculation of ECL.

4.13.1.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counterparties.

4.13.2 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

4.13.3 Derecognition

Financial assets are derecognised at the time when the Company's contractual right to the cash flows from the asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the transferred asset. Financial liabilities are derecognised at the time when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of financial assets and financial liabilities is taken to the statement of profit or loss.

4.13.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in these financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value.

Level 1 : Quoted prices (unadjusted) in active markets for identical asset

Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurs.

4.14 Dividends and appropriation of profit

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

4.15 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.

4.16 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.

5. PROPERTY PLANT AND EQUIPMENT	Note	November 30, 2020		November 30, 2019	
		(Rupees in '000)		(Rupees in '000)	
Operating fixed assets	5.1	9,411		15,123	

5.1 Operating fixed assets

	Vehicles	Office equipments	Total
-----(Rupees in '000)-----			
At November 30, 2018			
Cost	27,694	11,375	39,069
Accumulated depreciation	(14,209)	(11,375)	(25,584)
Net book value	<u>13,485</u>	-	<u>13,485</u>
Year ended November 30, 2019			
Opening net book value	13,485	-	13,485
Additions	10,450	-	10,450
Disposals			
Cost	10,754	-	10,754
Accumulated depreciation	(9,306)	-	(9,306)
	<u>1,448</u>	-	<u>1,448</u>
Depreciation	<u>(7,364)</u>	-	<u>(7,364)</u>
Closing net book value	<u>15,123</u>	-	<u>15,123</u>
At November 30, 2019			
Cost	27,390	11,375	38,765
Accumulated depreciation	(12,267)	(11,375)	(23,642)
Net book value	<u>15,123</u>	-	<u>15,123</u>
Year ended November 30, 2020			
Opening net book value	15,123	-	15,123
Additions	-	-	-
Depreciation	<u>(5,712)</u>	-	<u>(5,712)</u>
Closing net book value	<u>9,411</u>	-	<u>9,411</u>
At November 30, 2020			
Cost	27,390	11,375	38,765
Accumulated depreciation	(17,979)	(11,375)	(29,354)
Net book value	<u>9,411</u>	-	<u>9,411</u>

5.2 Depreciation on operating fixed assets is charged at the following rates:

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

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

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Selling, marketing and distribution expenses	19	3,187	4,952
Administrative expenses	20	2,525	2,412
		<u>5,712</u>	<u>7,364</u>

5.4 The operating fixed assets (note 5.1) include items costing Rs. 16.802 million (2019: Rs. 11.375 million) which are fully depreciated as of November 30, 2020 but are still in active use.

6. LONG TERM LOANS TO EMPLOYEES

		November 30, 2020	November 30, 2019
		(Rupees in '000)	
Loans to Employees - secured	6.1 & 6.2	15,340	13,201
Less: Receivable within one year	10	(5,081)	(5,074)
		<u>10,259</u>	<u>8,127</u>

6.1 This includes loans to executives, the details of which are as follows:

Opening balance		1,613	2,796
Loans disbursed during the year		520	2,036
Loans repaid during the year		(1,658)	(3,219)
Closing balance		<u>475</u>	<u>1,613</u>

6.2 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. These loans are secured against provident fund balances of the employees.

6.3 Receivable in:

- less than three years but over one year		6,608	6,461
- more than three years		3,651	1,666
		<u>10,259</u>	<u>8,127</u>

6.4 The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 0.518 million (2019: Rs. 3.929 million).

6.5 These loans have been recorded at amortized cost using discount rate of KIBOR 7.69% per year (2019: KIBOR 13.56% per year).

7. DEFERRED TAXATION

7.1 Deferred debits arising in respect of:

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Accelerated tax depreciation		1,677	1,343
Provision for gratuity and pension		26,716	26,268
Provision for slow moving and obsolete stocks		3,604	3,761
Allowance for sales returns		501	1,111
Provision for sales tax on toll manufacturing		4,760	4,326
		37,258	36,809
Deferred tax asset not recognized		(37,258)	(36,809)
		-	-

7.2 No deferred tax asset has been recognized at year end as taxable profits under normal tax regime may not be sufficient.

8. STOCK-IN-TRADE

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Raw and packing materials		7,810	4,755
Work-in-process		74,978	73,204
Finished goods	8.1	333,689	502,724
		416,477	580,683
Less: Provision for slow moving and obsolete stocks	8.2, 8.3 & 8.4	26,799	13,131
		389,678	567,552

8.1 Finished goods include items costing Rs. 3.211 million (2019: Rs. 0.311 million) which have been recognized at a net realizable value of Rs. 2.323 million (2019: Rs. Nil).

8.2 During the year, provision of Rs. 5.395 million (2019: Rs. 9.093 million) has been recognized and stock-in-trade valued at Rs. 6.098 million (2019: Rs. 131.545 million) has been written off from provision, while stock-in-trade valued at Rs. Nil (2019: Rs. 1.836 million) has been written off directly.

8.3 This includes provision made against stock loss due to fire of Rs. 14.371 million, while provision of Rs. 12.428 million pertains to slow moving and obsolete stocks.

8.4 On 9 October 2020, a fire incident occurred in warehouse situated at West Wharf resulting in damage to stock of finished goods in the affected area of the warehouse. The stock loss due to fire is estimated to be Rs. 14.371 million. Further, a claim has been lodged and has been recognised as a claim receivable in these financial statements to the extent of estimated loss. Management is confident to receive compensation from insurance company for the full amount of actual loss as they have a valid insurance contract and are entitled to receive the resulting compensation.

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
9. TRADE RECEIVABLES			
Trade receivables - unsecured		<u>89</u>	<u>2,545</u>
10. LOANS AND ADVANCES			
Loans - secured			
Current portion of long-term loans to employees	6	<u>5,081</u>	<u>5,074</u>
Receivable from gratuity fund		<u>40,000</u>	<u>40,000</u>
Advances - unsecured			
- Suppliers		<u>1,826</u>	<u>4,498</u>
- Employees	10.1 & 10.2	<u>1,905</u>	<u>1,911</u>
		<u>3,731</u>	<u>6,409</u>
		<u>48,812</u>	<u>51,483</u>

- 10.1** This includes amounts due from executives amounting to Rs. 0.155 million (2019: Rs. 0.33 million).
- 10.2** The maximum aggregate amount of advances due from executives at the end of any month during the year was Rs. 0.155 million (2019: Rs. 1.67 million).

11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		November 30, 2020	November 30, 2019
		(Rupees in '000)	
Trade deposits		<u>14,289</u>	<u>14,286</u>
Prepayments		<u>46</u>	<u>1,112</u>
Receivable from related parties	11.1 & 11.2	<u>6,546</u>	<u>17,987</u>
Receivable from pension fund	27.2	<u>6,838</u>	<u>7,491</u>
Others	8.4	<u>14,371</u>	<u>-</u>
		<u>42,090</u>	<u>40,876</u>

- 11.1** These represent receivables from Pfizer Pakistan Limited and Pfizer Corporation Hong Kong Limited of Rs. 2.872 million (2019: Rs. 17.987 million) and Rs. 3.674 million (2019: Rs. Nil), respectively.
- 11.2** The maximum aggregate amount outstanding from Pfizer Pakistan Limited and Pfizer Corporation Hong Kong Limited at any time during the year were Rs. 36.129 million (2019: Rs. 23.806 million) and Rs. 3.674 million (2019: Rs. Nil), respectively.

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
12. CASH AND BANK BALANCES			
With banks:			
- Term deposit receipts	12.1	680,000	1,100,000
- In savings accounts	12.2	25,119	49,185
		705,119	1,149,185
12.1			
These carry mark-up ranging from 6.1% to 6.4% (2019: 12.3% to 12.6%) and will mature by January 2021.			
12.2			
These carry mark-up range at the rate of 5.5% (2019: 11.25%) per annum.			

		November 30, 2020	November 30, 2019
		(Rupees in '000)	
13. SHARE CAPITAL			
Authorized capital			
5,000,000 ordinary shares of Rs. 100 each		500,000	500,000
Issued, subscribed and paid-up capital			
November 30, November 30, 2020 2019			
(Number of shares)			
386,711	386,711	Ordinary shares of Rs. 100 each	38,671
477,493	477,493	Shares fully paid in cash	38,671
557,405	557,405	Shares issued as fully paid for consideration other than cash	47,749
1,421,609	1,421,609	- note 13.2	47,749
		Shares issued as fully paid bonus shares	55,741
			142,161
			142,161

- 13.1** As on November 30, 2020, Wyeth LLC, USA and Wyeth Holdings LLC, USA held 576,470 (2019: 576,470) and 448,560 (2019: 448,560) shares of Rs. 100 each respectively. On October 15, 2009 Pfizer Incorporation 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 Cynamid (Pakistan) Limited in the year 1996.

14. TRADE AND OTHER PAYABLES

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Creditors	14.1	20,094	507,067
Accrued liabilities	14.2	137,668	113,312
Advances from customers	14.3	43,497	19,522
Accumulated compensated absences		6,738	7,320
Payable to gratuity fund	27.2	98,961	98,070
Workers' Welfare Fund	14.4	417	417
Sales tax payable		112	113
		307,487	745,821

- 14.1** Creditors include Rs. Nil (2019: Rs. 478.047 million) payable to associated undertakings.
- 14.2** These include contract liabilities of Rs. 36.622 million (2019: Rs. 11.154 million) payable to customers in respect of sales discount and commission.
- 14.3** These are contract liabilities, which primarily relates to the advance consideration received from distributors for future sales as per the Company's policy, for which revenue is recognised at a point in time.

14.4 Workers' Welfare Fund

	November 30, 2020	November 30, 2019
	(Rupees in '000)	
Opening balance	417	14,725
Less: adjustment / payments made during the year	-	(14,308)
Closing balance	417	417

15. SHORT TERM FINANCE FACILITY

The facilities for opening letters of credit and guarantees, as at 30 November 2020 amounted to Rs. 50 million (2019: Rs. 50 million) which remained unutilized at the year end.

The facilities for overdraft available from bank amounts to Rs. 100 million (2019: 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, based on the assessment of its external legal counsel managing this litigation, expects that the decision will be in favor of the Company. Accordingly, no provision has been recognized in these financial statements.
- 16.1.2** 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, based on the assessment of its external legal counsel managing this litigation, expects that the case will be decided in favour of the Company. Accordingly, no provision has been recognized in these financial statements.
- 16.1.3** During the year 2019, a partner of an ex-distributor (whose partnership has now dissolved) of the Company has filed a civil suit claiming Rs. 211 million from the Company, the breakup whereof is as follows : Rs. 10 million (rendition of accounts and recovery); Rs. 100 million (for mental torture, libel, insult and defamation); Rs.100 million (specific performance of agreement) and Rs. 1 million (cost of litigation). The Company is contesting the claims in court and the management, in consultation with the external legal counsel managing this litigation, expects that the case will be decided in favour of the Company. Accordingly, no provision has been recognized in these financial statements.
- 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) relating to assessment year 1984-85. The aggregate liability is approximately Rs. 3.0 million (2019 Rs. 3.0 million). Management, in consultation with its external tax counsel managing this litigation, expects that the appeal will be decided in favour of the Company. Accordingly, no provision has been recognized in these financial statements.
- 16.1.5** During the income year 2002-2003, the Company has filed appeals against Commissioner of Income Tax (appeals) before Income Tax Appellate Tribunal (ITAT) against 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 2019: 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 (2019: Rs. 137.614 million) is being carried against the above demands on grounds of prudence. In consultation with their tax advisors, the management expects 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 Commissioner of Appeals before Appellate Tribunal Inland 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 recognized in these financial statements.

16.1.6 During the year 2013, the Company has filed an appeal against Commissioner of Appeals in Appellate Tribunal Inland Revenue (ATIR), against tax demand aggregating to Rs. 7.4 million (2019: Rs. 7.4 million). The tax liability has arisen on account of transfer pricing and fixed assets written off for the assessment year 2004. Management, in consultation with their tax advisor managing this appeal, expects that the appeal will be decided in the Company's favour and therefore no provision has been made in these financial statements.

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 (2019: Rs. 52.440 million). The claims are mainly for the following reasons:

- The assessing officer charged on the basis 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, in consultation with their tax advisor managing these applications, expect that they will be decided in the Company's favour and therefore no provision has been recognized in these financial statements.

16.1.8 The tax department has carried out the monitoring of withholding tax audit for 6 years (viz Tax Years 2010, 2012, 2013, 2015, 2016 and 2017), for which the aggregate demand of Rs. 44.319 million has been raised. The Company has filed appeals against these orders and the management, in consultation with their tax advisor, expects that the ultimate decision of the appeals will be in the 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.

- 16.1.10** During the year 2017, the Commissioner Inland Revenue (CIR) selected the case of the Company for audit of its income tax affair for tax year 2015 in pursuance of which an Information Document Request (IDR) was issued by the Additional Commissioner Inland Revenue (ACIR). The ACIR passed an amended assessment order in 2018 thereby creating tax demand of Rs. 52.379 million.

The order was subsequently challenged before CIR(A) which was decided by an order in 2019 partly in Company's favor. Both the tax department and Company have filed an appeal before ATIR against the order issued in 2019 and the matter is pending for hearing.

The Company, in consultation with their tax advisor, expects that the ultimate decision of the appeals will be in the Company's favour. Accordingly, no provision has been recognized in these financial statements.

- 16.1.11** Subsequent to the year ended November 30, 2020, Additional Commissioner Inland Revenue (ACIR) passed an amended assessment order for tax year 2018 assessing tax liability of Rs. 423.731 million and creating tax demand of Rs. 337.444 million. The management has already provided for Rs. 357.252 million in 2017 and an additional Rs. 15.705 million in current year in this respect, with exception of the following matter:

The management, in consultation with their tax advisor, believes that the ACIR has erroneously charged corporate tax rate of 30% as applicable for tax year 2018, instead of 22.5% for capital assets in use over one year as per Section 37 (3) of the Income Tax Ordinance, 2001 on gain on sale of patents and goodwill amounting to Rs. 677 million.

The management has appealed before the Commissioner Appeals in respect of the order passed by ACIR and the management in consultation with their tax advisor managing these applications, expects that they will be decided in the Company's favour. Accordingly, no provision has been recognized in respect of Rs. 50.775 million in these financial statements.

November 30, November 30,
2020 2019
(Rupees in '000)

17. NET SALES

Sales - Domestic	1,169,753	1,096,195
Less: Discounts and commission	(235,631)	(139,320)
Returns	(1,449)	(8,638)
	(237,080)	(147,958)
	<u><u>932,673</u></u>	<u><u>948,237</u></u>

17.1 Contract Balances

Contract Liabilities	43,497	19,522
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17.1.1 The contract liabilities primarily relate to the advance consideration received from distributors for future sales as per the Company's policy, for which revenue is recognised at a point in time.

Out of Rs. 19.522 million outstanding in contract liabilities at the beginning of the year, Rs. 15.863 million has been recognised as revenue for the year ended 30 November 2020, while net new advances amounting to Rs. 39.838 million were further received during the year which will be recognized as revenue in the next year.

November 30, November 30,
2020 2019
(Rupees in '000)

18. COST OF SALES

Opening stock	580,683	367,539
Provision for slow moving and obsolete stock in trade	5,395	9,093
Re-packing charges	7,369	4,119
Purchases	776,157	1,174,620
Stock written off during the year	(6,098)	(131,545)
Closing stock	(416,477)	(580,683)
	<u><u>947,029</u></u>	<u><u>843,143</u></u>

19. SELLING, MARKETING AND DISTRIBUTION EXPENSES

Note

November 30, 2020 November 30, 2019
(Rupees in '000)

Salaries, wages and other benefits	19.1 & 21	82,620	60,806
Fuel and power		9	149
Rent, rates and taxes		215	607
Insurance		249	1,231
Repairs and maintenance		2,447	256
Transportation		3,792	5,009
Travelling and entertainment		15,235	5,408
Postage, communication and stationery		1,278	1,081
Depreciation	5.3	3,187	4,953
Advertising and sales promotion		11,053	32,711
Others		140	1,572
		120,225	113,783

- 19.1** Salaries, wages and other benefits include a net charge of Rs. 15.48 million (2019: Rs. 19.529 million) in respect of staff retirement benefits. Rs. 4.168 million (2019: Rs. 1.9 million) has been charged to associated company on account of allocation of services provided.

20. ADMINISTRATIVE EXPENSES

Note

November 30, 2020 November 30, 2019
(Rupees in '000)

Salaries, wages and other benefits	20.1 & 21	25,799	27,372
Fuel and power		-	8
Rent, rates and taxes		47	238
Insurance		165	180
Travelling and entertainment		1,291	2,509
Postage, communication and stationery		274	421
Legal and professional charges		16,532	6,611
Auditors' remuneration	20.2	1,720	1,855
Depreciation	5.3	2,525	2,412
Others		4,017	3,233
		52,370	44,839

- 20.1** Salaries, wages and other benefits include a net charge of Rs. 4.297 million (2019: Rs. 5.145 million) in respect of staff retirement benefits.

20.2 Auditors' remuneration

November 30, 2020 November 30, 2019

(Rupees in '000)

Audit fee - annual	1,007	895
Fee for half yearly review	383	340
Other certifications	330	620
	1,720	1,855

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. 6.121 million (2019: net reversal of Rs. 4.827 million).

November 30, 2020 November 30, 2019

(Rupees in '000)

Selling, marketing and distribution expenses	-	(5,076)
Administrative expenses	6,121	249
	6,121	(4,827)

22. OTHER INCOME

November 30, 2020 November 30, 2019

(Rupees in '000)

<i>Income from financial assets</i>		
Profit on saving accounts and term deposits	78,389	120,053
<i>Income from non-financial assets</i>		
Gain on disposal of property, plant and equipment - net	-	2,395
Liabilities no longer payable written back	22.1	825
Miscellaneous Income	-	20,220
Amortization income on employee loans	498	-
Net exchange gain	17,256	-
Recovery of margin deposits	-	4,838
	128,154	148,331

22.1 These include payable to related parties of Rs. 22.49 million which have been written back during the year.

	November 30, 2020	November 30, 2019
23. FINANCE COSTS		(Rupees in '000)
Net exchange loss	-	21,516
Bank charges	184	792
Amortization expense on employee loans	-	4,427
	184	26,735
	=====	=====
24. TAXATION		
Current year	56,503	44,892
Prior year	15,705	-
	72,208	44,892
	=====	=====
24.1 Reconciliation of effective tax rate		
(Loss) / profit before taxation	(58,981)	68,068
	=====	=====
Tax at the applicable rate of 29% (2019: 29%)	(17,104)	19,740
Effect of income taxable under Minimum tax regime / presumptive tax regime	73,607	25,152
Prior years' charge	15,705	-
	72,208	44,892
	=====	=====
25. (LOSS) / EARNINGS PER SHARE - Basic and diluted		
(Loss) / profit for the year after tax	(131,189)	23,176
	=====	=====
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	1,421,609	1,421,609
	=====	=====
	(Rupees)	
(Loss) / profit per share - basic and diluted	(92.28)	16.30
	=====	=====
Total (loss) / earnings per share - basic and diluted	(92.28)	16.30
	=====	=====

26. 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:

	2020			2019		
	*Chief Executive	*Directors	Executives	*Chief Executive	*Directors	Executives
	(Rupees in '000)					
Managerial remuneration	-	-	46,341	-	-	42,780
Bonus	-	-	6,451	-	-	5,659
Medical expenses	-	-	1,391	-	-	1,946
Retirement benefits	-	-	5,839	-	-	6,660
Directors meeting fees	-	4,635	-	-	3,107	-
	—	4,635	60,022	—	3,107	57,045
Number of person	1	6	17	1	5	18

* Rs. 3.852 million (2019: Rs. 3.183 million) have been charged in these financial statements on account of allocation of cost of services provided by Chief Executive of associated company.

- 26.1** 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.
- 26.2** 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. 2.15 million (2019: Rs. 2.08 million).

26.3 Number of Employees	November 30, 2020	November 30, 2019
Total number of employees as of the reporting date	72	75
Average number of employees during the year	74	78

27. STAFF RETIREMENT BENEFITS

As mentioned in note 4.8, the Company operates approved funded pension and gratuity schemes. The latest actuarial valuations of the schemes were carried out as at November 30, 2020. Projected Unit Credit Method using the following significant assumptions was used for these valuations:

	November 30, 2020	November 30, 2019
Discount rate	9.75% per annum	12.25% per annum
Expected rate of increase in salary	9.25% per annum	11.75% per annum
Pension increase	0.00% per annum	4.50% per annum
Minimum wage increase	5.00% per annum	7.50% per annum

27.1 The disclosures made in notes 27.2 to 27.6 and 27.9 are based on the information included in the actuarial valuation as of November 30, 2020 and November 30, 2019.

27.2 Balance sheet reconciliation

	2020			2019		
	Gratuity	Pension	Total	Gratuity	Pension	Total
----- (Rupees in '000) -----						
Present value of defined benefit obligation	84,090	51,734	135,824	78,363	50,577	128,940
Fair value of plan assets	14,871	(58,572)	(43,701)	19,707	(58,068)	(38,361)
Funded status	98,961	(6,838)	92,123	<u>98,070</u>	<u>(7,491)</u>	<u>90,579</u>

	2020			2019		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	(Rupees in '000)			(Rupees in '000)		
27.3 Movement in present value of defined benefit obligation						
Present value of defined benefit obligation at beginning of the year	78,363	50,577	128,940	86,235	58,419	144,654
Current service cost	4,348	78	4,426	4,625	77	4,702
Interest cost	9,504	5,809	15,313	10,451	6,719	17,170
Remeasurement loss (gain) due to:						
change in demographic assumptions	(171)	10,955	10,784	-	-	-
change in financial assumptions	(114)	(8,573)	(8,687)	-	-	-
experience	(4,078)	(1,833)	(5,911)	(7,204)	(8,509)	(15,713)
Benefits paid	(3,762)	(5,279)	(9,041)	(15,744)	(6,129)	(21,873)
Present value of defined benefit obligation at end of the year	84,090	51,734	135,824	78,363	50,577	128,940
27.4 Movement in the fair value of plan assets						
Fair value of plan assets at beginning of the year	(19,707)	58,068	38,361	(11,415)	58,756	47,341
Expected return on plan assets	(1,492)	6,726	5,234	(480)	6,727	6,247
Remeasurement of plan assets	4,090	(943)	3,147	1,132	(1,321)	(189)
Actual contributions by employer	6,000	-	6,000	6,800	35	6,835
Benefits paid	(3,762)	(5,279)	(9,041)	(15,744)	(6,129)	(21,873)
Fair value of plan assets at end of the year at end of the year	(14,871)	58,572	43,701	(19,707)	58,068	38,361
27.5 Components of defined benefit cost						
Charge for the year to be recognised in profit and loss						
Current service cost	4,348	78	4,426	4,625	77	4,702
Interest cost	9,504	5,809	15,313	10,451	6,719	17,170
Expected return on plan assets	1,492	(6,726)	(5,234)	480	(6,727)	(6,247)
	15,344	(839)	14,505	15,556	69	15,625
Defined benefit cost recognised in Other Comprehensive Income (OCI)						
(Gain) on obligation	(4,363)	549	(3,814)	(7,204)	(8,509)	(15,713)
(Gain) or Loss on plan asset	(4,090)	943	(3,147)	(1,132)	1,321	189
Net (gain)	(8,453)	1,492	(6,961)	(8,336)	(7,188)	(15,524)

	2020			2019		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	(Rupees in '000)			(Rupees in '000)		
27.6 Movement in amounts (receivable from) / payable to defined benefit plan						
Balance at beginning of the year	98,070	(7,491)	90,579	97,650	(337)	97,313
Charge / (reversal) for the year	15,344	(839)	14,505	15,556	69	15,625
Contributions during the year	(6,000)	-	(6,000)	(6,800)	(35)	(6,835)
Total remeasurements recognised in OCI	(8,453)	1,492	(6,961)	(8,336)	(7,188)	(15,524)
Balance at end of the year	98,961	(6,838)	92,123	98,070	(7,491)	90,579
27.7 Remeasurements during the year						
<i>Actuarial (gain) / loss on obligation</i>						
(Gain) / loss on change in demographic assumptions	(171)	10,955	10,784	-	-	-
Gain on change in financial assumptions	(114)	(8,573)	(8,687)	-	-	-
Gain on change in experience adjustments	(4,078)	(1,833)	(5,911)	(7,204)	(8,509)	(15,713)
Total actuarial (gain) / loss on obligation	(4,363)	549	(3,814)	(7,204)	(8,509)	(15,713)
<i>Actuarial gain / (loss) on plan assets</i>						
Gain / (loss) due to investment return	(4,090)	943	(3,147)	(1,132)	1,321	189
Total re-measurement (gain) / loss for the year	(8,453)	1,492	(6,961)	(8,336)	(7,188)	(15,524)
27.8 Major categories / composition of plan assets are as follows:						
National savings	10,427	28,444	38,871	6,914	23,976	30,890
Government bonds	10,133	16,781	26,914	5,701	18,662	24,363
Shares	3,186	9,732	12,918	-	-	-
Debtors / (creditors)	(38,617)	3,615	(35,002)	(32,473)	15,441	(17,032)
	(14,871)	58,572	43,701	(19,858)	58,079	38,221
27.9 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	2020	2019	2018	2017	2016	
	(Rupees in '000)					
Present value of defined benefit obligation	135,824	128,940	144,654	132,164	241,456	
Fair value of plan assets	(43,701)	(38,361)	(47,341)	(47,261)	(197,295)	
Deficit / (surplus)	92,123	90,579	97,313	84,903	44,161	

27.10 Components of defined benefit cost for the next year

	Gratuity	Pension	Total
	(Rupees in '000)		
Current service cost	4,472	46	4,518
Net interest cost / (income)	8,828	(667)	8,161
	<u>13,300</u>	<u>(621)</u>	<u>12,679</u>

27.11 Maturity profile of the defined benefit obligation

2021	1,198	6,253	7,451
2022	1,272	6,212	7,484
2023	1,272	6,154	7,426
2024	4,826	6,081	10,907
2025	2,893	6,061	8,954
2026 - 2030	57,050	29,033	86,083

27.12 Sensitivity analysis on significant actuarial assumptions: Actuarial Liability

Discount rate +1%	(12,575)
Discount rate -1%	14,576
Salary increase +1%	11,157
Salary increase -1%	(9,727)

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

27.14 The Company expects to contribute Rs. 16.842 million in next year towards gratuity fund.

27.15 During the year, the Company contributed Rs. 5.243 million (2019: Rs. 5.169 million) to the provident fund.

27.16 Provident fund

	November 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)
	(Rupees in '000)	
Net assets of the fund	95,946	99,486
Cost of investments made (actual investment made)	83,562	86,694
Cost of investments / net assets of the fund	87%	87%
Fair value of investments	88,481	90,539

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, 2020 (Unaudited)		December 31, 2019 (Unaudited)	
	Investments (Rupees in '000)	% of investment as size of the fund	Investments (Rupees in '000)	% of investment as size of the fund
Fair value				
Defence Saving Certificates	22,028	25%	19,791	22%
Pakistan Investment Bonds	23,439	26%	44,959	50%
Regular Income Certificate	24,103	27%	24,833	27%
Investment in shares	15,598	18%	-	0%
Balances with banks in savings account	3,313	4%	956	1%
	<u>88,481</u>	<u>100%</u>	<u>90,539</u>	<u>100%</u>

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.

28 SHARE-BASED REWARD PLANS

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

	2020		2019		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options
----- (Number of shares) -----					
Outstanding as at December 1	2,529	1,315	510	2,868	1,965
Granted during the year	1,332	-	226	914	-
Vested / Exercised during the year	(824)	(60)	(169)	(1,253)	(650)
Expired during the year	-	(225)	-	-	-
Dividend equivalent units	-	-	23	-	-
Adjustment during the year	160	53	31	-	-
Outstanding as at November 30	<u>3,197</u>	<u>1,083</u>	<u>621</u>	<u>2,529</u>	<u>1,315</u>

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

	2020		2019		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options
----- (in US\$) -----					
Outstanding as at December 1	37.57	27.36	37.79	33.26	27.82
Granted during the year	34.10	-	36.25	43.35	-
Outstanding as at November 30	<u>32.97</u>	<u>26.62</u>	<u>35.81</u>	<u>37.57</u>	<u>27.36</u>

- 28.3** 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:

Fair value of share options and assumptions	November 30, 2020	November 30, 2019
Share price	\$34.10	\$43.35
Expected volatility (weighted average volatility)	20.97%	18.34%
Option life (expected weighted average life)	5 years	5 years
Expected dividends	\$1.52	\$1.44

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

- 28.4** The total expense recognised for the year arising from share-based payment transactions is Rs. 2.15 million (2019: Rs. 2.08 million).

29. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the ultimate parent company (Pfizer Incorporation, 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. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere are as follows:

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

Relationship with the company	Nature of transactions	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Associated Companies	Sale of goods	2,439	-
	Purchase of goods	704,634	1,046,685
Associated Companies	Services received	11,270	7,345
	Services rendered	77,579	87,944
Staff retirement fund	Contribution to: - Defined contribution plans - Defined benefit plans	10,121 6,000	9,784 6,835
Ultimate Parent Company	Dividend paid	102,503	51,252
Common Directorship	Fee for receiving legal services	128	88

- 29.2** 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

- 29.3** 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
Pfizer Service Company BVBA	Hoge Wei 10, 1930 Zaventem, Belgium	Associated Company	N/A
Pfizer Innovative Supply Point. Intl	Hoge Wei 10, 1930 Zaventem, Belgium	Associated Company	N/A
Wyeth LLC USA	235 East 42 Street, New York, USA	Holding Company	40.55%
Wyeth Holdings LLC, USA	235 East 42 Street, New York, USA	Holding Company	31.55%
Pfizer Incorporation	8,1209 Rockwell Dr, Makati, Philippines	Ultimate Parent	N/A

Note	November 30, 2020	November 30, 2019
(Rupees in '000)		

30. CASH GENERATED FROM OPERATIONS

(Loss) / profit for the year after taxation	(131,189)	23,176
Adjustments for non-cash charges and other items:		
Net increase in reserve for share-based payment plans	2,149	2,080
Charge for defined benefit plans	14,505	15,590
Depreciation	5,712	7,364
Provision for slow moving and obsolete stock-in-trade	5,395	9,093
Net gain on disposal of property, plant and equipment	-	(2,395)
Profit on bank deposits	(78,389)	(120,053)
Tax expense	72,208	44,892
Working capital changes	30.1	319,086
	<u>(269,486)</u>	<u>319,086</u>
	<u>(379,095)</u>	<u>298,833</u>

30.1 Working capital changes

Decrease / (Increase) in current assets:		
Stock-in-trade	172,479	(322,161)
Trade receivables	2,456	14,860
Loans and advances	2,671	34,015
Deposits, prepayments and other receivables	(1,867)	258,668
	<u>175,739</u>	<u>(14,618)</u>
(Decrease) / increase in current liabilities:		
Trade and other payables	(439,225)	326,196
Retirement benefit plans	(6,000)	7,508
	<u>(269,486)</u>	<u>319,086</u>

31. OPERATING SEGMENTS

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

31.1 The sales percentage by geographic region is as follows:

Note	November 30, 2020	November 30, 2019
(Percentage)		
Pakistan	100.0%	100.0%
Other Asian countries	0.0%	0.0%
	<u>100%</u>	<u>100%</u>

31.2 All non-current assets of the Company as at November 30, 2020 are located in Pakistan.

31.3 Sales to two major customers of the Company is around 66.93% during the year ended November 30, 2020 (2019: 61.31%).

32. CASH AND CASH EQUIVALENTS

	Note	November 30, 2020	November 30, 2019
		(Rupees in '000)	
Cash and bank balances	12	705,119	<u>1,149,185</u>

33. FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE MEASUREMENT

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

	Carrying Amount			Fair value		
	Amortized cost	Financial liabilities	Total	Level 1	Level 2	Level 3
----- (Rupees in '000) -----						
Financial assets not measured at fair value						
Loans to employees	15,340	-	15,340	-	-	-
Long term deposits	145	-	145	-	-	-
Loans and advances	41,905	-	41,905	-	-	-
Deposits and other receivables	42,044	-	42,044	-	-	-
Interest accrued	3,561	-	3,561	-	-	-
Trade receivables	89	-	89	-	-	-
Cash and bank balances	705,119	-	705,119	-	-	-
As at 30 November 2020	808,203	-	808,203	-	-	-
As at 30 November 2019	1,263,653	-	1,263,653	-	-	-
Financial liabilities not measured at fair value						
Trade and other payables	-	164,500	164,500	-	-	-
Unclaimed dividend	-	10,939	10,939	-	-	-
As at 30 November 2020	-	175,439	175,439	-	-	-
As at 30 November 2019	-	736,954	736,954	-	-	-

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.

34. 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 have 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.

34.1 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 receivables, 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, 2020	November 30, 2019
	(Rupees in '000)	
Loans to employees	15,340	13,201
Long term deposits	145	145
Trade receivables	89	2,545
Loans and advances	41,905	41,911
Interest accrued	3,561	16,902
Trade deposits and other receivables	42,044	39,764
Cash and Bank balances	705,119	1,149,185
	<u>808,203</u>	<u>1,263,653</u>

- 34.1.1** 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.
- 34.1.2** The bank balances represents low credit risk as they are placed with reputed banks, having short-term credit rating of A1+.
- 34.1.3** The aging of trade receivables at the balance sheet date is as follows:

	November 30, 2020	November 30, 2019
	(Rupees in '000)	
Not past due	89	2,545
Past due and impaired	-	-
	89	2,545

34.2 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, 2020				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
----- (Rupees in '000) -----					
Financial liabilities					
Creditors	20,094	20,094	(20,094)	-	-
Accrued liabilities	137,668	137,668	(137,668)	-	-
Accumulated compensated absences	6,738	6,738	(6,738)	-	-
Unclaimed dividend	10,939	10,939	(10,939)	-	-
	175,439	175,439	(175,439)	-	-

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

	November 30, 2019				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
----- (Rupees in '000) -----					
Financial liabilities					
Creditors	507,067	507,067	(507,067)	-	-
Accrued liabilities	113,312	113,312	(113,312)	-	-
Accumulated compensated absences	7,320	7,320	(7,320)	-	-
Unclaimed dividend	11,185	11,185	(11,185)	-	-
	638,884	638,884	(638,884)	-	-

34.3 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.

34.3.1 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, 2020	
	November 30, 2019	
	Amount in USD	
Other receivables	23,261	-
Creditors	-	(3,205,105)
Gross balance sheet exposure	23,261	(3,205,105)

The average rate for US Dollars during the year was USD 1 = Rs. 161.45 (2019: USD 1 = Rs. 148.17) and the rate at year end was USD 1 = Rs. 159.42 (2019: USD 1 = Rs. 156.66).

34.3.2 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. 0.37 million (2019: Rs. 50.21 million).

34.3.3 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, 2020, Rs. 705.12 million (2019: Rs. 1,149.19 million) interest bearing financial assets are on fixed interest rates, hence management believes that the Company is not materially exposed to interest rate changes.

35. 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.

36. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation the effect of which is immaterial.

37. EVENTS AFTER REPORTING DATE

The Board of Directors have proposed a final cash dividend for the year ended November 30, 2020 of Rs. 25 (2019: Rs. 100) per share, amounting to Rs. 35.54 million (2019: Rs. 142.16 million) at their meeting held on March 01, 2021 subject to the approval of members at the annual general meeting to be held on March 29, 2021.

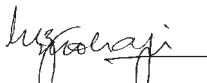
These financial statements do not reflect the final cash dividend as this has been proposed subsequent to the balance sheet date.

38. DATE OF AUTHORISATION

These financial statements were authorized for issuance by the Board of Directors of the Company on March 01, 2021.



S. M. Wajeehuddin
Chief Executive



M. Z. Moin Mohajir
Director



Tafazzul Khan
Chief Financial Officer

SIX YEARS AT A GLANCE
from 2015 to 2020

(Rupees in '000)

	2015	2016	2017	2018	2019	2020
Sales	2,674,709	2,770,780	1,829,096	1,192,352	948,237	932,673
Cost of sales	2,332,608	2,264,245	1,457,126	985,842	843,143	947,029
Gross profit / (loss)	342,101	506,535	371,970	206,510	105,094	(14,356)
Selling,marketing,distribution and administrative expenses	286,536	284,163	397,782	222,514	158,622	172,595
Other operating income / (expenses) - net	26,880	(26,278)	1,383,026	68,432	148,331	128,154
Operating profit / (loss)	82,445	196,094	1,357,214	52,428	94,803	(58,797)
Finance cost	1,112	1,315	2,200	28,232	26,735	184
Profit/ (loss) before taxation	81,333	194,779	1,355,014	24,196	68,068	(58,981)
Taxation	49,316	81,963	375,019	35,314	44,892	72,208
Profit/ (loss) after taxation	32,017	112,816	979,995	(11,118)	23,176	(131,189)
Shareholders' equity	1,140,762	1,224,526	1,711,660	1,268,019	1,237,719	973,479
Property, plant and equipment	382,239	16,900	6,649	13,485	15,123	9,411
Current assets	1,288,636	1,923,697	2,558,996	1,664,455	1,971,330	1,272,090
Current liabilities	551,013	745,394	860,271	422,810	757,006	318,426
Current ratio	2.34	2.58	2.97	3.94	2.60	3.99
Dividend	20%	35%	600%	50%	100%	25%
Number of employees as at November 30	187	173	83	82	75	72

**PATTERN OF SHAREHOLDING
AS AT NOVEMBER 30, 2020**

NO. OF SHAREHOLDERS	HAVING SHARES FROM	TO	SHARES HELD	PERCENTAGE
869	1	100	25,729	1.81
194	101	500	50,922	3.58
33	501	1000	23,748	1.67
26	1001	5000	54,513	3.83
1	5001	10000	9,730	0.68
1	10001	15000	10,201	0.72
1	50001	25000	52,374	3.68
1	55001	60000	57,788	4.06
1	110001	115000	111,574	7.85
1	445001	450000	448,560	31.55
1	575001	580000	576,470	40.55
<u>1,129</u>			<u>1,421,609</u>	<u>100.00</u>

**CATEGORIES OF SHAREHOLDERS
AS AT NOVEMBER 30, 2020**

PARTICULARS	SHAREHOLDERS	SHAREHOLDING	PERCENTAGE
Associated companies	2	1,025,030	72.10
Directors, Chief Executive and their spouses and minor children	8	179	0.01
Banks, DFI & NBFI	1	59,477	4.18
Insurance companies	2	54,874	3.86
Modarbas and Mutual Funds	2	114,574	8.05
Residents Individuals	1,059	142,495	10.02
Non - resident Individuals	40	7,650	0.54
Others	15	17,330	1.24
COMPANY TOTAL	<u>1,129</u>	<u>1,421,609</u>	<u>100.00</u>

CATEGORIES OF SHAREHOLDERS AS AT NOVEMBER 30, 2020

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

Category No.	Categories of Shareholders	Number of shares held	Percentage
1	Associated companies, undertakings and related parties		
	Wyeth LLC, U.S.A	576,470	40.5505
	Wyeth Holdings Corporation, U.S.A.	448,560	31.5530
2	NIT	114,574	8.0594
3	Directors, Chief Executive and their spouses and minor children		
	S. M. Wajeehuddin	2	0.0001
	Iftikhar Soomro	2	0.0001
	Iqbal Bengali	2	0.0001
	Shoaib Mir	2	0.0001
	Rashid Muhammad Khan	1	0.0001
	Badaruddin Fatehali Vellani	100	0.0070
	Muhammad Zindah Moin Mohajir	20	0.0014
	Seema Adil	50	0.0035
4	Public Sectors Companies and Corporations	Nil	Nil
5	Banks, Developments Financial Institutions, Non-Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds		
	National Bank of Pakistan	59,477	4.1838
	State Life Insurance Corp. of Pakistan	52,374	3.6841
	United Insurance Company of Pakistan Limited	2,500	0.1759
6	Shareholders holding five percent or more voting interest in the Listed Company		
	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	111,574	7.8484

FORM OF PROXY 72nd Annual General Meeting

I, We _____ of _____
_____ (full address) being a member of **Wyeth Pakistan Limited** hereby
appoint _____
of _____ (full address) or failing him
_____ (full
address) as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General
Meeting of the Company to be held on Monday, March 29, 2021 at 11:00 a.m. and at any adjournment
thereof.

As witness my/our hand this _____ day of _____ 2021 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 the 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 notarial 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

پرائی فارم

۲۷ وال سالانہ اجلاس عام

میں مسمی / مسماء ساکن

صلع بھیت ممبر وائیٹھ پاکستان لمیڈیڈ، مسمی / مسماء

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

کمپنی کے ۲۷ ویں سالانہ اجلاس عام جو بتارخ ۲۹ مارچ ۲۰۲۱ء بروز پیر ۱۱:۰۰ صبح

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

گواہ میرے / ہمارے دن دن دستخط ۲۰۲۱ء

برائے ان کی موجودگی میں دستخط

ریونیونگٹ

۵ روپے

چسپاں کریں

دستخط ممبر

دستخط / پتہ گواہ

شیئرز کی تعداد

فولیونر - CDC اکاؤنٹ نمبر اور شرکت دار کے

کمپیوٹر ائر ڈکو می شناختی کارڈ نمبر

Wyeth



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