

**Wyeth Limited\***

Registered Office :  
Level 6, Platina, Plot No. C-59, G-Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 098. INDIA  
Tel : 91-22-2657 4000 Fax : 91-22-2657 4100

\*(A subsidiary of Pfizer Inc.)

# Wyeth

**FORM A**

(Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges)

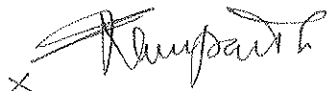
1	Name of the Company	Wyeth Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit Observation	Un-qualified
4	Frequency of Observation	Not Applicable

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:

**116231W/W-100024**



**N Sampath Ganesh**

*Partner*

Membership No: 042554

For **Wyeth Limited**

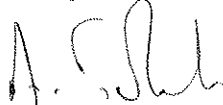


**Sekhar Natarajan**

*Chairman of the Audit Committee*

(DIN: 01031445)

For **Wyeth Limited**



**Aijaz Tobacowalla**

*Managing Director*

(DIN: 05312126)

For **Wyeth Limited**



**Darshak Bhagat**

*Acting Chief Financial Officer*

Place: Mumbai

Date: *17.* October, 2014

Place: Mumbai

Date: *17.* October, 2014

**Wyeth Limited**  
ANNUAL REPORT 2013-14

**Wyeth**

**THE  
JOURNEY  
NEVER  
ENDS**

Dear Shareholders,

This was an important year for your Company as we took steps towards concluding the merger process that will bring Wyeth Limited and Pfizer Limited together as one operational and legal entity. We expect this process to be completed by December, 2014.

This is an opportunity to remind ourselves of the glorious accomplishments that your Company has achieved in a journey that started in 1947 when Wyeth Limited was incorporated in India under the name Lederle Laboratories (India) Limited. This has been a journey of many firsts; pioneering new therapies including the first launch of hormone replacement therapy and conjugated pneumococcal vaccine for infants and adults, fifty years and older. This journey has included the launch of Enbrel - the breakthrough treatment for rheumatoid arthritis, Premarin - for menopausal symptoms and Tygacil - the world's first glycylicline antibiotic. These were a few of the many internationally known products launched by Wyeth in India.

This is a powerful reputation built on the strength of its products and brands, the relationships with its customers, and the quality of its people. We will build on these with even greater management focus, synergies across the integrated portfolio, and combination of best practices. The journey will continue.

As opportunities go, there remains a vast and unfulfilled need in the areas of maternal and child health. The country is committed to achieving the UN Millennium Development Goals by 2015 - covering both, maternal health and child mortality. This will continue to create a demand that we are well placed to meet - with our powerful portfolio of market leading products that address varied needs of women, from conception onward. On the vaccines front, Prevenar 13 continues to maintain its strong position in the market. Vaccines is an exclusive and dedicated focus business operating through its own vertical aligned with the Pfizer global structure.

At the same time, the challenges in the operating environment remain. They come by way of unpredictable regulations and frequent changes affecting the pricing of several of our products. A revision of the National List of Essential Medicines is scheduled for this year as well. The outcome remains difficult to predict.

Internally, your Company embraces the 'OWN IT!' culture - owning the business, winning in the marketplace, impacting results, and fostering trust in one another - which underpins the Company's business strategy. We also gear up to not only manage but, infact thrive in change. The Company conducted 'Thriving in Change' workshops through the year - enabling colleagues across the organization to embrace reality, discover new opportunities, and manage risks to maximize benefits during times of uncertainty, challenge or change.

We look forward to the coming year with excitement and optimism. The year will bring with it the full benefits of the synergy created from the merger and the positive changes that come along with it. We will take inspiration from the many achievements and illustrious history of Wyeth. We embrace the change and move on the path of progress. This change will make us stronger.

Sincerely,

**Aijaz Tobaccowalla**

Managing Director

Wyeth Limited



**Board of Directors (as on 6<sup>th</sup> October, 2014)**

Aijaz Tobaccowalla	Managing Director
Kamalesh Kumar Maheshwari	
Sunil Lalbhai	
Sekhar Natarajan	
Vivek Dhariwal	
S. Sridhar	

**Management Team**

Aijaz Tobaccowalla	Managing Director
Suresh Muddana	Business Unit Head
Partha Ghosh	Business Unit Head
Suresh Subramanian	Business Unit Head
Gul Raj Bhatia	Business Unit Head
Manoj Irap	Business Unit Head
C. N. Potkar (Dr.)	Medical & Regulatory Affairs
Sung-Ryeul Park	Commercial Operations
Lakshmi Nadkarni (Dr.) (Mrs.)	Human Resources
Sharad Goswami	Public Affairs
Shiva Nair	Business Technology
Neema Thakore (Mrs.)	Company Secretary & Legal
Mangesh Borkar (Dr.)	Goa Plant Operations
Darshak Bhagat	Acting Chief Financial Officer

**Auditors**

B S R & Associates LLP

**Cost Auditors**

RA & Co.

**Solicitors & Advocates**

Udwadia Udeshi & Argus Partners

**Registrar & Share Transfer Agent**

Karvy Computershare Private Limited

Unit: WYETH LIMITED

Plot No. 17 – 24, Vittalrao Nagar,

Near Image Hospital,

Madhapur, Hyderabad – 500 081.

Toll Free No.: 1-800-3454-001

Tel.: 040 4465 5000 Fax: 040 2342 0814

E-mail: einward.ris@karvy.com

**Bankers**

Citibank N.A.

Standard Chartered Bank

ICICI Bank

HDFC Bank

**Manufacturing Plant**

Plot No. L-137, Phase III,

Verna Industrial Estate,

Verna – 403 722, Goa.

**Registered Office**

Level 6, Platina, Plot No. C – 59, 'G' Block,

Bandra – Kurla Complex,

Bandra (East), Mumbai – 400 098.

Tel: 91 22 2657 4000, Fax: 91 22 2657 4100

Website: www.wyethindia.com

CIN: L85190MH1947PLC005963

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**SIXTY-SIXTH  
ANNUAL GENERAL  
MEETING**

Monday, 10<sup>th</sup> November, 2014, 3.00 p.m.  
Yashwantrao Chavan Pratishthan Auditorium,  
General Jagannath Bhosale Marg,  
Next to Sachivalaya Gymkhana,  
Mumbai – 400 021.

MEMBERS / PROXIES ARE  
REQUESTED TO BRING THEIR  
COPY OF THE ANNUAL REPORT  
AT THE ANNUAL GENERAL MEETING  
ALONG WITH DULY FILLED IN  
ATTENDANCE SLIPS.

## NOTICE

NOTICE is hereby given that the 66<sup>th</sup> Annual General Meeting of the Members of Wyeth Limited will be held at **Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021, on Monday, 10<sup>th</sup> November, 2014 at 3.00 p.m.** to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company including the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss of the Company for the financial year ended 31<sup>st</sup> March, 2014 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vivek Dhariwal (DIN: 02826679), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the retiring auditors Messrs. B S R & Associates LLP, Chartered Accountants, having Firm’s Registration No. 116231W / W-100024, be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of one year from the conclusion of this Annual General Meeting till the conclusion of the 67<sup>th</sup> Annual General Meeting, at such remuneration as may be decided by the Board of Directors of the Company.”

### Special Business:

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Sekhar Natarajan (DIN: 01031445), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a term of 1 (one) year, effective 10<sup>th</sup> November, 2014.”

5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. K. K. Maheshwari (DIN: 00078457), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a term of 1 (one) year, effective 10<sup>th</sup> November, 2014.”

6. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. S. S. Lalbhai (DIN: 00045590), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a term of 1 (one) year, effective 10<sup>th</sup> November, 2014.”

7. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and other rules, if any, made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 5,30,000/ – (Rupees Five Lakhs Thirty Thousand only) plus service tax and out-of-pocket expenses for the financial year ending 31<sup>st</sup> March, 2015, as approved by the Board of Directors of the Company payable to Messrs. RA & Co., Cost Accountants, having Firm’s Registration No. 000242 for conducting Cost Audit of the records maintained by the Company be and is hereby ratified.”

8. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Clause 49 VII of the Listing Agreement, (including any modification(s) thereof, for the time being in force), approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts / arrangements / transactions with Pfizer Export Company, Ireland (“Pfizer Export Company”), a ‘Related Party’ as defined under Section 2(76) of the Companies Act, 2013 and Clause 49 VII of the Listing Agreement for purchase, transfer or receipt of products, goods, active pharmaceutical ingredients, materials, services or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and Pfizer Export Company for an amount not exceeding in aggregate ₹ 300 crores (Rupees Three Hundred Crores only) in each financial year.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things, and to finalize the terms and conditions as may be considered necessary, expedient or desirable in order to give effect to this Resolution.”

9. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Clause 49 VII of the Listing Agreement, (including any modification(s) thereof, for the time being in force), approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts / arrangements / transactions with Pfizer Limited (“Pfizer”), a ‘Related Party’ as defined under Section 2(76) of the Companies Act, 2013 and Clause 49 VII of the Listing Agreement for purchase, transfer or receipt of products, goods, active pharmaceutical ingredients, materials, services or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and Pfizer for an amount not exceeding in aggregate ₹ 200 crores (Rupees Two Hundred Crores only) in each financial year.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things, and to finalize the terms and conditions as may be considered necessary, expedient or desirable in order to give effect to this Resolution.”

**Registered Office:**

Level 6, Platina,  
Plot No. C - 59, ‘G’ Block,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai - 400 098.  
Tel: 91 22 2657 4000 Fax: 91 22 2657 4100  
Website: www.wyethindia.com  
CIN: L85190MH1947PLC005963  
Date: 6<sup>th</sup> October, 2014

**By Order of the Board of Directors**

**N. N. Thakore**  
Company Secretary &  
Legal Director



**Notes:**

1. A Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013, ("the Act") with respect to Item Nos. 4 to 9 of the Notice is annexed hereto.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 31<sup>st</sup> October, 2014 to Monday, 10<sup>th</sup> November, 2014 (both days inclusive).
3. IN TERMS OF SECTION 105 OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as Proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other person or shareholder.

The instrument appointing the Proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting. Members may please note that a Proxy does not have the right to speak at the Meeting and can vote only on a poll.

4. Members / Proxies / Authorized Representatives are requested to bring their copy of the Annual Report to the Meeting along with duly filled in Attendance Slips for attending the Meeting.
5. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at [www.wyethindia.com](http://www.wyethindia.com).
6. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company, at least one week before the date of the Meeting to enable the Company to compile the information and provide replies at the Meeting.
7. Members holding shares in the physical mode are requested to address their communications regarding transfer of shares, change of address etc., quoting their folio number(s) to the Company's Registrar & Share Transfer Agent:

**Karvy Computershare Private Limited**

UNIT: WYETH LIMITED

Plot No. 17-24, Vittalrao Nagar, Near Image Hospital, Madhapur, Hyderabad – 500 081

Contact person: Mr. M. V. Kameswara Rao

Tel: 040 4465 5000

Fax: 040 2342 0814

TOLL FREE NO.: 1-800-3454-001

E-mail ID: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

8. In compliance with Clause 5A.II of the Listing Agreement with the Stock Exchanges, there were 22638 unclaimed shares held by 592 shareholders outstanding in the Company's Unclaimed Suspense Account as on 31<sup>st</sup> March, 2014, details of which are as follows:

Particulars	Number of Shareholders	Number of Shares
Aggregate number as at 1 <sup>st</sup> April, 2013	597	22,917
Number of shares claimed and transferred from the Unclaimed Suspense Account during the year	5	279
Aggregate number as at 31 <sup>st</sup> March, 2014	592	22,638

9. In compliance with Sections 205A and 205C of the Companies Act, 1956, unclaimed dividend for the year ended 31<sup>st</sup> March, 2006 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar and Share Transfer Agent, in respect of their outstanding dividends for the succeeding years.

10. Members may note that the Securities and Exchange Board of India (SEBI) has vide its Circular dated 7<sup>th</sup> January, 2010 made it mandatory to furnish a copy of PAN in the following cases:
- i) Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders.
  - ii) Transmission of shares to the legal heir(s), where the deceased shareholder was the sole holder of shares.
  - iii) Transposition of shares, when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.

11. Pursuant to Section 101 of the Act, read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for 2013-2014 is being sent through electronic mode to all the Members whose email IDs are registered with the Company / Depository Participants for communication purposes. For Members who have not registered their email IDs with the Company / Depository Participants, a physical copy of the Annual Report for 2013 - 2014 is being sent by the permitted mode.

To avail services through electronic mode, Members are requested to fill in the form attached and submit to:-

- i. Karvy Computershare Private Limited for shares held in physical form.
  - ii. Karvy Computershare Private Limited and also register / update their e-mail ID with the Depository Participant where their Demat account is maintained, for shares held in the electronic form.
12. In terms of Section 72 of the Act, read with the applicable rules thereto, every holder of shares in the Company may at any time nominate, in the prescribed manner, a person to whom his / her shares in the Company shall vest, in the event of his / her death. Nomination forms can be obtained from the Registrar & Share Transfer Agent.
13. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility, which will enable the Members to cast their votes electronically on all Resolutions set forth in this Notice.

The Company has appointed Mr. Bhumitra Dholakia, Partner of M/s Dholakia & Associates, Company Secretaries in practice, as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the e-voting period, submit his report of the votes cast in favour or against, if any, to the Chairman.

#### 14. E-voting Facility:

- A. The e-voting period commences on Monday, 3<sup>rd</sup> November, 2014 (9.00 a.m.) and ends on Wednesday, 5<sup>th</sup> November, 2014 (5.00 p.m.). The Company has appointed Karvy Computershare Private Limited ("**Karvy**") to provide the e-voting facility. In case of any query pertaining to e-voting, please visit Help & FAQ's section of Karvy e-voting website: [evoting.karvy.com](http://evoting.karvy.com)

#### B. The Instructions for e-voting are as under:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii) Enter the login credentials (i.e., User ID and password mentioned in your email /Notice of the AGM). Your Folio No. / DP ID - Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User ID:	<b>For Members holding shares in Demat form:</b>
	a. For NSDL: 8 character DP ID followed by 8 digit Client ID
	b. For CDSL: 16 digit Beneficiary ID / Client ID
	<b>For Members holding shares in Physical form:</b>
	Event No. (EVEN) followed by Folio No. registered with the Company
Password:	Your unique password is printed on the Notice of the AGM / provided in the email forwarding the electronic notice.



- iii) After entering these details appropriately, click on "LOGIN".
- iv) You will now reach Password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,\$,#, etc). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., Wyeth Limited.
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) You may then cast your vote by selecting an appropriate option and click on "**Submit**". A confirmation box will be displayed. Click "**OK**" to confirm else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.
- ix) Once the vote on the Resolution is cast by the shareholder, he / she shall not be allowed to change it subsequently.
- x) Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID wyethevoting2014@dholakia-associates.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVEN NO." Alternatively the aforesaid documents may be uploaded on the karvy e-voting website: <https://evoting.karvy.com>
- xi) The Cut-off date for determining the eligibility of Members for e-voting was 3<sup>rd</sup> October, 2014.

**15. Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, voting by show of hands will not be available to the Members at the Annual General Meeting.**

**As required under Clause 49 of the Listing Agreement, given below are the details of the Director proposed for re-appointment:**

**Mr. Vivek Dhariwal**

Mr. Vivek Dhariwal (DIN: 02826679), aged 47 years, holds a Bachelors Degree in Chemical Engineering from the Indian Institute of Technology, Mumbai and a Masters Degree in Chemical Engineering from the University of Kentucky, Lexington, USA.

Mr. Dhariwal has substantial expertise and experience in manufacturing and supply chain management. Mr. Dhariwal has a wide range of industrial experience in Pharmaceuticals, Agrochemicals, Specialty Chemicals and Bulk and Heavy Chemicals. Mr. Dhariwal was earlier Director, Manufacturing at Baxter (India) Private Limited and was responsible for India and Philippine markets. Mr. Dhariwal has held senior positions in Baxter (India) Private Limited and in ICI Plc, U K.

Mr. Dhariwal does not hold any shares in the Company.

Mr. Dhariwal is a Director of the following Indian Public Limited Company and holds membership in the said Company's Board Committee as on 6<sup>th</sup> October, 2014:

Name of Company	Designation	Chairmanship / Membership of Audit Committee	Chairmanship / Membership of Stakeholders Relationship Committee
Pfizer Limited	Executive Director - Technical Operations	--	Member

**A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ("the Act") FOR ITEM NOS. 4 to 9:**

**ITEM NO. 4**

Mr. Sekhar Natarajan (DIN: 01031445), aged 60 years, is a Chartered Accountant and a Cost Accountant.

Mr. Natarajan has several years of corporate experience and substantial expertise in Finance and Business Management areas. He is the Managing Partner of S N Consultants and is also Chairman of Monsanto India Limited.

Mr. Natarajan does not hold any shares in the Company.

Mr. Natarajan is also the Chairman/Director of the following Indian Public Limited Companies and holds membership in their Board Committees as on 6<sup>th</sup> October, 2014:

Name of Company	Designation	Chairmanship / Membership of Audit Committee	Chairmanship / Membership of Stakeholders Relationship Committee
Monsanto India Limited	Chairman	Member	--
Accelya Kale Solutions Limited	Director	Chairman	Chairman
Maharashtra Hybrid Seeds Company Limited	Director	--	--

Mr. Natarajan is not a Director of any Private Company.

Mr. Natarajan is an Independent Director of the Company and was liable to retire by rotation under the provisions of the Companies Act, 1956.

The Company has received a declaration from Mr. Natarajan confirming that he meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013 ("the Act"). Further, Mr. Natarajan is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term up to 5 (five) years on the Board of Directors of companies on which he is appointed and is not liable to retire by rotation pursuant to Section 149 (13) read with Section 152 of the Act. The Company has received a notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mr. Natarajan for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. Natarajan as an Independent Director of the Company for a period of 1 (one) year, effective 10<sup>th</sup> November, 2014.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Natarajan, (being the appointee) is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The draft terms and conditions of the appointment of Mr. Natarajan shall be open for inspection by the Members at the Registered Office of the Company on all working days, (Monday to Friday), between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.

**ITEM NO. 5**

Mr. Kamallesh Kumar Maheshwari (DIN: 00078457), aged 71 years, holds a Masters Degree in Commerce and is a Doctor of Philosophy. Prior to this, he was a Director of John Wyeth (India) Ltd., which was amalgamated with the Company. Mr. Maheshwari was also the Managing Director of Geoffrey Manners & Co. Ltd., prior to its amalgamation with the Company. Mr. Maheshwari has expertise in management and wide and varied experience in the chemical and pharmaceutical fields.

Mr. Maheshwari does not hold any shares in the Company. He is not a Director of any other Public Limited Company.

Mr. Maheshwari is a Director of the following Private Companies as on 6<sup>th</sup> October, 2014:

<b>Name of Company</b>	<b>Designation</b>
Jayashree Traders Private Limited	Director
Riviera Investors Private Limited	Director
Universal Chemicals & Industries Private Limited	Director

Mr. Maheshwari is an Independent Director of the Company and was liable to retire by rotation under the provisions of the Companies Act, 1956.

The Company has received a declaration from Mr. Maheshwari confirming that he meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013 ("the Act"). Further, Mr. Maheshwari is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term up to 5 (five) years on the Board of Directors of companies on which he is appointed and is not liable to retire by rotation pursuant to Section 149 (13) read with Section 152 of the Act. The Company has received a notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mr. Maheshwari for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. Maheshwari as an Independent Director of the Company for a period of 1 (one) year, effective 10<sup>th</sup> November, 2014.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Maheshwari (being the appointee) is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The draft terms and conditions of the appointment of Mr. Maheshwari shall be open for inspection by the Members at the Registered Office of the Company on all working days, (Monday to Friday), between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.

#### **ITEM NO. 6:**

Mr. Sunil S. Lalbhai (DIN: 00045590), aged 54 years, holds an MS degree in Chemistry from the University of Massachusetts and an MS degree in Economic Policy and Planning from Northeastern University. He has expertise and wide experience in the Management field. Mr. Lalbhai is presently the Chairman and Managing Director of Atul Limited, a diversified chemical company where he has been working since 1983. Mr. Lalbhai is a Member of the Governing Council of Shree Vallabh Shikshan Ashram and a Trustee on the Board of BAIF Development Research Foundation and some of the other social institutions established by Lalbhai Group.

Mr. Lalbhai holds 1,275 shares in the Company in his individual capacity/as a trustee. Mr. Lalbhai is also a Director of the following Public Limited Companies and holds membership in their Board Committees as on 6<sup>th</sup> October, 2014.

<b>Name of Company</b>	<b>Designation</b>	<b>Chairmanship / Membership of Audit Committee</b>	<b>Chairmanship / Membership of Stakeholders Relationship Committee</b>
Amal Limited	Chairman	-	-
Atul Bioscience Limited	Chairman	-	-
Atul Limited	Chairman and Managing Director	-	Member
Atul Rajasthan Date Palms Limited	Vice Chairman	-	-
Navin Fluorine International Limited	Director	Member	-

Mr. Lalbhai is not a Director of any Private Company.

Mr. Lalbhai is an Independent Director of the Company and was liable to retire by rotation under the provisions of the Companies Act, 1956.

The Company has received a declaration from Mr. Lalbhai confirming that he meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013 ("the Act"). Further, Mr. Lalbhai is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term up to 5 (five) years on the Board of Directors of companies on which he is appointed and is not liable to retire by rotation pursuant to Section 149 (13) read with Section 152 of the Act. The Company has received a notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mr. Lalbhai for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. Lalbhai as an Independent Director of the Company for a period of 1 (one) year, effective 10<sup>th</sup> November, 2014.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Lalbhai (being the appointee) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The draft terms and conditions of the appointment of Mr. Lalbhai shall be open for inspection by the Members at the Registered Office of the Company on all working days, (Monday to Friday), between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.

**Note: Details are provided only in respect of Audit and Stakeholders Relationship Committees.**

The appointment of each of the Independent Directors mentioned in Items Nos. 4 to 6 is proposed to be made for a period of one year in view of the impending amalgamation of the Company with Pfizer Limited and the pending proceedings in the Bombay High Court, pursuant to Sections 391 to 394 of the Companies Act, 1956. The said proceedings are expected to be completed before the expiry of the one year period, whereupon the Independent Directors would cease to hold office as Directors of the Company.

**ITEM NO. 7**

Pursuant to Section 148 of the Companies Act, 2013 ("the Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors at its meeting held on 28<sup>th</sup> April, 2014, appointed Messrs. RA & Co., Cost Accountants (having Firm's Registration No. 000242) for conducting the Audit of the cost accounting records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2015, at a remuneration of ₹ 5,30,000/- (Rupees Five Lakhs Thirty Thousand only) plus service tax and out-of-pocket expenses which is subject to ratification by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

**ITEM NO. 8**

The Company is, *inter alia*, engaged in the business of manufacturing, marketing, trading, import and export of pharmaceutical and consumer healthcare products. The Company in the ordinary course of its business, imports various products and active pharmaceutical ingredients from various affiliates of Pfizer Inc., USA. ("Pfizer Group") including Pfizer Export Company, Ireland ("Pfizer Export Company").

Pfizer Export Company is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Clause 49 VII of the Listing Agreement.

Transactions for purchase, transfer or receipt of products, goods, active pharmaceutical ingredients, materials, services or other obligations with Pfizer Export Company are material in nature as these transactions exceed 10% of the annual turnover as per the last audited financial statements of the Company. Thus, in terms of Explanation (ii) to Clause 49 VII (E) of the Listing Agreement, these transactions require the approval of the Members by way of a Special Resolution.

The particulars of the contracts / arrangements / transactions are as under:

Particulars	Information
Name of the Related Party	Pfizer Export Company, Ireland
Name of Director(s) or Key Managerial Personnel who are related	None
Nature of relationship	The Company and Pfizer Export Company are both indirect subsidiaries of Pfizer Inc., USA
Material terms of the contracts / arrangements / transactions	Purchase, transfer or receipt of products, goods active pharmaceutical ingredients, materials, services or other obligations on arm's length basis
Monetary value	Not exceeding ₹ 300 Crores in each financial year
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions would meet the arm's length standard in the opinion of the Company's Transfer Pricing Consultants	Yes
Whether the transactions have been approved by the Audit Committee and the Board of Directors	Yes
Any other information relevant or important for the Members to make a decision on the proposed transactions	None

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Resolution.

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future growth of the business.

The Board recommends the Special Resolution set forth in Item No. 8 of the Notice for the approval of the Members in terms of Clause 49 VII (E) of the Listing Agreement.

**ITEM NO. 9:**

The Company is, *inter alia*, engaged in the business of manufacturing, marketing, trading, import and export of pharmaceutical and consumer healthcare products. The Company and Pfizer Limited ("Pfizer") are affiliates and with a view to deploy and leverage each other's resources optimally, economically and efficiently in their operations, provide and receive a range of services in the ordinary course of business in the areas of marketing and sales, technical operations, medical research, finance, human resources, business technology, distribution services etc. in terms of the Service Agreement dated 9<sup>th</sup> June, 2010, as amended vide Addendums.

Pfizer is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Clause 49 VII of the Listing Agreement.

Transactions for purchase, transfer or receipt of products, goods, active pharmaceutical ingredients, materials, services or other obligations with Pfizer are material in nature as these transactions exceed 10% of the annual turnover as per the last audited financial statements of the Company. Thus, in terms of Explanation (ii) to Clause 49 VII (E) of the Listing Agreement, these transactions require the approval of the Members by way of a Special Resolution.

The particulars of the contracts/arrangements/transactions are as under:

Particulars	Information
Name of the Related Party	Pfizer Limited
Name of Director(s) or Key Managerial Personnel who are related	Mr. Aijaz Tobaccowalla - Managing Director, Mr. Vivek Dhariwal - Director and Mr. S. Sridhar - Director are also Directors of Pfizer Limited
Nature of relationship	The Company and Pfizer are both indirect subsidiaries of Pfizer Inc., USA
Material terms of the contracts / arrangements / transaction	Rendering and availing services on arm's length basis as per the Service Agreement dated 9 <sup>th</sup> June, 2010, (as amended) executed between the Company and Pfizer Limited
Monetary value	Not exceeding ₹ 200 Crores in each financial year
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions would meet the arm's length standard in the opinion of the Company's Transfer Pricing Consultants	Yes
Whether the transactions have been approved by the Audit Committee and the Board of Directors	Yes
Any other information relevant or important for the Members to make a decision on the proposed transactions	None

Mr. Aijaz Tobaccowalla, Mr. Vivek Dhariwal and Mr. S. Sridhar, being Directors of Pfizer Limited are interested in the Resolution set forth in Item No. 9 of the Notice.

None of the relatives of Mr. Aijaz Tobaccowalla, Mr. Vivek Dhariwal and Mr. S. Sridhar hold any share(s) in the Company and are not interested financially or otherwise in the Resolution set forth in Item No. 9 of the Notice.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Resolution.

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future growth of the business.

The Board recommends the Special Resolution set forth in Item No. 9 of the Notice for the approval of the Members in terms of Clause 49 VII (E) of the Listing Agreement.

The Agreement dated 9<sup>th</sup> June, 2010 executed between the Company and Pfizer Limited and the Addendums thereto shall be open for inspection by the Members at the Registered Office of the Company on all working days, (Monday to Friday), between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.

**Registered Office:**

Level 6, Platina,  
Plot No. C - 59, 'G' Block,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai - 400 098  
Tel: 91 22 2657 4000 Fax: 91 22 2657 4100  
Website: www.wyethindia.com  
CIN: L85190MH1947PLC005963

Date: 6<sup>th</sup> October, 2014

**By Order of the Board of Directors**

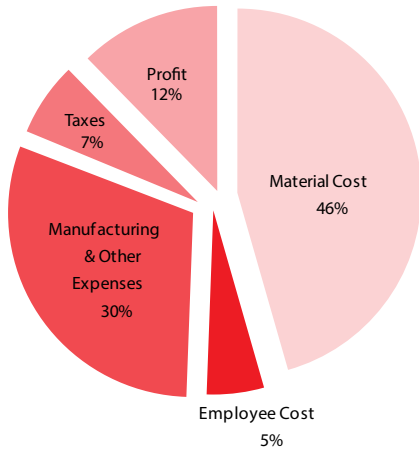
**N. N. Thakore**  
Company Secretary &  
Legal Director



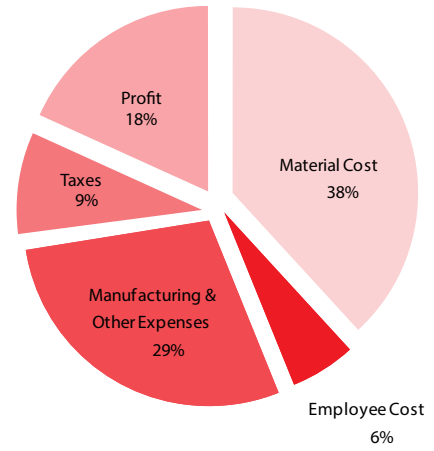
## KEY STATISTICS

How the Rupee earned was spent

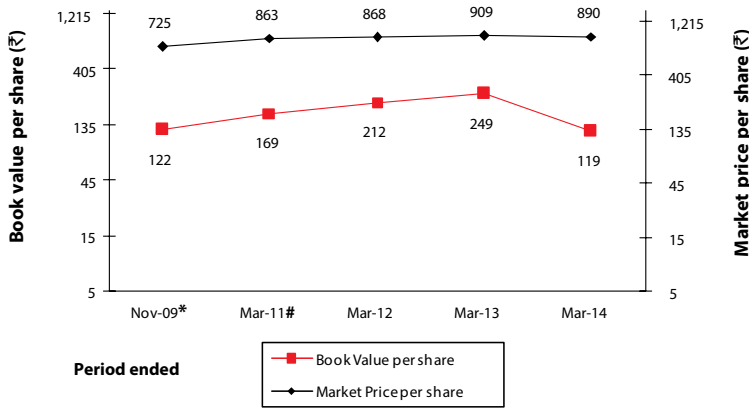
**2013-14**



**2012-13**



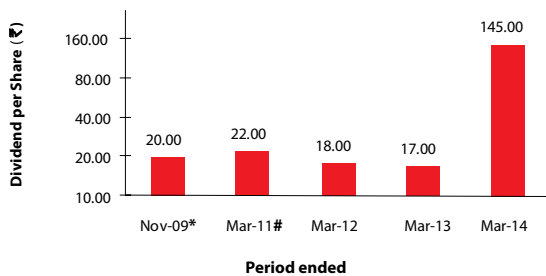
**Book Value & Market Price per share**



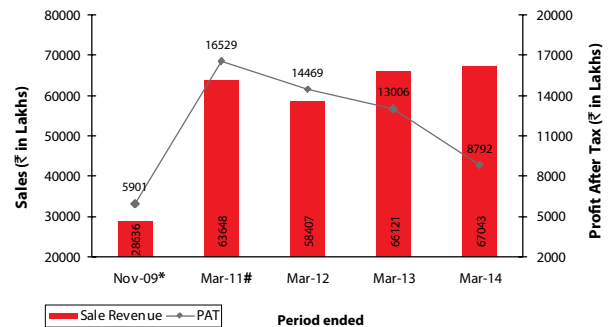
\* 8 month period

# 16 month period

**Dividend**



**Sales & Profit After Tax**



## BOARD'S REPORT including Management Discussion and Analysis

### TO THE MEMBERS

Your Directors take pleasure in presenting this 66<sup>th</sup> Annual Report along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2014. The Report reviews your Company's operations which cover Pharmaceutical and Consumer Healthcare Products. The prior year's figures in the financial statements have been regrouped where necessary.

### DIVIDEND

The Board of Directors ("Board") had declared an interim dividend of ₹ 145.00 (1450%) per equity share and the same was paid on 17<sup>th</sup> December, 2013. The dividend payout aggregated to ₹ 32944.09 lakhs and the corporate dividend tax paid by your Company amounted to ₹ 5598.85 lakhs. Keeping in mind the substantial payout by way of interim dividend, your Directors did not recommend any further dividend for the year ended 31<sup>st</sup> March, 2014.

### FINANCIAL HIGHLIGHTS

The revenue from operations for the year under review was ₹ 67043.17 lakhs as compared to ₹ 66120.98 lakhs in the previous year, registering a growth of 1.4%. Your Company posted a net profit of ₹ 13388.19 lakhs. The New Drug Pricing Policy had an adverse impact on the revenue and profits for the year.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2014	Year ended 31 <sup>st</sup> March, 2013
Revenue from Operations	67043.17	66120.98
Operating and Other Income	4297.60	5238.91
Profit before Taxation	13388.19	19327.13
Provision for Tax	4596.20	6321.62
Net Profit	8791.99	13005.51
Balance brought forward from previous period	40651.15	33465.02
Profit available for appropriation	49443.14	46470.53
Dividend		
- Interim	32944.09	-
- Proposed	-	3862.41
Tax on Proposed Dividend		
- Interim	5598.85	-
- Proposed	-	656.42
Transfer to General Reserve	879.20	1300.55
Balance carried to next year	10021.00	40651.15

Your Company's performance during the year under review needs to be viewed against the backdrop of the challenges it faced.

Pharmaceutical revenue was significantly impacted by the new Pricing Policy and challenges with the trade on account of margin issue. However, your Company registered strong volume growth both on the price - controlled and non price - controlled products.

The Pharmaceutical segment revenue was ₹ 63364.09 lakhs during the year under review versus ₹ 62363.40 lakhs in the previous year. The Consumer segment revenue was ₹ 3679.08 lakhs during the year under review versus ₹ 3757.58 lakhs in the previous year.

Foreign exchange fluctuations impacted the material cost and the lower realization consequent to the new Pricing Policy pushed up the overall expenditure from 78.6% of sales to 86.4% of sales.

Profit before tax took a significant hit primarily due to the new Pricing Policy, provision for old pricing liability and foreign exchange fluctuations.

The Auditors' Report on the Financial Statements up to the year ended 31<sup>st</sup> March, 2013 contained comments regarding the demands raised by the Government under the Drugs (Prices Control) Order, 1979 and Drugs (Prices Control) Order, 1995 in respect of certain bulk drugs and formulations. Your Company reassessed the cases with an external legal counsel and based on an updated legal opinion, made a provision of ₹ 1269.07 lakhs during the year. Your Company is now carrying a cumulative provision of ₹ 1509.57 lakhs.

Based on the legal opinion, your Directors are of the view that the ultimate liability would not exceed the amount already provided. In view of the same, the Auditors' have not made any comments in the Independent Auditors' Report on the Financial Statements for the year ended 31<sup>st</sup> March, 2014.

### **PHARMACEUTICAL INDUSTRY PERFORMANCE – AN OVERVIEW & OUTLOOK**

India's population of 1.25 billion people largely comprises of working age people who constitute 60% of the population. As the population ages, the nation will see a decline in the working population to support the elderly population. This in turn, will lead to an increase in the demand for better healthcare including well equipped hospitals/facilities, larger number of healthcare professionals and superior quality drugs.

The Indian pharmaceutical market has slowed from a high of 16.5% in 2011-2012 to 9.9% in 2013-2014 (IMS TSA MAT March 2014). This has been driven by multiple factors, with the new pricing policy being a key contributor. The expansion of the number of drugs under price control resulting in lowering of prices effective July 2013 led to significant market disruption in supply chain logistics. The higher priced products had to be recalled from the market and the revised lower priced products had to be introduced simultaneously to ensure uninterrupted supply. This process was complicated and required significant investments in logistics and infrastructure and also resulted in write-offs. Companies also faced margin challenges from the Trade post introduction of the new Pricing Policy.

Five companies bore 42% of the total impact of the new Pricing Policy and the overall impact to the Industry was approximately ₹ 1597 crores. (IMS Press Release – June 2013).

The pharmaceutical market slowdown was felt by MNCs more than Indian firms. The 9.9% pharmaceutical industry growth (IMS TSA MAT March 2014) shows a split with MNCs growing at 5.2% and Indian pharmaceutical companies growing at 11.8%. Growth of the top 10 Pharmaceutical companies also slowed down to less than the market growth.

The total audited pharmaceutical market in India is at ₹ 80352 crores (Retail Sector ₹ 67681 crores, Hospital Sector ₹ 7726 crores and others ₹ 4945 crores). The retail sector grew by 10.1% and the hospital sector grew by 5.6%. Volumes of existing products contributed only 2.4%, new products contributed 6.3% and price contributed 1.2%. (IMS MAT March 2014). According to IMS Health, the Indian pharmaceutical market currently ranks 14<sup>th</sup> globally in terms of value and 2<sup>nd</sup> in volume. This disparity between market value size and volume can be directly attributed to the low cost of pharmaceutical products in India compared to the rest of the world.

The recent action of the National Pharmaceutical Pricing Authority (NPPA) in widening the scope of the Pricing Policy continues to create an uncertain operating environment. The issues surrounding Intellectual Property Rights and new rules governing Clinical Trials are causing considerable challenges to the Industry.

The Indian pharmaceutical market is forecasted to grow at a CAGR of 10.5% between 2013 and 2018, reaching ₹ 135747 crores by 2018 (IMS Prognosis Report September 2014).

The Industry's projected growth over the years can be attributed to multiple factors, including an expanding market, heightened health awareness among masses, increasing disposable income, changing lifestyles resulting in higher incidence of lifestyle diseases, government's focus on affordable healthcare, and an emerging, but rapidly growing health insurance industry.

Despite all the regulatory challenges, given the strong market fundamentals, the Indian pharmaceutical industry is looking to achieve a unified dream of providing quality healthcare. They have taken up the baton to lead the way and manufacture medicines that not only provide a better quality of life but also provide an assurance that they care about healthcare.

### **OPPORTUNITIES, THREATS, RISKS & CONCERNS**

The industry has been impacted by an unprecedented series of policy changes. The Government introduced the new Pricing Policy with the notification of the Drugs (Prices Control) Order, 2013 (DPCO 2013) which brought 348 formulations in the National List of Essential Medicines (NLEM) under price control. This replaced the archaic and non-transparent Price Control Order of 1995 that regulated prices of 74 bulk drugs and their formulations.

It was expected that the implementation of the DPCO 2013 under the market-based pricing model would bring in transparency and stability to the Pharmaceutical Industry. However, issues with Trade over demand for trade margins and wider interpretation of the DPCO by the NPPA bringing additional medicines under price control meant an unexpected interruption in business and an adverse revenue impact on the industry.

The challenges faced in the implementation process have also impacted the revenue and profitability of your Company. While the Industry is gradually settling in from the volatile transition, several ambiguities about the extent of price control remain a challenge.

The new provisions of Schedule H1 (covering 46 drugs) under the Drugs and Cosmetics Act, 1945, which puts in stringent regulatory requirements on industry and traders, became effective from 1<sup>st</sup> March, 2014 and may potentially impact the availability of these drugs due to practical issues in implementation.

The environment for the protection of Intellectual Property ('IP') in India continues to deteriorate which is a big cause of concern for innovative companies. The patented products portfolio continues to face challenges through the new committee that has been set up to recommend patented products pricing policy. This trend of anti-IP developments in India continues to create huge uncertainty in the market, negatively impacting innovation and investment in the Pharmaceutical Industry.

The Government needs to increase its expenditure on healthcare, which is currently at just 4% of GDP of which a mere 1.4 % of GDP is spent on drugs (Economic Survey for 2013-14). The Government also needs to put in place a pragmatic policy that allows the market to grow and quickly develop the healthcare infrastructure, streamline regulatory processes, encourage the creation of Public Private Partnership (PPP) models, increase access to medicines and create an environment that incentivizes R&D to build a healthy ecosystem for innovation.

India remains a market of unmet needs. Despite the above uncertain regulatory and policy environment, there are positive occurrences in the operating environment. The Industry is engaging with the Government to find sustainable and holistic innovative models and policies to address the country's healthcare issues in a manner that balances the Government's health priorities while providing a predictable and conducive environment for the innovative industry.

For the industry to achieve growth at its full potential and develop new drugs to meet unmet medical needs, it is imperative that the Government provides a predictable and stable business environment and policies that treat all pharmaceutical companies equally.

Your Company continues to have a positive outlook and build itself through therapeutic and customer based business models.

## REVIEW OF OPERATIONS

Pfizer Inc., USA has globally restructured itself into three distinct business units: Global Innovative Pharma Business (GIP), Global Established Pharma Business (GEP) and Vaccines, Oncology & Consumer Business (VOC). The different lines of therapeutic areas in your Company are a perfect fit under the new global structure and will help introduce new products in line with patient and doctor needs. The Company is now more competitive and customer focused.

The year under review also saw the announcement of the proposed amalgamation of the Company with Pfizer Limited which creates a single "Go to Market" strategy and company brand image leading to stronger market presence and higher confidence levels with all stakeholders. This amalgamation increases the long term value for the shareholders of both companies as it brings together two diversified portfolios that are complementary to each other under one roof.

## KEY BRANDS PERFORMANCE SUMMARY

(SOURCE: IMS TSA MAT March 2014)

Brand	% Market Share	MAT Value (₹ Crs)	Rank	No. of Competitors	% Growth	Therapy Market
Prevenar 13	58	150	1	3	20.1	Pneumococcal Vaccines
Oral Contraceptives	54	88	1	32	0.1	Oral Contraceptives (Levonorgestrel and Drospirenone combinations)
Folvite	86	75	1	72	-13.6	Anti Anaemics (Plain Folic Acid)
Mucaine	50	81	1	48	7.2	Antacid & Others (Anaesthetic)
Ativan	69	49	1	26	16.1	Tranquilizers (Lorazepam)
Pacitane	75	31	1	22	-9.7	Anti Parkinsons (TrihexyPhenidyl)

## MAJOR CATEGORY WISE PERFORMANCE FOR THE YEAR UNDER REVIEW:

### Women's Health Care (WHC)

WHC constitutes approximately 40% of the revenue and is a key portfolio of the Company.

The WHC team worked aggressively to garner higher volume growth of key products impacted by the new Pricing Policy to partially offset the loss of revenue. The team increased its focus on customer coverage, communication and product pack changes which also helped in gaining higher volumes.

Ovral L and Folvite were two of the six products of the WHC portfolio which were significantly impacted by the new Pricing Policy. The price reduction ranged from 35% to 55%.

The marketing team of WHC conceptualized a myth busting campaign that reached out to doctors and patients alike to demystify the myths associated with long term oral contraceptive usage. Ovral L continues to be the market leader. The volume share has improved from 45.1% to 46.6% in the year under review (Volume E.I. 103 Source: IMS TSA MAT March 2014).

Mucaine registered a good growth on the back of active promotion and new pack to offer convenience to patients in long term indications like peptic ulcers and radiation induced esophagitis. The additional indication for promotion as a co-prescription with Proton Pump Inhibitors (PPIs) is also yielding desired results.

### **Central Nervous System (CNS)**

The Company's products, Ativan and Pacitane are leaders in their respective markets. Ativan is used to treat anxiety disorders and Pacitane for adjuvant treatment of all forms of Parkinson's disease.

In order to create a differentiating factor, your Company uses a strong scientific approach that promotes innovative medico-marketing engagements involving good treatment practices and in turn improving consumer confidence in established products.

During the year under review, the team commenced work on a strategy focusing on "Leaders in Depression." Your Company interacted with well known doctors and psychiatry institutes across the country. Some of the programs that were conducted in association with them were:

- **Centres of Excellence** that involved major neuro-psychiatry institutions across the country and utilized their rich clinical expertise to train physicians on basic diagnosis of psychiatric disorders and epilepsy.
- **Webcasts** that addressed the current challenges in the management of depression saw the participation of over 940 psychiatrists across 23 locations in India.

### **Vaccines (Prevenar 13)**

There is a common consensus among healthcare professionals that disease prevention is the most cost-effective option to protect and promote the health of the population.

The vaccines market in India is estimated at ₹ 1300 crores (IMS MAT March 2014). Over the next decade, the Indian vaccines market will continue to grow as new vaccines are introduced into the market and access to vaccines across India improves.

Prevenar 13 is approved for the prevention of pneumococcal pneumonia and invasive pneumococcal disease caused by 13 Streptococcus pneumoniae strains. It is approved for children 6 weeks through 5 years of age and is the only pneumococcal conjugate vaccine approved in India for adults 50 years of age and older.

Prevenar 13 is the No. 1 brand in the pneumococcal vaccine market and is also a major revenue generator for the Company with a turnover of ₹ 150 crores (Source: IMS TSA MAT March 2014). This is the outcome of scientific differentiation, partnership with the Indian Academy of Pediatrics to raise awareness amongst pediatricians and parents through medical education and an SMS based free vaccine reminder program named "Immunize India".

Your Company is taking efforts to inculcate the culture of vaccination for the elderly population through medical education amongst doctors and the general public. The Company is working closely with the Association of Physicians of India, Society of Nephrology and College of Chest Physicians.

### **Consumer Health Care**

Few brands can claim to have enjoyed a long history of trust in India, as Anacin and Anne French. Both continue to enjoy a strong position in their respective markets and together comprise the Company's Consumer Healthcare business in India.

Now celebrating its 50<sup>th</sup> year in India, Anne French continues to be the trusted hair removal solution for millions of Indian women, while at the same time driving category innovation in terms of safety and convenience.

A new brand identity was launched for Anne French with a modern and contemporary logo design.

There was strong focus on Anacin's stronghold markets with concentration of marketing support and sales driven market initiatives.

## MANUFACTURING OPERATIONS

Your Company's Plant at Goa meets a very robust Quality System Standard and delivers quality products with highest level of customer satisfaction. Besides complying with Schedule M of the Drugs & Cosmetics Rules, 1945 under the Drugs & Cosmetics Act, 1940, the site holds ISO 9001 and ICH (Q10) GMP accreditation. The Plant is known for its impeccable safety and strict adherence to environmental norms and has received a number of corporate awards. The site now holds sustaining accreditation of ISO 14001 OHSAS 18001.

The Plant was named the recipient of the Platinum Award for 2013 at the India Manufacturing Excellence Awards (IMEA), presented by The Economic Times in partnership with Frost & Sullivan for the third year in succession.

Innovation and Operational Excellence initiatives have enabled the Plant to improve productivity and attracted additional volumes for achieving better capacity utilization. Colleague engagement initiatives have contributed to improved efficiency.

## MEDICAL AFFAIRS DIVISION

The motto of the Medical Affairs Division is 'Simplifying Science, Multiplying Wellness'. True to this, the Division undertakes activities around medical education with a focus on improving patient outcomes. These include deliberations with the medical community on emerging data and updated scientific information, conducting medical advisory board meetings, speaker training programs, expert group meetings in therapy areas, supporting International Speaker Programs etc. The Division provides scientific support to Investigator Initiated Research, provides medical information, designs and conducts local clinical studies, enters into scientific engagements with physicians and institutions, conducts product training programs for the sales force, evaluates new products and assists with their launches. Additionally, the Division is also responsible for ensuring compliance with promotional practices according to international and local industry standards and regulatory requirements. The team also provides medical support to regulatory registration as well as safety review and labeling activities.

## HUMAN RESOURCES ("HR") / INDUSTRIAL RELATIONS

HR plays an integral role in driving colleague engagement initiatives that focus on the Company's core values like Customer Focus, Respect for People, Integrity, Quality and Innovation. Your Company's goal remains to foster a culture that encourages collaboration and personal accountability. Your Company is also working hard to train its colleagues at Thriving in Change and staying ahead in a dynamic market place.

During the year under review, HR revisited and rolled out a new benefits policy across the Company. The Policy was cost neutral. Some of the key changes were rationalized leave benefits and enhanced medical coverage.

Results of the 2014 Annual Pfizer Voice Survey have shown positive trends on all parameters of colleague engagement including Leadership, Strategy, Ethics & Integrity, Employer Brand and Work Environment.

Overall, employee relations were cordial. The Company had 472 employees on its rolls as on 31<sup>st</sup> March, 2014 (492 as on 31<sup>st</sup> March, 2013).

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Compliance & Control Risk (CCR) Team is responsible for continuously monitoring the effectiveness of internal controls with an objective to provide to the Senior Management and Audit Committee, an independent and reasonable assurance on the adequacy and effectiveness of the Organization's risk management, control and governance processes. This is achieved through a co-sourced internal audit model which includes independent reviews performed by CCR team together with audit reviews performed through an independent Chartered Accountant firm.

A risk based audit approach is used to create an annual audit plan which is approved by the Audit Committee and followed throughout the year. As part of the quarterly review with the Audit Committee, status of the annual audit plan, key audit findings and remediation status of prior findings are presented.

The Audit Committee discusses with the Company's Statutory Auditors their views on the financial statements, including the financial reporting system, compliance with accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company.

As part of a proactive approach, an updated compliance program covering Foreign Corrupt Practices Act ("FCPA"), including Policies on interaction with Healthcare Professionals has been rolled out in the organization during the year under review.

Your Company has well defined Standard Operating Procedures for identifying and mitigating business risks across all functions of the Company. The Company periodically identifies all risks and prioritizes the major ones and develops appropriate plans for their mitigation. Senior management has ownership of the major business risks, their management and mitigation plans.



## **CORPORATE AFFAIRS**

Recognizing that colleagues are the brand ambassadors for your Company, the Corporate Affairs Function has made internal communications central to its work plan followed by a proactive media strategy that aims to enhance your Company's brand and reputation. Continuous engagement with key government and industry associations on policy matters remains a high priority for your Company.

## **CAUTIONARY NOTE**

Certain statements in the Management Discussion and Analysis may be forward looking and are stated as required by the applicable laws and regulations. The future results of the Company may be affected by many factors, which could be different from what the Directors envisage in terms of future performance and outlook.

## **AMALGAMATION WITH PFIZER LIMITED**

Pfizer Limited and Wyeth Limited have entered into a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, which provides for the amalgamation of Wyeth Limited into Pfizer Limited ("Scheme"). The Members have approved the Scheme by an over whelming majority in number (93.07%) and value (99.99%) at the Court Convened Meeting held on 16<sup>th</sup> April, 2014. Upon the Scheme becoming effective and with effect from 1<sup>st</sup> April, 2013, the entire undertaking of Wyeth Limited would stand transferred to Pfizer Limited as a going concern together with all assets and liabilities of Wyeth Limited. Upon the Scheme becoming effective, Pfizer Limited will issue and allot 7 (seven) fully paid up equity shares of ₹ 10/- each of Pfizer Limited for every 10 (ten) fully paid up equity shares of ₹ 10/- each of Wyeth Limited to the shareholders of Wyeth Limited as on the Record Date. Upon the Scheme coming into effect, Wyeth Limited will be dissolved without being wound up. Pfizer Limited and Wyeth Limited have filed necessary applications/ petitions before the Hon'ble Bombay High Court and as on date, the Scheme is pending sanction of the Hon'ble Bombay High Court.

## **ANNUAL GENERAL MEETING**

In view of the impending amalgamation of your Company into Pfizer Limited, the Company had sought extension of time from the Registrar of Companies, Maharashtra, Mumbai ("ROC"), for holding the Annual General Meeting ("AGM"). The ROC has granted the Company, extension of time to hold the AGM up to 30<sup>th</sup> December, 2014. While the amalgamation proceedings are underway, the Board has decided to hold the AGM on 10<sup>th</sup> November, 2014.

## **DIRECTORS' RESPONSE TO AUDITORS' COMMENTS**

The observations made by the Statutory Auditors under Para ix (a) of the Annexure to the Independent Auditors' Report dated 28<sup>th</sup> April, 2014, was on account of the delay in registering the Company with the Professional Tax Authorities in a few states. The Company has initiated the registration process and expects to complete the formalities shortly. On receipt of registration numbers, the dues will be deposited with the authorities.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 2013, Mr. Vivek Dhariwal will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. D. E. Udawadia resigned as Director of the Company with effect from 26<sup>th</sup> August, 2014. He was a Director since 10<sup>th</sup> January, 1985. The Board places on record its deep appreciation of the valuable services rendered by Mr. D. E. Udawadia.

Mr. Pradip Shah resigned as Director and Chairman of the Company with effect from 30<sup>th</sup> September, 2014. He was a Director and Chairman since 31<sup>st</sup> March, 2010. The Board places on record its deep appreciation of the valuable services rendered by Mr. Pradip Shah.

It is proposed to appoint all the Independent Directors of the Company i.e. Mr. Sekhar Natarajan, Mr. K. K. Maheshwari and Mr. S. S. Lalbhai for a period of one year in accordance with the provisions of the Companies Act, 2013, keeping in mind the impending amalgamation of the Company with Pfizer Limited.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2014, and of the profit of the Company for the period 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014;

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared 'on a going concern basis'.

### **CORPORATE GOVERNANCE**

A Report on Corporate Governance along with a Certificate from Messrs. B S R & Associates LLP, regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of this Report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are annexed hereto as Annexure I.

### **INFORMATION PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956**

The information required under Section 217(2A) of the Companies Act, 1956, ("the Act") read with the Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Report. However, as per the provisions of Section 219 (1) (b) (iv) of the Act, the Report and Accounts are being sent to all shareholders excluding the statement of particulars of employees under Section 217 (2A) of the Act. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Company's Registered Office.

### **AUDITORS**

The Auditors, Messrs. B S R & Associates LLP, retire at the conclusion of this Annual General Meeting and offer themselves for re-appointment. Messrs. B S R & Associates LLP have confirmed their eligibility for re-appointment under Section 139 read with Section 141 of the Companies Act, 2013.

Messrs. B S R & Associates LLP, if appointed, will hold office up to the conclusion of the next Annual General Meeting of the Company, keeping in mind the impending amalgamation of the Company with Pfizer Limited.

### **COST AUDITORS**

Pursuant to the provisions of Section 233B of the Companies Act, 1956, companies are required to file their Cost Audit Reports within 180 days from the close of the financial year. The Company filed its Cost Audit Report and Compliance Report for the financial year ended 31<sup>st</sup> March, 2013, on 4<sup>th</sup> October, 2013, due date being 27<sup>th</sup> September, 2013. Cost Audit Report and Compliance Report for the financial year ended 31<sup>st</sup> March, 2014, were filed by the Company on 23<sup>rd</sup> September, 2014.

The Cost Audit Report for the financial year ended 31<sup>st</sup> March, 2015 is due to be filed by 27<sup>th</sup> September, 2015.

Messrs. RA & Co., existing Cost Auditors have confirmed their eligibility to be the Cost Auditors and have been appointed to conduct Cost Audit of the Company's records for the year ending 31<sup>st</sup> March, 2015. The remuneration is subject to ratification by the Members.

### **ACKNOWLEDGEMENTS**

Your Directors record their thanks to the Company's employees at all levels for their dedication and commitment throughout the year. The Directors would also like to record their thanks to the external stakeholders for their continued support and co-operation.

Your Directors take this opportunity to thank the Parent Company, Pfizer Inc., USA, for their valuable guidance and support.

**For and on behalf of the Board of Directors**

Place : Mumbai

Date : 6<sup>th</sup> October, 2014

**Aijaz Tobaccowalla**  
Managing Director

**S. S. Lalbhai**  
Director

## ANNEXURE I

### INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

#### A. Conservation of Energy:

- |    |  |  |
|----|--|--|
| a) | Energy Conservation measures taken   | 1) Elimination of Furnace Oil (FO) usage for Heating, Ventilation & Air Conditioning (HVAC) operation through <ul style="list-style-type: none"> <li>● Replacement of steam operated Vapor Absorption Machine (VAM) with Electrical Chillers.</li> <li>● Modification of all dehumidifiers with electrical heaters.</li> </ul> |
| b) | Additional investments and proposals, if any, being implemented for reduction of consumption of energy | 1) Electrification of Fluid Bed Processors to avoid FO generated steam as heat source.<br>2) Introduction of electrical sanitization for water system to avoid usage of FO generated steam.  |
| c) | Impact of measures at (a) and (b)  | 1) Reduction of annual furnace oil consumption – Journey towards "ZERO FURNACE OIL SITE".<br>2) Reduction in carbon emission.  |

#### FORM A

#### Form of Disclosure of particulars with respect to conservation of energy

	Unit	Apr 2013- Mar 2014	Apr 2012- Mar 2013
<b>A. Power and Fuel consumption</b>			
1. Electricity			
a) Purchased Units	Kwh	<b>43,29,255</b>	43,57,890
Total Amount	₹ lakhs	<b>196.53</b>	191.55
Rate / Unit (average)	₹	<b>4.54</b>	4.40
b) Own generation through diesel generator unit	Kwh	<b>55,405</b>	90,579
- Units per litre of diesel oil	Kwh	<b>3.27</b>	3.48
- Cost / Unit	₹	<b>18.85</b>	13.07
<b>Note</b> The cost of own generated electricity is not comparable, as the standby generator unit was operated only for test runs.			
2. Furnace Oil			
Quantity	K. Ltrs.	<b>42.81</b>	207.00
Total Cost	₹ Lakhs	<b>21.47</b>	108.08
Average rate	₹ / ltr.	<b>50.12</b>	52.21

#### Consumption per unit of production

Since the Company manufactures several formulations in the same factory, it is not practicable to apportion consumption of utilities based on the records.

**ANNEXURE I (Contd.)**

**FORM B**

**Form of disclosure of particulars with respect to technology absorption**

**B. Research and Development (R&D):**

1. a) Specific areas in which R&D carried out by the Company : Research and Development activities carried out by the Company are in the areas of formulation development, process improvement and clinical trials for registration of products.
- b) Benefits as a result of above R&D : Increase in operating efficiency and new product introduction.
- c) Future plan of action : The Company will continue to focus on improving operational efficiencies.
- d) Expenditure on R&D :

	(₹ in Lakhs)	
	Apr 2013- Mar 2014	Apr 2012- Mar 2013
i) Capital	Nil	Nil
ii) Recurring	140.61	107.91
iii) Total	140.61	107.91
iv) Total R&D expenditure as a percentage of total turnover	0.21%	0.16%

2. Technology absorption, adaptation and innovation :

- (i) Efforts, in brief, made towards technology absorption, adaptation and innovation : The Company on an on-going basis interacts with the Parent Company, for technical expertise for pharmaceutical formulations. The Company also puts emphasis on innovation in its operations.
- (ii) Benefits derived as a result of the above efforts : The Company has benefited substantially as a result of the emphasis on innovation. Reduction in energy consumption and improvement in product quality are some of the benefits achieved during the year under review.
- (iii) Imported technology (imported during the last 5 years reckoned from the beginning of the financial year) : As mentioned in (i) we continue to receive technology, process know-how and technical assistance from time to time from the Parent Company.

**C. Foreign Exchange Earnings and Outgoings:**

- i) Efforts : The Company continues to explore possibilities of increasing exports in the area of oral contraceptives.
- ii) Earnings & Outgoings : During the financial year ended 31<sup>st</sup> March, 2014, the Foreign Exchange earned was ₹ 76.09 lakhs. Foreign Exchange Outgoings were ₹ 22982.84 lakhs.

**For and on behalf of the Board of Directors**

Place : Mumbai

Date : 6<sup>th</sup> October, 2014

**Aijaz Tobaccowalla**  
Managing Director

**S. S. Lalbhai**  
Director

## CORPORATE GOVERNANCE REPORT

### I. WYETH'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance at Wyeth is not just adherence to mandatory rules and guidelines. Your Company is guided by its nine Core Values in its day-to-day decision-making. Relying on these values your Company constantly strives to maintain high standards and earn the trust of all its stakeholders. The requisite standards of corporate governance have been fully complied by the Company.

### II. BOARD OF DIRECTORS

The Board of Directors provides strategic direction and thrust to the operations of the Company.

#### ➤ Composition of the Board of Directors

During the financial year under review, the Board was headed by the Non-Executive Independent Chairman, Mr. Pradip Shah, and comprised of eminent persons with considerable professional experience in varied fields. The Board comprised of one Executive Director and seven Non-Executive Directors of whom five were Independent Directors. The size and composition of the Board, therefore, complied with the corporate governance norms under the Listing Agreement with the Stock Exchanges, the Articles of Association of the Company and applicable laws.

Mr. D. E. Udawadia and Mr. Pradip Shah resigned effective 26<sup>th</sup> August, 2014 and 30<sup>th</sup> September, 2014 respectively. The present strength of the Board is six Directors consisting of one Executive Director and five Non-Executive Directors of whom three are Independent Directors. None of the Directors are related to each other.

#### ➤ Board Meetings

The Board meets at least once every quarter. The gap between two Board Meetings does not exceed four months.

During the period 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 ('financial year under review'), the Company held five Board Meetings as under:

- |                                      |                                      |
|--------------------------------------|--------------------------------------|
| (i) 14 <sup>th</sup> May, 2013       | (iv) 23 <sup>rd</sup> November, 2013 |
| (ii) 30 <sup>th</sup> July, 2013     | (v) 27 <sup>th</sup> January, 2014   |
| (iii) 1 <sup>st</sup> November, 2013 |                                      |

The details of composition of the Board of Directors, the number of Board Meetings held, their attendance thereat and at the last Annual General Meeting ('AGM'), and the number of Directorships, Memberships and / or Chairmanships held by each Director of the Board as on 31<sup>st</sup> March, 2014, are set out below:

Name	Category of Directorship #	No. of Board Meetings attended out of five held	Attendance at last AGM held on 6 <sup>th</sup> September, 2013	No. of Directorships in Companies including Wyeth Limited	Memberships / Chairmanships of Board Committees including Wyeth Limited
Mr. Pradip Shah (Chairman) (Resigned effective 30 <sup>th</sup> September, 2014)	NED-I	5	Yes	12	7 / 1
Mr. D. E. Udawadia (Resigned effective 26 <sup>th</sup> August, 2014)	NED-I	4	Yes	10	7 / 1
Mr. Aijaz Tobaccowalla	MD	5	Yes	2	2 / Nil
Mr. K. K. Maheshwari	NED-I	4	Yes	1	1 / 1
Mr. S. S. Lalbhai	NED-I	5	Yes	6	3 / Nil
Mr. Sekhar Natarajan	NED-I	5	Yes	4	Nil / 3
Mr. Vivek Dhariwal	NED	4	Yes	2	1 / Nil
Mr. S. Sridhar	NED	5	Yes	2	Nil

# NED – Non-Executive Director MD - Managing Director NED-I - Non-Executive Director – Independent

Notes:

- (1) Directorships / Memberships in private limited companies, foreign companies, companies under Section 25 of the Companies Act, 1956, membership of managing committees of various chambers / bodies and alternate directorships are excluded.

- (2) The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors is a Member of more than 10 committees and Chairman of more than 5 committees across all Indian public limited companies in which he is a Director. Number of Chairmanships / Memberships of committees includes only Chairmanships / Memberships of Audit Committee and Shareholders' / Investors' Grievance Committee.

### III. BOARD COMMITTEES

During the financial year under review, the Board had four Committees viz., the Audit Committee, Shareholders' / Investors' Grievance Committee, Share Transfer Committee and Remuneration Committee. The Board decides the terms of reference of these Committees.

#### (A) AUDIT COMMITTEE

- ◆ Five Audit Committee Meetings were held during the financial year under review and the gap between two Meetings did not exceed four months. These Meetings were held on:
  - (i) 14<sup>th</sup> May, 2013
  - (ii) 30<sup>th</sup> July, 2013
  - (iii) 30<sup>th</sup> October, 2013
  - (iv) 23<sup>rd</sup> November, 2013
  - (v) 27<sup>th</sup> January, 2014
- ◆ The details of the composition of the Audit Committee and the attendance of the Directors at the Audit Committee Meetings are as under:

Name	Designation	Category	Number of Meetings attended out of 5 held
Mr. Sekhar Natarajan	Chairman	Non-Executive and Independent Director	5
Mr. K. K. Maheshwari	Member	Non-Executive and Independent Director	4
Mr. Aijaz Tobacowalla	Member	Managing Director	5
Mr. D. E. Udawadia (Resigned effective 26 <sup>th</sup> August, 2014)	Member	Non-Executive and Independent Director	4

- ◆ During the financial year under review, the terms of reference of the Audit Committee covered the matters specified for Audit Committees under Clause 49 of the Listing Agreement with the Stock Exchanges as well as Section 292A of the Companies Act, 1956.
- ◆ The Acting Chief Financial Officer, along with the Statutory Auditors, Internal Auditors and the Cost Auditor of the Company are invited to the Meetings of the Audit Committee. Mrs. N. N. Thakore, Company Secretary & Legal Director, acts as the Secretary to the Committee.
- ◆ The Chairman of the Audit Committee was present at the 65<sup>th</sup> Annual General Meeting held on 6<sup>th</sup> September, 2013.
- ◆ The Board of Directors notes the Minutes of the Audit Committee Meetings at Board Meetings.

#### (B) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

- ◆ During the year under review, the Shareholders' / Investors' Grievance Committee met twice, on 30<sup>th</sup> July, 2013 and 27<sup>th</sup> January, 2014. The details of the composition of Shareholders' / Investors' Grievance Committee and the attendance of the Directors at the said meetings are as under:

Name	Designation	Category	Number of Meetings attended out of two held
Mr. K. K. Maheshwari	Chairman	Non-Executive and Independent Director	2
Mr. S. S. Lalbhai	Member	Non-Executive and Independent Director	2
Mr. Aijaz Tobacowalla	Member	Managing Director	2

- ◆ Mrs. N. N. Thakore, Company Secretary & Legal Director, has been designated as Compliance Officer.
- ◆ The Company has designated neema.thakore@pfizer.com as the e-mail ID on which investors may register their complaints.



- ◆ During the year under review, the terms of reference of the Shareholders' / Investors' Grievance Committee covered the matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges.
- ◆ The Board of Directors notes the Minutes of the Shareholders' / Investors' Grievance Committee Meetings at Board Meetings.
- ◆ The Board of Directors has on 28<sup>th</sup> April, 2014, renamed the said Committee as Stakeholders' Relationship / Investors' Grievance Committee.
- ◆ A summary of investor complaints received, resolved and pending during the financial year under review are given below:

Nature of Complaints	Number of Complaints			
	As on 1 <sup>st</sup> April, 2013	Received during the financial year under review	Resolved during the financial year under review	Pending as on 31 <sup>st</sup> March, 2014
Non-receipt of dividend warrants	Nil	12	12	Nil
Non-receipt of share certificates sent for transfer, deletion of name, transmission, transposition, consolidation of folios & share certificates, correction of name etc.	Nil	3	3	Nil
Non-receipt of Annual Reports	Nil	Nil	Nil	Nil
Letters from Securities and Exchange Board of India, Stock Exchanges and Ministry of Corporate Affairs	Nil	4	4	Nil
Total	Nil	19	19	Nil

No investor grievance remained unattended / pending for resolution for more than 30 days and no request for share transfer and dematerialization received during the financial year under review was pending for more than the time limit prescribed under the Listing Agreement with the Stock Exchanges.

### (C) SHARE TRANSFER COMMITTEE

Members: Mr. K. K. Maheshwari

Mr. Aijaz Tobaccowalla

Mr. S. Sridhar (Appointed effective 6<sup>th</sup> October, 2014)

Mr. D. E. Udawadia (Resigned effective 26<sup>th</sup> August, 2014)

Mr. Pradip Shah (Resigned effective 30<sup>th</sup> September, 2014)

The Chairman is elected at each meeting.

The Share Transfer Committee *inter alia*, deals with matters relating to transfers/ transmissions / transposition/ consolidation / rematerialization / issue of share certificates in exchange for sub-divided / consolidated / defaced share certificates / issue of duplicate share certificates. The Meetings of the Share Transfer Committee are need based. The Company Secretary has been empowered by the Board to approve transfers / transmissions of shares, split / consolidation and other allied matters up to a limit of 1000 shares per individual item. At each meeting, the Board is apprised of the details of matters approved by the Company Secretary / Share Transfer Committee.

The Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited (KCPL) has adequate infrastructure to process the share transfers. The share transfers received are processed and share certificates are issued within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects. Dematerialization requests are processed within 15 days from the date of receipt, to give credit of the shares through the Depositories. In compliance with the Listing Agreement, a practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued every six months.

The Board of Directors notes the Minutes of the Share Transfer Committee Meetings at Board Meetings.

**(D) REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS**

- ◆ The details of the composition of the Remuneration Committee are as follows:

Name	Designation	Category
Mr. Sekhar Natarajan (Member up to 5 <sup>th</sup> October, 2014 and Chairman effective 6 <sup>th</sup> October, 2014)	Chairman	Non-Executive and Independent Director
Mr. K. K. Maheshwari	Member	Non-Executive and Independent Director
Mr. S. S. Lalbhai (Appointed effective 6 <sup>th</sup> October, 2014)	Member	Non-Executive and Independent Director
Mr. D. E. Udawadia (Resigned effective 26 <sup>th</sup> August, 2014)	Chairman	Non-Executive and Independent Director

- ◆ The Remuneration Committee *inter alia*, reviews and recommends the remuneration and commission/ performance incentive of Managing / Whole-time Directors based on the performance parameters for the individuals and the Company, subject to the limits approved by the Members and as permitted by law. The terms of reference of the Remuneration Committee include the matters specified in Clause 49 of the Listing Agreement with the Stock Exchanges. The current Managing Director does not receive any remuneration from the Company. Further, the Company does not have a Whole-time Director at present. In view of this, no Meeting of the Remuneration Committee was held during the year under review.
- ◆ The Board of Directors notes the Minutes of the Remuneration Committee Meetings at Board Meetings.
- ◆ The Remuneration Policy is directed towards rewarding performance. It is aimed at attracting and retaining high caliber management talent by evaluating their performance based on their potential, leadership skills and actual performance during the year, considering the prevailing internal and external business environment and at the same time giving importance to the prevailing competitive market practices.
- ◆ The Board of Directors has on 28<sup>th</sup> April, 2014, renamed the said Committee as Nomination and Remuneration Committee and revised its terms of reference.
- ◆ The details of the remuneration paid / payable to the Directors for the year ended 31<sup>st</sup> March, 2014, are set out below:

(Figures in ₹)

Directors	Salary and Performance Incentive	Perquisites	Contribution to Provident Fund, Superannuation and Gratuity	Sitting Fees	Commission	Total
Mr. Pradip Shah (Chairman) (Resigned effective 30 <sup>th</sup> September, 2014)	N.A.	N.A.	N.A.	1,00,000	10,00,000	11,00,000
Mr. D. E. Udawadia (Resigned effective 26 <sup>th</sup> August, 2014)	N.A.	N.A.	N.A.	1,60,000	10,00,000	11,60,000
Mr. Aijaz Tobaccowalla	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. K. K. Maheshwari	N.A.	N.A.	N.A.	2,00,000	10,00,000	12,00,000
Mr. S. S. Lalbhai	N.A.	N.A.	N.A.	1,40,000	10,00,000	11,40,000
Mr. Sekhar Natarajan	N.A.	N.A.	N.A.	2,00,000	10,00,000	12,00,000
Mr. Vivek Dhariwal*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. S. Sridhar*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

\* Mr. Vivek Dhariwal and Mr. S. Sridhar are employees of Pfizer Limited. No remuneration is paid to them by the Company.

- ◆ **Executive Directors**

Agreement appointing Mr. Aijaz Tobaccowalla as Managing Director of the Company is for a period of three years commencing from 16<sup>th</sup> August, 2012 up to 15<sup>th</sup> August, 2015. As per the terms of the Agreement, either party may terminate the Agreement by giving the other three months prior written

notice. Mr. Tobaccowalla, also being the Managing Director of Pfizer Limited receives remuneration from the said Company. No remuneration is paid to him as Managing Director of the Company. In case of early termination of the Agreement, there is no provision for payment of severance fees.

◆ **Employees Stock Option Scheme**

The Company does not have a scheme for grant of stock options. Mr. Aijaz Tobaccowalla, Mr. Vivek Dhariwal and Mr. S. Sridhar are eligible for stock options granted by the Parent Company.

◆ **Performance Linked Incentive**

No Performance Incentive was paid to any Director of the Company for the year ended 31<sup>st</sup> March, 2014.

◆ **Non-Executive Directors**

➤ Criteria for payment of remuneration to Non-Executive Directors:

The remuneration to Non-Executive Directors comprises of sitting fees and fixed commission. The criteria for payment of remuneration to Non-Executive Directors is the time devoted or participation made by them at Board / Committee Meetings based on their knowledge and expertise and the overall financial performance of the Company. The remuneration is fixed by the Board of Directors.

➤ The Resident Indian Non-Executive Directors, receive compensation in the form of commission on net profits. The commission shall not exceed 3% of the net profits of the Company, subject to a limit of ₹ 1 crore (Rupees one crore) per annum in case there is no Managing and / or Whole-time Director at any time. The commission shall not exceed 1% of the net profits of the Company, subject to a limit of ₹ 75 lakhs (Rupees seventy-five lakhs) per annum so long as the Company has a Managing and / or Whole-time Director.

➤ During the year ended 31<sup>st</sup> March, 2014, the Company paid ₹ 17,60,701/- to the law firm M/s Udwardia Udeshi & Argus Partners as fees for professional services that were provided by them on specific legal matters entrusted by the Company to them from time to time. Mr. D. E. Udwardia is a founder partner of the above firm. The Board does not consider the firm's association with the Company to be of a material nature so as to affect the independence of judgment of Mr. Udwardia as a Director of the Company. Mr. Udwardia has resigned as Director of the Company effective 26<sup>th</sup> August, 2014.

➤ Mr. S. S. Lalbhai holds 1,275 shares in the Company. None of the other Non-Executive Directors hold any shares in the Company.

➤ Besides dividend on equity shares, if any, held by the Directors, and payments as mentioned above, no other payments have been made nor have transactions of a pecuniary nature been entered into by the Directors with the Company.

**(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Pursuant to Section 135 of the Companies Act, 2013 ("the Act") and Rules made thereunder, the Board of Directors on 28<sup>th</sup> April, 2014 has constituted a Corporate Social Responsibility Committee.

**IV. CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

As required under Clause 49(V) of the Listing Agreement with the Stock Exchanges, a certificate from the Managing Director and the Acting Chief Financial Officer on the integrity of the Financial Statements and the Cash Flow Statement and the Internal Control Systems for financial reporting for the year ended 31<sup>st</sup> March, 2014, was placed before the Board at its Meeting held on 28<sup>th</sup> April, 2014.

**V. GENERAL BODY MEETINGS**

**(a) The details of the last three General Meetings of the Company and summary of the Special Resolutions passed thereat are as follows:**

General Meetings	Financial Year	Date and Time	Venue of the AGM	Summary of Special Resolutions
65 <sup>th</sup> Annual General Meeting	2012-2013	6 <sup>th</sup> September, 2013 at 11.00 a.m.	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.	Nil

General Meetings	Financial Year	Date and Time	Venue of the AGM	Summary of Special Resolutions
64 <sup>th</sup> Annual General Meeting	2011-2012	2 <sup>nd</sup> August, 2012 at 11.00 a.m.	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.	<ol style="list-style-type: none"> <li>1. Payment of Commission to Non- Executive Directors</li> <li>2. Change in place of keeping, and inspection of, Registers and Returns.</li> </ol>
63 <sup>rd</sup> Annual General Meeting	2009-2011	19 <sup>th</sup> July, 2011 at 11.00 a.m.	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.	Nil

All Resolutions set out in the respective Notices for the previous three Annual General Meetings of the Company were passed by the requisite majority of Members present thereat and entitled to vote.

A meeting of the Shareholders was convened on 16<sup>th</sup> April, 2014, under the directions of the Hon'ble Bombay High Court to seek their approval to the proposed Scheme of Amalgamation between the Company and Pfizer Limited ("Scheme"). At the said Meeting, Shareholders approved the Scheme by an over whelming majority in number (93.07%) and value (99.99%).

**(b) Passing of Resolutions by Postal Ballot:**

During the year under review, in terms of Securities and Exchange Board of India ("SEBI") Circular CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013 and Circular CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013, Shareholders' approval was sought by Postal Ballot for a resolution to approve the proposed Scheme of Amalgamation between the Company and Pfizer Limited.

Based on the report of Mr. Bhumitra Dholakia, Proprietor of M/s. Dholakia & Associates, a Practicing Company Secretary and Scrutinizer for conducting the aforementioned Postal Ballot, the Resolution was passed by an over whelming majority. (99.92% of the votes were cast in favour of the resolution).

None of the Resolutions proposed at the 66<sup>th</sup> Annual General Meeting needs to be passed by Postal Ballot.

**VI. DISCLOSURES**

**(a) Related Party Transactions**

- The Company has not entered into any materially significant related party transactions with its Subsidiaries, Promoters, Directors, Management, or relatives etc. that may have potential conflict with the interests of the Company at large.
- The Company has received disclosures from senior managerial personnel confirming that they have not entered into any material, financial and commercial transactions in which they or their relatives may have a personal interest.
- Transactions with related parties as per requirements of Accounting Standard 18 are disclosed in Note 34 to the financial statements in the Annual Report and they are not in conflict with the interest of the Company at large.
- The Audit Committee has reviewed the related party transactions as mandatorily required under relevant provisions of the Listing Agreement entered into with the Stock Exchanges. The said transactions are in the ordinary course of business and at arm's length basis.

**(b) Compliances by the Company**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

**(c) Code of Conduct**

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. The Board has adopted a Code of Conduct including a Business Ethics Policy for its Designated Persons. Designated Persons mean Directors and Officers in Management Cadre - M9 and above. The said Code is available on the Company's website- [www.wyethindia.com](http://www.wyethindia.com).

The Company has for the year ended 31<sup>st</sup> March, 2014, received from all Designated Persons, a declaration of compliance with the Code. A certificate from Mr. Aijaz Tobaccowalla, Managing Director, to this effect forms part of this Report. Employees of the Company also affirm compliance with the Code of Conduct as applicable to them.

**(d) Risk Management framework**

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

**(e) Management Discussion and Analysis**

The Management Discussion and Analysis forms a part of the Board's Report. All matters pertaining to industry structure and developments, opportunities and threats, segment-wise / product-wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance and material developments in human resources are discussed in the said Report.

**(f) Adherence to Accounting Standards**

The Company follows the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and in the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed by any Accounting Standard.

**(g) Mandatory Requirements**

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges. The adoption of non-mandatory requirements is provided in this Report.

**VII. MEANS OF COMMUNICATION**

**(a) Financial Results**

The Quarterly, Half-Yearly and Annual Financial Results were published in all editions of the Financial Express in English and in Marathi, in the Mumbai edition of the Navshakti respectively. The said Financial Results are also available on the Company's website – [www.wyethindia.com](http://www.wyethindia.com). These are made available to Members on request.

**(b) Presentation to Institutional Investors / Analysts**

No presentation was made to institutional investors or to analysts during the year under review. The official news releases are displayed on the Company's website.

**VIII. GENERAL SHAREHOLDER INFORMATION**

**(a) Date, time and venue of the Annual General Meeting**

Date	:	10 <sup>th</sup> November, 2014
Time	:	3.00 P. M.
Venue	:	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.

**(b) Financial Year**

The Company observes 1<sup>st</sup> April to 31<sup>st</sup> March as its financial year.

Financial Calendar

First Quarter Results	:	25 <sup>th</sup> July, 2014
Second Quarter Results*	:	Second week of November, 2014
Third Quarter Results*	:	Second week of February, 2015
Fourth Quarter and Annual Results*	:	Last week of May, 2015

\*tentative

**(c) Dates of Book Closure**

31<sup>st</sup> October, 2014 to 10<sup>th</sup> November, 2014 (both days inclusive).

**(d) Dividend Payment Date**

The Board of Directors (“Board”) had declared an interim dividend of ₹ 145.00 (1450%) per equity share and the same was paid on 17<sup>th</sup> December, 2013. The dividend payout aggregated to ₹ 32944.09 lakhs and the corporate dividend tax paid by your Company amounted to ₹ 5598.85 lakhs. Keeping in mind the substantial payout by way of interim dividend, your Directors did not recommend any further dividend for the year ended 31<sup>st</sup> March, 2014.

**(e) Listing on Stock Exchanges**

The Company is listed on the BSE Limited and The National Stock Exchange of India Limited. The annual listing fees have been paid and there is no outstanding payment towards the Stock Exchanges, as on date.

**(f) Stock Code**

BSE Limited - 500095

The National Stock Exchange of India Limited – WYETH

**(g) International Securities Identification Number (ISIN)**

The Company’s scrip forms a part of SEBI’s Compulsory Demat Segment bearing ISIN No. INE378A01012.

**(h) Corporate Identity Number (CIN)**

The Company’s CIN, allotted by the Ministry of Corporate Affairs, Government of India, is L85190MH1947PLC005963. The Company is registered at Mumbai in the State of Maharashtra, India.

**(i) Address for Correspondence**

All Members’ correspondence should be forwarded to Karvy Computershare Private Limited, the Registrar and Share Transfer Agent of the Company or to the Secretarial Department of the Company at the following addresses.

Registrar and Share Transfer Agent’s Address:	Registered Office Address:
Karvy Computershare Private Limited Unit: <b>WYETH LIMITED</b> Plot No. 17 – 24, Vittalrao Nagar, Near Image Hospital, Madhapur, Hyderabad – 500 081. Toll Free No. : 1-800-3454-001 Tel.: 040 4465 5000 Fax: 040 2342 0814 E-mail: einward.ris@karvy.com	Wyeth Limited Level 6, Platina, Plot No. C-59, ‘G’ Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 098. Tel: 022 2657 4000 Fax: 022 2657 4100 Website: www.wyethindia.com E-mail: neema.thakore@pfizer.com

**(j) Share Transfer System**

The Company Secretary / Share Transfer Committee processes and approves the transfer requests received. The Company’s Registrar, Karvy Computershare Private Limited has adequate infrastructure to process the share transfers.

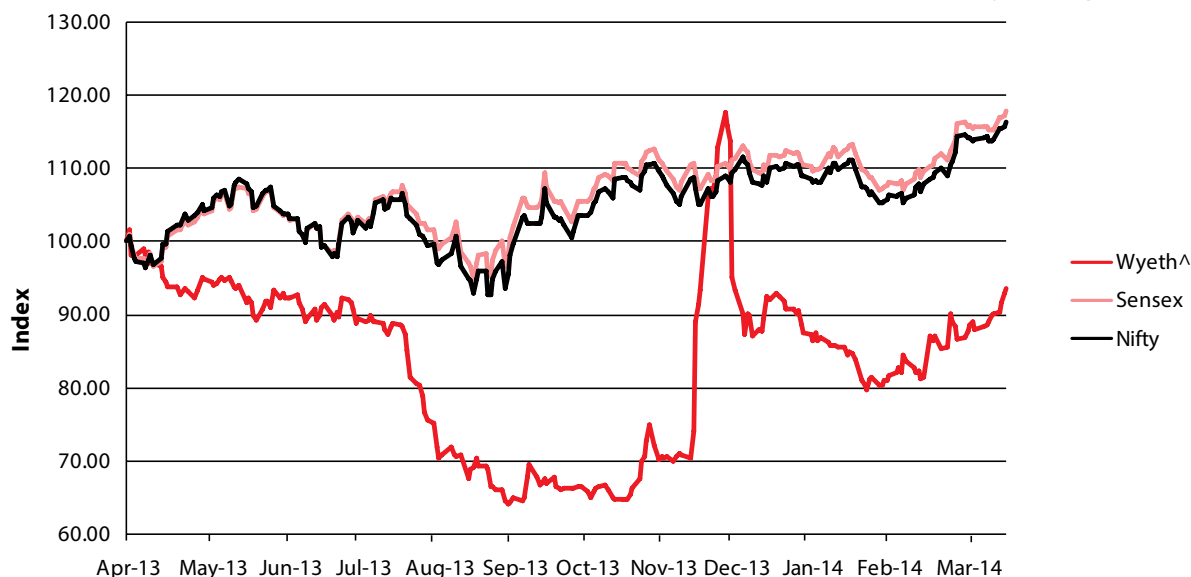
**IX. MARKET PRICE DATA\***

The High and Low prices of the Company’s share (of the face value of ₹ 10 / - each) for the financial year under review are as follows:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2013	900.50	802.20	909.90	799.00
May 2013	850.00	776.10	850.05	777.85
June 2013	832.00	769.00	838.00	771.65
July 2013	815.00	667.90	815.90	664.00
August 2013	701.95	573.30	699.90	572.55
September 2013	621.75	553.05	620.00	554.70
October 2013	647.45	560.00	646.00	561.10
November 2013	995.00	605.05	994.90	602.00
December 2013	1065.00	746.00	1067.20	746.00
January 2014	800.00	688.25	799.15	685.00
February 2014	824.00	690.00	828.50	690.40
March 2014	915.00	732.10	940.00	742.50



**PERFORMANCE OF WYETH SHARE PRICE TO BROAD BASED INDEX BSE SENSEX, NIFTY (INDEXED)**



\*Source: BSE and NSE Website

^ Wyeth share price on BSE

**X. DISTRIBUTION OF SHAREHOLDING**

**(a) Shareholding Pattern as on 31<sup>st</sup> March, 2014**

Category of Shareholder	Number of Shares	Percentage of Shareholding
<b>Promoters (subsidiaries of Pfizer Inc., USA.)</b>		
Wyeth LLC, USA	80,25,296	35.32
Wyeth Holdings LLC formerly known as Wyeth Holdings Corporation, USA	23,28,806	10.25
John Wyeth & Brother Limited, UK	12,60,000	5.55
<b>Sub-Total</b>	<b>1,16,14,102</b>	<b>51.12</b>
<b>Non-Promoters</b>		
Financial Institutions & Banks	8,23,827	3.63
Foreign Institutional Investors	14,59,795	6.43
Non-Resident Individuals & Corporate Bodies	98,736	0.43
Mutual Funds / UTI	18,45,789	8.12
Domestic Companies	36,19,483	15.93
Resident Individuals	32,07,524	14.12
Others	50,803	0.22
<b>Sub-Total</b>	<b>1,11,05,957</b>	<b>48.88</b>
<b>Total</b>	<b>2,27,20,059</b>	<b>100.00</b>

**(b) Class-wise Distribution of Equity Shares as on 31<sup>st</sup> March, 2014**

Number of Equity shares held	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 - 50	18,088	64.97	4,83,887	2.13
51 – 100	3,970	14.26	3,48,839	1.54
101 – 500	4,912	17.64	10,03,792	4.42
501 – 1000	451	1.62	3,42,847	1.51
1001 – 5000	325	1.17	6,72,198	2.96
5001 – 10000	29	0.10	2,08,936	0.92
10001 and above	65	0.23	1,96,59,560	86.53
<b>TOTAL</b>	<b>27,840</b>	<b>100.00</b>	<b>2,27,20,059</b>	<b>100.00</b>

### Dematerialization of Shares and Liquidity

The shares of the Company form part of the Compulsory Demat Segment. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar, Karvy Computershare Private Limited.

As on 31<sup>st</sup> March, 2014, the number of shares held in dematerialized and physical mode are as under:

Particulars	Number of Shares	Percentage to Total Capital Issued	Number of Shareholders	Percentage to Total Number of Shareholders
Held in dematerialized mode in NSDL	2,17,89,908	95.91	17,913	64.34
Held in dematerialized mode in CDSL	6,72,189	2.96	5,572	20.01
Physical mode	2,57,962	1.13	4,355	15.65
<b>Total</b>	<b>2,27,20,059</b>	<b>100.00</b>	<b>27,840</b>	<b>100.00</b>

### Outstanding GDRs / ADRs / Warrants or any convertible instruments etc.

As on date, the Company has not issued these types of securities.

### Plant Location

Wyeth Limited  
Plot No. L-137, Phase III,  
Verna Industrial Estate,  
Verna – 403 722, Goa.

## XI. NON-MANDATORY REQUIREMENTS

The Company has implemented the following Non-Mandatory requirements recommended under Clause 49 of the Listing Agreement with the Stock Exchanges:

### a) Nomination and Remuneration Committee

A Nomination and Remuneration Committee reviews and takes decisions on compensation of Executive Directors of the Company. The Chairman of the Nomination and Remuneration Committee is an Independent Director.

### b) Whistle Blower Policy

The Company has put in place a mechanism for all stakeholders to report to the Management, genuine concerns, illegal or unethical practices, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of those who avail of the mechanism.

**For and on behalf of the Board of Directors**

Place : Mumbai

Date : 6<sup>th</sup> October, 2014

**Aijaz Tobaccowalla**  
Managing Director

**S. S. Lalbhai**  
Director

## **Auditors' Certificate on Corporate Governance**

To the Members of Wyeth Limited

We have examined the compliance of conditions of Corporate Governance by Wyeth Limited ("the Company") for the year ended 31 March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No: 116231W / W-100024

**N Sampath Ganesh**

Partner

Membership No.: 042554

Place : Mumbai

Date : 6 October 2014

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### **Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with the Code of Conduct**

In accordance with Clause 49 I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all Designated Persons of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31<sup>st</sup> March, 2014.

For the purpose of this declaration, Designated Persons mean Directors and Officers in Management Cadre – M9 and above.

**For and on behalf of the Board of Directors**

Place : Mumbai

Date : 28<sup>th</sup> April, 2014

**Aijaz Tobaccowalla**

Managing Director

**Independent Auditors' Report**

To the Members of  
Wyeth Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Wyeth Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2014 and the Statement of Profit and Loss and Cash Flow Statement for year ended 31 March 2014 and summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- ii. in case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227 (3) of the Act, we report that:
- a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of profit and loss and Cash flow statement dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the Balance sheet, Statement of profit and loss and Cash flow statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
  - e) on the basis of written representations received from the directors, as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No: 116231W

Place: Mumbai

Date: 28 April 2014

**N Sampath Ganesh**

*Partner*

Membership No: 042554

**Annexure to the Auditors' Report – 31 March 2014**

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. All stocks lying with third parties at the year-end have been confirmed.
- (b) The procedures for the physical verification of inventory is followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed during the physical verification of inventories as compared to book records were not material and have been dealt with in the books of account.
- (iii) According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraph 4(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories are for the Company's specialized requirements and similarly certain services are rendered and purchased for the specialized requirements of the buyers and the Company respectively and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Act.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1)(d) of the Act in relation to products manufactured, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Investor Education and Protection fund, Income tax, Sales tax, Value added tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance.



## Annexure to the Auditors' Report – 31 March 2014

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Investor Education and Protection fund, Income tax, Sales tax, Values added tax, Service tax, Wealth tax, Customs duty, Excise duty, Cess and other material statutory dues were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable, *except for Professional Tax amounting to ₹ 3 lakhs.*

- (b) According to the information and explanations given to us, the dues set out in Appendix I in respect of Income-tax, Sales tax, Service tax, Customs duty and Excise duty have not been deposited by the Company with the appropriate authorities on account of disputes.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) As stated in paragraph (iii) above, there are no companies/firms/parties covered in the register required to be maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the period.
- (xx) The Company has not raised any money by public issues during the period.
- (xxi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No: 116231W

**N Sampath Ganesh**

*Partner*

Membership No: 042554

Place: Mumbai

Date: 28 April 2014

**Annexure to the Auditors' Report – 31 March 2014 (Continued)**

**Appendix I as referred to in paragraph ix (b) of Annexure to the Independent Auditors' report**

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (in lakhs)</b>	<b>Forum where dispute is pending</b>	<b>Period to which amount relates</b>
The Income Tax Act, 1961	Tax and Interest	229.19	Commissioner (Appeals)	2009 to 2012
Value Added Tax and Sales tax	Tax	1829.96	Appellate Authority	2005 to 2013
	Tax	10.04	First Appellate Authority	2009 to 11
	Tax	2.30	Deputy Commissioner (Appeals)	2008 - 09
	Tax and Interest	21.37	Commercial Tax Officer	2011 - 12
	Tax	3.61	Assistant Commissioner	2008 – 09
	Tax	0.36	AC Commercial Tax	2013 to 2014
State and Central Sales Tax Act	Tax and Interest	30.11	Sales Tax Tribunal	1995 to 1997
	Tax	28.78	Additional Commissioner (Appeals)	1998 to 2002
	Tax	53.39	Commissioner (Appeals )	2002 to 2003
	Tax	3.43	Additional Commissioner of Sales tax	2005 to 2009
	Tax	71.94	Appellate Authority	2005 to 2006 and 2007 to 2008
	Tax	1.55	Assistant Commissioner (Appeals)	2004 to 2005
	Tax	9.92	Assistant Commissioner, Commercial Tax	2012 to 2013
	Tax	94.10	Deputy Commissioner (Appeals)	2001 to 2004
	Tax, Interest and Penalty	145.70	Joint Commissioner, Commercial tax (Appeals)	2006 to 2009
	Tax	8.46	Senior Joint Commissioner of Sales Tax	2003 to 2004
The Central Excise Act, 1944	Duty	660.07	Commissioner (Appeals)	1992 to 1997
	Duty and penalty	159.94	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	1988 to 1991, 1994 to 1996 and 1999 to 2002
	Duty including Interest and Penalty	270.11	Assistant Commissioner of Central Excise	1975 to 1982, 1986 – 1987, 1993 and 1996 to 1999

**BALANCE SHEET AS AT 31 MARCH 2014**

Currency: ₹ in lakhs

	Note	31 March 2014	31 March 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	2272.01	2272.01
Reserves and surplus	4	24656.89	54407.84
		<b>26928.90</b>	<b>56679.85</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	250.22	250.22
Other long-term liabilities	6	375.65	401.95
Long-term provisions	7	2005.38	1122.95
		<b>2631.25</b>	<b>1775.12</b>
<b>Current liabilities</b>			
Trade payables	8	18011.83	14015.13
Other current liabilities	9	1203.86	814.32
Short-term provisions	10	1595.99	5908.03
		<b>20811.68</b>	<b>20737.48</b>
<b>TOTAL</b>		<b>50371.83</b>	<b>79192.45</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	2412.32	2414.88
Intangible assets	11	-	-
Capital work-in-progress		42.84	27.80
		<b>2455.16</b>	<b>2442.68</b>
Deferred tax assets (net)	12	1952.89	1288.42
Long-term loans and advances	13	6323.62	5700.85
		<b>10731.67</b>	<b>9431.95</b>
<b>Current assets</b>			
Inventories	14	15931.77	18445.81
Trade receivables	15	5002.29	4448.76
Cash and bank balances	16	15721.82	43929.82
Short-term loans and advances	17	2923.87	2476.84
Other current assets	18	60.41	459.27
		<b>39640.16</b>	<b>69760.50</b>
<b>TOTAL</b>		<b>50371.83</b>	<b>79192.45</b>
<b>Significant accounting policies</b>	2		
<b>Notes to financial statements</b>	3 - 40		

**The notes referred to above form an integral part of the financial statements.**

As per our report of even date attached.  
For **B S R & Associates LLP**  
Chartered Accountants  
Firm's Registration No: 116231W

**For and on behalf of the Board of Directors of Wyeth Limited**

**N Sampath Ganesh**  
Partner  
Membership No: 042554

**Pradip Shah**  
Chairman  
DIN:00066242

**Aijaz Tobaccowalla**  
Managing Director  
DIN:05312126

**Sekhar Natarajan**  
Director  
DIN:01031445

**D. E. Udhwadia**  
Director  
DIN:00009755

**S. S. Lalbhai**  
Director  
DIN:00045590

**Vivek Dhariwal**  
Director  
DIN:02826679

**N. N. Thakore**  
Company Secretary &  
Legal Director

**S. Sridhar**  
Director  
DIN:05162648

**Darshak Bhagat**  
Acting Chief Financial Officer

Mumbai  
28 April 2014

Mumbai  
28 April 2014

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs	Note	Year ended 31 March 2014	Year ended 31 March 2013
<b>Revenues</b>			
Revenue from operations (gross)		<b>69204.15</b>	68425.61
Less: Excise duty		<b>2160.98</b>	2304.63
Revenue from operations (net)	19	<b>67043.17</b>	66120.98
Other operating income	20	<b>889.58</b>	1713.18
Other income	21	<b>3408.02</b>	3525.73
<b>Total revenues</b>		<b>71340.77</b>	71359.89
<b>Expenses</b>			
Cost of materials consumed	22a & b	<b>8597.76</b>	9821.47
Purchases of stock-in-trade	22c	<b>18744.02</b>	24286.17
Changes in inventories of finished goods work-in-progress and stock-in-trade	22d	<b>5156.96</b>	(6855.73)
Employee benefits	23	<b>3585.14</b>	4050.13
Finance costs	24	<b>5.19</b>	54.84
Depreciation and amortization		<b>273.84</b>	265.81
Other expenses	25	<b>21589.67</b>	20410.07
<b>Total expenses</b>		<b>57952.58</b>	52032.76
<b>Profit before tax</b>		<b>13388.19</b>	19327.13
<b>Tax expense</b>			
Current tax		<b>5260.67</b>	7002.21
Deferred tax credit		<b>(664.47)</b>	(680.59)
<b>Profit for the year</b>		<b>8791.99</b>	13005.51
<b>Earnings per share (of ₹10/- each): (Basic &amp; diluted)</b>		<b>38.70</b>	57.24
<b>Significant accounting policies</b>	2		
<b>Notes to financial statements</b>	3 - 40		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.  
For **B S R & Associates LLP**  
Chartered Accountants  
Firm's Registration No: 116231W

For and on behalf of the Board of Directors of Wyeth Limited

**N Sampath Ganesh**  
Partner  
Membership No: 042554

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DIN:05162648

**Darshak Bhagat**  
Acting Chief Financial Officer

Mumbai  
28 April 2014

Mumbai  
28 April 2014

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### A. Cash flow from operating activities

	31 March 2014	31 March 2013
Net Profit before Taxation	13388.19	19327.13
Adjustments for -		
Depreciation and amortization	273.84	265.81
Provision for doubtful trade receivables and advances (net)	(65.98)	1564.42
Finance costs	5.19	54.84
Unrealised foreign exchange loss/(gain) (net)	73.48	83.38
Interest income	(2705.03)	(3450.30)
(Profit)/Loss on sale/retirement of fixed assets (net)	(5.36)	(11.96)
	<b>(2423.86)</b>	<b>(1493.81)</b>
Operating Cash flow before working capital changes	<b>10964.33</b>	<b>17833.32</b>
Adjustments for -		
(Increase)/Decrease in trade and other receivables	(1932.67)	(674.86)
(Increase)/Decrease in Inventories	2514.03	(6447.39)
Increase/(Decrease) in trade and other payables	5261.81	5929.45
	<b>5843.17</b>	<b>(1192.80)</b>
Cash generated from operations	<b>16807.50</b>	16640.52
Direct taxes paid (net)	(4924.84)	(7408.40)
Net cash provided/(used) by operating activities (A)	<b>11882.66</b>	9232.12
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(242.19)	(83.75)
Proceeds from sale of fixed assets	6.87	12.32
Interest received	3103.88	3240.18
Net cash from investing activities (B)	<b>2868.57</b>	3168.75
<b>C. Cash flow from financing activities</b>		
Finance costs paid	(11.33)	(59.48)
Dividends paid on equity shares	(36692.63)	(4087.33)
Tax paid on dividends	(6255.27)	(663.44)
Net cash used in financing activities (C)	<b>(42959.23)</b>	<b>(4810.25)</b>
Net increase in cash and cash equivalents (A+B+C)	<b>28208.00</b>	7590.62
Cash and Cash Equivalents at the beginning of the year	<b>43929.82</b>	36339.20
Cash and Cash Equivalents at the end of the year	<b>15721.82</b>	43929.82

Notes:

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on Cash Flow Statements, notified under sub-section (3C) of Section 211 of the Companies Act, 1956 of India.
- Cash and cash equivalents include balances aggregating to ₹ 213.27 lakhs (March 2013 ₹ 99.41 lakhs) with scheduled banks on current accounts in respect of unpaid dividend, which are not available for use by the Company.
- Previous year figures have been regrouned where necessary.

**The notes referred to above form an integral part of the financial statements.**

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W

**N Sampath Ganesh**

Partner

Membership No: 042554

**For and on behalf of the Board of Directors of Wyeth Limited**

**Pradip Shah**

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**Vivek Dhariwal**

Director

DIN:02826679

**Darshak Bhagat**

Acting Chief Financial Officer

Mumbai  
28 April 2014

Mumbai  
28 April 2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

### 1 Background

Wyeth Limited (the 'Company') was incorporated on 20<sup>th</sup> September, 1947 as Lederle Laboratories (India) Limited and was renamed as Cyanamid India Limited on 31<sup>st</sup> October, 1962.

On 1<sup>st</sup> January, 1998, pursuant to a Scheme of Arrangement, the Company transferred the Agricultural Products division to Cyanamid Agro Limited. On the same day, pursuant to a Scheme of Amalgamation, the assets, liabilities and reserves of Wyeth Laboratories Limited, John Wyeth (India) Limited and Wyeth (India) Private Limited were transferred to the Company with retrospective effect from 1<sup>st</sup> April, 1996 and the name of the Company was changed to Wyeth Lederle Limited.

On 1<sup>st</sup> April, 2003, pursuant to a Scheme of Amalgamation, the assets, liabilities and reserves of Geoffrey Manners & Co. Limited were transferred to the Company with retrospective effect from 1<sup>st</sup> April, 2002 and the name of the Company was changed to Wyeth Limited.

On 15<sup>th</sup> October, 2009, Wyeth, USA (Wyeth) merged with Wagner Acquisition Corp., a direct wholly-owned subsidiary of Pfizer Inc., through a scheme of merger effected pursuant to and as per the prevailing laws of the United States of America. As a result of the merger, Pfizer Inc. is now the parent Company of Wyeth and hence the ultimate parent of the Company.

The Company has its Registered Office in Mumbai, Maharashtra and is listed on BSE Ltd and National Stock Exchange of India Ltd. The Company is engaged in manufacturing, marketing, trading and export of pharmaceuticals and consumer healthcare products. The Company has its own manufacturing facility in Goa and various independent contract/ third party manufacturers in India.

### 2 Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### (a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

#### (b) Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principle (GAAP) requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### (c) Current–non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents and is 12 months for the Company.

## (d) Fixed assets and depreciation/ amortisation

### Tangible fixed assets

Tangible fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss.

Depreciation is provided on Straight Line Method, pro-rata to the period of use, at the rates specified in Schedule XIV of the Act or the rates based on useful lives of the assets as estimated by the management, whichever are higher. The annual depreciation rates are as under -

<b>Asset Description</b>	<b>Depreciation Rate (%)</b>
Buildings	3.34
Plant and Machinery	8.00 -10.34
Pollution Control Equipment	25.00
Office Equipment	10.34 -12.50
Data Processing Equipment	33.33
Furniture and Fittings	8.00 -10.00
Vehicles	20.00-25.00

Leasehold Land and Leasehold Improvements are amortised over the period of the lease.

Fixed assets costing ₹ 5,000 or less are fully depreciated in the year of acquisition. Fixed assets costing more than ₹ 5,000 but up to USD 5,000 are fully depreciated in the year of acquisition except for -

multiple-like items" the cost of which is over USD 10,000 in aggregate; and

"unlike items of capital nature within an asset category" for large scale projects the aggregate cost of which exceeds USD 10,000 are considered as one asset and depreciated in accordance with the accounting policy and depreciation rate specified above.

### Intangible fixed assets

Computer Software are recorded at its acquisition cost and is amortized on straight-line basis over 3 to 5 years, which in management's estimate represents the period during which economic benefits will be derived from their use. Cost of computer software not exceeding ₹ 50 lakhs is fully amortised in the year of acquisition.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014****(e) Impairment of Assets**

In accordance with Accounting Standard 28 (AS 28) on 'Impairment of Assets' where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the statement of profit and loss.

**(f) Inventories**

Inventories are valued at lower of cost and net realisable value. Cost is determined on First-in-First-out basis. Cost of work-in-progress and finished goods includes cost of materials, direct labour and manufacturing overheads, where applicable. Stores and Spares are valued at cost. The net realisable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of finished products will exceed their net realisable value. Finished goods expiring within 90 days (near-expiry inventory) as at the Balance Sheet date have been fully provided for. Physicians' samples are valued at standard cost, which approximates actual cost and are charged to the statement of profit and loss when distributed.

**(g) Foreign Exchange Transactions**

Transactions in foreign exchange are accounted for at the standard exchange rates as determined by the Company on a monthly basis. The exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year. Monetary assets and liabilities in foreign exchange, which are outstanding as at the year end, are translated at year end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss.

**(h) Revenue Recognition**

Revenue from sale of goods in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of sales tax, value added tax (VAT) and service tax, and is net of returns and discounts. Revenue from services is recognised as and when services are rendered and related costs are incurred, in accordance with the terms of the specific contracts. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**(i) Employee Benefits****(i) Long-term Employee Benefits****(a) Defined Contribution Plans**

The Company has Defined Contribution Plans for post employment benefits in the form of Provident Fund, Superannuation Fund and Employees' Pension Scheme which are administered through Government of India and/or Life Insurance Corporation of India (LIC). Provident Fund, Superannuation Fund (which constitutes an insured benefit) and Employees' Pension Scheme are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution Plans are charged to the statement of profit and loss as incurred.

**(b) Defined Benefit Plans**

The Company has Defined Benefit Plans for post employment benefits in the form of Gratuity and Compensated absences. Gratuity schemes of the Company are administered through LIC. The employees of the Company are entitled to Compensated absences as per the policy of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Liability for Defined Benefit Plans is provided on the basis of valuations, as at the balance sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

### **(c) Other Long-term Employee Benefit**

The employees of the Company are entitled to Compensated Absences as per the policy of the Company. Liability for Compensated Absences is provided on the basis of valuations, as at the balance sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit method. The discount rates used for determining the present value of the obligation under Defined Benefit Plan, are based on the market yields on Government securities as at the balance sheet date.

- (ii) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss as income or expense.

### **(j) Leases**

Lease rentals under an operating lease, are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term. Lease income from operating leases are recognized in the statement of profit and loss on a straight line basis over the lease term.

### **(k) Voluntary Retirement Scheme (VRS)**

Liability under the VRS is accrued on the acceptance of the applications of the employees under the VRS scheme issued by the Company.

### **(l) Expenditure on Research and Development**

Revenue expenditure is recognised as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

### **(m) Taxes on Income**

Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax charge or credit is recognized using substantively enacted rates. In the case of unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of realisation of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each balance sheet date to reassess realization.

### **(n) Earnings per Share**

Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

### **(o) Provisions and Contingent Liabilities**

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 3 Share capital

	31 March 2014		31 March 2013	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹10 each	23,000,000	2300.00	23,000,000	2300.00
Issued, Subscribed and fully paid up				
Equity shares of ₹10 each	22,720,059	2272.01	22,720,059	2272.01
<b>Total</b>	<b>22,720,059</b>	<b>2272.01</b>	<b>22,720,059</b>	<b>2272.01</b>

#### Notes:

3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting year:

	31 March 2014		31 March 2013	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
Balance at the commencement of the year	22,720,059	2272.01	22,720,059	2272.01
Additions	-	-	-	-
Deletions	-	-	-	-
Balance at the end of the year	22,720,059	2272.01	22,720,059	2272.01

3.2 Details of equity shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

	31 March 2014		31 March 2013	
	Number of shares	Amount	Number of shares	Amount
<b>Ultimate Holding Company</b>				
Pfizer Inc, USA	-	-	-	-
<b>Subsidiaries of ultimate holding company</b>				
Wyeth LLC, USA (holding company)	8,025,296	802.53	8,025,296	802.53
Wyeth Holdings LLC, USA (subsidiary of holding company)	2,328,806	232.88	2,328,806	232.88
John Wyeth & Brother Ltd., UK (subsidiary of holding company)	1,260,000	126.00	1,260,000	126.00

3.3 Details of equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	31 March 2014		31 March 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Wyeth LLC, USA	8,025,296	35.32%	8,025,296	35.32%
Wyeth Holdings LLC, USA	2,328,806	10.25%	2,328,806	10.25%
John Wyeth & Brother Ltd., UK	1,260,000	5.55%	1,260,000	5.55%
Atul Ltd.	1,369,895	6.03%	1,369,895	6.03%
Bajaj Allianz Life Insurance Company Ltd	1,482,646	6.53%	1,384,656	6.09%

3.4 During the five reporting periods immediately preceding the reporting date, no shares have been issued by capitalisation of reserves as bonus shares or for consideration other than cash.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

3.5 The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to voting rights, dividends and share in the Company's residual assets.

### 4 Reserves and surplus

	31 March 2014	31 March 2013
<b>Securities premium account</b>		
At the commencement and end of the year	245.20	245.20
<b>General reserve</b>		
At the commencement of the year	13511.49	12210.94
Add: Transferred from surplus	879.20	1300.55
At the end of the year	14390.69	13511.49
<b>Surplus</b>		
At the commencement of the year	40651.15	33465.02
Add: Profit for the year	8791.99	13005.51
Less: Appropriations:		
Proposed dividend (Nil per share, March 2013 : ₹17.00 per share)	-	3862.41
Interim dividend (₹145.00 per share, March 2013 : Nil per share)	32944.09	-
Tax on dividend	5598.85	656.42
Transferred to general reserve	879.20	1300.55
At the end of the year	10021.00	40651.15
<b>Total</b>	<b>24656.89</b>	<b>54407.84</b>

### 5 Long-term borrowings (Unsecured)

	31 March 2014	31 March 2013
<b>Loans and advances from related parties</b>		
John Wyeth & Brother Limited, India Branch	250.22	250.22
<b>Total</b>	<b>250.22</b>	<b>250.22</b>

The amount represents purchase consideration payable to John Wyeth and Brother Limited, UK for the transfer of its undertaking in India to the company. The amount has been retained as an interest free unsecured loan as per the directives of the RBI in this regard pending appropriate clearance from the Income tax authorities.

### 6 Other long-term liabilities

	31 March 2014	31 March 2013
Security deposits	17.90	44.20
Payable to related parties		
Pfizer Limited	357.75	357.75
<b>Total</b>	<b>375.65</b>	<b>401.95</b>

### 7 Long-term provisions

	31 March 2014	31 March 2013
<b>Provision for Employee benefits</b>		
Compensated absences [Refer note 23.1]	364.76	720.72
<b>Other provisions</b>		
Central Excise and Sales Tax [Refer note 7.1 (i) (a) and (b)]	44.87	44.87
Demands under the Drugs (Prices Control) Order, 1979	1509.57	240.50
[Refer note 7.1 (i) (c)]		
Sales return [Refer note 7.1 (ii)]	35.94	66.62
Fringe benefit tax (Net of taxes paid)	50.24	50.24
<b>Total</b>	<b>2005.38</b>	<b>1122.95</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

**7.1 Additional disclosure relating to certain provisions**

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

	<b>Opening</b>	<b>Additions</b>	<b>Utilisation</b>	<b>Reversal</b>	<b>Closing</b>
(i) Provision for Disputed Demands					
(a) Central Excise					
<b>31 March 2014</b>	<b>37.21</b>	-	-	-	<b>37.21</b>
31 March 2013	37.21	-	-	-	37.21
(b) Sales Tax					
<b>31 March 2014</b>	<b>7.66</b>	-	-	-	<b>7.66</b>
31 March 2013	7.66	-	-	-	7.66
(c) Provision for Demands under the Drugs (Prices Control) Order, 1979					
<b>31 March 2014</b>	<b>240.50</b>	<b>1269.07</b>	-	-	<b>1509.57</b>
31 March 2013	240.50	-	-	-	240.50
(ii) Sales return					
<b>31 March 2014</b>	<b>66.62</b>	-	-	<b>30.68</b>	<b>35.94</b>
31 March 2013	212.50	-	-	145.88	66.62
<b>Total</b>					
<b>31 March 2014</b>	<b>351.99</b>	<b>1269.07</b>	-	<b>30.68</b>	<b>1590.38</b>
31 March 2013	497.87	-	-	145.88	351.99

Future cash outflows in respect of (i) (a),(b) and (c) above are determinable only on receipt of judgements/decisions pending with various authorities/forums.

**8 Trade payables**

Micro and small enterprises (Refer note 8.1)

Other trade payables

**Total**

<b>31 March 2014</b>	31 March 2013
<b>63.61</b>	26.15
<b>17948.22</b>	13988.98
<b>18011.83</b>	14015.13

**8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	<b>61.38</b>	21.45
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	<b>2.23</b>	4.70
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 9 Other current liabilities

	31 March 2014	31 March 2013
Unpaid dividends (Refer note 9.1)	213.27	99.41
Creditors for capital expenditure	8.92	5.55
Statutory remittances	461.19	386.39
Security Deposits	188.47	-
Interest accrued on deposits	2.23	8.38
Employee benefits	329.78	314.59
<b>Total</b>	<b>1203.86</b>	<b>814.32</b>

9.1 Investor education and protection fund (IEPF) is being credited by the amount of unclaimed dividend after seven years from the due date. The amount represents amounts not yet due for deposit to the IEPF.

### 10 Short-term provisions

#### Provision for employee benefits

Employee wages and bonus [Refer note 10.1 (a)]	509.04	331.12
Compensated absences [Refer note 23.1]	207.37	322.67
Gratuity [Refer note 23.1]	75.30	61.42

#### Other provisions

Sales return [Refer note 10.1 (b)]	804.28	673.99
Proposed dividend [Refer note 10.2]	-	3862.41
Tax on proposed dividend	-	656.42

<b>Total</b>	<b>1595.99</b>	<b>5908.03</b>
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10.1 Additional disclosure relating to certain provisions

	Opening	Additions	Reversal	Closing
a) Employee wages and bonus				
<b>31 March 2014</b>	<b>331.12</b>	<b>177.92</b>	-	<b>509.04</b>
31 March 2013	141.01	190.11	-	331.12
b) Sales return				
<b>31 March 2014</b>	<b>673.99</b>	<b>130.29</b>	-	<b>804.28</b>
31 March 2013	212.50	461.49	-	673.99
<b>Total</b>				
<b>31 March 2014</b>	<b>1005.11</b>	<b>308.21</b>	-	<b>1313.32</b>
31 March 2013	353.51	651.60	-	1005.11

10.2 Proposed dividend

Amount per share (in ₹)	-	17
Number of shares	-	22,720,059
Amount (₹ in lakhs)	-	3862.41

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

**11 Fixed Assets**

	Leasehold land	Buildings	Building on Leasehold Land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total Tangible Assets	Computer Software (Intangible)	Total Intangible Assets	Total Assets
<b>Gross block</b>												
Balance as at 1 April 2012	222.62	56.40	1924.10	4837.45	129.04	288.17	143.43	496.72	8097.93	165.69	165.69	8263.62
Additions	-	-	58.34	222.38	0.41	-	4.67	6.01	291.81	-	-	291.81
Disposals	-	-	-	61.10	2.47	76.69	19.93	1.84	162.03	-	-	162.03
Balance as at 31 March 2013	222.62	56.40	1982.44	4998.73	126.98	211.48	128.17	500.89	8227.71	165.69	165.69	8393.40
Balance as at 1 April 2013	222.62	56.40	1982.44	4998.73	126.98	211.48	128.17	500.89	8227.71	165.69	165.69	8393.40
Additions	-	-	-	123.36	13.27	3.95	4.73	127.48	272.79	-	-	272.79
Disposals	-	-	-	0.35	3.65	71.31	32.74	81.28	189.33	-	-	189.33
<b>Balance as at 31 March 2014</b>	<b>222.62</b>	<b>56.40</b>	<b>1982.44</b>	<b>5121.74</b>	<b>136.60</b>	<b>144.12</b>	<b>100.16</b>	<b>547.09</b>	<b>8311.17</b>	<b>165.69</b>	<b>165.69</b>	<b>8476.86</b>
<b>Depreciation and impairment losses</b>												
Balance as at 1 April 2012	26.13	35.35	632.32	4101.47	123.12	236.54	114.74	439.02	5708.69	165.69	165.69	5874.38
Depreciation for the year	2.18	1.88	64.88	123.08	3.38	22.46	7.93	40.02	265.81	-	-	265.81
Accumulated depreciation and impairment losses on disposal	-	-	-	60.90	2.47	76.69	19.77	1.84	161.67	-	-	161.67
Balance as at 31 March 2013	28.31	37.23	697.20	4163.65	124.03	182.31	102.90	477.20	5812.83	165.69	165.69	5978.52
Balance as at 1 April 2013	28.31	37.23	697.20	4163.65	124.03	182.31	102.90	477.20	5812.83	165.69	165.69	5978.52
Depreciation for the year	2.18	0.17	65.19	130.47	2.66	9.68	3.76	59.73	273.84	-	-	273.84
Accumulated depreciation and impairment losses on disposal	-	-	-	0.40	3.65	69.81	32.74	81.22	187.82	-	-	187.82
<b>Balance as at 31 March 2014</b>	<b>30.49</b>	<b>37.40</b>	<b>762.39</b>	<b>4293.72</b>	<b>123.04</b>	<b>122.18</b>	<b>73.92</b>	<b>455.71</b>	<b>5898.85</b>	<b>165.69</b>	<b>165.69</b>	<b>6064.54</b>
<b>Net Block</b>												
As at 31 March 2013	194.31	19.17	1285.24	835.08	2.95	29.17	25.27	23.69	2414.88	-	-	2414.88
<b>As at 31 March 2014</b>	<b>192.13</b>	<b>19.00</b>	<b>1220.05</b>	<b>828.02</b>	<b>13.56</b>	<b>21.94</b>	<b>26.24</b>	<b>91.38</b>	<b>2412.32</b>	<b>-</b>	<b>-</b>	<b>2412.32</b>

11.1 Buildings include investment in shares of ₹ 0.01 lakhs (March 2013: ₹ 0.01 lakhs) in co-operative housing societies in 2 (March 2013: 2) residential premises.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 12 Deferred tax asset

	31 March 2014	31 March 2013
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	160.66	139.26
Gratuity	3.65	34.92
	<b>164.31</b>	174.18
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and other employee benefits	194.47	354.65
Provision for doubtful debts / advances and deposits	626.16	655.02
Compensation under voluntary retirement schemes	36.10	54.51
Provision for sales returns	276.70	-
DPEA Provision	513.10	81.75
TDS on Provisions (Section (40a) of Income Tax Act, 1961)	332.89	244.98
Others	137.78	71.69
	<b>2117.20</b>	1462.60
<b>Net deferred tax asset</b>	<b>1952.89</b>	1288.42

### 13 Long-term loans and advances

(Unsecured, considered good unless otherwise stated)

Capital advances	-	42.27
Deposits and other advances		
Considered good (Refer note 13.1)	2670.06	2636.40
Considered doubtful	120.76	120.76
	<b>2790.82</b>	2757.16
Less: Provision for doubtful deposits and advances	(120.76)	(120.76)
	<b>2670.06</b>	2636.40
Advance income tax (net of provisions)	2123.14	2458.97
Balance with Customs authorities		
Considered good	351.03	173.73
Considered doubtful	73.68	73.68
	<b>424.71</b>	247.41
Less: Provision for balance with Customs authorities	(73.68)	(73.68)
	<b>351.03</b>	173.73
Other loans and advances	846.15	178.98
Employee related:		
Loans and advances	32.96	46.33
Contribution in excess of employee benefits liabilities	300.28	164.17
<b>Total</b>	<b>6323.62</b>	5700.85

13.1 Includes ₹ 1753.53 lakhs (March 2013: ₹ 1753.53 lakhs) deposited in respect of demands under the Drugs (Prices Control) Order, 1979

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

	<b>31 March 2014</b>	31 March 2013
<b>14 Inventories</b>		
(At lower of cost and net realisable value unless otherwise stated)		
Raw materials	<b>4946.00</b>	2277.88
Goods-in transit included above ₹ 1057.25 lakhs (March 2013: ₹ 1422.76 lakhs)		
Packing materials	<b>340.57</b>	359.31
Work-in-progress	<b>317.11</b>	192.78
Finished goods (Refer note 14.1)	<b>3277.21</b>	4264.83
Goods-in transit included above ₹ 145.17 lakhs (March 2013: ₹ 67.97 lakhs)		
Stock-in-trade (Refer note 14.1)	<b>6865.89</b>	11144.70
Goods-in transit included above ₹ 976.27 lakhs (March 2013: Nil)		
Samples (Refer note 14.1)	<b>173.59</b>	188.45
Stores and spares (at cost)	<b>11.40</b>	17.86
<b>Total</b>	<b>15931.77</b>	18445.81

14.1 Finished goods, stock-in-trade and samples comprises of:

Formulations		
Tablets and Capsules	<b>2940.94</b>	4011.95
Liquids	<b>536.26</b>	632.32
Parenterals	<b>6305.10</b>	10181.54
Injections	<b>29.79</b>	172.34
Ointments	<b>184.72</b>	128.99
Cosmetics and Toiletries		
Liquid and Lotions	<b>316.94</b>	470.84
Cream	<b>2.94</b>	-
	<b>10316.69</b>	15597.98

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 15 Trade receivables

Trade receivables outstanding for a period exceeding six months from the date they became due for payment

Secured, considered good	<b>3.70</b>	9.78
Unsecured, considered good	<b>39.10</b>	77.66
Doubtful	<b>1721.34</b>	1701.86

<b>1764.14</b>	1789.30
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Less: Provision for doubtful trade receivables

<b>(1721.34)</b>	(1701.86)
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<b>42.80</b>	87.44
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Other trade receivables

Secured, considered good	<b>2.90</b>	21.98
Unsecured, considered good	<b>4956.59</b>	4339.34
Doubtful	-	102.30

<b>4959.49</b>	4463.62
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Less: Provision for doubtful trade receivables

-	(102.30)
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<b>4959.49</b>	4361.32
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**Total**

<b>5002.29</b>	4448.76
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### 16 Cash and bank balances

Cash and cash equivalents

Cash on hand	<b>0.86</b>	0.86
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Balances with banks

In current accounts	<b>2995.19</b>	1529.55
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In deposit accounts	<b>12512.50</b>	42300.00
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Other bank balances

Unpaid dividend accounts	<b>213.27</b>	99.41
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**Total**

<b>15721.82</b>	43929.82
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

**17 Short-term loans and advances**

(Unsecured, considered good unless otherwise stated)

	31 March 2014	31 March 2013
Security deposits	39.35	290.92
Balance with Customs and Excise authorities	1966.34	1158.61
Advance to suppliers	142.25	550.15
Employee related advances	37.65	74.14
Prepaid expenses	315.56	355.45
Other loans and advances	422.72	47.57
<b>Total</b>	<b>2923.87</b>	<b>2476.84</b>

**18 Other current assets**

Interest accrued on time deposits

	60.41	459.27
<b>Total</b>	<b>60.41</b>	<b>459.27</b>

**19 Revenue from operations**

	Year ended 31 March 2014	Year ended 31 March 2013
Sale of products (gross)	69204.15	68425.61
Less: Excise duty	2160.98	2304.63
<b>Total</b> (Refer note 19.1)	<b>67043.17</b>	<b>66120.98</b>

19.1 Sale of products comprises

	Year ended 31 March 2014	Year ended 31 March 2013
Formulations		
Tablets and Capsules	31830.07	35247.58
Liquids	6404.74	5989.06
Parenterals	25480.46	21643.58
Injections	451.75	355.88
Ointments	351.54	315.61
Cosmetics and Toiletries		
Liquid and Lotions	2511.64	2569.27
Cream	12.97	-
	<b>67043.17</b>	<b>66120.98</b>

**20 Other operating income**

Service income	877.00	775.39
Sale of scrap	12.58	9.21
Service Tax credit availed	-	928.58
<b>Total</b>	<b>889.58</b>	<b>1713.18</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>21 Other income</b>		
Interest income :		
On deposits from Bank	2705.03	3374.25
On overdue trade receivables	5.47	-
On income tax refund	-	74.13
On loans to employees	1.47	1.92
Net gain on sale/retirement of fixed assets	5.36	11.96
Rental Income	251.30	-
Liabilities no longer required written back	239.52	-
Miscellaneous income	199.87	63.47
<b>Total</b>	<b>3408.02</b>	<b>3525.73</b>
<b>22 Cost of materials consumed</b>		
<b>22a Raw materials consumed</b>		
Opening stock	2277.88	2695.22
Add: Purchases	9677.17	7743.39
	<b>11955.05</b>	10438.61
Less: Closing stock	4946.00	2277.88
<b>Cost of raw materials consumed (a) (Refer note 22a (i))</b>	<b>7009.05</b>	8160.73
<b>22b Packing materials consumed</b>		
Opening stock	359.31	361.83
Add: Purchases	1569.97	1658.22
	<b>1929.28</b>	2020.05
Less: Closing stock	340.57	359.31
Cost of packing materials consumed (b)	1588.71	1660.74
<b>Total cost of materials consumed (a + b)</b>	<b>8597.76</b>	9821.47
22a(i) Raw material consumed comprises		
Prednisolone	4003.13	5384.25
Levonogestrel / Norgestrel	210.57	370.24
Premarin tablets	927.76	767.71
Other items	1867.59	1638.53
	<b>7009.05</b>	8160.73
<b>22c Purchases of stock-in-trade</b>		
Tablets and Capsules	2139.65	2132.86
Ointments	450.49	401.94
Parenterals	15978.32	21463.79
Liquids	175.56	287.58
<b>Total</b>	<b>18744.02</b>	24286.17



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>22d Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Inventories at the end of the year		
Finished goods	3277.21	4264.83
Work-in-progress	317.11	192.78
Stock-in-trade	6865.89	11144.70
Samples	173.59	188.45
	<b>10633.80</b>	<b>15790.76</b>
Inventories at the commencement of the year		
Finished goods	4264.83	2464.22
Work-in-progress	192.78	124.08
Stock-in-trade	11144.70	6172.95
Samples	188.45	173.78
	<b>15790.76</b>	<b>8935.03</b>
<b>Net (increase) / decrease</b>	<b>5156.96</b>	<b>(6855.73)</b>

**23 Employee benefits**

Salaries and wages	2920.66	3139.64
Contribution to provident and other funds (Refer note 23.1)	454.85	427.47
Gratuity (Refer note 23.1)	22.80	217.91
Compensation under voluntary retirement scheme	15.39	50.55
Staff welfare expenses	171.44	214.56
<b>Total</b>	<b>3585.14</b>	<b>4050.13</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>24 Finance costs</b>		
Interest expense	5.19	54.84
<b>Total</b>	<b>5.19</b>	<b>54.84</b>
<b>25 Other expenses</b>		
Consumption of stores and spare parts	92.26	63.07
Processing charges	598.25	591.00
Power and fuel	286.78	344.59
Rent	1031.45	867.41
Repairs and maintenance		
Buildings	18.75	10.16
Machinery	112.94	154.92
Others	17.35	17.76
Insurance	318.69	298.62
Rates and taxes	1630.16	1152.96
Communication	156.47	178.31
Travelling and conveyance	756.37	810.25
Printing and stationery	31.98	45.94
Freight and forwarding expenses	1826.67	1676.69
Cash discount	56.57	58.84
Advertisement and sales promotion	2434.64	2551.70
Legal and professional fees	1152.46	721.00
Payments to auditors (Refer note 25.1)	48.33	47.07
Provision for doubtful trade receivables and advances	(65.98)	1564.42
Net loss on foreign currency transactions and translation	1585.06	477.18
Bank charges	38.72	49.85
Service charges	8355.85	7669.88
Commission to non whole time directors	50.00	50.00
Miscellaneous Expenses	1055.90	1008.45
<b>Total</b>	<b>21589.67</b>	<b>20410.07</b>
25.1 Payment to auditors (inclusive of service tax)		
Audit fees	29.21	29.21
Other services	17.98	16.99
Reimbursement of expenses	1.14	0.87
	<b>48.33</b>	<b>47.07</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

**26 Contingent liabilities and commitments (to the extent not provided for)**

**(i) Contingent liabilities**

**1. Disputed Claims under Drug (Prices Control) Order**

- (a) The Government of India has served demand notices on the Company in respect of its products, claiming that an amount of ₹ 4507.07 lakhs (March 2013: ₹ 4507.07 lakhs) inclusive of interest of ₹ 3186.55 lakhs (March 2013: ₹ 3186.55 lakhs) is payable in respect of price fixation under the Drugs (Prices Control) Order 1979. The Company has disputed the demand. Without prejudice to its contention, the Company paid the principal amount of ₹ 1320.52 lakhs. The Company carries a provision of ₹ 1469.08 lakhs in respect of the said demand. The Company has furnished corporate bonds for amount aggregating to ₹ 3186.55 lakhs for interest.
- (b) The Government of India has served demand notices on the Company in respect of its products, claiming that an amount of ₹ 1069.35 lakhs (March 2013: ₹ 1069.35 lakhs) inclusive of interest of ₹ 832.47 lakhs (March 2013: ₹ 832.47 lakhs) is payable in respect of price fixation under the Drugs (Prices Control) Order 1979. The Company has disputed the demand. Without prejudice to its contention, the Company has paid principal amount of ₹ 236.88 lakhs under protest. The Company carries a cumulative provision of ₹ 40.50 lakhs in the books of accounts. The Company has furnished corporate bonds for amount aggregating to ₹ 832.47 lakhs for interest.
- (c) The Government of India has served demand notices on the Company in respect of its certain bulk drugs and products, claiming that an amount of ₹ 331.29 lakhs (March 2013: ₹ 331.29 lakhs) inclusive of interest ₹ 187.34 lakhs (March 2013: ₹ 187.34 lakhs) is payable into the Drug Prices Equalization Account (DPEA) under the Drugs (Prices Control) Order, 1979 on account of alleged unintended benefit enjoyed by the Company. The Company has disputed the demand. Without prejudice to its contentions, the Company has paid an amount of ₹ 45 lakhs under protest.
- (d) The Government of India has served a demand notice on the Company claiming an amount ₹ 1726.35 lakhs (March 2013: ₹ 1726.35 lakhs) inclusive of interest of ₹ 134.90 lakhs (March 2013: ₹ 134.90 lakhs) due thereon for alleged non compliance under the Drugs (Prices Control) Order, 1995 in respect of production of Prednisolone based formulations. Without prejudice to its contentions, the Company has provided and paid ₹ 1287.93 lakhs and disputed the balance demand.

The demands stated in 1 (a),(b),(c) and (d) above aggregate to ₹ 7634.06 lakhs (March 2013: ₹ 7634.06 lakhs) inclusive of interest of ₹ 4341.26 lakhs (March 2013: ₹ 4341.26 lakhs). Based on the legal opinions obtained during the year and reassessment of potential liabilities in respect of these cases by the management, the Company is of the opinion that the estimated liability in respect of these cases involved shall not exceed ₹ 1509.57 lakhs (March 2013: ₹ 240.50 lakhs) provided in the books of accounts.

**2. Other claims against the Company not acknowledged as debts**

	<b>31 March 2014</b>	31 March 2013
Central Excise, Customs & Service tax	<b>1056.81</b>	1056.81
Income-tax	<b>1068.06</b>	528.84
Sales tax / VAT	<b>2877.73</b>	1290.92
Others	<b>0.64</b>	0.64

Note: Future cash outflows in respect of 1 (a) to (c) above are determinable only on receipt of judgements/decisions pending with various authorities/forums.

**(ii) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>38.15</b>	26.74
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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 27 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31 March 2014		As at 31 March 2013	
	Receivable/ (Payable) ₹ in lakhs	Receivable/ (Payable) in Foreign currency USD in lakhs	Receivable/ (Payable) ₹ in lakhs	Receivable/ (Payable) in Foreign currency USD in lakhs
Accounts receivable	220.15	3.68	59.58	1.43
Accounts payable	(1375.71)	(22.97)	(9739.31)	(179.41)
Net receivable/ (payable)	(1155.56)	(19.29)	(9679.73)	(177.98)

### 28 Value of imports calculated on CIF basis

	Year ended 31 March 2014	Year ended 31 March 2013
Raw materials	8738.06	5361.40
Purchase of Stock in trade	14072.72	19243.35
Capital goods	28.77	49.07
<b>Total</b>	<b>22839.55</b>	<b>24653.82</b>

### 29 Expenditure in foreign currency (accrual basis)

	Year ended 31 March 2014	Year ended 31 March 2013
Travelling	16.51	22.91
Other matters	126.78	4.33
<b>Total</b>	<b>143.29</b>	<b>27.24</b>

### 30 Details of consumption of imported and indigenous raw materials

	Amount	% of total consumption
Imported		
<b>31 March 2014</b>	<b>5173.08</b>	<b>74%</b>
31 March 2013	6679.34	82%
Indigenous		
<b>31 March 2014</b>	<b>1835.97</b>	<b>26%</b>
31 March 2013	1481.39	18%
<b>Total</b>		
<b>31 March 2014</b>	<b>7009.05</b>	<b>100%</b>
31 March 2013	8160.73	100%

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

**31 Earnings in foreign currency**

Export on FOB basis [excluding export of ₹ 233.02 lakhs to Nepal (March 2013: ₹ 224.22 lakhs)]	<b>75.94</b>	148.02
Freight	<b>0.15</b>	1.26
Insurance	-	0.04
Others	-	2.97
<b>Total</b>	<b>76.09</b>	152.29

<b>Year ended 31 March 2014</b>	Year ended 31 March 2013
<b>75.94</b>	148.02
<b>0.15</b>	1.26
-	0.04
-	2.97
<b>76.09</b>	152.29

**32 Dividend remittances in foreign currency**

Amount remitted during the year	<b>18814.85</b>	2090.54
Number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	<b>3</b>	3
Number of shares on which dividend was due	<b>11,614,102</b>	11,614,102
Year to which the dividend relates	<b>31 March 2013</b>	31 March 2012
	<b>Final dividend</b>	Final dividend
	<b>30 November</b>	-
	<b>2013</b>	-
	<b>Interim dividend</b>	-

<b>18814.85</b>	2090.54
<b>3</b>	3
<b>11,614,102</b>	11,614,102
<b>31 March 2013</b>	31 March 2012
<b>Final dividend</b>	Final dividend
<b>30 November</b>	-
<b>2013</b>	-
<b>Interim dividend</b>	-

**33 Segment Information**

**(A) Information in respect of Primary Segments**

**(I) Segment Revenue**

Pharmaceuticals	<b>64949.72</b>	64151.59
Others	<b>3679.08</b>	3758.00
	<b>68628.80</b>	67909.59

<b>64949.72</b>	64151.59
<b>3679.08</b>	3758.00
<b>68628.80</b>	67909.59

**(II) Segment Result**

Pharmaceuticals	<b>10129.41</b>	15531.83
Others	<b>552.00</b>	400.00
Operating Profit	<b>10681.41</b>	15931.83
Interest Expense	<b>(5.19)</b>	(55.00)
Interest Income	<b>2711.96</b>	3450.30
Provision for Taxation	<b>(4596.20)</b>	(6321.62)
Profit after Taxation	<b>8791.99</b>	13005.51

<b>10129.41</b>	15531.83
<b>552.00</b>	400.00
<b>10681.41</b>	15931.83
<b>(5.19)</b>	(55.00)
<b>2711.96</b>	3450.30
<b>(4596.20)</b>	(6321.62)
<b>8791.99</b>	13005.51

**(III) Other Information**

**(a) Segment Assets**

Pharmaceuticals	<b>32584.57</b>	31505.13
Others	<b>1138.32</b>	973.10
	<b>33722.89</b>	32478.23
Unallocated Corporate Assets	<b>16648.94</b>	46714.22
	<b>50371.83</b>	79192.45

<b>32584.57</b>	31505.13
<b>1138.32</b>	973.10
<b>33722.89</b>	32478.23
<b>16648.94</b>	46714.22
<b>50371.83</b>	79192.45



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>(b) Segment Liabilities</b>		
Pharmaceuticals	22473.93	16895.20
Others	668.54	651.85
	<b>23142.48</b>	17547.05
Unallocated Corporate Liabilities	300.46	4965.55
	<b>23442.94</b>	22512.60
<b>(c) Capital Expenditure</b>		
Pharmaceuticals	281.87	138.00
Others	5.96	0.30
	<b>287.83</b>	138.30
<b>(d) Depreciation and Impairment Loss</b>		
Pharmaceuticals	260.47	255.90
Others	13.37	9.91
	<b>273.84</b>	265.81
<b>(B) Information in respect of Secondary Segments</b>		
<b>(I) Segment Revenue (Sales to External Customers)</b>		
India	68319.84	67537.35
Other Countries	308.96	372.24
	<b>68628.80</b>	67909.59
<b>(II) Carrying amount of Segment Assets</b>		
India	50371.83	79192.45
Other Countries	-	-
	<b>50371.83</b>	79192.45
<b>(III) Capital Expenditure</b>		
India	287.83	138.30
Other Countries	-	-
	<b>287.83</b>	138.30

Notes:

- (a) The primary segment reporting of the company is based on the business segments. The businesses of the company comprise of Pharmaceuticals and Other businesses. The operational performance of the business is reviewed by the management based on such segregation.
  - (i) Pharmaceuticals segment comprise of Formulations which includes Oral Contraceptives, Hormone Replacement Therapy, Antibiotics, Vaccines, Steroids and other prescription medicines.
  - (ii) Others comprise of OTC pharmaceuticals, Cosmetics and other allied consumer products.
- (b) Secondary segment reporting is based on the geographical location of customers. Revenue is segregated into two segments namely India (sales to customers within India) and Other Countries (sales to customers outside India) for the purpose of reporting geographical segments.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
(c) Segment Revenue comprises of -		
Sales	<b>67043.17</b>	66120.98
Other operating income	<b>889.58</b>	1713.18
Other income excluding interest income	<b>696.05</b>	75.43
	<b>68628.80</b>	67909.59

The segment revenues are from external customers

- (d) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for the preparation of financial statements as disclosed in Note 2 - Significant Accounting Policies.

### 34 Related Party Disclosures

(A) Enterprises where control exists

- (a) Ultimate Holding Company      Pfizer Inc, USA  
 (b) Holding Company                Wyeth LLC, USA

(B) Other Related Parties with whom the Company had transactions during the year

- (a) Fellow Subsidiaries
- John Wyeth & Brother Limited (UK)
  - John Wyeth & Brother Limited ( India Branch)
  - Wyeth Holdings LLC, USA
  - Pfizer Limited
  - Pfizer Products India Pvt. Ltd.
  - Wyeth Pharmaceuticals India Pvt. Ltd.
  - Wyeth Regional Manufacturing (Singapore) Pte Ltd.
  - Pfizer Singapore Trading Pte Limited
  - Zoetis India Limited ( Erstwhile Pfizer Animal Health India Limited)  
(upto 24.6.2013)
  - Pfizer Animal Pharma Private Limited
  - Pfizer Canada Inc
  - Pfizer Export Company, Ireland
  - Pfizer International LLC
  - Pfizer Corporation Austria Gesellschaft m.b.H.
  - Pfizer Service Company BVBA
  - AHP Manufacturing BV
  - Wyeth Ayerst International LLC
  - Zoetis Pharmaceutical Research Private Limited (erstwhile Pfizer  
Pharmacueticals India Private Limited) (upto 24.6.2013)
  - Wyeth Pharmaceuticals Inc
  - Pfizer Pharmaceuticals LLC
  - Pfizer (Thailand) Limited
  - Pfizer Private Limited Singapore
  - Pfizer Mexico
  - Wyeth Canada



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

	<b>Year ended 31 March 2014</b>	Year ended 31 March 2013
<b>Reimbursement of Expenses</b>		
Pfizer Limited	<b>305.53</b>	274.97
Wyeth Pharmaceuticals Inc	-	77.42
Pfizer Corporation Austria Gesellschaft m.b.H.	<b>20.07</b>	-
Pfizer Products India Pvt. Ltd.	<b>5.03</b>	-
Pfizer Animal Pharma Private Limited	<b>0.33</b>	-
Pfizer Export Company, Ireland	<b>1.91</b>	-
	<b>332.87</b>	352.39
<b>Service Charges</b>		
Pfizer Limited	<b>8788.37</b>	7669.88
	<b>8788.37</b>	7669.88
<b>Recovery of Expenses</b>		
Wyeth Ayerst International Inc.	-	60.16
Pfizer Products India Pvt. Ltd.	<b>18.30</b>	16.27
John Wyeth & Brother Limited	<b>3.61</b>	15.47
Pfizer Pharmaceuticals India Private Limited	-	3.52
Pfizer Limited	<b>133.13</b>	3.69
Pfizer International LLC	<b>153.24</b>	19.24
Pfizer Animal Pharma Private Limited	-	0.81
Pfizer Private Limited Singapore	-	0.66
Pfizer Limited, Thailand	-	0.60
Pfizer Service Company BVBA	<b>23.26</b>	-
Zoetis India Limited	<b>0.63</b>	-
	<b>332.17</b>	120.42
<b>Service Income (including Service Tax)</b>		
Pfizer Limited	<b>755.31</b>	530.20
Pfizer Products India Private Limited	<b>148.33</b>	254.35
Pfizer Pharmaceuticals India Pvt.Ltd.	-	74.65
Wyeth Pharmaceuticals India Pvt.Ltd.	<b>0.06</b>	18.48
	<b>903.70</b>	877.68
<b>Asset Purchased</b>		
Pfizer Limited	<b>7.00</b>	-
	<b>7.00</b>	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>Others</b>		
Pfizer Products India Private Limited	-	10.29
Zoetis India Limited	-	7.07
Wyeth Ayerst International LLC	<b>17.94</b>	-
Wyeth Pharmaceuticals Inc	<b>151.04</b>	-
	<b>168.98</b>	17.36
<b>Balances as at the year end</b>		
<b>Outstanding Receivables</b>		
John Wyeth & Brother Limited	<b>21.83</b>	18.22
Wyeth Ayerst International Inc.	<b>182.28</b>	200.23
Wyeth Pharmaceuticals India Pvt. Ltd.	-	21.45
Pfizer Limited	<b>94.61</b>	61.11
Pfizer Mexico	<b>3.00</b>	2.71
Pfizer Products India Private Limited	<b>18.98</b>	39.49
Pfizer International LLC	<b>170.85</b>	19.50
Wyeth Regional Manufacturing ( Singapore) Pte Limited	<b>10.42</b>	9.48
Wyeth Canada	<b>0.16</b>	0.15
Pfizer Animal Pharma Private Limited	-	0.33
Pfizer Service Company BVBA	<b>21.74</b>	-
	<b>523.87</b>	372.67
<b>Outstanding Payables</b>		
John Wyeth & Brother Limited	<b>250.22</b>	250.22
Wyeth Pharmaceuticals	-	138.13
Pfizer Export Company	<b>8610.60</b>	7658.95
Pfizer Limited	<b>7006.27</b>	1921.19
Pfizer Singapore Trading Pte Ltd	-	1795.83
Wyeth Canada	<b>53.24</b>	48.25
Pfizer Corporation Austria Gesellschaft m.b.H.	<b>19.24</b>	-
Pfizer Canada Inc	<b>129.71</b>	-
	<b>16069.28</b>	11812.57

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
<b>35 Operating lease</b>		
<b>Details of leasing arrangements</b>		
The Company has entered into operating lease arrangements for certain facilities, office premises & residential premises. The Company has given refundable interest free security deposits under certain agreements. Certain agreements contain provision for renewal.		
Future minimum lease payments under non-cancellable agreements		
not later than one year	<b>91.88</b>	1019.52
later than one year and not later than five years	<b>3.09</b>	92.96
later than five years	-	-
Lease payments recognised in the statement of Profit and Loss under Rent		

**36 Earnings per share (Basic and Diluted)**

Net profit for the year	<b>8791.99</b>	13005.51
Weighted average number of equity shares	<b>22,720,059</b>	22,720,059
Par value per share	<b>10.00</b>	10.00
Earnings per share - Basic and diluted	<b>38.70</b>	57.24

**37 Expenditure on Research and Development**

Capital	-	-
Revenue	<b>140.61</b>	107.91
<b>Total</b>	<b>140.61</b>	107.91

**38 Employee Stock Option Scheme**

The employees of the Company have been issued 25,223 (2013: 25,736) Share Options and 5,044 (2013: 5,147) restricted stock units under the Pfizer Inc 2004 Share Option Plan by Pfizer Inc. The cost incurred by Pfizer Inc pursuant to the said Pfizer Inc 2004 Share Option Plan for the year ended 31 March 2014 amounts to ₹ 87.24 lakhs (2013: ₹ 32.52 lakhs). These amounts have not been charged to the Company by Pfizer Inc.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

### 39 Wyeth Ltd -Pfizer Ltd Amalgamation

The Board of Directors ("the Board") approved the Scheme of Amalgamation of the Company with Pfizer Limited ("the Scheme") on November 23, 2013. The Board has approved a share swap ratio of 7 equity shares of the face value of ₹10 each fully paid up of Pfizer Limited for every 10 equity shares of the face value of ₹10 each fully paid up of Wyeth Limited. In terms of the Scheme, the Appointed Date is April 1, 2013. The Scheme of Amalgamation has been approved by the majority of the equity shareholders represented by three-fourths in value of those present and voting at the Court Convened Meeting held on April 16, 2014. The said Scheme has also been approved by the majority of the minority shareholders by way of postal ballot and e-voting in terms of SEBI Circulars. Pending all other statutory approvals, no effect to the above Scheme has been given in the financial statements.

### 40 Previous year figures

The previous year figures have been regrouped where necessary.

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W

**For and on behalf of the Board of Directors of Wyeth Limited**

**N Sampath Ganesh**

Partner

Membership No: 042554

**Pradip Shah**

Chairman

DIN:00066242

**Aijaz Tobaccowalla**

Managing Director

DIN:05312126

**Sekhar Natarajan**

Director

DIN:01031445

**D. E. Udwadia**

Director

DIN:00009755

**S. S. Lalbhai**

Director

DIN:00045590

**Vivek Dhariwal**

Director

DIN:02826679

**N. N. Thakore**

Company Secretary &  
Legal Director

**S. Sridhar**

Director

DIN:05162648

**Darshak Bhagat**

Acting Chief Financial Officer

Mumbai

28 April 2014

Mumbai

28 April 2014



SELECT FINANCIAL DATA										
(₹ in lakhs)										
Description	March 2014	March 2013	March 2012	March 2011	November 2009	March 2009	March 2008	March 2007	March 2006	March 2005
				(16 months)	(8 months)					
<b>SALES &amp; EARNINGS</b>										
Sales	67043	66121	58407	63648	28636	38265	33132	28813	28729	25550
Other Income (operating and other)	4298	5239	3845	2468	1004	2151	1900	1509	2030	4302
Profit before Tax	13388	19327	20492	23567	8172	14236	11776	11111	8387	4604
Profit after Tax	8792	13006	14469	16529	5901	9967	8148	9243	6874	4296
Prior year expenses & tax adjustments	-	-	-	-	-	-	-	7	102	396
Dividend	32944	3862	4090	4998	4544	7384	6816	6816	5680	4544
Balance in the Profit & Loss Account	10021	40651	33465	25196	16124	16130	15799	16440	16102	16484
<b>ASSETS</b>										
Fixed Assets - Gross	8477	8393	8264	7977	8077	8054	7680	7554	7654	8963
- Net	2455	2443	2571	2711	3264	3887	4193	4403	4736	5264
Investments	-	-	-	-	-	-	24	24	24	24
Net Current Assets	18828	49280	42418	32136	24045	22977	21140	20408	18653	17348
Net Non Current Assets	3943	3919	2846	3217	-	-	-	-	-	-
Deferred tax Assets - Net	1953	1288	608	663	693	554	733	1082	1381	1863
Miscellaneous expenditure	-	-	-	-	-	-	-	-	-	-
Total Assets - Net	27179	56930	48443	38727	28002	27418	26090	25916	24794	24499
<b>REPRESENTED BY</b>										
Net Worth	26929	56680	48193	38477	27752	27168	25840	25666	24544	24249
Share Capital	2272	2272	2272	2272	2272	2272	2272	2272	2272	2272
Reserve & Surplus	24657	54408	45921	36205	25480	24896	23568	23394	22272	21977
Borrowings	250	250	250	250	250	250	250	250	250	250
Long Term	250	250	250	250	250	250	250	250	250	250
Short Term	-	-	-	-	-	-	-	-	-	-
Total Funds	27179	56930	48443	38727	28002	27418	26090	25916	24794	24499
<b>RATIOS</b>										
Profit before tax to Sales (%)	19.97	29.23	35.08	37.03	28.54	37.20	35.54	38.56	29.19	18.02
Profit after tax to Sales (%)	13.11	19.67	24.77	25.97	20.61	26.05	24.59	32.08	23.93	16.81
Earning per equity share (₹)	38.70	57.24	63.69	72.75	25.97	43.87	35.86	40.65	29.80	17.17
Book Value of equity share (₹)	118.53	249.47	212.12	169.35	122.15	119.58	113.73	112.97	108.03	106.70
Dividend per equity share (₹)	145.00	17.00	18.00	22.00	20.00	32.50	30.00	30.00	25.00	20.00
Net Fixed Assets to Net Worth (%)	9.12	4.31	5.33	7.05	11.76	14.31	16.23	17.15	19.30	21.71





## WYETH LIMITED

CIN: L85190MH1947PLC005963

**Registered Office:** Level 6, Platina, Plot No. C - 59, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 098.

Tel: 91 22 2657 4000 Fax: 91 22 2657 4100, Website: www.wyethindia.com

### CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

Dear Shareholders,

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company has sent the Annual Report through electronic mode to those Shareholders whose e-mail IDs are registered. Please note that as a Shareholder, you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to the Company.

The Annual Report and the Notice of General Meetings and other documents will also be available on the Company's website at www.wyethindia.com.

Shareholders holding shares in the physical mode and wishing to register / update their e-mail ID to receive the Annual Report and other documents in electronic mode, are requested to fill the form below and send the same to our Registrar and Share Transfer Agent viz., **Karvy Computershare Private Limited, Plot No. 17-24, Vittalrao Nagar, Near Image Hospital, Madhapur, Hyderabad - 500 081.** The Company will not be in a position to send the documents in electronic mode unless the duly filled in form below is received.

Shareholders holding shares in the dematerialized mode and wishing to register / update their e-mail ID to receive the Annual Report and other documents in electronic mode, are requested to fill the form below and send the same to Karvy Computershare Private Limited and also register / update their e-mail ID with the Depository Participants where their Demat account is maintained.

**WYETH LIMITED**

**N. N. Thakore**

**Company Secretary &  
Legal Director**

Place: Mumbai

Date: 6<sup>th</sup> October, 2014



## WYETH LIMITED

CIN: L85190MH1947PLC005963

**Registered Office:** Level 6, Platina, Plot No. C - 59, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 098.

Tel: 91 22 2657 4000 Fax: 91 22 2657 4100, Website: www.wyethindia.com

### CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

I/We agree to receive documents in electronic mode pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014. Please register / update\* the e-mail ID as mentioned below.

\*Strike out whichever is not applicable.

1. **Name(s) of Shareholder(s)  
(including joint holders, if any)** : \_\_\_\_\_
2. **No. of Shares held** : \_\_\_\_\_
3. **Registered Folio No. / DP ID &  
Client ID No.** : \_\_\_\_\_
4. **E-mail ID for receipt  
of documents in  
electronic mode** :

Place : \_\_\_\_\_

\_\_\_\_\_  
(Signature of First holder)

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

\_\_\_\_\_  
(Name of First holder)

For Physical shares : Kindly send to Karvy Computershare Private Limited.

For Demat shares : Kindly send to Karvy Computershare Private Limited and also register / update the e-mail ID with the Depository Participant where demat account is being maintained.

# Wyeth Limited

CIN: L85190MH1947PLC005963

Registered Office: Level 6, Platina, Plot No. C - 59, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 098.  
Tel: 91 22 2657 4000 Fax: 91 22 2657 4100, Website: www.wyethindia.com

## 66<sup>th</sup> ANNUAL GENERAL MEETING

### ATTENDANCE SLIP

NAME AND ADDRESS OF THE MEMBER:

PLEASE COMPLETE THE SLIP AND  
HAND IT OVER AT THE ENTRANCE  
OF THE MEETING HALL

I hereby record my presence at the 66<sup>th</sup> Annual General Meeting of the Members of Wyeth Limited which will be held at Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, next to Sachivalaya Gymkhana, Mumbai - 400 021, on Monday, 10<sup>th</sup> November, 2014 at 3.00 p.m.

Name of the Shareholder	Signature of the Shareholder/Proxy*

\*Strike out whichever is not applicable.

### ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	User ID	Password

Please read the instructions given at Note No. 14 of the Notice of the Annual General Meeting carefully before voting electronically.

# Wyeth Limited

CIN: L85190MH1947PLC005963

Registered Office: Level 6, Platina, Plot No. C - 59, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 098.  
Tel: 91 22 2657 4000 Fax: 91 22 2657 4100, Website: www.wyethindia.com

Name and Address of the Member:

### PROXY FORM - MGT - 11

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Folio No. / Client ID / DP ID : \_\_\_\_\_ E-mail ID: \_\_\_\_\_

I / We, being the member(s) of Wyeth Limited, holding \_\_\_\_\_ shares of the Company hereby appoint

1. Name	2. Name	3. Name
Address	Address	Address
E-mail ID	E-mail ID	E-mail ID
Signature ..... or failing him / her	Signature ..... or failing him / her	Signature ..... or failing him / her

as my / our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 66<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 10<sup>th</sup> November, 2014 at 3.00 p.m. at Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, next to Sachivalaya Gymkhana, Mumbai - 400 021 and at any adjournment(s) thereof in respect of such resolutions, as are indicated overleaf.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Please affix  
Revenue  
Stamp

Signature of the Shareholder: \_\_\_\_\_ Signature of the Proxy holder(s): \_\_\_\_\_

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.

Please see overleaf

**Westlife**

Registered Office: Westlife (India) Private Limited, 12th Floor, 120, Park Road, Connaught Place, New Delhi - 110022, India  
 CIN: U74900DL2005PTC000001

**ANNUAL GENERAL MEETING**

**ATTENDANCE LIST**

Name of Member: \_\_\_\_\_

Sr. No	Resolutions
<b>Ordinary Resolutions:</b>	
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2014 together with the Reports of the Board of Directors and Auditors thereon.
2.	To consider appointment of Director in place of Mr. Vivek Dhariwal who retires by rotation and being eligible offers himself for re-appointment.
3.	To consider appointment of Messrs. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company for a term of 1 year.
4.	To consider appointment of Mr. Sekhar Natarajan, as an Independent Director of the Company, for a term of 1 year effective 10 <sup>th</sup> November, 2014.
5.	To consider appointment of Mr. K. K. Maheshwari, as an Independent Director of the Company, for a term of 1 year effective 10 <sup>th</sup> November, 2014.
6.	To consider appointment of Mr. S. S. Lalbai, as an Independent Director of the Company, for a term of 1 year effective 10 <sup>th</sup> November, 2014.
7.	To consider and ratify the remuneration payable to Messrs. RA & Co., Cost Accountants for the Financial Year ending 31 <sup>st</sup> March, 2015.
<b>Special Resolutions:</b>	
8.	To consider granting approval to the Board of Directors, to enter into contracts / arrangements / transactions with Pfizer Export Company, Ireland, a 'Related Party'.
9.	To consider granting approval to the Board of Directors, to enter into contracts / arrangements / transactions with Pfizer Limited, a 'Related Party'.



# OUR VALUES

Wyeth Limited  
A subsidiary of Pfizer Inc.

Level 6, Platina,  
Plot No. C - 59, 'G' Block,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai 400 098.  
[www.wyethindia.com](http://www.wyethindia.com)

[www.sapprints.com](http://www.sapprints.com)