

Wyeth®



LEADING THE WAY TO A HEALTHIER WORLD

Wyeth Pakistan Limited
Annual Report 2017

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.

CONTENTS

Company Information	1
Key Operating and Financial Data of Six Years	2
Performance at a Glance	3
Notice of Annual General Meeting	4-11
Directors' Report to Shareholders	12-21
Chief Executive's Review	22-24
Statement of Compliance with the Code of Corporate Governance	25-27
Review Report to the Members on Statement of Compliance with the Code of Corporate Governance	28
Auditors' Report to the Members	29
Balance Sheet	30
Profit and Loss Account	31
Statement of Comprehensive Income	32
Cash Flow Statement	33
Statement of Changes in Equity	34
Notes to the Financial Statements	35-71
Six Years at a Glance	72
Pattern of Shareholding	73
Categories of Shareholders	74
Form of Proxy - Sixty Ninth Annual General Meeting	

COMPANY INFORMATION

BOARD OF DIRECTORS

Iftikhar Soomro	Chairman
S. M. Wajeehuddin	Chief Executive
Husain Lawai	
M.Z. Moin Mohajir	
Badaruddin F. Vellani	
Iqbal Bengali	
Syed Zakwan Ahmed	

COMPANY SECRETARY

Tafazzul Khan

AUDIT COMMITTEE

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

HUMAN RESOURCES AND REMUNERATION COMMITTEE

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

EXECUTIVE COMMITTEE

S. M. Wajeehuddin	Chairman
Syed Zakwan Ahmed	

SHARE TRANSFER COMMITTEE

S. M. Wajeehuddin	Chairman
M.Z. Moin Mohajir	
Syed Zakwan Ahmed	

BANKERS

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

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

LEGAL ADVISORS

Vellani & Vellani
Orr, Dignam & Co.
Mohammad Mitha

SHARE REGISTRAR

THK Associates (Pvt.) Ltd.
1st Floor, 40-C, Block-6
P.E.C.H.S., Karachi - 75400
UAN: 021 111-000-322, Fax 021-34168271

HEAD OFFICE / REGISTERED OFFICE

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

Website: www.wyethpakistan.com

Note: These accounts are also available on our website.

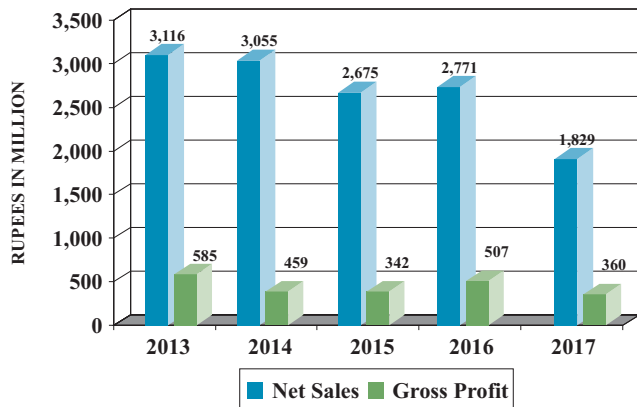
KEY OPERATING AND FINANCIAL DATA OF SIX YEARS

KEY INDICATORS		2012	2013	2014	2015	2016	2017
		(Restated)	(Restated)				
Operating results (Rs. in millions)							
Net sales		3,146	3,116	3,055	2,675	2,771	1,829
Gross profit		731	585	459	342	507	372
Operating profit / (loss)		245	57	(13)	82	196	1,357
Profit / (loss) before tax		244	57	(14)	81	195	1,355
Profit / (loss) after tax		132	17	(85)	32	113	980
Financial position (Rs. in millions)							
Shareholder's equity		1,315	1,207	1,093	1,141	1,225	1,712
Property, plant & equipment		150	208	264	382	17	7
Net current assets		1,153	954	800	738	1,178	1,699
Profitability							
Gross profit	%	23.24	18.78	15.02	12.79	18.28	20.34
Operating profit / (loss)	%	7.79	1.82	(0.42)	3.08	7.08	74.20
Profit / (loss) before tax	%	7.76	1.82	(0.45)	3.04	7.03	74.08
Profit / (loss) after tax	%	4.20	0.54	(2.77)	1.20	4.07	53.58
Performance							
Fixed assets turnover	Times	21.00	14.98	11.56	7.00	* 7.81	275.05
Avg. inventory holding period	Days	177	143	120	114	125	190
Average collection period	Days	9	10	8	5	4	7
Return on equity	%	10.04	1.39	(7.73)	2.81	9.21	57.25
Liquidity							
Current	Times	4.11	2.91	2.47	2.34	2.58	2.97
Quick	Times	1.13	1.06	0.94	1.10	1.36	2.24
Valuation							
Earnings / (loss) per share	Rs.	134.90	11.82	(59.48)	22.52	79.36	689.36
Book value per share	Rs.	918.29	849.80	769.05	802.44	861.37	1,204.03
Dividend per share	Rs.	80.00	20.00	-	20.00	35.00	600.00
Price earning ratio	Times	6.93	432.65	-	103.01	53.47	2.34

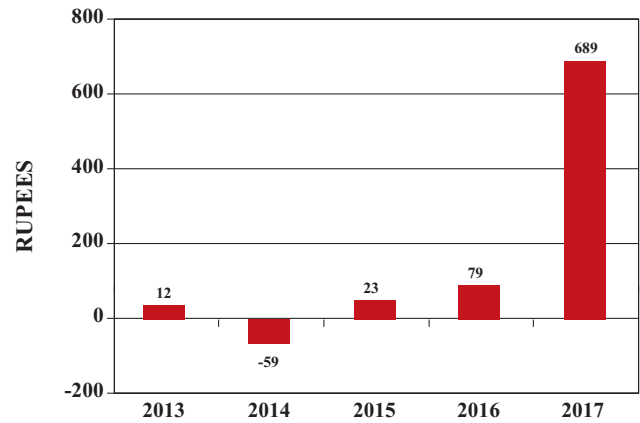
* Based on total value of Plant & Machinery inclusive of Assets held for sale.

PERFORMANCE AT A GLANCE

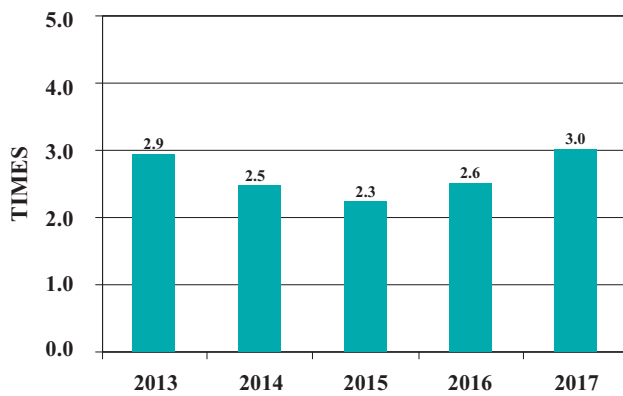
NET SALES & GROSS PROFIT ANALYSIS



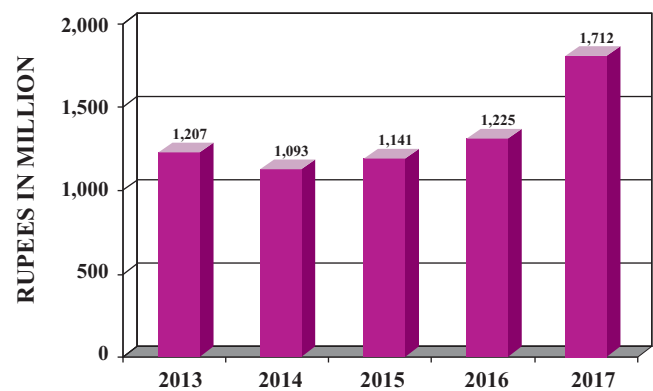
EARNINGS / (LOSS) PER SHARE



CURRENT RATIO



SHAREHOLDERS' EQUITY



Wyeth

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the SIXTY-NINTH Annual General Meeting of Wyeth Pakistan Limited will be held at The Institute of Bankers Pakistan, Karachi, at 11:00 a.m. on Wednesday March 28, 2018 to transact the following business:

ORDINARY BUSINESS

1. (a) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended November 30, 2017 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, 2017. The Directors have recommended the payment of a final dividend of 300%, that is, Rs.300 per share of Rs.100 each, for the year ended November 30, 2017 payable to those Members whose names appear on the Register of Members as at the close of business on March 21, 2018.
2. To appoint Auditors for the year ending November 30, 2018 and to authorize the Board to fix their remuneration.
3. To transact any other business with permission of the Chair.

By Order of the Board



Tafazzul Khan
Company Secretary

Karachi: March 05, 2018.

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, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400. 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 Wednesday, March 21, 2018 to Wednesday, March 28, 2018 (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, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400.
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. A copy of the accounts of the Company for the year ended November 30, 2017 are also available on the Company's website: www.wyethpakistan.com

9. Payment of Cash Dividend Electronically

The Securities and Exchange Commission of Pakistan (SECP) had earlier initiated e-dividend mechanism through its letter No: 8(4)SM/CDC/2008 dated April 05, 2013. The Companies Act 2017 also now provides in section 242 that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders.

As such, the Company will only be able to make payment of cash dividend to its shareholder through electronic mode. Therefore shareholders are advised that in order for them to receive their dividends through electronic mode, the details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address be provided as soon as possible, to the Share Registrar of the Company, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400.

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

i) The Government of Pakistan through Finance Act 2017, effective 1 July 2017 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

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

To enable the Company to make a tax deduction on the amount of dividend @ 15.0% instead of 20.0%, all the shareholders whose names are not entered into the Active 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 16, 2018 otherwise tax on their cash dividend will be deducted @20.0% instead @15.0%.

(ii) As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT)/2008-Vol. II -66417-R dated 12 May 2015, a valid exemption certificate is mandatory to claim exemption of withholding tax U/S 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 U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar THK Associates (Pvt) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400 before book closure otherwise tax will be deducted on dividend as per applicable rates.

(iii) Further, the Federal Board of Revenue (FBR) has clarified that withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder (s) based on their shareholding proportions, in case of joint accounts.

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

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

- v) The corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company's Registrar, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company's name and their respective folio numbers.
11. 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.

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

wyeth

نوٹس برائے سالانہ اجلاس عام

اطلاع دی جاتی ہے کہ وائٹھ پاکستان لمیٹڈ کا 69 واں سالانہ اجلاس عام 28 مارچ 2018 بروز بدھ، صبح 11 بجے انسٹیٹیوٹ آف بینکرز آف پاکستان، ایم ٹی خان روڈ کراچی میں منعقد کیا جا رہا ہے جس میں مندرجہ ذیل امور پر کارروائی ہوگی:

عمومی کارروائی:

- 1- (الف)۔ 30 نومبر 2017 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹ اور ڈائریکٹرز اور آڈیٹرز رپورٹس کی وصولی، غور اور منظوری۔
- (ب)۔ 30 نومبر 2017 کو ختم ہونے والے سال کیلئے حتمی منافع منقسمہ پر غور، اس کی منظوری اور اعلان۔ ڈائریکٹرز نے 30 نومبر 2017 کے سال کیلئے ممبران کیلئے جن کے نام 21 مارچ 2018 کو کاروباری اختتام پر ممبران کے رجسٹر میں موجود ہوں 300 فیصد کے حتمی منافع منقسمہ کی ادائیگی کی تجویز دی ہے جو کہ ہر 100 روپے کے شیئر پر 300 روپے بنتا ہے۔
- 2- 30 نومبر 2018 کو اختتام پذیر سال کیلئے آڈیٹرز کا تقرر اور ان کے مشاہرے کے تعین کیلئے بورڈ کو اختیار دینا۔
- 3- چیئر پرسن کی اجازت سے کوئی دیگر کارروائی عمل میں لانا۔

بحکم بورڈ

T. J. Khan

تفضل خان

کمپنی سیکریٹری

کراچی: 05 مارچ 2018

نوٹس:

- 1- سیکریٹری اینڈ ایگزیکٹو کمیشن آف پاکستان کی جانب سے جاری کردہ نوٹیفیکیشن 2012 کے ایس آر اے (I) 831 بتاریخ 5 جولائی 2012 کے حوالے سے ممبر افراد سے ایک بار پھر درخواست کی جاتی ہے کہ جنہوں نے ابھی تک اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل کمپنی کو جمع نہیں کروائی ہے وہ فوراً اپنے درج فوئیو نمبر کے ساتھ اپنے سی این آئی سی کی کاپی بھی کمپنی کے شیئر رجسٹرار میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ چلی منزل C-40، بلاک-6، PECHS، کراچی-75400 پر روانہ کریں۔ کارپوریٹ ممبران سے بھی درخواست کی جاتی ہے کہ وہ اپنے نیشنل ٹیکس نمبر سرٹیفکیٹ (NTN) کی کاپی بھی درج فوئیو نمبر کے مندرجہ بالا دیئے گئے کمپنی شیئر رجسٹرار پر ارسال کریں۔ مؤثر CNIC کی عدم موصولی کی صورت میں کمپنی ایسے شیئر ہولڈرز کے ڈیوڈنڈ وارنٹس کی ترسیل روکنے پر مجبور ہوگی۔
- 2- کمپنی کی شیئر ٹرانسفر بکس بروز بدھ 21 مارچ 2018 سے بدھ 28 مارچ 2018 تک (بشمول دونوں دن) بند رہیں گی۔
- 3- اجلاس میں شرکت اور ووٹ ڈالنے کا اہل ممبر اگر چاہے تو اپنی جگہ اجلاس میں شرکت کرنے، ووٹنگ کا مطالبہ کرنے یا مطالبہ میں شامل ہونے یا اظہار خیال کرنے اور ووٹ ڈالنے کیلئے کسی دوسرے فرد کا بطور پراکسی تقرر کر سکتا ہے۔ اس طرح منتخب کردہ پراکسی کو اجلاس میں شرکت کرنے، اظہار خیال کرنے اور ووٹ ڈالنے کے وہی اختیارات میسر ہوں گے جو اصل ممبر کو حاصل ہیں۔ پراکسی کیلئے کمپنی کا ممبر ہونا لازمی ہے۔ مکمل شدہ پراکسی فارم اجلاس سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں جمع کرانا لازمی ہے۔
- 4- کارپوریٹ ممبر ہونے کی صورت میں، پراکسی فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع دستخط کے نمونے کمپنی کے پاس جمع کرائے جائیں۔

- 5- ممبران سے درخواست ہے کہ وہ اپنے پتے یا بینک مینڈیٹ میں تبدیلی سے متعلق ہمارے کمپنی کے رجسٹر اریسٹرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ پہلی منزل، C-40 بلاک-6، PECHS، کراچی۔ 75400 کو فوری آگاہ کریں۔
- 6- CDC کے اکاؤنٹ ہولڈرز کو دی گئی شرائط کے علاوہ سیکوٹیز اینڈ ایک ایکسچینج آف پاکستان کے جاری کردہ سرکلر 1 بتاریخ 26 جنوری 2000 میں دی گئی مندرجہ ذیل ہدایات پر بھی عمل کرنا ہوگا:

A- اجلاس میں شرکت کیلئے:

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

B- پراسی کے تقرر کیلئے:

- i- انفرادی صورت میں، اکاؤنٹ ہولڈر، سب اکاؤنٹ ہولڈر یا/اور وہ فرد جس کی سیکوٹیز گروپ اکاؤنٹ میں ہیں، اور جس کی رجسٹریشن تفصیلات ریگولیشنز کے مطابق اپ لوڈ کر لی گئی ہوں، اوپر درج شدہ طریقے کے مطابق پراسی فارم جمع کرائیں گے۔
- ii- پراسی فارم کی تصدیق دو افراد کریں گے جن کے نام، پتے اور قومی شناختی کارڈ نمبر فارم پر درج ہوں گے۔
- iii- پراسی فارم کے ساتھ تین تین فیصلوں اور نو اور پراسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں لگانا لازمی ہے۔
- iv- اجلاس کے موقع پر پراسی اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کریں گے۔
- v- کارپوریٹ ممبر ہونے کی صورت میں، پراسی فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اور دستخط کے نمونے پیش کرنا ہوں گے (اگر یہ سب پہلے فراہم نہ کئے گئے ہوں)۔
- 7- فزیکل شیئرز کے مالکان کو اپنا اصلی قومی شناختی کارڈ اور پراسی کو قومی شناختی کارڈ اور پراسی کو قومی شناختی کارڈ کی تصدیق شدہ کاپی ہمراہ لانا لازمی ہے جس کے بغیر انہیں اجلاس میں شرکت کرنے اور/یا ممبران/شیئرز ہولڈرز کے رجسٹر میں دستخط کرنے کی اجازت نہیں ہوگی۔
- 8- 30 نومبر 2017 کو اختتام پذیر سال کیلئے کمپنی کے اکاؤنٹس کمپنی کی ویب سائٹ www.wyethpakistan.com پر بھی فراہم کر دیئے ہیں۔

9- منافع منقسمہ کی ادائیگی الیکٹرانک طریقے سے (اختیاری)

SECP نے سرکلر نمبر 2008 SM/CDC (4) 8 بتاریخ 15 اپریل 2013 کے تحت بذریعہ الیکٹرانک ادائیگی کا آغاز کیا تھا۔ کمپنیز ایکٹ 2017 کے سیکشن 242 کے تحت کسی بھی قابل ادا نقد منافع منقسمہ کی ادائیگی صرف بذریعہ الیکٹرانک براہ راست شیئرز ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں کی جائے گی۔ اس لیے کمپنی شیئرز ہولڈرز کو نقد منافع منقسمہ کی ادائیگی صرف الیکٹرانک طریقہ کار کے تحت ادا کرے گی۔ لہذا شیئرز ہولڈرز کو مطلع کیا جاتا ہے کہ الیکٹرانک طریقہ کار کے تحت منافع منقسمہ کی وصولی کے لیے اپنے بینک مینڈیٹ کی تفصیلات جن میں: (i) ٹائٹل آف اکاؤنٹ (ii) اکاؤنٹ نمبر (iii) بینک کا نام (iv) برانچ کا نام، کوڈ اور پتہ شامل ہیں جلد از جلد کمپنی کے شیئرز رجسٹر اریسٹرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ پہلی منزل C-40، بلاک-6، PECHS، کراچی۔ 75400 کو فراہم کریں۔

- 10- ڈیویڈنڈ پروڈ ہولڈنگ ٹیکس کی کٹوتی کے حوالے سے:
- i- حکومت پاکستان کی جانب سے آگسٹ 2001 کے سیکشن 150 میں فنانس ایکٹ 2017 جس کی مؤثر تاریخ یکم جولائی 2017 ہے، کے تحت کی جانے والی ترمیم کے مطابق کمپنی طرف سے ادا کی جانے والی ڈیویڈنڈ کی رقم پروڈ ہولڈنگ ٹیکس کی کٹوتی کے لیے مختلف شرحیں تجویز کی گئی ہیں۔ یہ شرحیں مندرجہ ذیل ہیں:
- | | | |
|-------|---------------------------|-----------|
| (الف) | آگسٹ ٹیکس فائلز کیلئے | 15.0 فیصد |
| (ب) | آگسٹ ٹیکس نان فائلز کیلئے | 20.0 فیصد |

کمپنی کو 20 فیصد کے بجائے 15 فیصد ٹیکس کی کٹوتی کا مجاز بنانے کیلئے تمام شیئرز ہولڈرز جن کے نام FBR کی ویب سائٹ پر فراہم کردہ ایکٹیو شیئرز لسٹ (ATL) میں موجود نہیں باوجود فائلر ہونے کے، ان کو متنبہ کیا جاتا ہے کہ وہ کیش ڈیویڈنڈ کی ادائیگی کی تاریخ 16 اپریل 2018 سے قبل ATL میں اپنے نام کا اندراج یقینی بنائیں۔ بصورت دیگر ان کے کیش ڈیویڈنڈ پر ٹیکس کی کٹوتی %15 کے بجائے %20 کی جائے گی۔

- ii ایف بی آر کے سرکیولر C-6/2006 WHT/1(29) No.1 تاریخ 30 جون 2010 اور DG(WHT)/2008-Vol.II-66417-R (143) C. No. 1 تاریخ 12 مئی 2015 کے تحت آگسٹ ٹیکس آرڈیننس 2001 (ڈیویڈنڈ کی رقم پر ٹیکس) کے سیکشن 150 کے مطابق کی کٹوتی سے استثنیٰ کا دعویٰ کرنے کیلئے موثر استثنیٰ کا سرٹیفکیٹ لازمی جمع کرانا ہوگا، اگر دوسری شیڈول کے پارٹ-IV کی کلاز B47 کے تحت قانونی استثنیٰ موجود ہو۔ ایسے شیئرز ہولڈرز ز جو مذکورہ بالا کے تحت اس کیلنگری میں شامل ہیں اور آرڈیننس کے سیکشن 150 کے تحت استثنیٰ حاصل کرنے کے خواہش مند ہیں تو وہ اپنا ٹیکس استثنیٰ سرٹیفکیٹ ہمارے شیئرز رجسٹر اریمرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پہلی منزل C-40، بلاک 6، PECHS، کراچی۔ 75400 کوکتابوں کی بندش سے قبل لازمی فراہم کریں۔ بصورت دیگر لاگو شرح کے مطابق ڈیویڈنڈ پر ٹیکس کی کٹوتی کی جائے گی۔

- iii مزید یہ کہ فیڈریل بورڈ آف ریونیو (FBR) وضاحت کر چکا ہے کہ جو اسٹاک وٹ کی صورت میں اصل شیئرز ہولڈرز پر فائلر/نان فائلر کی حیثیت اور جو اسٹاک ہولڈرز کے وہ ہولڈنگ ٹیکس کی جانچ علیحدہ علیحدہ ان کے شیئرز کے تناسب سے کی جائے گی۔

اسی طرح ایسے شیئرز ہولڈرز جن کے شیئرز مشترکہ ہیں، ان سے درخواست کی جاتی ہے کہ وہ اصل شیئرز ہولڈرز اور جو اسٹاک ہولڈرز اور جو اسٹاک ہولڈرز کے شیئرز کے تناسب کی تفصیلات (اگر پہلے فراہم نہیں کی گئی ہیں) کمپنی کے شیئرز رجسٹر اریمرز THK ایسوسی ایٹس کو اس اطلاع سے 10 دن کے اندر فراہم کریں۔ بصورت دیگر اصل شیئرز ہولڈرز اور جو اسٹاک ہولڈرز کا برابر شیئرز تصور کیا جائے گا۔

- iv- مزید سوالات / مسائل / معلومات کیلئے سرمایہ کار کمپنی کے شیئرز رجسٹر اریمرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پہلی منزل C-40، بلاک 6-PECHS، کراچی۔ 75400 سے فون نمبر 000-322-111-021، (021)34168266-68-70 پر یا بذریعہ ای میل secretariat@thk.com.pk پر رابطہ کر سکتے ہیں۔

- v- CDC کا نوٹس رکھنے والے کارپوریٹ شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ اپنے INTN اپنے متعلقہ پارٹنرسپنٹس سے اپ ڈیٹ کر لیں۔ جبکہ کارپوریٹ فزیکل شیئرز ہولڈرز کمپنی کے شیئرز رجسٹر اریمرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پہلی منزل C-40، بلاک 6-PECHS، کراچی کو روانہ کریں۔ شیئرز ہولڈرز INTN یا INTN سرٹیفکیٹ (جو بھی صورت ہو) بھیجئے ہوئے کمپنی کا نام اور ان کے متعلقہ فون نمبر ضرور بتائیں۔

11- سالانہ آڈٹ شدہ اکاؤنٹس اور سالانہ اجلاس عام کی اطلاع بذریعہ ای۔میل سی ڈی یا ڈی وی ڈی یا USB ترسیل
ہم شیئر ہولڈرز کو بخوشی مطلع کرتے ہیں کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے SRO No. 787(1)/2014 بتاریخ 8 ستمبر 2014 اور (1)
SRO 470 بتاریخ 31 مئی 2016 کے تحت کمپنیز کو اجازت دی ہے کہ وہ اپنی سالانہ اجلاس عام کی اطلاع کے ساتھ سالانہ بیلنس شیٹ اور نفع و نقصان کی
تفصیلات، آڈیٹ اور ڈائریکٹرز رپورٹ وغیرہ (سالانہ آڈیٹ اور ڈائریکٹرز رپورٹ وغیرہ) (سالانہ شدہ اکاؤنٹس) اپنے شیئر ہولڈرز کو بذریعہ CD یا DVD یا
USB ترسیل کرے۔ کمپنی کے وہ شیئر ہولڈرز جو مستقبل میں نوٹس اور سالانہ شدہ اکاؤنٹس بذریعہ ای میل CD یا DVD یا USB وصول کرنے کے خواہشمند
ہیں، ان سے درخواست کی جاتی ہے کہ وہ کمپنی کی ویب سائٹ www.wyethpakistan.com پر موجود مکمل فارم پر کر کے کمپنی کے شیئر رجسٹرار،
سینٹرل ڈپازٹری کمیٹی آف پاکستان لمیٹڈ، کمپنی سیکریٹری کو فراہم کریں۔
کمپنی کی جانب سے مؤثر کمیونیکیشن کو یقینی بنانے کیلئے وقتاً فوقتاً ممبران اپنے رجسٹرڈ ای میل ایڈریس میں ہونے والی کسی بھی تبدیلی کی اطلاع فوری طور پر کمپنی
کے شیئر رجسٹرار کو دیں۔

wyeth

DIRECTORS' REPORT TO SHAREHOLDERS

We are pleased to present your Company's Annual Report for 2017 together with the audited financial statements for the year ended November 30, 2017.

Financial Results

The Chief Executive's review on pages 22-24 covers the results of the Company's operations and its future outlook.

The Directors of the Company endorse the contents of the Chief Executive's Review.

The summarized operating results of your Company for the year ended November 30, 2017 are as follows:

	Rupees in '000
Sales	1,829,096
Gross Profit	371,971
Profit before tax	1,355,014
Profit after tax	979,995

The earning per share of your Company for the year ended November 30, 2017 is Rupees 689.36 [2016: 79.36].

The Company had started pursuing the sale of its manufacturing facilities along with some of its non-core brands. Further details of these developments are covered in the Chief Executive's Review and the operating results of these brands are given in Note 26 to the Accounts.

Review of Operations and Future Outlook

The Chief Executive's Review at pages 22 to 24 of the Annual Report discusses the operations and future outlook of your Company in more detail.

The Directors of the Company endorse the contents of the Chief Executive's Review.

Dividend

The Directors have recommended dividend @ 300% (i.e. Rs. 300 per share) as final dividend for the year 2017.

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, 2017 and the pattern of shareholding of the Company are set out at pages 73 to 74 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 departure from best practices of corporate governance, as detailed in the listing regulations.
- h) Key operating and financial data for the last six years (including current period) is set out on page 2 of the Annual Report.
- i) There are certain disputed demands for Income Tax, which have not been accrued or paid. These have been explained in Note 16 to the Financial Statements on Taxation under the head of Contingencies and Commitments.
- j) The value of investments by the pension, gratuity and provident funds as at 30 November 2017 were as follows:

Name of Fund	Unaudited 2017	Audited 2016
DB Pension Fund	Rs. 83 million	Rs. 75 million
DC Pension Fund	Rs. 75 million	Rs. 104 million
Gratuity Fund	Rs. 8 million	Rs. 65 million
Provident Fund	Rs. 85 million	Rs. 275 million

The value of investments includes accrued interest, and the audit of these funds for 2017 is in progress.

- k) During the year twelve 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	12
Dr. Farid Khan	12
Mr. Husain Lawai	11
Mr. Moin M. Fudda*	5
Mr. Badaruddin F. Vellani	10
Mr. M. Z. Moin Mohajir**	6
Mr. S. M. Wajeheuddin	12

*Mr. Moin M. Fudda completed his term on the Board on 27th April, 2017.

** Mr. M.Z. Moin Mohajir elected on the Board on 27th April, 2017.

- 1) 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.

Directors trading in company's shares

No trade in the shares of the Company was carried out by any director, executive, their spouses and minor children.

Related Party Transactions

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

Capital Expenditure

Capital expenditure of Rs. 1.1 million was made during the year under review in respect of motor vehicle.

Environment, Health and Safety

We encourage our managers and supervisors to establish individual plans for resource and energy conservation. We are also advancing consumption of cleaner energy so that reliance on conventional sources of energy is minimized in order to contribute our efforts towards reducing the Company's carbon footprint.

Subsequent Events

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

Directors

Since the last Extraordinary General Meeting, the election of Board of Directors was held on April 27, 2017. The following directors were elected:

Mr. Iftikhar Soomro	Chairman/Director
Dr. Farid Khan	Chief Executive/Director
Mr. Husain Lawai	Director
Mr. M. Z. Moin Mohajir	Director
Mr. Badaruddin F. Vellani	Director
Mr. Iqbal Bengali	Director
Mr. S. M. Wajeehuddin	Director

Dr. Farid Khan has resigned as Chief Executive on December 01, 2017 and in his place Mr. S. M. Wajeehuddin has been appointed as Chief Executive on December 01, 2017. Also Dr. Farid Khan has resigned as Director on January 15, 2018.

Syed Zakwan Ahmed has been appointed as Director in place of Dr. Farid Khan on February 19, 2018. Now the current Board of Directors is as follows:

Mr. Iftikhar Soomro	Chairman/Director
Mr. S. M. Wajeehuddin	Chief Executive/Director
Mr. Husain Lawai	Director
Mr. M. Z. Moin Mohajir	Director
Mr. Badaruddin F. Vellani	Director
Mr. Iqbal Bengali	Director
Syed Zakwan Ahmed	Director

Audit Committee

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

Name	No. of Meetings Attended
Mr. Moin M. Fudda**	2
Mr. M. Z. Moin Mohajir*	1
Mr. Iftikhar Soomro*	4
Mr. Badaruddin F. Vellani*	4

*Appointed in the reconstituted Audit Committee on May 8, 2017 pursuant to the election of directors.

**Not re-elected on the expiry of tenure.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee held two meetings during the year. Attendance of the meetings is as follows:

Name	No. of Meetings Attended
Mr. Badaruddin F. Vellani	1
Mr. Iftikhar Soomro	2
Dr. Farid Khan	2

Auditors

The present Auditors, KPMG Taseer Hadi & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and, being eligible for reappointed, 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, 2018 till the conclusion of the AGM to be held in 2019 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



Iftikhar Soomro
Chairman

Karachi: February 28, 2018

wyeth

ڈائریکٹران کی رپورٹ برائے حصص یافتگان

ہم کمپنی کی سالانہ رپورٹ 2017 کے ساتھ مالیاتی گوشوارے برائے مختتمہ سال 30 نومبر 2017 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

مالیاتی نتائج

22 تا 24 صفحات پر چیف ایگزیکٹو کا جائزہ کمپنی کے کاروباری افعال اور اس کے مستقبل کے منظر نامے کا احاطہ کرتا ہے۔

کمپنی کے ڈائریکٹران چیف ایگزیکٹو کے جائزے کے مندرجات کی توثیق کرتے ہیں۔

کمپنی کے مختصر کاروباری نتائج برائے مختتمہ سال 30 نومبر 2017 درج ذیل ہیں:

روپے 000' میں

فروخت	1,829,096
خام منافع	371,971
منافع قبل از ٹیکس	1,355,014
منافع بعد از ٹیکس	979,995

مختتمہ سال 30 نومبر 2017 میں کمپنی کی فی حصص آمدنی 689.36 روپے رہی (2016 میں 79.36 روپے) کمپنی نے اپنی پیداواری سہولت کے ساتھ ساتھ کچھ غیر اہم برانڈز کو فروخت کرنے کا آغاز کیا تھا۔ ان پیش قدمیوں کی تفصیلات کا احاطہ چیف ایگزیکٹو کے جائزے میں کیا گیا ہے اور ان برانڈز کے کاروباری نتائج مالیاتی گوشواروں کے نوٹ 26 میں دیئے گئے ہیں۔

کاروباری افعال کا جائزہ اور مستقبل کا منظر نامہ

سالانہ رپورٹ کے 22 تا 24 صفحات پر چیف ایگزیکٹو کے جائزے میں کمپنی کے کاروباری افعال اور مستقبل کے منظر نامے کے متعلق تفصیلاً بتایا گیا ہے۔

کمپنی کے ڈائریکٹران چیف ایگزیکٹو کے جائزے کے مندرجات کی توثیق کرتے ہیں۔

منافع منقسمہ

ڈائریکٹران نے سال 2017 کے لئے منافع منقسمہ 300 فیصد کے حساب سے (یعنی 300 روپے فی حصص) بطور حتمی منافع کی سفارش کی ہے۔

ہولڈنگ کمپنی

وائیٹھ ایل ایل سی کے پاس 576,470 (40.55 فیصد) حصص اور وائٹھ ہولڈنگز کارپوریشن یو ایس اے (جو کہ وائٹھ ایل ایل سی کی 100 ملکیت میں کمپنی ہے) کے پاس وائٹھ

پاکستان لمیٹڈ کے 448,560 (31.55 فیصد) حصص ہیں، اس طرح وائٹھ کے پاس وائٹھ پاکستان لمیٹڈ کے کل 72.10 فیصد حصص ہیں۔ مزید یہ کہ 15 اکتوبر 2009 کو عالمی سطح پر وائٹھ کا فائزر انکارپوریشن کے ساتھ الحاق کی وجہ سے فائزر انکارپوریشن وائٹھ پاکستان لمیٹڈ کا سب سے بڑا شیئر ہولڈر بن گیا ہے۔

حصص داری کی ساخت

30 نومبر 2017 کی حصص داری کی معلومات اور کمپنی کی حصص داری کی ساخت سالانہ رپورٹ کی صفحات 73 تا 74 پر موجود ہیں۔

ادارتی اور مالیاتی رپورٹنگ کی بنیادی ساخت

ادارتی ضابطہ اخلاق کی پاسداری کرتے ہوئے ہم مندرجہ ذیل ادارتی اور مالیاتی رپورٹنگ کی بنیادی ساخت کی وضاحت کرتے ہیں:

- (a) کمپنی کی انتظامیہ کی جانب سے تیار کئے گئے مالیاتی گوشوارے کمپنی کا حالت کار، اس کی سرگرمیوں، امور کے نتائج، جامع آمدن، حصص میں تبدیلی اور نقد بہاؤ کو منصفانہ طور پر پیش کرتے ہیں۔
- (b) کمپنی کے کھاتوں کی کتابیں مناسب انداز میں رکھی گئی ہیں۔
- (c) کمپنی کے مالی گوشواروں میں تسلسل کے ساتھ مناسب حساباتی پالیسیاں اختیار کی گئی ہیں اور حساباتی کھاتوں کی 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 بیرونی کی گئی ہے اور کسی بھی طرح کا کوئی انحراف نہیں ہوا۔
- (e) اندرونی گرفت کے نظام کو مضبوط طرز پر بنایا گیا ہے اور اس کا موثر طور پر نفاذ کیا گیا ہے اور مسلسل نگرانی کی جاتی ہے۔
- (f) کمپنی کے مسلسل چلتے ہوئے ادارے کی حیثیت میں کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- (g) لسٹنگ ریگولیشنز میں دیے گئے ادارتی ضابطوں کے طور طریقوں کی سے کوئی انحراف نہیں کیا گیا۔
- (h) گزشتہ چھ سالوں (بشمول موجودہ مدت) کے اہم کاروباری اور مالیاتی اعداد و شمار سالانہ رپورٹ کے صفحہ نمبر 2 پر دیئے گئے ہیں۔
- (i) انکم ٹیکس سے متعلق کچھ تنازعہ مطالبات ہیں، جنہیں جمع یا ادا نہیں کیا گیا۔ ان کی تشریح ہیڈ آف ایجنٹس اور اینڈ کمٹمنٹس کے تحت ٹیکس ریشن پر مالیاتی گوشواروں کے نوٹ نمبر 16 میں کردی گئی ہے۔
- (j) 30 نومبر 2017 کو پینشن، گریجویٹ اور پروویڈنٹ فنڈ میں سرمایہ کاری کی قدر درج ذیل ہے:

فنڈ کا نام	غیر محاسب شدہ 2017	محاسب شدہ 2016
ڈی بی پینشن فنڈ	83 ملین روپے	75 ملین روپے
ڈی سی پینشن فنڈ	75 ملین روپے	104 ملین روپے
گریجویٹ فنڈ	8 ملین روپے	65 ملین روپے
پروویڈنٹ فنڈ	85 ملین روپے	275 ملین روپے

سرمایہ کاری کی قدر میں جمع شدہ سود اور ان فنڈز کا آڈٹ برائے 2017 جاری ہے۔

(k) سال کے دوران بورڈ آف ڈائریکٹرز کے 12 اجلاس ہوئے اور ان اجلاسوں میں ڈائریکٹران کی حاضری کی تعداد درج ذیل رہی:

نام	اجلاسوں میں حاضری کی تعداد
جناب افتخار سومرو	12
ڈاکٹر فرید خان	12
جناب حسین لوہانی	11
جناب معین ایم فدا*	5
جناب بدرالدین ایف ویلانی	10
جناب ایم زید معین مہاجر**	6
جناب ایس ایم وجیہ الدین	12

* جناب معین ایم فدا نے 27 اپریل 2017 کو بورڈ میں اپنے عہدے کی مدت مکمل کی۔

** 27 اپریل 2017 کو جناب ایم زید معین مہاجر نے منتخب ہو کر بورڈ میں شمولیت اختیار کی۔

(l) بورڈ کے تمام ممبران لازمی تعلیمی قابلیت اور تجربے کے حامل ہیں اور مکمل طور پر اپنی ذمہ داریوں اور فرائض سے آگاہ ہیں جو کہ ادارتی ضابطہ اخلاق کے تحت درکار ہیں۔ بورڈ ادارتی ضابطہ اخلاق میں وضاحت کی گئی ترقی ضروریات اور طریقہ کار کی پاسداری کرتا ہے۔

کمپنی کے حصص میں ڈائریکٹران کی خرید و فروخت

کسی ڈائریکٹر، چیف ایگزیکٹو، ان کے شریک حیات اور چھوٹے بچوں نے کمپنی کے حصص میں کوئی خرید و فروخت نہیں کی۔

ملحقہ پارٹی کے سودے

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

سرمایہ جاتی اخراجات

جائزہ سال کے دوران 1.1 ملین روپے کے سرمایہ جاتی اخراجات موٹروہیکل کی مد میں ہوئے۔

ماحولیات، صحت اور حفاظت

ہم اپنے تمام مینجرز اور سپروائزرز کے وسائل اور توانائی بچانے کے انفرادی منصوبوں کے قیام کی حوصلہ افزائی کرتے ہیں۔ ہم صاف ستھری توانائی کے استعمال کی جانب بڑھ رہے ہیں جس میں توانائی کے روایتی ذرائع پر انحصار کو کم سے کم کر کے کمپنی کے کاربن کے اخراج میں کمی کی کوشش میں تعاون کیا جاتا ہے۔

بعد ازاں واقعات

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

ڈائریکٹرز

آخری غیر معمولی اجلاس عام میں بورڈ آف ڈائریکٹرز کے انتخابات منعقد ہوئے۔ مندرجہ ذیل ڈائریکٹرز منتخب ہوئے:

جناب افتخار سومرو	چیئر مین / ڈائریکٹر
ڈاکٹر فرید خان	چیف ایگزیکٹو / ڈائریکٹر
جناب حسین لوہانی	ڈائریکٹر
جناب ایم زیڈ معین مہاجر	ڈائریکٹر
جناب اقبال بنگالی	ڈائریکٹر
جناب ایس ایم وجیہ الدین	ڈائریکٹر

ڈاکٹر فرید خان نے چیف ایگزیکٹو کے عہدے سے یکم دسمبر 2017 کو استعفیٰ دے دیا تھا اور یکم دسمبر 2017 کو ان کی جگہ پر جناب ایس ایم وجیہ الدین کا بحیثیت چیف ایگزیکٹو تقرر کیا گیا تھا۔ ڈاکٹر فرید خان نے 15 جنوری 2018 کو ڈائریکٹر کے عہدے سے بھی استعفیٰ دے دیا تھا۔

19 فروری 2018 کو ڈاکٹر فرید خان کی جگہ سید زکوان احمد کا بحیثیت ڈائریکٹر تقرر کیا گیا۔ لہذا اب موجودہ بورڈ آف ڈائریکٹرز درج ذیل ہے:

جناب افتخار سومرو	چیئر مین / ڈائریکٹر
ڈاکٹر ایس ایم وجیہ الدین	چیف ایگزیکٹو / ڈائریکٹر
جناب حسین لوہانی	ڈائریکٹر
جناب ایم زیڈ معین مہاجر	ڈائریکٹر
جناب بدر الدین ایف ویلانی	ڈائریکٹر
جناب اقبال بنگالی	ڈائریکٹر
سید زکوان احمد	ڈائریکٹر

آڈٹ کمیٹی

آڈٹ کمیٹی کی ذمہ داریوں کا تعین بورڈ آف ڈائریکٹرز ادارتی ضابطوں کے فراہم کردہ رہنما اصولوں کے مطابق کرتے ہیں۔ موجودہ آڈٹ کمیٹی تین ممبران پر مشتمل ہے یعنی جناب ایم زیڈ معین مہاجر (چیئر مین)، جناب افتخار سومرو اور جناب بدر الدین ایف ویلانی۔ سال کے دوران کمیٹی کے چار اجلاس ہوئے۔ اجلاس میں ممبران کی حاضری کی تعداد درج ذیل رہی:

نام	اجلاس میں حاضری کی تعداد
جناب معین ایم فدا**	2
جناب ایم زیڈ معین مہاجر*	1
جناب افتخار سومرو*	4
جناب بدر الدین ایف ویلانی*	4

* ڈائریکٹرز کے انتخابات کے بعد 8 مئی 2017 کو از سر نو تشکیل شدہ آڈٹ کمیٹی میں تقرر ہوا۔

** عہدہ مدت کے خاتمے پر دوبارہ منتخب نہیں ہوئے۔

انسانی وسائل اور معاوضہ کمیٹی

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کے دو اجلاس ہوئے۔ اجلاس میں حاضری درج ذیل رہی:

نام	اجلاس میں حاضری کی تعداد
جناب بدرالدین ایف ویلانی	1
جناب افتخار سومرو	2
ڈاکٹر فرید خان	2

آڈیٹرز

موجودہ آڈیٹرز، کے پی ایم جی تاسیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس آنے والے سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور تقرری کی اہلیت ہونے کے باعث، انہوں نے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ بورڈ نے آڈٹ کمیٹی کی کے پی ایم جی تاسیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس کو کمیٹی کے مالیاتی سال ختم 30 نومبر 2018 کے لئے 2019 کے اجلاس عام تک دوبارہ بحیثیت آڈیٹرز تقرری کی سفارش کی توثیق 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 منسلک کیا گیا ہے۔

بحکم بورڈ



افتخار سومرو

چیئر مین

کراچی: 28 فروری 2018ء

CHIEF EXECUTIVE'S REVIEW

I am pleased to present the Annual Report of your company for the year ended November 30, 2017.

Operating Results

Sales for the year under review from continued operations have decreased by Rs. 126 million due to lower sales of Ativan and Anti TB products (Myrin group). Ativan sales were significantly higher last year as it was made available after couple of years. Anti TB products sales is lower due to lower/delayed orders from some institutions. Growth in sales has been achieved in Enbrel and Prevenar resulting from optimal promotional efforts. Although the sales have decreased but the gross profit has increased by Rs. 9 million. The operating expenses have increased by Rs. 34 million which is mainly due non-recurring expense of Rs. 26 million on account of restructuring. Other income is higher mainly due to higher interest income in view of higher surplus funds available during the year. Loss before tax has been reduced by Rs. 15 million mainly due to increase in interest income. Excluding the impact of restructuring, the continued operations loss before tax would be Rs. 3 million.

The discontinued operations represent sales for 8 months till the date of divestiture. Expenses for discontinued operations, which include cost of sales as well, are higher due to legal and professional charges related to disposal of plant, other one time transaction cost and higher statutory levies in view of higher profitability.

The company had initiated two separate transactions last year: (i) disposal of manufacturing facility along-with some non-core brands; and (ii) the divestiture of Anne French® brand. Both these transactions have materialized during the year and their proceeds have been received and resultant profit is reported in these accounts. A gain of Rs 1,440 million, on the disposal of manufacturing facility and certain brands, is the main reason for higher profit for the year by Rs. 867 million as compared to last year. Regulatory transfer of authorizations and licenses of brands and manufacturing facility is being pursued with Drug Regulatory Authority (DRAP). Pending regulatory transfer, the company is working under an interim operating model which has been explained in Note 10.3 to the accounts.

However, the situation with respect to pricing of pharmaceutical products is still strained. The Company had contested certain clauses of the Drug Pricing Policy announced by the DRAP in March 2015 in the courts and we consider that a satisfactory resolution of the contested aspects of new Policy between Pharmaceutical Industry and the Government will further improve business environment for the Company and the industry as well.

Future Outlook

With a focus on certain specialized therapeutic areas and lean operations, we believe that the Company will be in a better position to serve patients and provide reasonable results to its shareholders.

Political uncertainty prevailing in view of upcoming National and Provincial assembly's elections, erosion in exchange parity and increasing oil prices could result in unfavorable environment for business in general. However we believe that the relevant ministry and DRAP are reviewing certain contentious aspects of the Drug Pricing Policy to provide long term stability to the industry. Together with that we expect them to bring about improvement in the overall regulatory environment also in which the pharmaceutical industry operates. Practical enforcement of Intellectual Property Rights regime and implementation of data exclusivity, are also essential for the industry to operate viably together with ensuring availability of quality medicine to the patients, on a long term basis. At the same time, we believe that there is an urgent need to implement inflationary price increases for all products to resolve some immediate cost issues.

Colleagues

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



S. M. Wajeehuiddin
Chief Executive

Karachi: February 28, 2018.

wyeth

چیف ایگزیکٹو کا جائزہ

میں تختہ سال 30 نومبر 2017 کی سالانہ رپورٹ پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

کاروباری افعال کے نتائج

جائزہ مدت کے دوران جاری کاروباری افعال کی فروخت میں 126 ملین روپے کی کمی ہوئی ہے جس کی وجہ Ativan اور اینٹی ٹی بی مصنوعات (Myrin Group) کی فروخت میں کمی تھی۔ پچھلے چند سالوں کی بہ نسبت گزشتہ سال Ativan کی فروخت کافی حد تک زیادہ تھی۔ اس لئے Ativan دو سال کے بعد فروخت کے لئے پیش ہوئی تھی۔ اینٹی ٹی بی مصنوعات کی فروخت میں کمی کی وجہ چند اداروں کی طرف سے کم/تاخیری آرڈرز تھے۔ البتہ Enbrel اور Prevenar کی فروخت میں نمو کی وجہ بہترین اشتہاری کوششیں تھیں۔ اگرچہ کہ فروخت میں کمی ہوئی لیکن خام منافع 9 ملین روپے سے بڑھ گیا تھا۔ کاروبار چلانے کے اخراجات 34 ملین روپے سے بڑھ گئے ہیں جس کی بنیادی وجہ کے 26 ملین روپے کے (restructuring) غیر معمولی اخراجات تھے۔ سال کے دوران دیگر آمدنیوں میں اضافہ ہوا جس کی وجہ دستیاب اضافی قومات پر حاصل ہونے والی سودی آمدنی تھی۔ خسارہ قبل از ٹیکس 15 ملین روپے سے کم ہو گیا ہے جس کی بنیادی وجہ سودی آمدنی میں اضافہ تھا۔ از سر نو ڈھانچے کے اثرات کو نکال کر، جاری کاروباری خسارہ قبل از ٹیکس 3 ملین روپے رہا۔

منقطع کاروباری افعال میں فروخت منقطع ہونے کی تاریخ سے آٹھ ماہ تک جاری رہی۔ منقطع کاروباری افعال کے اخراجات، جس میں لاگت فروخت شامل ہے، میں اضافہ ہوا جس کی وجہ پلائٹ کی فروخت میں قانونی اور پیشہ ورانہ اخراجات، دیگر ایک مرتبہ سودے کی لاگت اور اعلیٰ منافع کاری کی وجہ سے قانونی Levies میں اضافہ شامل ہے۔

کمپنی نے گزشتہ سال دو سو دوں کا آغاز کیا تھا (i) پیداواری سہولت بمع کچھ غیر اہم برانڈز کی فروخت (ii) Anne French® برانڈ کا خاتمہ۔ یہ دونوں سو دے سال کے دوران ہی پایہ تکمیل کو پہنچے اور ان سے حاصل ہونے والی رقوم اور منافع کو ان گوشواروں میں ظاہر کیا گیا ہے۔ پیداواری سہولت اور کچھ برانڈز کی فروخت سے حاصل ہونے والا 1,440 ملین روپے کا نفع موجودہ سال کے منافع میں اضافے کا باعث بنا جو کہ گزشتہ سال کے منافع کے 867 ملین روپے سے زیادہ ہے۔ برانڈز کے اختیار ناموں اور لائسنسوں اور پیداواری سہولت کی باضابطہ منتقلی کے لئے ڈرگ ریگولیشن اتھارٹی (DRAP) سے خط و کتابت جاری ہے۔ باضابطہ منتقلی کے التوا کی وجہ سے کمپنی ایک عبوری ماڈل کے طور پر کام کر رہی ہے جس کی وضاحت مالیاتی گوشواروں کے نوٹ 10.3 میں کی گئی ہے۔ تاہم، دوا سازی کی مصنوعات کی قیمتوں کی صورتحال ابھی تک کشیدگی کا شکار ہے۔ کمپنی DRAP کی مارچ 2015 میں اعلان کردہ ڈرگ پرائسنگ پالیسی کی کچھ مشقوں کے لئے مختلف عدالتوں میں مقابلہ کر رہی ہے اور ہمیں امید ہے کہ دوا ساز صنعت اور حکومت کے درمیان تنازعہ پہلوؤں کے حل ہونے کے بعد کمپنی اور صنعت دونوں کے لئے کاروباری فضا میں مزید بہتری آئے گی۔

مستقبل کا منظر نامہ

خصوصی مہارت کے حامل طریقہ علاج کے میدان اور سستے ترین کاروباری افعال سے ہمیں یقین ہے کہ کمپنی مخصوص امراض میں مبتلا افراد کی خدمت اور اپنے حصص یافتگان کے لئے بہتر نتائج فراہم کرنے کی پوزیشن میں ہوگی۔

قومی اور صوبائی اسمبلیوں کے آنے والے انتخابات تک جاری غیر یقینی سیاسی صورتحال، مبادلہ مساواتی قدر میں فرسودگی اور تیل کی بڑھتی ہوئی قیمتوں کی وجہ سے عمومی کاروباری فضا نا سگوار ہو سکتی ہے۔ تاہم ہمیں یقین کہ متعلقہ وزارت اور DRAP ڈرگ پرائسنگ پالیسی کے کچھ تنازع پہلوؤں پر نظر ثانی کر رہے ہیں جس سے صنعت میں طویل المیعاد استحکام پیدا ہوگا۔ اس کے ساتھ ہم اس بات کی توقع کرتے ہیں کہ جس مجموعی انضباطی ماحول میں دوا ساز صنعت کام کر رہی ہے اس میں مزید بہتری آئے گی۔ Intellectual Property Rights کے نظام کا عملی نفاذ اور اعداد و شمار پر خصوصی مہم آرمڈ صنعت کی نمونہ پذیری کے لئے انتہائی ضروری ہیں جس کے ذریعے طویل المعیاد بنیاد پر مریضوں کو معیاری ادویات کی فراہمی یقینی بنائی جاسکتی ہے۔ اسی دوران ہمیں توقع ہے کہ افراطی قیمتوں میں اضافہ کا نفاذ انتہائی شدید ضرورت ہے جس سے تمام مصنوعات کی لاگت کے فوری مسائل حل ہو جائیں گے۔

کاروباری ساتھی

سال کے دوران ہم اپنے تمام کاروباری ساتھیوں کی مخلصانہ اور متوازن کوششوں کے شکرگزار ہیں اور ان کی سخت محنت پر اپنی تہنیت پیش کرتے ہیں۔



ایس ایم وجیہ الدین
چیف ایگزیکٹو

کراچی: 28 فروری 2018

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in regulation number 5.19 of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the Code in the following manner:

1. The company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. As at November 30, 2017 the Board constituted of:

Category	Names
Independent Director	Mr. M. Z. Moin Mohajir
Non-Executive Directors	Mr. Iftikhar Soomro
	Mr. Husain Lawai
	Mr. Badaruddin F. Vellani
	Mr. Iqbal Bengali
Executive Directors	Dr. Farid Khan - CEO
	Mr. S. M. Wajeehuddin

The independent director meets the criteria of independence under clause 5.19.1(b) of the Code.

2. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a Development Finance Institution (DFI) or a Non-Banking Financial Institution (NBFI) or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred during the year.
5. 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 and these have been placed on the Company's website.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO) and other executive and non-executive directors have been taken by the Board/shareholders.

8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated.
9. The Board is compliant with the training requirement and the criteria as prescribed in the CCG.
10. No new appointments of the Chief Financial Officer and Head of Internal Audit were made during the year. Mr. Kashif Shafi was appointed Company Secretary effective May 08, 2017 in place of Mr. S. M. Wajeehuddin.
11. The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code. The Company has continued to present the details of all related party transactions before the Audit Committee and upon their recommendation to the Board for review and approval. The definition of related party used is in accordance with repealed Companies Ordinance, 1984 and applicable financial reporting frame work as the regulations under Section 208 of the Companies Act, 2017 have not yet been announced.
15. The Board has formed an Audit Committee. It comprises of three members, of whom two are non-executive directors and the Chairman of the Audit Committee is an independent director Mr. M. Z. Moin Mohajir.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the Audit Committee have been formed and advised to the committee for compliance.
17. The board has formed Human Resource and Remuneration Committee. It comprises of three members, of whom two are non-executive director and the Chairman of the Committee is also a non-executive director.
18. The Board has outsourced its internal audit function to a reputable firm of Chartered Accountants who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company. Further, the Company has designated Head of Internal Audit to act as coordinator between firm providing internal audit services and the Audit Committee of the Board.
19. 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), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, relevant employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the Code have been complied with.



S. M. Wajeehuddin
Chief Executive

Karachi: February 28, 2018

wyeth



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

Telephone + 92 (21) 3568 5847
Fax + 92 (21) 3568 5095
Internet www.kpmg.com.pk

REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors ("the Board") of Wyeth Pakistan Limited ("the Company") for the year ended November 30, 2017 to comply with the requirements of Listing Regulations of Pakistan Stock Exchange where the Company is listed.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended November 30, 2017.

Date: **February 28, 2018**
Karachi

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

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



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

Telephone + 92 (21) 3568 5847
Fax + 92 (21) 3568 5095
Internet www.kpmg.com.pk

Auditors' Report to the Members

We have audited the annexed balance sheet of **Wyeth Pakistan Limited** ("the Company") as at November 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- a) in our opinion, proper books of account have been kept by the Company as required by the repealed Companies Ordinance, 1984;
- b) in our opinion :
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the repealed Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at November 30, 2017 and of the profit, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

KPMG Taseer Hadi & Co.

KPMG Taseer Hadi & Co.
Chartered Accountants
Syed Iftikhar Anjum


Date: **February 28, 2018**
Karachi

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.

BALANCE SHEET AS AT NOVEMBER 30, 2017

	Note	2017	2016
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	6,650	16,900
Long-term loans to employees	5	1,366	4,552
Long-term deposits		4,917	5,412
Deferred taxation	6	-	19,359
Total non-current assets		12,933	46,223
CURRENT ASSETS			
Stock-in-trade	7	623,612	906,617
Trade debts	8	34,711	34,470
Loans and advances	9	132,747	37,006
Deposits, prepayments and other receivables	10	397,881	73,891
Interest accrued		2,881	399
Taxation - net		-	241,791
Cash and bank balances	11	1,367,165	10,549
		2,558,997	1,304,723
Assets held for sale	12	-	618,974
Total current assets		2,558,997	1,923,697
Total assets		2,571,930	1,969,920
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	13	142,161	142,161
Reserves		953,842	952,601
Unappropriated profit		615,656	129,764
Total equity		1,711,659	1,224,526
CURRENT LIABILITIES			
Trade and other payables	14	842,767	745,394
Taxation - net		17,504	-
Total equity and liabilities		2,571,930	1,969,920
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes 1 to 39 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive



M. Z. Moin Mohajir
Director


Kashif Shafi
Chief Financial Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED NOVEMBER 30, 2017

	Note	2017	2016
(Rupees in '000)			
CONTINUED OPERATIONS			
Net sales	17	1,126,669	1,252,239
Cost of sales	18	943,971	1,078,087
Gross profit		182,698	174,152
Selling, marketing and distribution expenses	19	175,140	169,919
Administrative expenses	20	78,422	50,123
		253,562	220,042
		(70,864)	(45,890)
Other income	22	50,257	13,009
Other expenses	23	7,474	11,305
		42,783	1,704
		(28,081)	(44,186)
Finance cost	24	1,567	593
Loss before taxation		(29,648)	(44,779)
Taxation	25	29,209	7,701
Loss from continuing operations		(58,857)	(52,480)
DISCONTINUED OPERATIONS			
Profit from discontinued operations (including gain on sale of plant and brands) net of tax	26	1,038,852	165,296
Profit for the year		979,995	112,816
(Rupees)			
Earnings per share	27	689.36	79.36
Earnings per share - Continuing operations	27	(41.40)	(36.92)

The annexed notes 1 to 39 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive

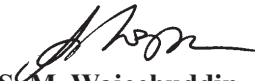

M. Z. Moin Mohajir
Director


Kashif Shafi
Chief Financial Officer


STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED NOVEMBER 30, 2017

	2017	2016
	(Rupees in '000)	
Profit for the year	979,995	112,816
Other comprehensive income		
Items not to be reclassified to profit or loss in subsequent periods:		
Remeasurements of defined benefit liability	(16,272)	(2,567)
Deferred tax (reversal) / charge	(1,592)	525
	(17,864)	(2,042)
Total comprehensive income for the year	962,131	110,774

The annexed notes 1 to 39 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director


Kashif Shafi
Chief Financial Officer

Wyeth

CASH FLOW STATEMENT FOR THE YEAR ENDED NOVEMBER 30, 2017

	Note	2017	2016
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	32	131,327	(74,244)
Taxes paid		(96,365)	(112,717)
Net cash generated from / (used in) operating activities		34,962	(186,961)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(1,129)	(12,333)
Profit received on bank deposits		20,406	4,935
Proceeds from disposal of property, plant and equipment and brands		1,778,126	3,255
Net cash generated from / (used in) investing activities		1,797,403	(4,143)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(475,749)	(28,471)
Net increase / (decrease) in cash and cash equivalents		1,356,616	(219,575)
Cash and cash equivalents at beginning of the year		10,549	230,124
Cash and cash equivalents at end of the year	11	1,367,165	10,549

The annexed notes 1 to 39 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director



Kashif Shafi
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED NOVEMBER 30, 2017

	Issued, subscribed and paid-up capital	Reserves		Unappro- priated profit	Total	
		General reserve	Others*			Sub total
(Rupees in '000)						
Balance as at November 30, 2015	142,161	931,753	19,426	951,179	47,422	1,140,762
Total comprehensive income for the year						
Profit for the year	-	-	-	-	112,816	112,816
Remeasurements of defined benefit liability - net of tax	-	-	-	-	(2,042)	(2,042)
	-	-	-	-	110,774	110,774
Transactions with owners recognised directly in equity						
Final dividend for the year ended November 30, 2015 at Rs. 20 per share	-	-	-	-	(28,432)	(28,432)
Share-based payments - (note 30.4)	-	-	1,422	1,422	-	1,422
	-	-	1,422	1,422	(28,432)	(27,010)
Balance as at November 30, 2016	142,161	931,753	20,848	952,601	129,764	1,224,526
Total comprehensive income for the year						
Profit for the year	-	-	-	-	979,995	979,995
Remeasurements of defined benefit liability - net of tax	-	-	-	-	(17,864)	(17,864)
	-	-	-	-	962,131	962,131
Transactions with owners recognised directly in equity						
Final dividend for the year ended November 30, 2016 at Rs. 35 per share	-	-	-	-	(49,756)	(49,756)
Interim dividend for the year ended November 30, 2017 at Rs. 300 per share	-	-	-	-	(426,483)	(426,483)
Share-based payments - (note 30.4)	-	-	1,241	1,241	-	1,241
	-	-	1,241	1,241	(476,239)	(474,998)
Balance as at November 30, 2017	142,161	931,753	22,089	953,842	615,656	1,711,659

* Others represent reserve for share based payment plan.

The annexed notes 1 to 39 form an integral part of these financial statements.


S. M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director


Kashif Shafi
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED NOVEMBER 30, 2017

1. STATUS AND NATURE OF BUSINESS

Wyeth Pakistan Limited ("the Company") is a public limited Company incorporated in 1949 in Pakistan. The Company's registered office is situated at Room No. 002 & 003, PGS Admin Block, First Floor, B-2, S.I.T.E., Karachi, Pakistan. The Company is listed on the Pakistan Stock Exchange and is engaged in manufacturing, import, marketing, distribution and sale of research based ethical specialties and other pharmaceutical products.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

The Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular 23 of 2017 has clarified that the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.2 Basis of measurement

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

2.3 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.

2.4 Use of estimates and judgments

The preparation of the financial statements in conformity with approved accounting 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 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 3.1)
- (b) Stock-in-trade (note 3.2)
- (c) Trade debts (note 3.3)
- (d) Taxation (note 3.9)
- (e) Staff retirement benefits (note 3.7)
- (f) Assets held for sale (note 3.16)

2.5 Changes in accounting standards, interpretations and pronouncements

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

Certain new or amended standards and interpretations became effective during the year which are considered not to be relevant to the Company's financial statements.

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

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after January 1, 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after January 1, 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.
- Classification and Measurement of Share-based Payment Transactions - amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 01, 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.

- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after January 01, 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.
- Annual Improvements to IFRSs 2014-2016 Cycle Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after January 01, 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on Company's financial statements.
- Annual Improvements to IFRSs 2014-2016 Cycle - Amendments to IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after January 01, 2017) clarify that the requirements of IFRS12 apply to an entity's interests that are classified as held for sale or discontinued operations in accordance with IFRS 5 - 'Non-current Assets Held for Sale and Discontinued Operations'. The amendments are not likely to have an impact on Company's financial statements.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after January 01, 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The application of interpretation is not likely to have an impact on Company's financial statements.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after January 01, 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on Company's financial statements.

- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after July 01, 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Company is currently in the process of analyzing the potential impact of changes required, if any, in revenue recognition policies on adoption of the standard.
- IFRS 9 'Financial Instruments' and amendment – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after July 01, 2018 and January 01, 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Company is currently in the process of analyzing the potential impact of expected loss model on adoption of the standard.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after January 01, 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on Company's financial statements.
- Annual Improvements to IFRS Standards 2015-2017 Cycle - the improvements address amendments to following approved accounting standards:
 - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
 - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
 - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after January 01, 2019 and are not likely to have an impact on Company's financial statements.

In addition, the Companies Act, 2017 applicable for financial year beginning on December 01, 2017 requires certain additional disclosures which will be reflected in financial statements of the company for the year ended November 30, 2018.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

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

Subsequent cost

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

Depreciation

Depreciation is charged to income by 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 balance sheet 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 4.3 to the financial statements.

Gains and losses on disposal

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

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.

3.2 Stock-in-trade

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

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

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

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

3.3 Trade debts

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

3.4 Cash and cash equivalents

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

3.5 Provisions

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

3.6 Revenue recognition

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

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

3.7 Staff retirement benefits

3.7.1 Defined benefit schemes

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 profit and loss account.

3.7.2 Defined contribution plan

The Company also operates following defined contribution plans:

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

3.7.3 Employees' compensated absences

The Company accounts for liability against employees' compensated absences in the period in which these are earned up to the balance sheet date.

3.8 Share-based payments

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

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

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

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and loss account 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 balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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.

3.10 Borrowings cost

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

3.11 Foreign currency transactions

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

3.12 Financial instruments

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

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

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

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

3.13 Dividends and appropriation of profit

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

3.14 Impairment

The carrying amounts of the Company's non-current assets are reviewed at each balance sheet 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.

3.15 Earnings per share

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

3.16 Assets held for sale

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

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

Once classified as held for sale, property, plant and equipment are no longer depreciated.

3.17 Discontinued operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which:

- represents a separate major line of business or geographic area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-stated as if the operation had been discontinued from the start of the comparative year.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	November 30, 2017	November 30, 2016
		(Rupees in '000)	
Operating property, plant and equipment	4.1	6,650	16,760
Capital work in progress	4.2	-	140
		<u>6,650</u>	<u>16,900</u>

4.1 Operating property, plant and equipment

	Leasehold land	Factory building on leasehold land	Improvements to warehouse	Plant and machinery	Furniture and fittings	Vehicles	Office equipment	Total
Rupees in '000								
At November 30, 2015								
Cost	258	35,547	8,885	359,869	33,032	35,678	109,900	583,169
Accumulated depreciation	102	21,932	7,875	210,484	21,682	23,940	57,193	343,208
Net book value	156	13,615	1,010	149,385	11,350	11,738	52,707	239,961
Year ended November 30, 2016								
Opening net book value	156	13,615	1,010	149,385	11,350	11,738	52,707	239,961
Additions	-	-	-	-	-	7,626	-	7,626
Disposals								
Cost	-	-	-	-	-	6,372	-	6,372
Accumulated depreciation	-	-	-	-	-	4,519	-	4,519
	-	-	-	-	-	1,853	-	1,853
Depreciation	3	946	318	17,038	1,166	6,497	11,557	37,525
Impairment loss	-	-	-	288	-	-	-	288
Write-off of assets								
Cost	-	-	-	-	-	-	1,893	1,893
Accumulated depreciation	-	-	-	-	-	-	1,893	1,893
	-	-	-	-	-	-	-	-
Reclassification to assets held for sale								
Cost	258	35,547	8,885	359,869	33,032	3,524	85,481	526,596
Accumulated depreciation	105	22,878	8,193	227,522	22,848	3,524	50,077	335,147
Accumulated impairment losses	-	-	-	288	-	-	-	288
	153	12,669	692	132,059	10,184	-	35,404	191,161
Closing net book value	-	-	-	-	-	11,014	5,746	16,760
At November 30, 2016								
Cost	-	-	-	-	-	33,408	22,526	55,934
Accumulated depreciation	-	-	-	-	-	22,394	16,780	39,174
Net book value	-	-	-	-	-	11,014	5,746	16,760
Year ended November 30, 2017								
Opening net book value	-	-	-	-	-	11,014	5,746	16,760
Additions	-	-	-	-	-	1,129	-	1,129
Disposals								
Cost	-	-	-	-	-	6,556	10,083	16,639
Accumulated depreciation	-	-	-	-	-	5,849	9,718	15,567
	-	-	-	-	-	707	365	1,072
Depreciation	-	-	-	-	-	5,519	4,648	10,167
Closing net book value	-	-	-	-	-	5,917	733	6,650
At November 30, 2017								
Cost	-	-	-	-	-	27,981	12,443	40,424
Accumulated depreciation	-	-	-	-	-	22,064	11,710	33,774
Net book value	-	-	-	-	-	5,917	733	6,650

4.2 Capital work in progress

	Cost				As at 30 November 2017
	As at 1 December 2017	Additions / adjustment	Write-off	Reclassification to assets held for sale	
----- (Rupees in '000) -----					
Factory building	-	-	-	-	-
Plant and machinery	-	-	-	-	-
Office equipment	140	(140)	-	-	-
	140	(140)	-	-	-

	Cost				As at 30 November 2016
	As at 1 December 2016	Additions / adjustment	Write-off	Reclassification to assets held for sale	
----- (Rupees in '000) -----					
Factory building	100	-	100	-	-
Plant and machinery	141,918	4,707	-	146,625	-
Office equipment	260	-	-	120	140
	142,278	4,707	100	146,745	140

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

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

wyeth

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

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
Cost of sales	18.1	143	9,831
Selling, marketing and distribution expenses	19	8,948	6,395
Administrative expenses	20	497	3,181
Charged in discontinued operations		579	18,118
		<u>10,167</u>	<u>37,525</u>

4.5 The operating property, plant and equipment (note 4.1) include items costing Rs. 29.896 million (2016: Rs. 16.409 million) which are fully depreciated as of November 30, 2017 but are still in active use.

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

Description	Cost	Accumulated depreciation	Net Book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars
------(Rupees in '000)-----							
Suzuki Cultus	1,034	797	237	498	261	Policy	Muhammad Khalifatullah
Suzuki Cultus	916	916	-	229	229	Policy	Abdul Saleem Qureshi
Suzuki Cultus	950	950	-	238	238	Policy	Mazhar Alam
Suzuki Cultus	1,010	1,010	-	403	403	Policy	Syed Najmul Hassan
Suzuki Cultus	1,019	955	64	432	368	Policy	Syed Masood Ali
Toyota Corolla	1,627	1,220	407	797	390	Policy	Rashid Anwer
IBM Series 9406 270*	5,709	5,709	-	-	-	APA	ICI
Laptops & Desktops*	4,374	4,010	364	-	(364)	APA	ICI
2017	16,639	15,567	1,072	2,597	1,525		
2016	8,265	6,412	1,853	3,255	1,402		

* The proceed of these assets are included in the purchase consideration of fixed assets in Assets Purchase Agreement (APA) with ICI Pakistan Limited.

5. LONG-TERM LOANS TO EMPLOYEES - considered good

	Note	November 30, 2017 (Rupees in '000)	November 30, 2016
Loans to employees	5.1 & 5.2	3,951	9,514
Less: Receivable within one year	9	2,585	4,962
		<u>1,366</u>	<u>4,552</u>

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

Opening balance	6,287	3,899
Loans disbursed during the year	5,437	6,393
Loans repaid during the year	(8,768)	(4,005)
Closing balance	<u>2,956</u>	<u>6,287</u>

5.2 These represent interest free loans to executives and other employees for purchase of motor cars, motor cycles, home appliances and for house building in accordance with the Company's policy and are recoverable in two to six years in monthly instalments. Vehicles purchased under this scheme are registered in the name of the Company.

5.3 Receivable in:	November 30, 2017 (Rupees in '000)	November 30, 2016
- less than three years but over one year	1,139	3,856
- more than three years	227	696
	<u>1,366</u>	<u>4,552</u>

5.4 The maximum aggregate amount of loans due from executives as the end of any month during the year was Rs. 6.96 million (2016: Rs. 8.154 million).

6. DEFERRED TAXATION

6.1 Deferred (credits) / debits arising in respect of:	November 30, 2017 (Rupees in '000)	November 30, 2016
Accelerated tax depreciation	2,518	(14,893)
Provision for gratuity and pension	14,657	9,028
Provision for slow moving and obsolete stocks	14,484	14,611
Provision for doubtful debts / others	-	7,809
Provision for deposits	835	-
Provision for voluntary separation scheme	1,454	-
Provision for sales tax on toll manufacturing	2,575	2,804
	<u>36,523</u>	<u>19,359</u>
Deferred tax asset not recognised	(36,523)	-
	<u>-</u>	<u>19,359</u>

6.2 No deferred tax has been recognized at year end as due to restructuring of the Company, profit taxable under the normal tax regime may not be sufficient.

6.3 Movement in deferred taxation

	Net balance at December 1, 2015	Recognised in profit or loss	Recognised in OCI	Net balance at November 30, 2016	Recognised in profit or loss	Recognised in OCI	Net balance at November 30, 2017
----- (Rupees in '000) -----							
Accelerated tax depreciation	(16,963)	2,070	-	(14,893)	14,893	-	-
Provision for gratuity and pension	8,081	422	525	9,028	(7,436)	(1,592)	-
Provision for slow moving and obsolete stocks	10,137	4,474	-	14,611	(14,611)	-	-
Provision for doubtful debts/others	2,464	5,345	-	7,809	(7,809)	-	-
Provision for sales return	381	(381)	-	-	-	-	-
Provision for voluntary separation scheme	2,948	(2,948)	-	-	-	-	-
Provision for sales tax on toll manufacturing	-	2,804	-	2,804	(2,804)	-	-
	<u>7,048</u>	<u>11,786</u>	<u>525</u>	<u>19,359</u>	<u>(17,767)</u>	<u>(1,592)</u>	<u>-</u>

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
7. STOCK-IN-TRADE			
Raw and packing materials	7.1	136,559	239,764
Work-in-process		61,765	74,796
Finished goods	7.2	383,830	569,765
Stock-in-transit		99,042	61,172
		<u>681,196</u>	<u>945,498</u>
Less: Provision for slow moving and obsolete stocks	7.3	57,584	38,881
		<u>623,612</u>	<u>906,617</u>

7.1 Raw and packing materials amounting to Rs. 0.024 million (2016: Rs. 0.024 million) are held with Pfizer Pakistan Limited given as a loan.

7.2 Finished goods include items costing Rs. 12.534 million (2016: Rs. 73.176 million) which are valued at net realizable value of Rs. 11.232 million (2016: Rs. 68.721 million).

7.3 During the year, provision of Rs. 19.453 million (2016: Rs. 29.711 million) has been recognized and stocks valued at Rs. 0.75 million (2016: Rs. 19.207 million) have been written off from provision.

7.4 As at November 30, 2017, raw materials, and work in process inventories of Rs. 198.324 million are held at Hawkes Bay site being managed by ICI Pakistan Limited under the transition arrangement as disclosed in note 10.3.

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
8. TRADE DEBTS - unsecured			
- Related party		-	34,470
- Others		34,711	-
		<u>34,711</u>	<u>34,470</u>
Considered doubtful	8.1	-	30,861
		<u>34,711</u>	<u>65,331</u>
Less: Provision for doubtful debts		-	30,861
		<u>34,711</u>	<u>34,470</u>
8.1 Provision for doubtful debts			
Balance as at 1 December		30,861	12,662
Charge for the year		-	18,199
Recoveries during the year		(18,199)	-
Written off		(12,662)	-
Balance as at 30 November		<u>-</u>	<u>30,861</u>

9 LOANS AND ADVANCES - considered good

Current portion of long-term loans to employees	5	2,585	4,962
Loan to gratuity fund		60,000	-
Advances			
- Suppliers		67,380	29,379
- Employees	9.1 & 9.2	2,782	2,665
		<u>70,162</u>	<u>32,044</u>
		<u>132,747</u>	<u>37,006</u>

9.1 This includes amounts due from executives amounting to Rs. 1.6 million (2016: Rs. 1.9 million).

9.2 The maximum aggregate amount of advances due from executives at the end of any month during the year was Rs. 1.6 million (2016: Rs.2.758 million).

wyeth

	Note	November 30, 2017	November 30, 2016
10 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		(Rupees in '000)	
Trade deposits	10.1	25,377	13,536
Prepayments		4,684	742
Margin deposits for guarantees and letters of credit	10.2	1,343	6,116
Receivable from related parties		18,459	8,987
Receivable from pension fund	29.2	43,829	40,777
Receivable from ICI Pakistan Limited	10.3	298,038	-
Export rebate claim		4,397	3,733
Insurance claim receivable		1,754	-
		<u>397,881</u>	<u>73,891</u>
10.1 Trade deposits		25,377	16,564
Less: Provision for deposits		-	3,028
		<u>25,377</u>	<u>13,536</u>

10.2 During the year, provision of Rs. 4.838 million was recognised in respect of margin deposits.

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

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

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

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

- (i) Company has appointed ICI as an operations and management contractor for the Facility as per an operations and management agreement; and

- (ii) Given that full economic benefit of the Divested Products has transferred to ICI on August 11, 2017, Wyeth has conferred upon ICI the commercialization rights via various commercialization agreements.

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
10.3.1 Receivable from ICI Pakistan Limited			
Long term deposits	10.3.2	5,717	-
Stock-in-trade	10.3.3	133,332	-
Other receivable	10.3.4	158,989	-
		<u>298,038</u>	<u>-</u>

10.3.2 These will be transferred on completion of transition period.

10.3.3 The Company, under the above transition arrangement procured certain stocks for manufacturing of divested products which would be billed to ICI Pakistan Limited when goods are produced or transition period is completed.

10.3.4 These represent receivable in respect of divested products sold to ICI Pakistan Limited. Total sales of divested products to ICI Pakistan Limited under transition arrangement amounted to Rs. 309.267 million.

10.4 Further in 2017, the Company completed sale of Company's product "Anne French" to M/s. Siza (Private) Limited against sale proceeds of Rs. 165 million.

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
11 CASH AND BANK BALANCES			
Cash in hand		-	367
With banks			
- Term deposit receipts	11.1	1,330,000	-
- In saving accounts	11.2	37,165	10,182
		<u>1,367,165</u>	<u>10,549</u>

11.1 These carry mark-up ranging from 5.25% to 5.35% and will mature by February 2018.

11.2 These carry mark-up at the rate of 3.75% to 4% (2016: 3.75% to 4%) per annum.

12. ASSETS HELD FOR SALE

During previous year, on initiation of process of sale of manufacturing facility and transfer of certain non core products to interested buyers, the following assets were classified as assets held for sale and were disposed off during the year as more fully explained in note 10.3 . The gain on disposal of these assets and brands is disclosed in note 26.

	November 30, 2017	November 30, 2016
(Rupees in '000)		
Property, plant and equipment	-	191,161
Capital work in progress	-	146,745
Long term deposits	-	5,717
Stores and spares	-	35,006
Stock-in-trade	-	240,345
	<u>-</u>	<u>618,974</u>

13. SHARE CAPITAL		November 30, 2017	November 30, 2016
		(Rupees in '000)	
Authorized capital			
5,000,000 ordinary shares of Rs. 100 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital			
November 30, 2017	November 30, 2016	November 30, 2017	November 30, 2016
(Number of shares)		(Rupees in '000)	
Ordinary shares of Rs. 100 each			
386,711	386,711	38,671	38,671
477,493	477,493	47,749	47,749
		Shares issued as fully paid for consideration other than cash - note 13.2	
557,405	557,405	55,741	55,741
		Shares issued as fully paid bonus shares	
<u>1,421,609</u>	<u>1,421,609</u>	<u>142,161</u>	<u>142,161</u>

13.1 Wyeth LLC, USA and Wyeth Holdings Corporation, USA held 576,470 (2016: 576,470) and 448,560 (2016: 448,560) shares of Rs. 100 each respectively. On October 15, 2009 Pfizer Inc. has acquired Wyeth LLC, USA and has become the ultimate parent of the Company.

13.2 These shares include 473,529 shares issued under the scheme of arrangement for amalgamation of Wyeth Laboratories (Pakistan) Limited and Cyanamid (Pakistan) Limited in the year 1996.

14. TRADE AND OTHER PAYABLES		November 30, 2017	November 30, 2016
		(Rupees in '000)	
Creditors	14.1	318,820	446,388
Accrued liabilities		224,109	143,676
Advances from customers		54,251	24,807
Accumulated compensated absences		6,507	21,264
Payable to provident fund		116	-
Payable to gratuity funds	29.2	128,732	84,938
Workers' Welfare Fund	14.2	18,671	6,231
Central Research Fund		14,552	2,354
Workers' Profit Participation Fund	14.3	72,761	11,587
Sales tax payable		301	692
Unclaimed dividend		3,947	3,457
		<u>842,767</u>	<u>745,394</u>

14.1 Creditors include Rs. 63.020 million (2016: Rs. 312.292 million) payable to associated undertakings.

	November 30, 2017	November 30, 2016
14.2 Workers' Welfare Fund		
	(Rupees in '000)	
Opening balance	6,231	1,783
Allocation for the year	12,891	4,448
	<u>19,122</u>	<u>6,231</u>
Adjusted / payments made during the year	(451)	-
Closing balance	<u>18,671</u>	<u>6,231</u>
14.3 Workers' Profit Participation Fund		
Opening balance	11,587	4,375
Allocation for the year	72,761	11,587
	<u>84,348</u>	<u>15,962</u>
Paid during the year	(11,587)	(4,375)
Closing balance	<u>72,761</u>	<u>11,587</u>

15. SHORT-TERM FINANCE FACILITY

The facilities for opening letters of credit, guarantees and overdraft as at 30 November 2017 amounted to Rs. 629.5 million (2016: Rs. 630.8 million), Rs. 331.7 million (2016: Rs. 331.7 million) and Rs. 100.0 million (2016: Rs. Nil) of which unutilised balances at the year end amounted to Rs. 608.3 million, Rs. 319.4 million and Rs. 100.0 million respectively.

16. CONTINGENCIES AND COMMITMENTS

16.1 Certain ex-employees of the Company have filed claims aggregating to Rs. 247.572 million (2016: Rs. 253.683 million) against the Company. In addition, certain 3rd party ex-employees whose employment was terminated by their employer have filed cases in court alleging that they were employed by the Company and not the 3rd party and should be re-instated. The Company is contesting the claims in the courts and the management is confident that the ultimate decision on the subject claims will be in favour of the Company. Accordingly, no provision has been made in these financial statements in respect of these claims.

16.2 One ex-distributor has filed claims against the Company aggregating to Rs. 75.1 million (2016: Rs. 75.1 million) for recovery of damages. The management is confident that the case will be decided in the Company's favour and therefore no provision has been made in this respect.

16.3 The Company has filed income tax returns under section 120 of the Income Tax Ordinance up to and including the tax year 2017.

However, the income tax authorities have made arbitrary additions and disallowances to taxable income in assessment years 1997-98 to 2002-03 and for tax years 2003 to 2005, 2011 and 2013 which have resulted in an aggregate tax liability of Rs. 284.015 million (2016: Rs. 244.015 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 (2016: Rs. 137.614 million) is being carried against the above demands on grounds of prudence. In consultation with their tax advisors, the management is confident that the ultimate decision of the appeals will be in the Company's favour.

Further, the tax department has carried out the monitoring of withholding tax audit for 5 years (viz Tax Years 2010, 2012, 2013, 2015, 2016 and 2017), the aggregate demand of Rs. 11.303 million (2016: 8.276 million) has been raised. The company has filed appeal against these orders. The management is of the opinion that the ultimate decision of the appeals will be in Company's favour.

16.4 The Assistant Collector, Sales Tax and Federal Excise has issued an order 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 filed an appeal against this order. The Commissioner Inland Revenue Appeals (CIRA) passed an order in favour of the Company. However, the Tax Department filed an appeal before the Tribunal, and the case has been remanded back to the department for denovo consideration. The matter is pending since then.

16.5 In May 2016, the Company has filed a suit and permanent injunction before the Sindh High Court for resolution of applications which Company had filed with the Drugs Regulatory Authority of Pakistan (DRAP) since 2012 seeking price increase for products which had extremely low margins and should have been resolved by DRAP by December 5, 2015 as per the Drugs Pricing Policy (DPP).

The matter was disposed off in December 2016. A High Court appeal had been filed whereby the aforementioned Judgement was challenged before the Division Bench of the Honourable High Court of Sindh. The learned Division Bench has restrained the Ministry of Health and the Drug Regulatory Authority of Pakistan from taking any coercive action(s) against Company. The matter is pending adjudication.

	November 30, 2017	November 30, 2016
	(Rupees in '000)	
16.6 Commitments		
16.6.1 Commitments for capital expenditure	7,196	360
16.6.2 Guarantees and indemnity bonds for imported raw materials and other guarantees	1,343	5,403
16.6.3 Outstanding letters of credit	27,543	55,288
17. NET SALES		
Sales - Domestic	1,116,641	1,257,954
- Export	117,398	115,097
	1,234,039	1,373,051
Less: Discounts and commission	105,709	118,646
Returns	1,661	2,166
	107,370	120,812
	1,126,669	1,252,239
18. COST OF SALES		
Opening stock of finished goods	569,765	201,882
Cost of goods manufactured 18.1	393,387	756,909
Purchases of finished goods	365,602	690,590
Closing stock of finished goods	(383,830)	(569,765)
Physician samples charged to advertising and sales promotion	(953)	(1,529)
	943,971	1,078,087
18.1 Cost of goods manufactured		
Opening stock of raw and packing materials	239,764	165,424
Purchase of raw and packing materials	184,586	616,491
Closing stock of raw and packing materials	(136,559)	(239,764)
Raw and packing materials consumed	287,791	542,151
Salaries, wages and other benefits 18.2	42,592	101,891
Depreciation 4.4	143	9,831
Fuel and power	11,673	27,817
Rent, rates and taxes	934	3,132
Repairs and maintenance	5,320	27,936
Production and other supplies	3,583	8,002
Spare parts consumed	977	3,530
Travelling and vehicles running expenses	2,641	4,440
Provision for slow moving and obsolete stocks 7.3	19,453	29,711
Outside manufacturing charges	2,597	-
Security charges	1,376	5,242
Postage, communication and stationery	381	276
Insurance	714	1,053
Others	181	278
	92,565	223,139
	380,356	765,290
Opening work-in-process	74,796	66,415
Closing work-in-process	(61,765)	(74,796)
Cost of goods manufactured	393,387	756,909

18.2 Salaries, wages and other benefits include a charge of Rs. 4.454 million (2016: Rs. 6.242 million) in respect of staff retirement benefits.

19 SELLING , MARKETING AND DISTRIBUTION EXPENSES

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
Salaries, wages and other benefits	19.1	77,822	75,860
Fuel and power		3,082	3,332
Rent, rates and taxes		2,163	2,419
Insurance		668	406
Repairs and maintenance		408	527
Transportation		27,329	23,109
Travelling and entertainment		6,566	7,482
Postage, communication and stationery		2,730	2,318
Depreciation	4.4	8,948	6,395
Advertising and sales promotion		44,777	47,879
Others		647	192
		<u>175,140</u>	<u>169,919</u>

19.1 Salaries, wages and other benefits include a net charge of Rs. 10.341 million (2016: Rs. 14.181 million) in respect of staff retirement benefits.

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
20. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	20.1 & 21	61,434	31,367
Fuel and power		1,010	1,313
Rent, rates and taxes		66	180
Insurance		230	435
Travelling and entertainment		1,962	1,295
Postage, communication and stationery		821	858
Legal and professional charges		7,867	8,881
Auditors' remuneration	20.2	1,709	1,279
Depreciation	4.4	497	3,181
Others		2,826	1,334
		<u>78,422</u>	<u>50,123</u>

20.1 Salaries, wages and other benefits include a net charge of Rs. 2.064 million (2016: Rs. 2.469 million) in respect of staff retirement benefits.

	November 30, 2017	November 30, 2016
(Rupees in '000)		
20.2 Auditors' remuneration		
Audit fee - annual	910	850
Fee for half yearly review	320	300
Other certifications	479	129
	<u>1,709</u>	<u>1,279</u>

21. VOLUNTARY SEPARATION SCHEME

VSS programme is in place for the past few years to achieve rationalisation and corporate restructuring of the Company. Aggregate cost of Rs. 39.048 million (2016: Rs. 6.463 million) including Rs. 12.58 million pertaining to discontinued operation, was incurred during the year in this respect.

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
Administrative expenses		26,468	6,463
22. OTHER INCOME			
<i>Income from financial assets</i>			
Profit on saving accounts and term deposits		22,888	4,258
<i>Income from non-financial assets</i>			
Gain on disposal of property, plant and equipment - net	4.6	1,889	1,402
Exchange gain		739	-
Liabilities no longer payable written back		5,878	5,544
Export rebate claims & recovery of export freight		664	1,805
Recovery of debts earlier provided		18,199	-
		<u>50,257</u>	<u>13,009</u>
23. OTHER EXPENSES			
Write off non recoverable advances		1,978	-
Write off of deposits		658	-
Provision of margin deposits		4,838	-
Provision of trade deposits		-	3,028
Write off of custom and excise duty		-	999
Provision of sales tax refundable		-	4,301
Net exchange loss		-	2,977
		<u>7,474</u>	<u>11,305</u>
24. FINANCE COST			
Bank charges		1,567	593
25. TAXATION			
Current		11,442	19,487
Deferred		17,767	(11,786)
Tax expense on continuing operations		<u>29,209</u>	<u>7,701</u>
25.1 Reconciliation of effective tax rate			
Loss before taxation		<u>(29,648)</u>	<u>(44,779)</u>
Tax at the applicable rate of 30% (2016: 31%)		(8,894)	(13,881)
Effect of income taxable under presumptive tax regime		19,583	19,487
Reversal of deferred tax asset		17,767	-
Tax effect of others items		753	2,095
		<u>29,209</u>	<u>7,701</u>

- 25.2** For Tax Year 2017 and onwards, a tax shall be imposed at the rate of seven and a half percent of accounting profit before tax on every public company, other than a scheduled bank or a modaraba, that derives profit for a tax year but does not distribute atleast forty percent of its after tax profits within six months of the end of the tax year through cash or bonus shares:

The Company has declared an interim dividend of Rs. 300 per share out of profit of the Company for the year ended 30 November 2017 which is more than forty percent of its after tax profit. Hence no provision under section 5A is recorded.

26. DISCONTINUED OPERATION

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

26.1 RESULTS OF DISCONTINUED OPERATIONS

	November 30, 2017	November 30, 2016
	(Rupees in '000)	
Net Sales	702,427	1,518,541
Expenses	758,058	1,278,981
Results from operating activities	<u>(55,631)</u>	<u>239,560</u>
Gain on sale of plant and brands	1,440,293	-
Profit before taxation	<u>1,384,662</u>	<u>239,560</u>
Taxation	345,810	74,264
Profit / (loss) from discontinued operations - net of tax	<u>1,038,852</u>	<u>165,296</u>

26.2 CASH FLOWS FROM DISCONTINUED OPERATIONS

Net cash generated from operating activities	<u>54,993</u>	<u>8,350</u>
--	---------------	--------------

27. EARNINGS PER SHARE - Basic and Diluted

Loss after taxation - Continuing operations	<u>(58,857)</u>	<u>(52,480)</u>
Profit after taxation - Discontinued operations	<u>1,038,852</u>	<u>165,296</u>
Profit for the year	<u>979,995</u>	<u>112,816</u>

	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	<u>1,421,609</u>	<u>1,421,609</u>

	(Rupees)	
Earnings per share - basic and diluted - Continuing operations	<u>(41.40)</u>	<u>(36.92)</u>
Earnings per share - basic and diluted - Discontinued operations	<u>730.76</u>	<u>116.27</u>
Total Earnings per share - basic and diluted	<u>689.36</u>	<u>79.36</u>

28. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	November 30, 2017			November 30, 2016		
	*Chief Executive	*Directors	Executives	*Chief Executive	*Directors	Executives
----- (Rupees in '000) -----						
Managerial remuneration	-	-	130,400	-	-	163,886
Bonus	-	-	25,588	-	-	26,512
Medical expenses	-	-	6,301	-	-	7,709
Retirement benefits	-	-	20,771	-	-	32,486
Directors meeting fees	-	2,020	-	-	1,640	-
	<u>-</u>	<u>2,020</u>	<u>183,060</u>	<u>-</u>	<u>1,640</u>	<u>230,593</u>
Number of persons	<u>1</u>	<u>6</u>	<u>119</u>	<u>1</u>	<u>6</u>	<u>143</u>

*Rs. 12.118 million (2016: Rs. 10.724 million) and Rs. 6.280 million (2016: Rs. 10.221 million) have been charged in these financial statements on account of allocation of cost of services provided by Chief Executive and one Directors respectively of associated company.

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

28.2 Further, the impacts of benefits available to executives recognised by the Company in the expenses during the year on account of share-based payment plan aggregate to Rs. 1.241 million (2016: Rs. 1.422 million).

28.3 Number of Employees

	November 30, 2017	November 30, 2016
Total number of employees as of the balance sheet date	<u>83</u>	<u>173</u>
Average number of employees during the year	<u>142</u>	<u>177</u>

29. DEFINED BENEFIT PLANS

As mentioned in note 3.7, the Company operates approved funded pension and gratuity schemes. The latest actuarial valuations of the schemes were carried out as at November 30, 2017. Projected Unit Credit Method using the following significant assumptions was used for these valuations:

Significant actuarial assumptions	November 30, 2017	November 30, 2016
<i>Financial assumptions</i>		
Discount rate	8.50% per annum	8.25% per annum
Expected rate of increase in salary	8.00% per annum	7.75% per annum
Pension increase	1.00% per annum	0.75% per annum
Minimum wage increase	4.00% per annum	3.75% per annum

29.1 The disclosures made in notes 28.2 to 28.6 and 28.9 are based on the information included in the actuarial valuation as of November 30, 2017 and November 30, 2016.

29.2 Balance sheet reconciliation

	November 30, 2017			November 30, 2016		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Present value of defined benefit obligation	78,438	53,726	132,164	185,968	55,488	241,456
Fair value of plan assets	50,294	(97,555)	(47,261)	(101,030)	(96,265)	(197,295)
Funded status	<u>128,732</u>	<u>(43,829)</u>	<u>84,903</u>	<u>84,938</u>	<u>(40,777)</u>	<u>44,161</u>

wyeth

	November 30, 2017			November 30, 2016		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
29.3 Movement in present value of defined benefit obligation						
Present value of defined benefit obligation at beginning of the year	185,968	55,488	241,456	179,388	57,865	237,253
Current service cost	6,679	102	6,781	6,899	107	7,006
Interest cost	14,901	4,330	19,231	16,674	5,191	21,865
Past service cost	21,702	-	21,702	-	-	-
Remeasurement of obligation	7,462	(417)	7,045	3,141	(1,279)	1,862
Benefits paid	(158,274)	(5,777)	(164,051)	(20,134)	(6,396)	(26,530)
Present value of defined benefit obligation at end of the year	<u>78,438</u>	<u>53,726</u>	<u>132,164</u>	<u>185,968</u>	<u>55,488</u>	<u>241,456</u>
29.4 Movement in the fair value of plan assets						
Fair value of plan assets at beginning of the year	101,030	96,265	197,295	101,469	94,266	195,735
Expected return on plan assets	9,905	6,313	16,218	9,197	7,598	16,795
Remeasurement of plan assets	(9,981)	754	(9,227)	(1,502)	797	(705)
Transferred to Defined Contribution Scheme - (Note 3.7.2)	-	-	-	-	-	-
Actual contributions by employer	7,026	-	7,026	12,000	-	12,000
Benefits paid	(158,274)	(5,777)	(164,051)	(20,134)	(6,396)	(26,530)
Fair value of plan assets at end of the year	<u>(50,294)</u>	<u>97,555</u>	<u>47,261</u>	<u>101,030</u>	<u>96,265</u>	<u>197,295</u>
29.5 Components of defined benefit cost						
Charge for the year recognised in profit and loss						
Current service cost	6,679	102	6,781	6,899	107	7,006
Interest cost	14,901	4,330	19,231	16,674	5,191	21,865
Expected return on plan assets	(9,905)	(6,313)	(16,218)	(9,197)	(7,598)	(16,795)
Past service cost - vested	21,702	-	21,702	-	-	-
	<u>33,377</u>	<u>(1,881)</u>	<u>31,496</u>	<u>14,376</u>	<u>(2,300)</u>	<u>12,076</u>
Defined benefit cost recognised in Other Comprehensive Income (OCI)						
Loss / (gain) on obligation	7,462	(417)	7,045	4,643	(2,076)	2,567
Gain on plan asset	9,981	(754)	9,227	-	-	-
Net loss / (gain)	<u>17,443</u>	<u>(1,171)</u>	<u>16,272</u>	<u>4,643</u>	<u>(2,076)</u>	<u>2,567</u>

	November 30, 2017			November 30, 2016		
	Gratuity	Pension	Total	Gratuity	Pension	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
29.6 Movement in amounts (receivable from) / payable to defined benefit plan						
Balance at beginning of the year	84,938	(40,777)	44,161	77,919	(36,401)	41,518
Charge / (reversal) for the year	33,377	(1,881)	31,496	14,376	(2,300)	12,076
Contributions during the year	(7,026)	-	(7,026)	(12,000)	-	(12,000)
Total remeasurements recognised in OCI	17,443	(1,171)	16,272	4,643	(2,076)	2,567
Balance at end of the year	128,732	(43,829)	84,903	84,938	(40,777)	44,161
29.7 Remeasurements during the year						
<i>Actuarial (gain) / loss on obligation</i>						
(Gain) / loss due to change in financial assumptions	-	-	-	-	-	-
(Gain) / loss due to investment return	7,462	(417)	7,045	1,502	(797)	705
(Gain) / loss due to change in experience adjustments	9,981	(754)	9,227	3,141	(1,279)	1,862
Total actuarial (gain) / loss on obligation	17,443	(1,171)	16,272	4,643	(2,076)	2,567
<i>Actuarial (gain) / loss on plan assets</i>						
Gain on plan assets	-	-	-	-	-	-
Total re-measurement (gain) / loss for the year	17,443	(1,171)	16,272	4,643	(2,076)	2,567
29.8 Major categories / composition of plan assets are as follows:						
Government bonds	9,706	88,271	97,977	77,388	90,999	168,387
Bank deposits	-	9,285	(50,715)	23,642	5,266	28,908
Loan from Company	(60,000)	-	-	-	-	-
	(50,294)	97,556	47,262	101,030	96,265	197,295

29.9 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	2017	2016	2015	2014	2013
	----- (Rupees in '000) -----				
Present value of defined benefit obligation	132,164	241,456	237,253	226,171	340,267
Fair value of plan assets	(47,261)	(197,295)	(195,735)	(168,648)	(261,053)
Deficit / (surplus)	84,903	44,161	41,518	57,523	79,214

29.10 Components of defined benefit cost for the next year

	Gratuity	Pension	Total
	----- (Rupees in '000) -----		
Current service cost	4,232	76	4,308
Net interest cost / (income)	10,645	(3,725)	6,920
	<u>14,877</u>	<u>(3,649)</u>	<u>11,228</u>

29.11 Maturity profile of the defined benefit obligation

2018	1,609	6,309	7,918
2019	1,763	6,232	7,995
2020	8,304	6,134	14,438
2021	1,794	6,019	7,813
2022	1,984	5,885	7,869
2023 - 2027	115,516	27,234	142,750

29.12 Sensitivity analysis on significant actuarial assumptions: Actuarial Liability

Discount rate +1%	(11,737)
Discount rate -1%	13,664
Long term salary increases +1%	10,019
Long term salary increases -1%	(8,689)
Pension increase +1%	3,875
Pension increase -1%	(3,471)
Minimum wage increase +1%	(84)
Minimum wage increase -1%	78

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

29.14 The Company expects to contribute Rs.7.0 million in next year towards gratuity fund.

29.15 During the year Company contributed Rs. 9.395 million (2016: Rs. 11.239 million) to the provident fund.

29.16 Provident fund

	November 30, 2017 (Unaudited)	December 31, 2016 (Audited)
	(Rupees in '000)	
Net assets of the fund	85,809	280,525
Cost of investments made (actual investment made)	67,434	251,517
Cost of investment / net assets of the fund	79%	90%
Fair value of investments	85,809	275,137

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, 2017 (Unaudited)		December 31, 2016 (Audited)	
	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	28,375	33%	25,301	9%
Pakistan Investment Bonds	-	0%	207,798	74%
Term Deposit Receipts	-	0%	-	0%
Balances with banks in savings account	57,434	67%	42,038	15%
	<u>85,809</u>	<u>100%</u>	<u>275,137</u>	<u>98%</u>

Investments out of provident fund have been made in accordance with the provisions of the section 227 of the repealed Companies Ordinance, 1984, Companies Act, 2017 and the rules formulated for this purpose.

30 SHARE-BASED REWARD PLANS

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

	November 30, 2017			November 30, 2016		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options	RSU's
	----- (Number of shares) -----					
Outstanding as at December 1	1,253	3,254	685	-	3,979	613
Granted during the year	824	-	152	1,253	-	254
Forfeited during the year	-	-	-	-	-	-
Dividend Equivalent Units	-	-	25	-	-	24
Exercised during the year	-	(901)	(229)	-	(725)	(206)
Outstanding as at November 30	<u>2,077</u>	<u>2,353</u>	<u>633</u>	<u>1,253</u>	<u>3,254</u>	<u>685</u>

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

	November 30, 2017			November 30, 2016		
	TSRU's	Stock Options	RSU's	TSRU's	Stock Options	RSU's
	----- (in US\$) -----					
Outstanding as at December 1	30.59	27.50	32.33	-	27.05	31.81
Granted during the year	36.26	-	36.26	30.59	-	30.59
Outstanding as at November 30	<u>31.97</u>	<u>28.85</u>	<u>32.84</u>	<u>30.59</u>	<u>27.50</u>	<u>32.33</u>

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

Fair value of share options and assumptions	November 30, 2017	November 30, 2016
Share price	\$31.97	\$30.59
Expected volatility (weighted average volatility)	18.39%	21.64%
Option life (expected weighted average life)	6.75 years	6.7 years
Expected dividends	\$1.28	\$1.20

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

- 30.4** The total expense recognised for the year arising from share-based payment transactions is Rs. 1,241,498 (2016: Rs. 1,422,115).

31 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the ultimate parent company (Pfizer Inc., USA), related group companies, staff retirement benefits, directors, key management personnel and close members of the family of all the aforementioned related parties. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere are as follows:

Transactions for the year	November 30, 2017	November 30, 2016
	(Rupees in '000)	
Sale of goods to associated undertaking	120,875	115,097
Transfer of inventory to associated undertaking	-	437
Goods purchased from associated companies	315,907	661,207
Transfer of inventory from associated companies	-	413
Services to associated companies	61,685	55,072
Services from associated companies	38,113	36,434
Dividend to parent company	343,385	20,500
Contribution to the retirement benefit scheme	22,462	29,689
Legal and professional charges	807	682

	Note	November 30, 2017	November 30, 2016
(Rupees in '000)			
32. CASH GENERATED FROM / (USED IN) OPERATIONS			
Profit for the year		979,995	112,816
Adjustments for non-cash charges and other items:			
Net increase in reserve for share-based payment plans		1,241	1,422
Charge for defined benefit plans		31,496	12,076
Actuarial losses recognized in other comprehensive account		(17,864)	-
Depreciation		10,167	37,525
Write-off of CWIP		-	100
Impairment Loss		-	288
Provision for slow moving and obsolete stock - net		15,614	40,269
Reversal for doubtful debts		(30,861)	-
Gain on disposal of property, plant and equipment - net		(1,439,148)	(1,402)
Profit on bank deposits		(22,888)	(4,258)
Tax expense		375,019	81,965
Working capital changes	32.1	228,556	(355,045)
		<u>131,327</u>	<u>(74,244)</u>
32.1 Working capital changes			
(Increase) / decrease in current assets:			
Spares		35,006	(2,620)
Stocks-in-trade		507,736	(540,264)
Trade debts		30,620	(15,337)
Loans and advances		(95,741)	9,570
Deposits, prepayments and other receivables		(320,799)	15,659
Long Term Loans to employees		3,186	(1,583)
Long Term Deposits		6,212	(246)
Retirement benefit plans		9,363	(14,643)
		<u>175,583</u>	<u>(549,464)</u>
Increase / (decrease) in current liabilities:			
Trade and other payables		52,973	194,419
		<u>228,556</u>	<u>(355,045)</u>
33. OPERATING SEGMENTS			

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

33.1 The sales percentage by geographic region is as follows:

	November 30, 2017	November 30, 2016
(Percentage)		
Pakistan	94.2%	94.7%
Other Asian countries	5.8%	5.3%
	<u>100%</u>	<u>100%</u>

33.2 All non-current assets of the Company as at November 30, 2017 are located in Pakistan.

33.3 Sales to four major customers of the Company is around 55.93% during the year ended November 30, 2017 (2016: 54.65%).

34. FINANCIAL ASSETS AND LIABILITIES

November 30, 2017			
Carrying Amount			
Loans and receivables	Other financial assets	financial liabilities	Total

----- (Rupees in '000) -----

Financial assets not measured at fair value

Long term loans	1,366	-	-	1,366
Trade debts	34,711	-	-	34,711
Loans and advances	65,367	-	-	65,367
Other receivables	393,197	-	-	393,197
Interest accrued	2,881	-	-	2,881
Cash and bank balances	-	1,367,165	-	1,367,165

Financial liabilities not measured at fair value

Trade and other payables	-	-	682,231	682,231
--------------------------	---	---	---------	---------

November 30, 2016			
Carrying Amount			
Loans and receivables	Other financial assets	financial liabilities	Total

----- (Rupees in '000) -----

Financial assets not measured at fair value

Long term loans	4,552	-	-	4,552
Trade debts	34,470	-	-	34,470
Loans and advances	37,006	-	-	37,006
Other receivables	53,497	-	-	53,497
Interest accrued	399	-	-	399
Cash and bank balances	-	10,549	-	10,549

Financial liabilities not measured at fair value

Trade and other payables	-	-	719,895	719,895
--------------------------	---	---	---------	---------

These financial assets and liabilities are for short term or repriced over short term. Therefore their carrying amounts are reasonable approximation of fair value and no assets or liabilities are carried at fair value.

35. FINANCIAL INSTRUMENTS

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

- Credit risk
- Liquidity risk
- Market risk

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

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

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

35.1 Credit risk

Exposure to credit risk

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

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, 2017	November 30, 2016
	(Rupees in '000)	
Long-term loans to employees	1,366	4,552
Long-term deposits	4,917	5,412
Trade debts	34,711	65,331
Loans and advances	65,367	37,006
Interest accrued	2,881	399
Trade deposits and other receivables	393,197	73,149
Bank balances	<u>1,367,165</u>	<u>10,182</u>
	<u><u>1,869,604</u></u>	<u><u>196,031</u></u>

35.1.1 Credit risk is mitigated as the Company have 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.

35.1.2 The bank balances represents low credit risk as they are placed with reputed banks with strong credit ratings.

35.1.3 The aging of trade debtors at the balance sheet date is as follows:

	November 30, 2017	November 30, 2016
	(Rupees in '000)	
Not past due	34,711	34,470
Past due and impaired	-	30,861
	34,711	65,331

35.2 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, 2017				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
	----- (Rupees in '000) -----				
Financial liabilities					
Creditors	318,820	318,820	(318,820)	-	-
Accrued liabilities	224,109	224,109	(224,109)	-	-
Accumulated compensated absences	6,507	6,507	(6,507)	-	-
Payable to provident fund	116	116	(116)	-	-
Payable to gratuity fund	128,732	128,732	(128,732)	-	-
Unclaimed dividend	3,947	3,947	(3,947)	-	-
	682,231	682,231	(682,231)	-	-

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

November 30, 2016

	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
----- (Rupees in '000) -----					
Financial liabilities					
Creditors	446,388	446,388	(446,388)	-	-
Accrued liabilities	143,676	143,676	(143,676)	-	-
Accumulated compensated absences	21,264	21,264	(21,264)	-	-
Payable to provident fund	-	-	-	-	-
Payable to gratuity fund	84,938	84,938	(84,938)	-	-
Unclaimed dividend	3,457	3,457	(3,457)	-	-
	<u>699,723</u>	<u>699,723</u>	<u>(699,723)</u>	-	-

35.3 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.

35.3.1 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, 2017	November 30, 2016
Amount in USD		
Trade debts	-	326,400
Other receivables	130,843	45,292
Creditors	(956,696)	(3,616,399)
Gross balance sheet exposure	<u>(825,853)</u>	<u>(3,244,707)</u>

The average rate for US Dollars during the year was USD 1 = Rs. 105.13 (2016: USD 1 = Rs. 104.84) and the rate at year end was USD 1 = Rs.105.38 (2016: USD 1 = Rs. 105.61).

35.3.2 Sensitivity analysis

At reporting date, if the Pak Rupee had strengthened / weakened by 10% against the US Dollar with all other variables held constant, post-tax profit for the year would have been higher / lower by Rs. 8.68 million (2016: Rs. 34.27 million).

35.3.3 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, 2017, Rs. 1367.17 million (2016: Rs. 10.18 million) interest bearing financial assets are on fixed interest rates, hence management believes that the Company is not materially exposed to interest rate changes.

35.3.4 Fair value of financial assets and liabilities

The major portion of the Company's financial instruments are short term in nature and would be settled in the near future. The fair values of these instruments are not materially different from their carrying values.

36. 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.

37. GENERAL

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

38. EVENTS AFTER BALANCE SHEET DATE

The Board of Directors have proposed a final cash dividend for the year ended November 30, 2017 of Rs. 300 (2016: Rs. 35) per share, amounting to Rs. 426.483 million (2016: Rs. 49.756 million) at their meeting held on February 28, 2018 subject to the approval of members at the Annual General Meeting to be held on March 28, 2018.

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

39. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company on February 28, 2018.


S.M. Wajeehuddin
Chief Executive


M. Z. Moin Mohajir
Director


Kashif Shafi
Chief Financial Officer

SIX YEARS AT A GLANCE from 2012 to 2017

(Rupees in '000)

	2012 (Restated)	2013 (Restated)	2014	2015	2016	2017
Sales	3,145,950	3,115,717	3,054,725	2,674,709	2,770,780	1,829,096
Cost of sales	2,414,714	2,530,654	2,595,819	2,332,608	2,264,245	1,457,125
Gross profit	731,236	585,063	458,906	342,101	506,535	371,971
Selling, marketing, distribution and administrative expenses	477,186	539,644	514,489	286,536	284,163	397,781
Other operating income / (expenses) - net	(8,941)	11,233	42,030	26,880	(26,278)	1,383,024
Operating profit / (loss)	245,109	56,652	(13,553)	82,445	196,094	1,357,214
Finance cost	877	208	339	1,112	1,315	2,200
Profit / (loss) before taxation	244,232	56,444	(13,892)	81,333	194,779	1,355,014
Taxation	111,951	39,643	70,660	49,316	81,963	375,019
Profit / (loss) after taxation	132,281	16,801	(84,552)	32,017	112,816	979,995
Shareholders' equity	1,314,516	1,207,231	1,093,295	1,140,762	1,224,526	1,711,659
Property, plant and equipment	149,789	207,974	264,195	382,239	16,900	6,650
Current assets	1,523,495	1,453,802	1,345,947	1,288,636	1,923,697	2,558,997
Current liabilities	370,608	499,878	545,626	551,013	745,394	860,271
Current ratio	4.11	2.91	2.47	2.34	2.58	2.97
Dividend	80%	20%	-	20%	35%	600%
Number of employees as at November 30	249	231	195	187	173	83

Wyeth

PATTERN OF SHAREHOLDING AS AT NOVEMBER 30, 2017

NO. OF SHAREHOLDERS	HAVING SHARES FROM	TO	SHARES HELD	PERCENTAGE
882	1	100	25,460	1.79
154	101	500	37,446	2.63
32	501	1000	23,833	1.68
25	1001	5000	50,163	3.53
2	5001	10000	11,740	0.83
1	10001	15000	10,201	0.72
1	15001	20000	16,000	1.13
1	50001	55000	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
1102			1,421,609	100.00

CATEGORIES OF SHAREHOLDERS AS AT NOVEMBER 30, 2017

PARTICULARS	SHAREHOLDERS	SHAREHOLDING	PERCENTAGE
Associated companies	2	1,025,030	72.10
NIT	2	114,574	8.06
Directors, Chief Executive and their spouses and minor children	5	126	0.01
Banks, DFI & NBFIs	1	59,477	4.18
Insurance companies	2	68,374	4.81
Modarbas and Mutual Funds	2	3,920	0.28
Residents Individuals	1047	121,229	8.53
Non - resident Individuals	25	8,762	0.62
Others	16	20,117	1.42
COMPANY TOTAL	1102	1,421,609	100.00

CATEGORIES OF SHAREHOLDERS AS AT NOVEMBER 30, 2017

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		
	National Bank of Pakistan (Trustee Department)	114,574	8.0595
3	Directors, Chief Executive and their spouses and minor children		
	Badaruddin F. Vellani	100	0.0070
	Ifthikhar Soomro	2	0.0001
	Farid Khan	1	0.0001
	S. M. Wajeehuddin	2	0.0001
	Husain Lawai	21	0.0015
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 Corporation of Pakistan	52,374	3.6841
	EFU General Insurance Co. Ltd.	16,000	1.1255
	Trustee National Bank of Pakistan Employees Pension Fund	10,201	0.7176
	Trustee National Bank of Pakistan Employees Benevolent Fund Trust	358	0.0252
	Irfan Mazhar Securites (Pvt.) Ltd.	80	0.0056
	CDC - Trustee PICIC Investment Fund	2,120	0.1491
	CDC - Trustee PICIC Growth Fund	1,800	0.1266
	Muhammad Salim Kasmani Securities (Pvt.) Ltd.	140	0.0098
	Muhammad Bashir Kasmani Securities (Pvt.) Ltd.	100	0.0070
	Pearl Securities Limited - MF	380	0.0267
	Axis Global Limited - MF	1,420	0.0999
	Intermarket Securities Limited - MF	5,740	0.4038
	A.N.Equities (Pvt.) Ltd. - MF	20	0.0014
	Time Securities Private Limited - MF	20	0.0014
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
	National Bank of Pakistan (Trustee Department)	114,574	8.0595

FORM OF PROXY Sixty Ninth Annual General Meeting

I, We _____ of _____
_____ (full address) being a member of **Wyeth Pakistan Limited**
hereby appoint _____
of _____ (full address) or failing him
_____ of _____ (full
address) as my / our Proxy to attend and vote for me / us and on my / our behalf at the Sixty Ninth
Annual General Meeting of the Company to be held on Wednesday, March 28, 2018 at 11:00 a.m.
and any adjournment thereof.

As witness my/our hand this _____ day of _____ 2018 signed
by _____ in presence of _____

Please affix
Revenue
Stamp of
Rs 5.00

Signature and address of Witness

Signature of Member

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

Number of Shares held

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

وائیٹھ پاکستان لمیٹڈ

پراکسی فارم

۶۹ واں سالانہ اجلاس عام

میں مسمیٰ/مسماة _____ ساکن _____

ضلع _____ بحیثیت ممبر وائیٹھ پاکستان لمیٹڈ، مسمیٰ/مسماة _____

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

کمپنی کے ۶۹ ویں سالانہ اجلاس عام جو بتاریخ ۲۸ مارچ ۲۰۱۸ء بروز بدھ ۱۱:۰۰ صبح

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

گواہ میرے/ہمارے دن دستخط ۲۰۱۸ء

برائے ان کی موجودگی میں

ریوینوئلٹ
۵ روپے
چسپاں کریں

دستخط ممبر

دستخط/پتہ گواہ

شیرز کی تعداد

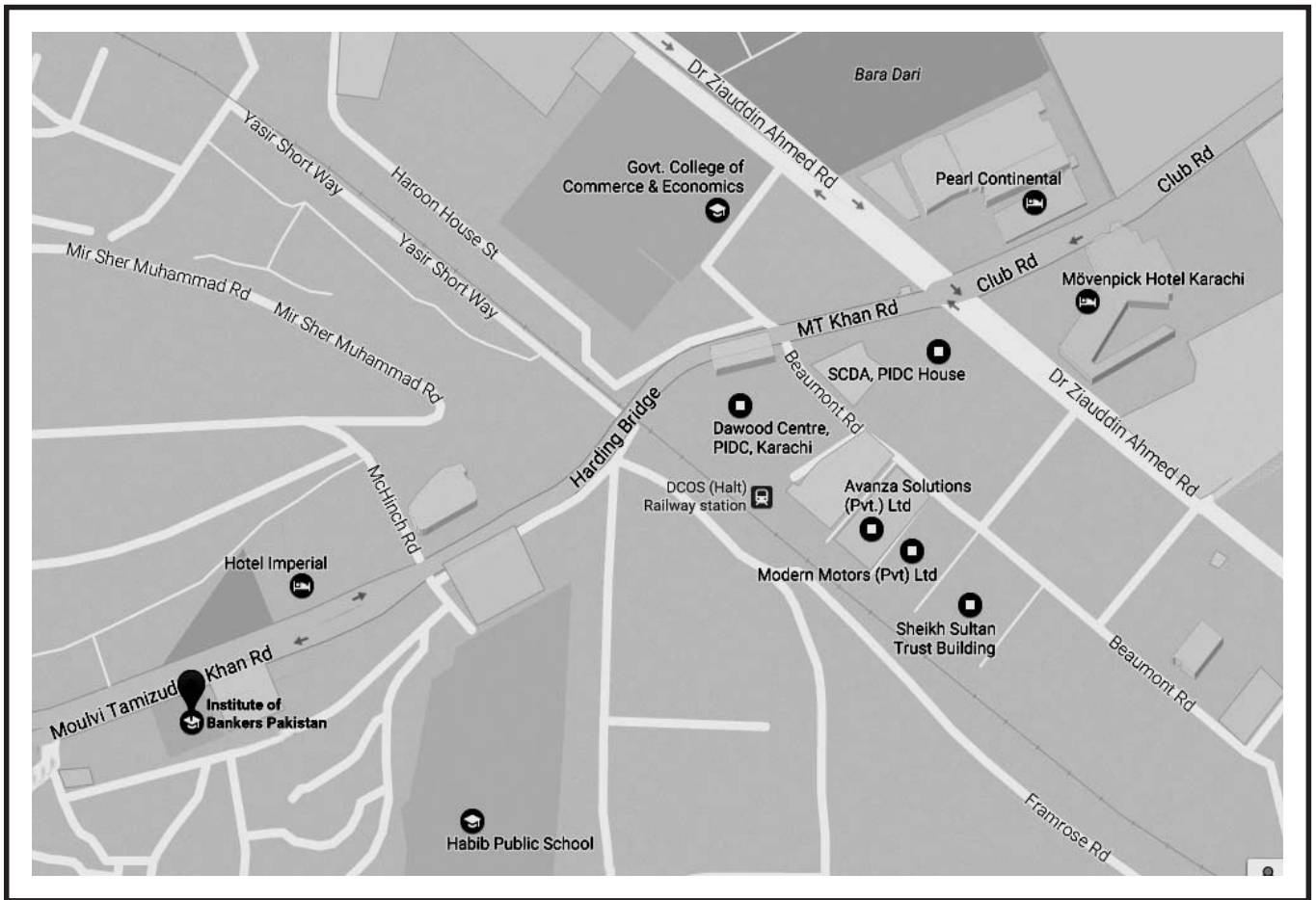
فولیو نمبر - CDC اکاؤنٹ نمبر اور شراکت دار کے

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____

Wyeth

**THE 69TH ANNUAL GENERAL MEETING
OF WYETH PAKISTAN LIMITED
ON WEDNESDAY, MARCH 28, 2018
AT 11:00 A.M. AT THE INSTITUTE OF BANKERS PAKISTAN,
MOLVI TAMIZUDDIN KHAN ROAD, KARACHI.**

LOCATION PLAN



www.jamapunji.pk



Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

- Licensed Entities Verification
- Scam meter*
- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered

- Stock trading simulator
(based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

jamapunji.pk

[@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices

