

FORM A

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022




Sadashiv Shetty
Partner
Membership No: 48648

For **Pfizer Limited**



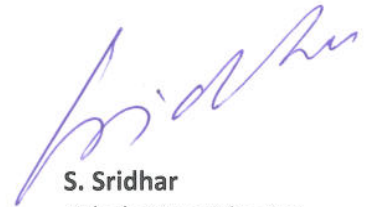
R.A. Shah
*Chairman &
Chairman of Audit Committee*
(DIN: 00009851)

For **Pfizer Limited**



Aijaz Tobaccowalla
Managing Director
(DIN: 05312126)

For **Pfizer Limited**



S. Sridhar
*Whole-time Director
& Chief Financial Officer*
(DIN: 05162648)

Place: Mumbai
Date: 1.8. October, 2014

Place: Mumbai
Date: 1.8. October, 2014



Pfizer Limited

ANNUAL REPORT 2013-14



**STAYING
TRUE**

At Pfizer, '**Staying True**' is, quite simply, a way of life. It is the way we work, the manner in which we approach challenges - staying true to the values of honesty, trust, and care. It guides our intentions, every action, forms the basis of the relationships we build within and with stakeholders outside, and dictates the decisions we make. Staying True to values means:

- Staying True to **Honesty** - integrity, ethics, compliance with every regulation and maintaining a high standard in our conduct - as a company and as individuals.
- Staying True to **Trust** - that our customers have in our products and our stakeholders have in our way of work.
- Staying True to **Care** - towards patients by keeping their needs for quality and innovative therapies at the forefront and towards our colleagues by making Pfizer a great place to work at.

STAYING TRUE TO THRIVING IN CHANGE

Change is around us. As India develops, there continues to be optimism and anticipation of new opportunities for growth. We expect a greater focus on quality and accessible healthcare for the population of our country - better ways to insure our population, greater demand for innovative drugs, more awareness towards preventive healthcare, and better facilities in both, public and private sector. These are changes that we look forward to. At the same time, changes also come by way of continuing uncertainty on policy. Between the revision of the National List of Essential Medicines and the review of price ceilings that apply to them – and both in different cycles, the industry faces constant change and unpredictability. The lack of adequate protection of intellectual property too continues to be an area of concern.

In this environment, we stay true to our ability to deal with and thrive in change by being ready for it. In part, we do this by making changes within our organization too – to better equip us to serve our customers and leverage on opportunities that become available.

OWN the Reality

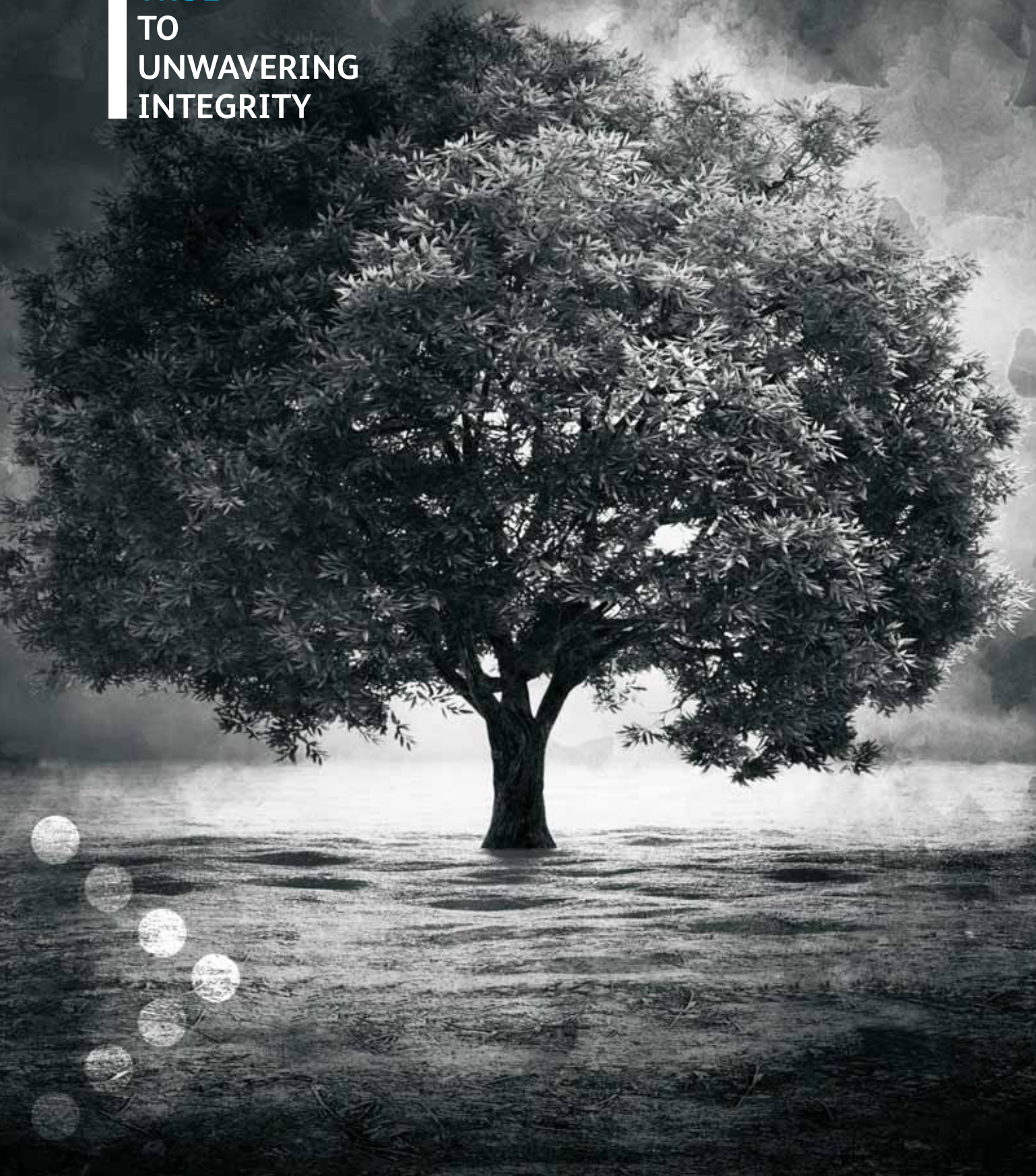
OWN the Opportunity


OWN the Risk and Re-imagine

Following the focus on priority therapeutic areas through 'Uplift' last year, we took up a restructuring of our business as well, both globally and in India. This change has allowed us to strengthen core competencies in specific areas - through products, research, better trained field force, and targeted measurement of business performance. Above all, this has allowed us to focus better on the needs of our doctors and patients by being able to work more closely with them.

We have built our new business structure on the foundations that already exist in Pfizer's '**OWN IT!**' culture. We have remained true to being able to thrive in change, by actively gearing up for it.

**STAYING
TRUE
TO
UNWAVERING
INTEGRITY**






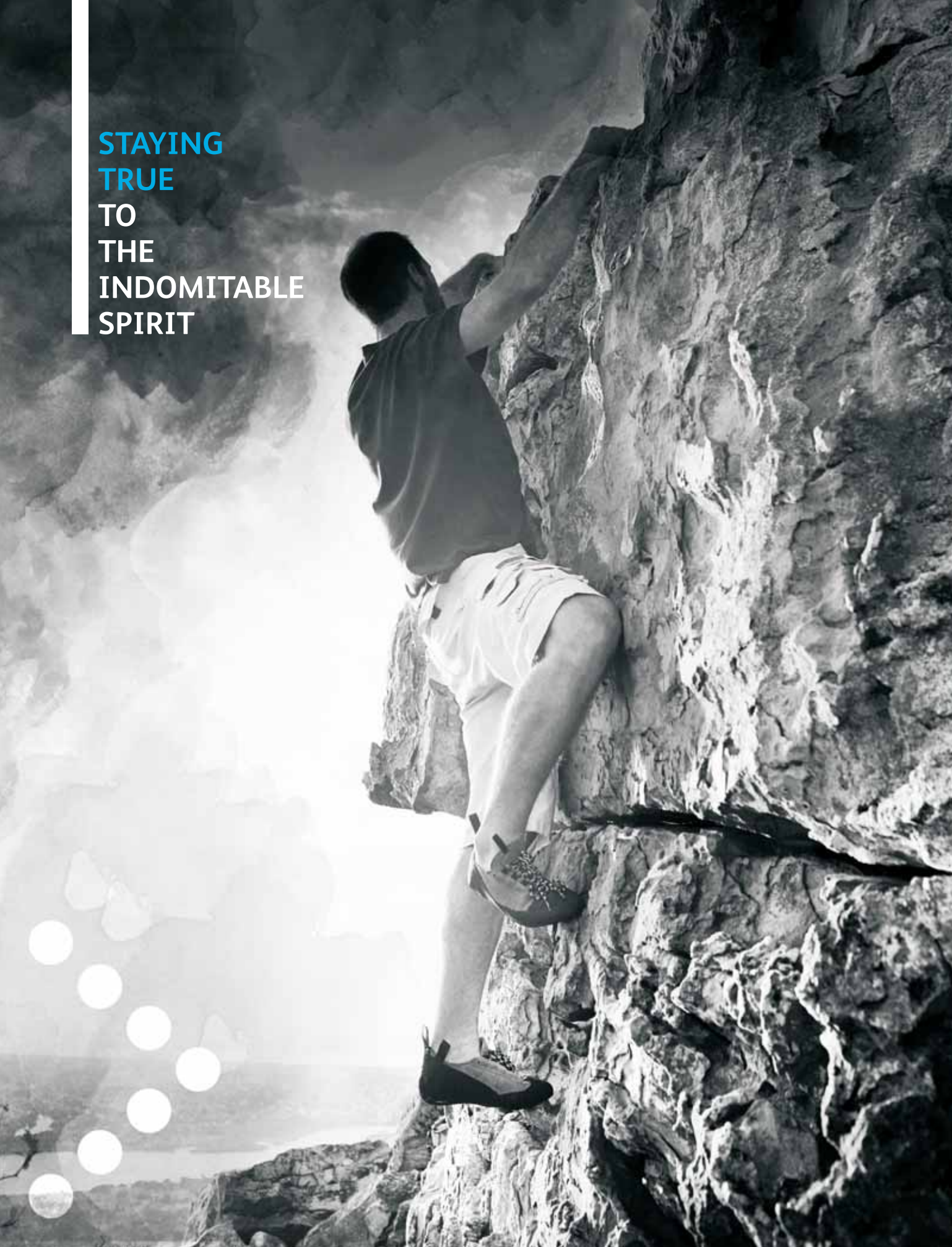
Integrity comes first. It's the first test that every decision passes, the consideration that supersedes all others. By staying true to unwavering integrity, we make the Company stronger. We find solutions to challenges and approach our opportunities in a truthful, honest, and hardworking way. This is also our way to build a stronger reputation and gain respect from each stakeholder we engage with.


The Compliance function equips us with the tools and training we need. We have taken significant steps to strengthen the internal controls and bring in new procedures that aid good governance and adherence to regulations. The Legal function not only provides legal support to the organization but also partners, through proactive counsel, to reduce and mitigate risks.

As an example of its focus on compliance and risk mitigation, Pfizer has introduced a web based tool named 'unCOMPLYcate' that identifies the accountability structure and helps monitor and assess the effectiveness of compliance activities.




**STAYING
TRUE
TO
THE
INDOMITABLE
SPIRIT**





Adversity makes us stronger. It challenges us to remain focused on our goals - to climb higher, do better, and achieve the impossible. The year gone by has been a true test of our resilience to survive the strongest storms. We embraced change, both externally and from within the organization. We took up the initiative to enhance our capabilities and competitiveness to serve all our customers both - new and traditional - in a more efficient and effective way.


Our teams, that form the commercial organization, were restructured on a new linear, therapeutic based model. This model in turn fits in seamlessly with the global new structure that is designed to simplify processes and amplify growth. We looked at different ways to deliver growth with increased efficiency based on the 5 Cs - Competitive advantage, Customer focus, Capability building, Continuous improvement, and Cost effectiveness.



The new Pricing Policy, followed by issues with Trade, had generated turmoil in the market. We decided to take the challenge head on and not lose our focus. We reached out to our colleagues for feedback and worked with external stakeholders to gain insights that allowed us to go to market with innovative approaches. Armed with a portfolio of mega brands and focus on therapeutic areas, we are aiming to scale new heights with our dexterity and sure-footedness.



**STAYING
TRUE
TO
A
BRIGHTER
TOMORROW**



People make Pfizer. We believe in the value and strength that our people bring to the organization and that a brighter tomorrow hinges on the individual success of our colleagues. We encourage the Pfizer Values that include Performance, Respect, Innovation and Customer Focus. We foster an environment where collaboration, accountability and teamwork form the bedrock of the way we work. A movement called '**OWN IT!**'

In implementation, this means introducing platforms for free and frank conversations that result in actionable feedback to the organisation. It means the creation of dedicated teams to conceive and drive colleague engagement activities. It also means we are listening to our colleagues and bringing in the changes they desire to make the work environment more stimulating and encouraging.

Your Company continues to invest in career development programs for its employees. Importantly, we also invest in further improving the organization's communication with the field force to improve engagement, alignment, sharing of common goals, and learning from best practices.

We have remained true to a brighter tomorrow, by working to ensure a productive, collaborative, and satisfying today for our people.



**STAYING
TRUE
TO
RESEARCH
ORIENTED
EXCELLENCE**






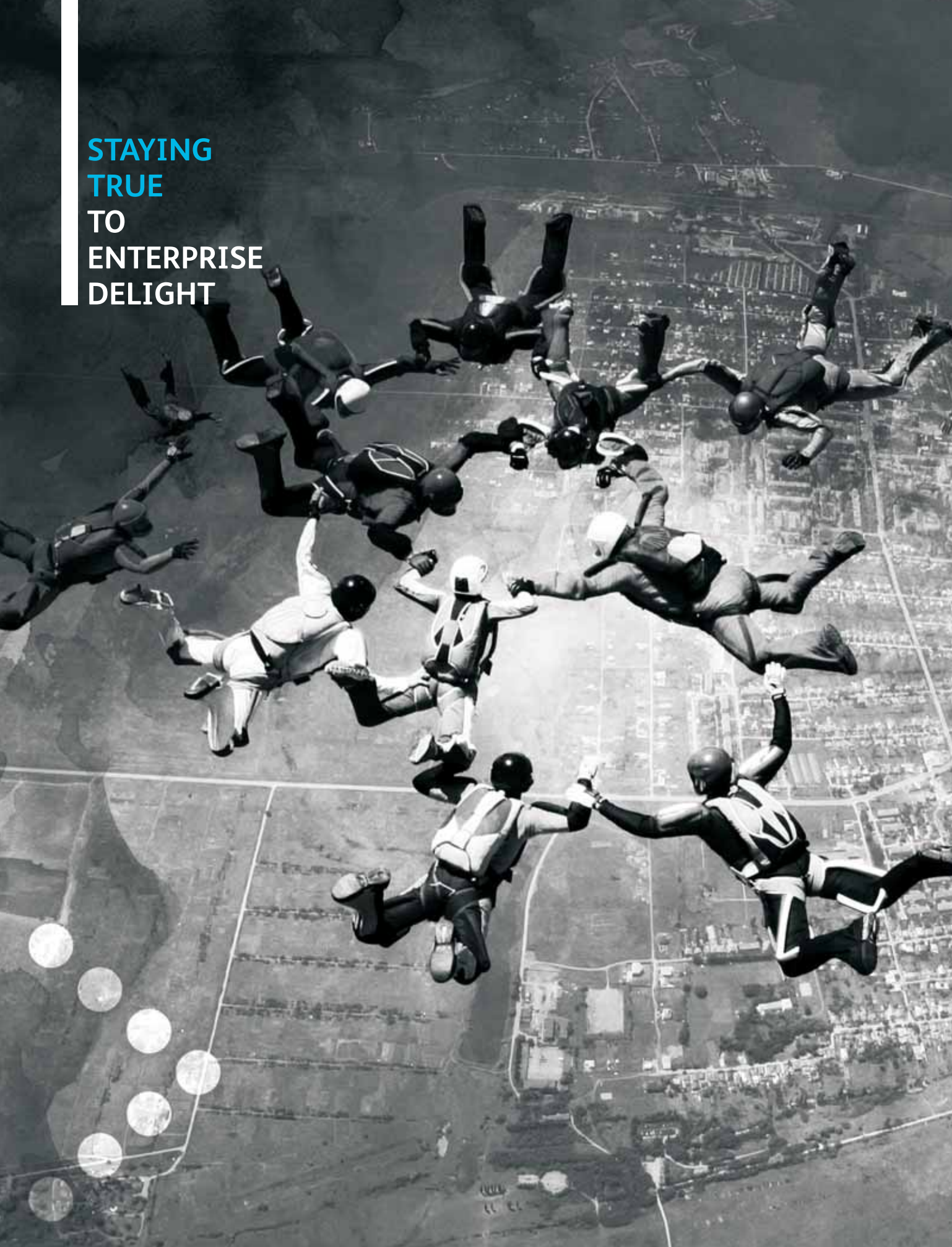
The motto of the Medical Affairs team is 'Simplifying Science, Multiplying Wellness.' True to this, Medical Affairs undertakes activities around medical education with a focus on improving patient outcomes. These activities include deliberations with Healthcare Professionals (HCPs) on emerging data and updated scientific information, conducting medical advisory board meetings, speaker training programs, expert group meetings in therapy areas, and providing support to International Speaker Programs.

The annual India Research Innovation Science Network (IRIS) program creates a network of HCPs passionate about shaping an ecosystem of healthcare innovation in India. In partnership with IIM Ahmedabad, this year IRIS conceptualized and conducted a 'Doctors as Designers' workshop with the aim to take doctors through the stages of innovation, from 'having an idea' to 'introducing a workable product' that addresses a pressing unmet healthcare need.

Medical Affairs provides scientific support to investigator initiated research, through sharing of medical information, designing and conduct of local clinical studies, scientific engagements with physicians and institutions, product training to our field force, evaluation of new products and assistance with their launch. The team also provides medical support to regulatory registration as well as safety review and labeling activities. Additionally, Medical Affairs also takes responsibility for ensuring compliance of promotional practices according to international and local industry standards, and regulatory requirements.



**STAYING
TRUE
TO
ENTERPRISE
DELIGHT**






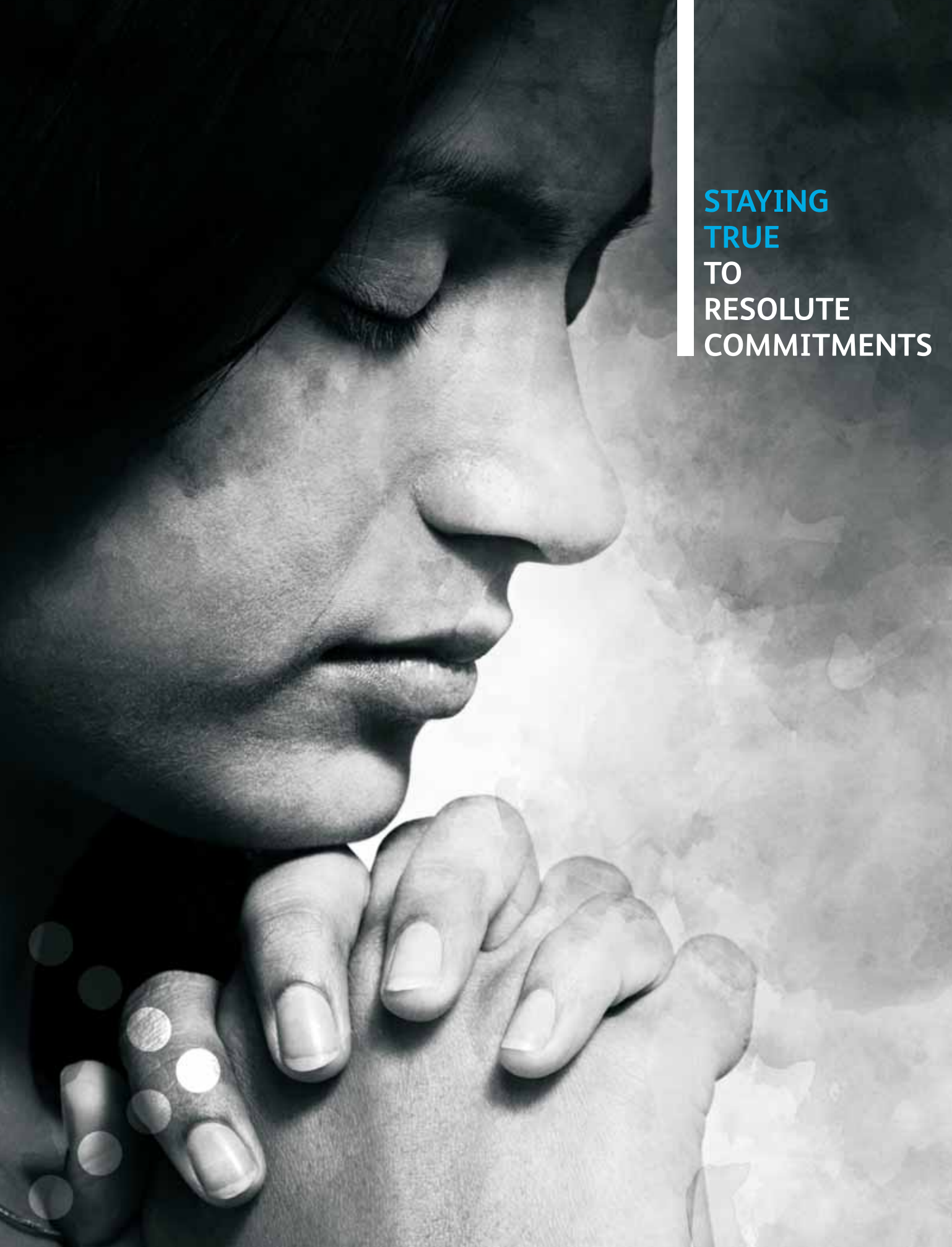
Simply put, Business Technology is the team that connects the entire organization using innovative platforms. This team works closely with all business units to develop and deliver business solutions and services that help them keep the end customer at the front and center.

Pfizer launched a major new initiative to equip its field force with 3G enabled iPad devices. The goal was to move from using paper as a primary mode of communication with HCPs and from limited connection to the company with time spent in Internet cafes to an iPad enabled workforce. Termed iConnect, the program allows us to talk about our products using electronic details that are customized by doctor type, access to a larger array of reference materials, and use a platform for training and significantly improved connectivity.


Reflecting our desire to reduce paper and introduce technology at all levels, we have also introduced an electronic platform to our Board, facilitating paperless board meetings and quick access to documents and an electronic approval system.



With Panorama, a new Business Intelligence and Reporting tool, we have also put in place a solution that delivers meaningful management dashboards with business insights.




**STAYING
TRUE
TO
RESOLUTE
COMMITMENTS**



Our corporate social responsibility strategy focuses on leveraging the full range of the company's resources - people, skills, expertise and funding - to broaden access to medicines and strengthen healthcare delivery for the underserved in India and step up in times of national crises. Your Company remains cognizant of its responsibilities to also meet the requirements towards Corporate Social Responsibility (CSR) under the new Companies Act.

In June 2013, Himalayan floods unleashed devastation across the state of Uttarakhand, displacing over 150,000 people across the state and creating a medical emergency of enormous scale in their wake.

Pfizer stepped up. Our colleagues demonstrated the '**One Pfizer**' Spirit by supporting the survivors of the flood through a clothing donation campaign with the help of NGO partner, Goonj. Together with funding contribution from the Pfizer Foundation, our colleagues also participated in a fund raising campaign of their own for the NGO, AmeriCares.



Pfizer colleagues joined hands with Dignity Foundation, an NGO that works for the welfare of senior citizens, to help them experience a truly memorable 'Joy of Giving' week in October 2013 and on the occasion of 'International Day of Older Persons.'

Dear Shareholders,

An Indian Company that derives a majority of its revenue from products made in and for India with the same exacting standards of quality we are known for globally - This would be a good way to describe your Company. We are a multinational bio-pharmaceuticals company that is comfortably at home in India.

And India is changing.

There is optimism for the future that extends across sectors with the promise of fast paced growth. But this optimism isn't unbridled. An uncertain policy environment, that frequently impacts the prices of our products and the sanctity of our patents, tempers it.

In the midst of this cautious optimism, your Company is taking decisive steps to be ready for the opportunities that come. The business has been restructured in line with the global structure of Global Innovative Pharma Business (GIP); Global Established Pharma Business (GEP) and Vaccines, Oncology, and Consumer Healthcare Business (VOC) - bringing dedicated focus to product lines. The field force is being modernized and flagship brands strengthened too.

We are also taking steps to conclude the merger process that will bring Wyeth Limited and Pfizer Limited together as one entity, and we thank you for your continued support and commitment towards it. The integration of the two portfolios aligns well with our own new structure, strengthening each vertical.

In these ways and more, we are equipping ourselves for the future.

Along the way into the future, there will be questions asked on enhancing access to not just medicines, but healthcare delivery too to serve our vast population. How do we ensure affordability, access, innovation and profitability at the same time? How do we build a reputation for the country as a safe haven for intellectual property? Boost local innovation of our own, continue to modernize all domestic production to global standards and encourage ethical marketing? Your Company will be at the forefront of this dialogue. We will be a part of the solution.

As India changes, we will stay true to thriving in that change. Above all, we remain true to India.

Sincerely,

Aijaz Tobaccowalla

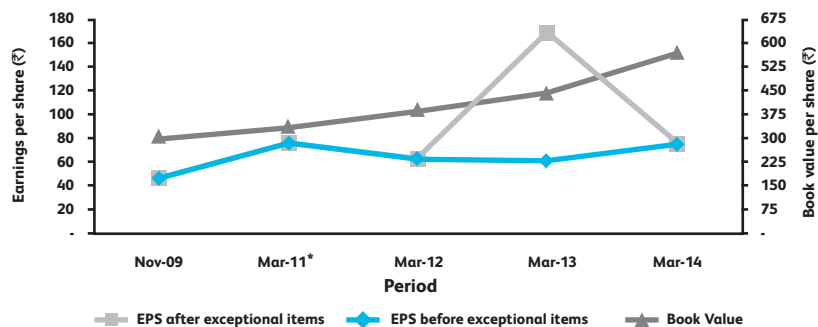
Managing Director

Pfizer Limited

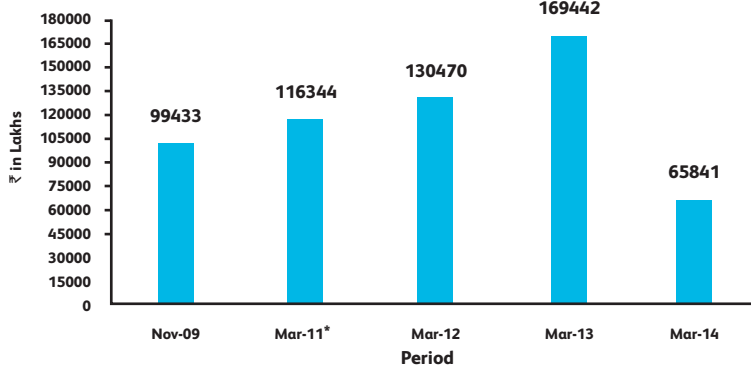


FINANCIAL HIGHLIGHTS

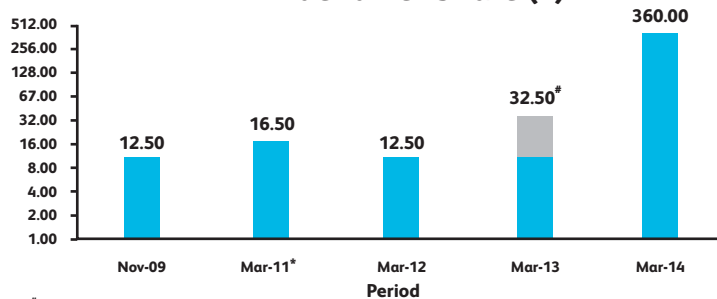
EPS & Book Value



Net Worth

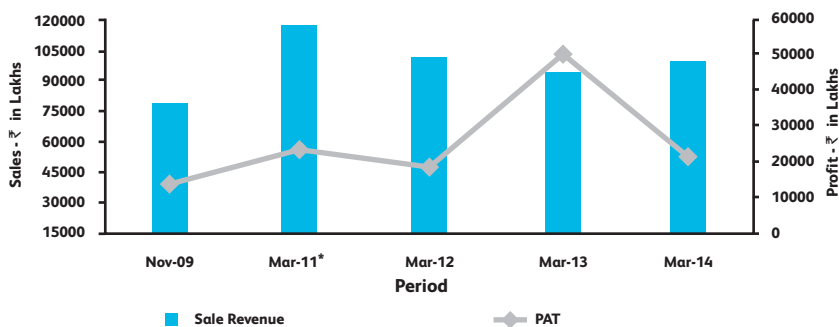


Dividend Per Share (₹)



*Includes special dividend of ₹ 20/- per share

Sales & Profit After Tax



* 16 month period



TEN YEAR FINANCIAL SUMMARY

₹ in Lakhs

	Nov 2004§	Nov 2005	Nov 2006	Nov 2007#	Nov 2008**	Nov 2009^	Mar 2011 16 months	Mar 2012	Mar 2013@	Mar 2014
Sources of Funds										
Shareholders' Funds										
Share Capital	2880	2984	2984	2984	2984	2984	2984	2984	2984	2984
Share Capital Suspense A/c	104	-	-	-	-	-	-	-	-	-
Reserves and Surplus	31292	34672	37589	61880	86972	96449	113360	127486	166458	62857
Total Shareholders' Funds	34276	37656	40573	64864	89956	99433	116344	130470	169442	65841
Borrowed Funds										
Unsecured Loans	1200	-	-	-	-	-	-	-	-	-
Total	35476	37656	40573	64864	89956	99433	116344	130470	169442	65841
Application of Funds										
Net Fixed Assets	7564	7770	6675	7040	8306	9329	8621	3186	2594	2390
Investments	324	-	-	50	50	50	-	4755	4599	4449
Deferred Tax Asset (Net)	636	903	1436	1298	2267	2750	3554	3708	3988	3419
Current Assets, Loans and Advances;										
Inventories	7389	8983	9845	9506	12468	11337	15932	18324	16515	15150
Sundry Debtors	7174	8282	6901	6137	5973	6439	9819	14178	14209	17339
Cash and Bank Balances	16110	20993	30651	47979	54306	52740	57701	86627	143294	30779
Other Current Assets	137	214	903	817	1449	482	591	964	2098	538
Loans & Advances	6840	6693	6821	13537	24795	37209	42127	26414	18653	18370
Total Currents Assets, Loans and Advances	37650	45165	55121	77976	98991	108207	126170	146507	194769	82176
Less: Current Liabilities and Provisions										
Current Liabilities	11284	13404	14495	10628	12214	13289	15719	17168	19026	21471
Provisions	5421	6448	9498	11165	7444	7614	6282	10518	17482	5122
Net Current Assets	20945	25313	31128	56183	79333	87304	104169	118821	158261	55583
Voluntary Retirement Schemes	6007	3670	1334	293	-	-	-	-	-	-
Total	35476	37656	40573	64864	89956	99433	116344	130470	169442	65841
Income										
Gross Sales	65966	69750	76586	77301	76482	81183	121501	105834	99509	105743
Less: Excise Duty	4884	5416	6039	6199	5409	3956	4545	4102	4711	5315
Less: Sales Tax	5304	4482	4312	3836	3302	-	-	-	-	-
Net Sales	55778	59852	66235	67266	67771	77227	116956	101732	94798	100427
Operating and Other Income	3924	4103	5953	34270	9342	10074	17579	16870	20733	21692
Total	59702	63955	72188	101536	77113	87301	134535	118602	115531	122119
Expenditure										
Material Cost	22370	20007	22356	23148	23759	28771	39049	35910	33305	37488
Personnel Cost	8255	10014	10234	10170	10210	12920	22699	19282	20670	19177
Manufacturing and Other Expenses	18564	19273	19746	20510	20966	22689	36823	34605	32323	30662
Interest Expense	81	15	7	2	-	-	-	-	-	-
Depreciation and amortisation	1026	1385	1307	958	1112	828	1200	956	802	797
Finance Cost	-	-	-	-	-	-	-	59	24	36
Total	50296	50694	53650	54788	56047	65208	99771	90812	87124	88160
Profit Before Taxation and Exceptional Items	9406	13261	18538	46748	21066	22093	34764	27790	28407	33959
Exceptional Items - Net	(1922)	(2337)	(2337)	(1735)	20790	(1092)	(302)	(37)	40970	-
Profit Before Taxation	7484	10924	16201	45013	41856	21001	34462	27753	69377	33959
Taxation	2932	4112	5628	11120	11944	7313	11828	9292	19057	11873
Profit After Taxation	4552	6812	10573	33893	29912	13688	22634	18461	50320	22086
Tax Provision as a % of PBT (%)	39.2	37.6	34.7	24.7	28.5	34.8	34.3	33.5	27.5	35.0
Net Profit as a % of Sales (%)	6.9	9.8	13.8	50.3	44.1	17.7	19.4	18.1	53.1	22.0
Earnings Per Share (₹)	15.25	22.83	35.43	113.58	100.24	45.87	75.85	61.87	168.63	74.01
Equity Dividend Per Share (₹)	10.00	10.00	22.50	27.50	12.50	12.50	16.50	12.50	32.50	360.0
Total Dividend Amount (₹ in Lakhs)	2984	2984	6714	8206	3730	3730	4924	3730	9699	107429
Book Value per share (₹)	114.86	126.19	135.95	217.37	301.46	333.22	389.84	437.17	567.76	220.62

§ Includes results of erstwhile Pharmacia Healthcare Ltd. on its amalgamation with the Company.

Includes profit on sale of Chandigarh property.

** Includes profit on sale of 4 consumer healthcare brands.

^ Includes results of erstwhile Duchem Laboratories Ltd. on its amalgamation with the Company.

@ Includes gain on sale of the animal health business and sale of investment in the subsidiary.

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Board of Directors (as on 9th October, 2014)

R.A. Shah

Chairman

Aijaz Tobacowalla

Managing Director

Pradip Shah

Director

Uday Khanna

Director

Vivek Dhariwal

Whole-time Director

S. Sridhar

Whole-time Director & Chief Financial Officer

Registered Office:

Pfizer Limited

Pfizer Centre, Patel Estate,

Off S.V. Road, Jogeshwari (W),

Mumbai- 400 102.

Tel: 022 6693 2000 Fax: 022 2678 4569

E-mail: contactus.india@pfizer.com

CIN: L24231MH1950PLC008311

Registrar & Share Transfer Agents:

Karvy Computershare Pvt. Ltd.

UNIT: PFIZER LIMITED

Plot No. 17-24, Vittalrao Nagar,

Near Image Hospital,

Madhapur, Hyderabad 500 081.

Tel: 040 4465 5000 Fax: 040 2342 0814

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

E-mail: einward.ris@karvy.com

SOLICITORS & ADVOCATES

Crawford Bayley & Co.

AZB Partners

BANKERS

Deutsche Bank AG

HSBC Limited

Citibank N.A.

Standard Chartered Bank

ICICI Bank

Leadership Team

Aijaz Tobacowalla

Managing Director

Partha Ghosh

Business Unit Head

Suresh Subramanian

Business Unit Head

Manoj Irap

Business Unit Head

Vivek Dhariwal

Technical Operations

C.N. Potkar (Dr.)

Medical & Regulatory Affairs

Lakshmi Nadkarni (Dr.) (Mrs.)

Human Resources

S. Sridhar

Finance & Distribution

Samir Kazi

Legal

Sharad Goswami

Public Affairs

Shiva Nair

Business Technology

Sung-Ryeul Park

Commercial Operations

Company Secretary

Prajeet Nair

Statutory Auditor

B S R & Co. LLP

Cost Auditor

RA & Co.

NOTICE

NOTICE is hereby given that the 63rd Annual General Meeting of the Members of Pfizer Limited will be held at **Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021, on Monday, 10th November, 2014 at 10.30 a.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 31st March, 2014 and the Statement of Profit and Loss of the Company for the financial year ended 31st 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, ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof), the retiring auditors Messrs. B S R & Co. LLP, Chartered Accountants, having Firm's Registration No. 101248W/W-100022 be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of 3 (three) years from the conclusion of this Annual General Meeting till the conclusion of the 66th Annual General Meeting (subject to ratification by members at every subsequent Annual General Meeting), at such remuneration as may be decided by the Board of Directors of the Company from time to time."

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. R.A. Shah (DIN: 00009851), 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 5 (five) years, effective 10th November, 2014, not being liable to retire by rotation."
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. Pradip Shah (DIN: 00066242), 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 5 (five) years, effective 10th November, 2014, not being liable to retire by rotation."
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. Uday Khanna (DIN: 00079129), 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 5 (five) years, effective 10th November, 2014, not being liable to retire by rotation."

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, (“the Act”) 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 remuneration of ₹ 7,15,000/- (Rupees Seven Lakhs Fifteen Thousand only) plus service tax and out-of-pocket expenses 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 for the financial year ending 31st March, 2015, 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 the Clause 49 VII of the Listing Agreement, (including any statutory modification(s) or re-enactment(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 ₹ 600 Crores (Rupees Six 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, deeds, matters 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.”

By Order of the Board of Directors of Pfizer Limited

Prajeet Nair
Company Secretary

Mumbai, 9th October, 2014

Registered Office:

Pfizer Centre, Patel Estate, Off S. V. Road
Jogeshwari (W), Mumbai – 400 102
Tel: 91 22 6693 2000 Fax: 91 22 2678 4569
Website: www.pfizerindia.com
CIN: L24231MH1950PLC008311

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 8 of the Notice is annexed hereto.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 31st October, 2014 to Monday, 10th November, 2014 (both days inclusive).
3. IN TERMS OF SECTION 105 OF THE COMPANIES ACT, 2013, 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 www.pfizerindia.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 physical form are requested to address their communications regarding transfer of shares, change of address, dividend mandates etc., quoting their folio number(s) to the Company's Registrar & Share Transfer Agent:

Karvy Computershare Private Limited

UNIT: PFIZER LIMITED

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

Contact person: Mr. M. V. Kameswara Rao

Telephone: 040 4465 5000 Fax: 040 2342 0814

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

E-mail ID: einward.ris@karvy.com

8. In compliance with Clause 5A.II of the Listing Agreement with the Stock Exchanges, there were 51806 unclaimed shares held by 1867 shareholders outstanding in the Company's Unclaimed Suspense Account as on 31st March, 2014, details of which are as follows:

Particulars	Number of Shareholders	Number of Shares
Aggregate Number as at 1 st April, 2013	1872	52128
Number of shares claimed and transferred from the Unclaimed Suspense Account during the year	5	322
Aggregate number as at 31 st March, 2014	1867	51806

9. In compliance with Sections 205A and 205C of the Companies Act, 1956, unclaimed dividend for the year ended 30th November, 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 & Share Transfer Agent, in respect of their outstanding dividends for the succeeding years.
10. Members may note that the Securities and Exchanges Board of India (SEBI) has vide its Circular dated 7th 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 Act read with Rule 18 of the Companies (Management & Administration) Rules, 2014, the Annual Report for 2013-14 is being sent through electronic mode to all the Members, whose email IDs are registered with the Company / Depository Participants(s) for communication purposes. For Members who have not registered their email ID with the Company / Depository Participants(s), a physical copy of the Annual Report for 2013-14 is being sent by the permitted mode.

To avail services through electronic mode, Members are requested to fill in the attached form 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 Agents.
13. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & 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 CS (Mr.) Bhumitra V. Dholakia, Partner of M/s. Dholakia & Associates, Company Secretaries in practice as a 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 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, 3rd November, 2014 (9.00 a.m.) and ends on Wednesday, 5th November, 2014 (5.00 p.m.). The Company has appointed Messrs. 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 <https://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:	For Members holding shares in Demat form:
	a. For NSDL: 8 character DP ID followed by 8 digit Client ID
	b. For CDSL: 16 digit Beneficiary ID / Client ID
	For Members holding shares in Physical form:
	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., Pfizer 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 Resolutions.
- ix) Once the vote on the resolution is cast by the shareholder, he 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: pfizerevoting2014@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.”
- xi) The Cut-off date for determining the eligibility of Member for e-voting was 3rd 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 Annual General Meetings.

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), 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. He has a wide range of Industrial experience in Pharmaceuticals, Agrochemicals, Specialty Chemicals and Bulk and Heavy Chemicals. He was earlier the Director, Manufacturing at Baxter (India) Private Limited and was responsible for India and Philippine markets. He has held senior positions in Baxter (India) Private Limited and in ICI Plc, UK.

Mr. Dhariwal is currently a Whole-time Director on the Board designated as Executive Director, Technical Operations.

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

Mr. Dhariwal is also a Director on the Board of Wyeth Limited and does not hold any Committee Chairmanship/Membership in the said Company.

A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act") FOR ITEM NOS. 4 TO 8

ITEM NO. 4:

Mr. R.A. Shah (DIN: 00009851), Chairman of the Company, is a leading Solicitor and a Senior Partner of M/s. Crawford Bayley & Co., a firm of Advocates & Solicitors. He specializes in a broad spectrum of corporate laws in general, with special focus on Foreign Investments, Joint Ventures, Technology and License Agreement, Intellectual Property Rights, Mergers and Acquisitions, Industrial Licensing and Anti Trust Laws, Company Law and Taxation.

Mr. R.A. Shah holds 3,400 equity shares of ₹ 10/- each in the Company.

Mr. Shah is the Chairman/Director of the following other Indian public limited companies and Chairman/Member of following other Board Committees as on 9th October , 2014:

Name of Company	Designation	Chairmanship/ Membership of Audit Committee	Chairmanship / Membership of Stakeholders Relationship Committee
Godfrey Philips India Limited (Philips Morris Affiliate)	Chairman	-	-
Procter & Gamble Hygiene and Healthcare Limited	Chairman	Chairman	-
Colgate Palmolive India Limited	Vice- Chairman	Chairman	-
Abbot India Limited	Director	Member	-
The Bombay Dyeing & Mfg. Co. Limited	Director	Member	-
BASF India Limited	Director	Member	-
Century Enka Limited	Director	Member	-
Lupin Limited	Director	-	-
Atul Limited	Director	-	-

Mr. R. A. Shah is also on the Board of Uhde India Private Limited as an Alternate Director.

Mr. R.A. Shah has been 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. R. A. Shah confirming that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act") and Clause 49 of the Listing Agreement. Further, Mr. Shah 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 along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. R. A. Shah for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. R. A. Shah as an Independent Director of the Company for a period of 5 (five) years, with effect from 10th November, 2014.

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

This explanatory 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 appointment of Mr. R. A. Shah shall be open for inspection by the Members at the Registered Office of the Company on all working days (Monday- Friday) between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

ITEM NO. 5:

Mr. Pradip Shah (DIN: 00066242), holds an MBA from Harvard Business School. Mr. Shah is also a Chartered Accountant and a Cost Accountant and ranked first in India in the Chartered Accountancy Examination.

Mr. Pradip Shah is the Ex-Managing Director of CRISIL, India's first and the largest credit rating agency. Prior to founding CRISIL, Mr. Pradip Shah assisted in founding the Housing Development Finance Corporation (HDFC) in 1977. Mr. Shah has also served as a consultant to USAID, the World Bank and the Asian Development Bank. Mr. Shah is a Director on the Board of several reputed companies. Mr. Shah is presently the Chairman of IndAsia Fund Advisors Private Limited.

Mr. Pradip Shah does not hold any shares in the Company.

Mr. Pradip Shah is the Chairman/Director of the following Indian Public Limited Companies and Chairman/Member of the following other Board Committees as on 9th October, 2014:

Name of Company	Designation	Chairmanship/ Membership of Audit Committee	Chairmanship / Membership of Stakeholders Relationship Committee
BASF India Limited	Director	Member	-
Godrej & Boyce Mfg. Co. Limited	Director	-	-
Grindwell Norton Limited	Chairman	-	-
Kansai Nerolac Paints Limited	Director	Chairman	-
KSB Pumps Limited	Director	-	-
Sonata Software Limited	Chairman	Member	-
Tata Investment Corporation Limited	Director	Member	-

Mr. Shah is also the Director / Chairman on the following Private Companies, as on 9th October, 2014:

Name of Company	Chairman/ Director
C. D. Aviation (India) Private Limited	Director
Helios Green Tech Private Limited	Director
IndAsia Fund Advisors Private Limited	Chairman
Pangea EcoNet Assets Private Limited	Director
Universal Trustees Private Limited	Director
Ambit Holdings Private Limited	Director

Mr. Pradip Shah has been 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. Pradip Shah confirming that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act") and Clause 49 of the Listing Agreement. Further, Mr. Shah 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 along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Pradip Shah for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. Pradip Shah as an Independent Director of the Company for a period of 5 (five) years, with effect from 10th November, 2014.

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

This explanatory 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 appointment of Mr. Pradip Shah shall be open for inspection by the Members at the Registered Office of the Company on all working days (Monday- Friday) between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

ITEM NO. 6:

Mr. Uday Khanna (DIN: 00079129), is a Bachelor in Commerce and a Fellow Member of the Institute of Chartered Accountants of India. Mr. Uday Khanna was Managing Director & CEO of Lafarge India from July 2005 to July 2011 and subsequently the Non-Executive Chairman till 24th September, 2014. Mr. Khanna joined the Lafarge Group in Paris on 1st June, 2003 as Senior Vice President for Group Strategy, after a long experience of almost 30 years with Hindustan Lever/Unilever in a variety of financial, commercial and general management roles both nationally and internationally. His last position before joining Lafarge, was Senior Vice President Finance, Unilever - Asia, based in Singapore. He has earlier been on the Board of Hindustan Unilever as Director – Exports after having served as Financial Controller and Treasurer of the Company. He has also worked as Vice Chairman of Lever Brothers in Nigeria and General Auditor for Unilever-North America based in the USA. Mr. Khanna was the President of the Indo-French Chamber of Commerce & Industry in 2008 and 2009 and the President of the Bombay Chamber of Commerce & Industry in 2012-2013. He is the recipient of “Ordre National du Merite” from the President of the Republic of France for his role in promoting Indo-French trade relations.

Mr. Uday Khanna does not hold any shares in the Company.

Mr. Uday Khanna is the Chairman/Director of the following Indian Public Limited Companies and Chairman/Member of the following other Board Committees as on 9th October, 2014:

Name of Company	Designation	Chairmanship / Membership of Audit Committee	Chairmanship / Membership of Stakeholders Relationship / Investors' Grievance Committee
Bata India Limited	Chairman	Member	Chairman
Castrol India Limited	Director	Chairman	-
Coromandel International Limited	Director	Chairman	-
Thomas Cook (India) Limited	Director	Chairman	Member
Pidilite Industries Limited	Director	-	-
NRB Bearings Limited	Director	Member	-

Mr. Khanna is also on the Board of DSP BlackRock Investment Managers Private Limited.

Mr. Uday Khanna has been 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. Uday Khanna confirming that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 (“the Act”) and Clause 49 of the Listing Agreement. Further, Mr. Khanna 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 along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Uday Khanna for the office of Director of the Company. The Board of Directors of your Company recommends the appointment of Mr. Uday Khanna as an Independent Director of the Company for a period of 5 (five) years, with effect from 10th November, 2014.

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

This explanatory 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 appointment of Mr. Uday Khanna shall be open for inspection by the Members at the Registered Office of the Company on all working days (Monday- Friday) between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

ITEM NO. 7:

Pursuant to Section 148 of the Companies Act, 2013 (“the Act”) read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the Board of Directors at its meeting held on 2nd May, 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 31st March, 2015, at a remuneration of ₹ 7,15,000/- (Rupees Seven Lakhs Fifteen 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, in any way, 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 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 may become material in nature as these transactions may exceed 10% of the annual turnover of the Company consequent to amalgamation/future business projections. Thus, in terms of Explanation (ii) to Clause 49 VII (E) of the Listing Agreement, these transactions would 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 is 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 ₹ 600 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 transaction 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, effect of amalgamation and future business projections.

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.

By Order of the Board of Directors of Pfizer Limited

**Prajeet Nair
Company Secretary**

Mumbai, 9th October, 2014

Registered Office:

Pfizer Centre, Patel Estate, Off S. V. Road
Jogeshwari (W), Mumbai – 400 102
Tel: 91 22 6693 2000 Fax: 91 22 2678 4569
Website: www.pfizerindia.com
CIN: L24231MH1950PLC008311

BOARD'S REPORT INCLUDING MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS

The Directors take pleasure in presenting this 63rd Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2014. The Company operates only in one business segment viz., "Pharmaceuticals" and this Report covers its Pharmaceutical business performance. 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 ₹ 360.00 (3600%) per equity share and the same was paid on 17th December, 2013. The dividend payout aggregated to ₹ 107429 Lakhs and the corporate dividend tax paid by your Company amounted to ₹ 18258 Lakhs. Keeping in mind the substantial payout by way of interim dividend, your Directors did not recommend any further dividend for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS

The revenue from operations for the year under review was ₹ 100427 Lakhs as compared to ₹ 94798 Lakhs in the previous year, registering a growth of 5.94%. Your Company posted a Net Profit of ₹ 22086 Lakhs for the year. The Profit before exceptional items and tax for the year registered a growth of 21.43% to ₹ 33958 Lakhs as compared to ₹ 27965 Lakhs in the previous year.

₹ in Lakhs

Particulars	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Revenue from Operations	100427	94798
Operating and other Income	21692	20610
Profit Before Tax and Exceptional Items	33958	27965
Exceptional Items (Expenses)/Income	-	41412
Profit Before Tax	33958	69377
Less: Taxation		
Current Tax	11304	19543
Deferred Tax (Credit)/Debit	568	(486)
Profit After Tax carried to Balance Sheet	22086	50320
Balance of Profit from Prior Years	136197	102256
Surplus available for Appropriation	158283	152576
Appropriations:		
Transfer to General Reserve	2209	5032
Interim Dividend	107429	-
Proposed Dividend (including Special Dividend)	-	9699
Tax on Dividend	18258	1648
Surplus as per Balance Sheet	30387	136197

As you are aware, your Company had a transitional support services agreement to supply animal health products to its erstwhile affiliate. The revenue from operations reported for the year under review includes income from the said support services operation (₹ 4247 Lakhs for the current year Vs. ₹ 3292 Lakhs for the previous year).

During the year under review, your Company's pharmaceutical sales grew by 5.11% from ₹ 91506 Lakhs to ₹ 96180 Lakhs. The Company's performance during the period was impacted by the implementation of new pricing policy and the resultant challenges with the Trade on the issue of margins.

Other Operating Income recorded an increase of 6.62% from ₹ 10086 Lakhs to ₹ 10753 Lakhs.

The total expenditure as a percentage of sales reduced from 92% to 88% majorly driven by lower staff cost.

Profit Before Tax and Exceptional Items has registered a healthy growth of 21% driven by improved sales and lower expenses.

PHARMACEUTICAL INDUSTRY PERFORMANCE - OVERVIEW & OUTLOOK

The Indian healthcare market is an amalgamation of many markets in one, given the disparity in income levels and access to healthcare. India's population aged 60 and older is projected to climb from 8% in 2010 to 19% (32.3 Crores) in 2050, according to the United Nations Population Division (UN 2011). This could see 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 growth has slowed from a high of 16.5% in 2011-12 to 9.9% in 2013-14 (IMSTSA 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 were 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 the 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 pharmaceutical companies. The 9.9% pharmaceutical growth MAT March 2014 shows a split, with MNCs growing at 5.2% and Indian pharmaceutical companies growing at 11.8%. IMS reflects your Company growth at 7.1%. 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 at 10.1% and the hospital sector grew by 5.6%. As opposed to previous years, volumes of existing products contributed only 2.4%, new products volume contributed 6.3% and price contributed 1.2% (IMS MAT March 2014). According to IMS Health, the Indian pharmaceutical market currently ranks 14th globally in terms of value and 2nd 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 rest of the world.

The recent action of National Pharmaceutical Pricing Authority ('NPPA') in widening the scope of Pricing Policy continues to create an uncertain operating environment. The issues surrounding the Intellectual Property Rights and new rules governing clinical trial is 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 through the past year. 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 new policy replaced the archaic and non-transparent Price Control Order of 1995 that had 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 transparency and stability to the Pharmaceutical Industry. However, the 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 of the new Pricing Order have impacted the revenue and profitability of the Company. While, the industry is gradually settling in from the volatile transition, several ambiguities about the extent of the 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 the Industry and traders became effective 1st March 2014 and may potentially impact the availability of these drugs due to practical issues in implementation.

Following an amendment in the Drugs and Cosmetics Act, 1945 in January 2013, the environment for Clinical Trials has deteriorated with extremely stringent requirements and layers of clearance mechanism being introduced in the recent past. This new rule has resulted not only in delays in the approval of new chemical entities (NCEs) and new formulations thus restricting new drug launches but it has also seen many companies move their clinical studies out of the country.

The environment for the protection of Intellectual Property ('IP') in India continues to be the biggest concern for innovative companies. The patented products portfolio continues to face challenges either by way of the new committee set up to recommend the patented products pricing policy or through the continuous threat of issuance of unwarranted compulsory licenses and the denial of patentability of inventions in India. This continued 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 just 4% of GDP (of which a mere 1.4% is on drugs). The Government also needs to put in place a pragmatic policy that allows the market to grow and quickly develop the healthcare infrastructure, streamlines regulatory processes, encourages the creation of Public Private Partnership (PPP) models, increases access to medicines, and creates an environment that incentivizes Research & Development to build a healthy ecosystem for innovations.

India remains a market of unmet needs. Despite the above uncertain regulatory and policy environment, there are positive economic indicators 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 alike.

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

REVIEW OF OPERATIONS

In preparation for the changing market dynamics, the Company reorganized its sales force structure around therapeutic areas. This allowed us to approach the healthcare providers with a portfolio of products associated directly with their interests. Aligning with the global restructuring undertaken by Pfizer Inc. U.S.A. into three distinct business units Global Established Pharma Business (GEP), Global Innovative Pharma Business (GIP) and Vaccines, Oncology & Consumer Business (VOC), has also helped in bringing additional focus for teams as they work with their global colleagues.

The restructured business units will continue to drive your Company's growth and your Company is constantly looking at new ways of engaging with its customers and health care professionals.

The year under review also saw the announcement of the proposed merger of Wyeth Limited 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 merger 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 Product Performance for the year under review:

Six of your Company's brands feature among the top 100 pharmaceutical brands in India. Two of its key brands Corex (Cough Formulation) and Becosules (Multivitamin), continue to rank among the top 20 pharmaceutical brands (IMS-TSA, MAT March 2014)

Trade Rx:

The realignment of your Company's internal structure saw the formation of the Trade Rx team as one which put the three mega brands of Corex, Becosules, and Gelusil under one structure. The categorization was based on the high brand recall and trade volumes which saw not just new prescriptions but also repeat sales.

- Corex is the market leader in the Codeine Cough Market and is used for effective treatment of dry cough. Currently Corex is **ranked as No. 1** in Indian Pharmaceutical Market as per IMS TSA MAT Mar 2014.
- Becosules is the **No. 1 B-complex** of India with a market share of 53% in its category (IMS – TSA, MAT March 2014). It has been in existence for more than 60 years and is the most prescribed vitamin mineral supplement. It is also the 'most consumed' because of the unit sales leadership in the VMS category.
- Gelusil is the **No. 1 antacid** which is used for relief in acidity, heartburn and flatulence and has been in existence for more than 42 years. The brand is the market leader with a share of 33% (IMS -TSA, MAT March 2014). Gelusil has been voted as the one of the most trusted OTC brand by Brand Equity - Dec 2013.

KEY BRAND PERFORMANCE SUMMARY:

(Source: IMS TSA MAT March 2014)

Brand	Market Share	MAT Value (₹ Crs)	Rank	No. of Competitors	Growth	Therapy Market
Corex	41%	315	1	94	11.4%	Codeine Cough
Becosules	53%	177	1	99	7.8%	Vit B Complex (with C and Zinc)
Gelusil	33%	113	1	168	17.8%	Antacid-Antiflatulent
Dolonex	76%	118	1	41	17.1%	NSAIDS (Piroxicam)
Minipress	81%	116	1	5	16.5%	Alfablockers (Prazosin)
Magnex	39%	98	1	82	0.1%	Cefoperazone-Sulbactam

MANUFACTURING OPERATIONS

Pfizer's continued focus on the quality of its products makes it amongst the most trusted companies in the world. As a Company, Pfizer fully understands that its products impact lives of millions of patients and their families across the world. Your Company has several levels of quality systems that assure compliance with local laws and meet Pfizer's global quality standards.

Concern for the environment is an important factor in your Company's operations. There is a constant emphasis on conservation of resources across its manufacturing sites to reduce waste.

Continuing with its tradition of 'Continuous Improvement' and 'Delivering Value' in its operations, various teams in the Pfizer Global Supply Organization delivered significant cost and manufacturing efficiencies over the last year.

Over the years, the capacity utilization at Thane manufacturing site has reduced due to cost pressures. Consequently, the Company had floated a Voluntary Retirement Scheme (VRS) for its workmen at Thane site in the month of August 2014. Significant number of workmen opted for the VRS and the Company has settled the dues of these workmen in September, 2014. This will have no impact on the business operations of the Company, as the Company has multiple third party manufacturing arrangements to source its products.

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 include rationalized leave benefits and enhanced medical coverage.

Results of 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 2417 employees on its rolls as on 31st March, 2014 (2795 as on 31st 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 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 to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company.

As part of proactive approach, an updated compliance program covering Foreign Corrupt Practices Act ("FCPA"), including Policies on interaction with Healthcare Professionals has been rolled out to 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 (CAF) has made internal communications central to its work plan followed by a proactive media strategy that aims to enhance the Pfizer India brand and reputation. Continuous engagement with key government and industry associations on policy matters remains a high priority for your Company.

Your Company has done a rigorous assessment of its corporate social responsibility (CSR) activities and has created the CSR policy that ensures compliance.

CAUTIONARY NOTE

Certain statements in respect to 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 WYETH 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 unanimously (100% in number and 100% in value) approved the Scheme at the Court convened meeting held on 16th April, 2014. Upon the Scheme becoming effective and with effect from 1st 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. Pfizer Limited will then issue and allot seven (7) fully paid up equity shares of ₹ 10 each of the Company for every ten (10) fully paid up equity shares of ₹ 10 each of Wyeth Limited to the shareholders of Wyeth Limited as on the Record Date. 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 merger of Wyeth Limited 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 30th December, 2014. While the merger proceedings are underway, the Board has decided to hold the AGM on 10th November, 2014.

RESPONSE TO AUDITOR'S COMMENTS

The observations made by the Statutory Auditors under Para ix (a) of the Annexure to the Independent Auditors' Report dated 2nd May, 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 retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

It is proposed to appoint all the Independent Directors of the Company, i.e., Mr. R.A. Shah, Mr. Pradip Shah and Mr. Uday Khanna for a term of 5 (five) years effective 10th November, 2014 in accordance with the provisions of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- ii. Your Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year ended 31st March, 2014 and of the profit of the Company for that period.
- iii. Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. Your Directors have prepared the attached Statement of Accounts for the financial year ended 31st March, 2014, on a 'going concern' basis.

CORPORATE GOVERNANCE

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

OTHER INFORMATION

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, information pertaining to Conservation of Energy, Technology Absorption and Exports is given as Annexure to this Report.

The information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended forms part of this Report. However, as per provision 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 Companies Act, 1956. 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 & Co. LLP, retire at the conclusion of this Annual General Meeting and offer themselves for re-appointment. Messrs. B S R & Co. LLP have confirmed their eligibility for re-appointment under Section 139 read with Section 141 of the Companies Act, 2013.

Messrs. B S R & Co. LLP, if appointed, will hold office for a term of 3 (three) years i.e., from the conclusion of this Annual General Meeting till the conclusion of the 66th Annual General Meeting subject to ratification by shareholders at every subsequent Annual General Meetings.

COST AUDITORS

Pursuant to the provisions of Section 233B of the Companies Act, 1956, the Company has filed its Cost Audit Report for Formulations and Compliance Report for the financial year ended 31st March, 2013 on 11th October, 2013, due date being 27th September, 2013. The Company has filed the Cost Audit Report for Formulations and Compliance Report for the financial year ended 31st March, 2014 on 24th September, 2014, due date being 27th September, 2014.

Messrs. R.A. & 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 financial year ending 31st March, 2015. The remuneration is subject to ratification by the shareholders.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere appreciation for the support and assistance extended by the Company's suppliers and business associates. Your Directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its Management.

Your Directors wish to place on record their appreciation for the support and guidance provided by its Parent Company, Pfizer Inc. USA.

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

**R.A. Shah
Chairman**

Mumbai, 9th October, 2014

ANNEXURE TO THE BOARD'S REPORT

CONSERVATION OF ENERGY:

Energy Conservation measures taken:

- a) Elimination of Furnace Oil (FO) usage for Heating, Ventilation & Air Conditioning (HVAC) operation through Specific Energy Conservation Measures:
 - i) Replacement of steam operated Vapor Absorption Machine (VAM) with Electric Chillers.
 - ii) Modification of all dehumidifiers with electrical heaters.
- b) Additional proposals or activities, if any:
 - i) Electrification of Fluid Bed processors to avoid FO generated steam as heat source.
 - ii) Introduction of electrical sanitization for water system to avoid usage of FO generated steam.
- c) Impact of measures taken:
 - i) Reduction of annual furnace oil consumption- Journey towards "Zero furnace Oil Site".
 - ii) Reduction in carbon emission.

Total energy consumption and energy conservation per unit of production:

As per Form A of the Annexure hereunder:

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH REGARD TO CONSUMPTION OF ENERGY

POWER & FUEL CONSUMPTION

No	Particulars	Unit	1.4.2013 to 31.03.2014	1.4.2012 to 31.03.2013
1	ELECTRICITY			
	a) Purchased Unit	(Kwh)	3511620	3579880
	b) Total Amount	(₹)	8239937	28960767
	c) Rate/Unit	(₹)	8.04	8.09
2	OWN GENERATION			
	Through Diesel Generators	(Kwh)	9320	8080
	Units/Litre of H.S.D.		1.37	1.45
	Marginal Cost/Unit (Considering only H.S.D. price)	(₹/Kwh)	28.66	26.66
3	BAGASSE			
	Quantity	(MT)	2147.742	2363.532
	Total Amount	(₹)	13113683	13641938
	Avg. Rate/MT	(₹)	6105.8	5771.84
4	FURNACE OIL			
	Quantity	(KL)	46.807	49.613
	Total Amount	(₹)	2543087	2496720
	Avg Rate/KL	(₹)	54331.34	50323.91

B. TECHNOLOGY ABSORPTION:

FORM B

DISCLOSURE OF PARTICULARS WITH REGARD TO ABSORPTION:

Research And Development (R & D):

- Specific areas in which Research and Development is 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.

- Benefits derived as a result of the above Research and Development:

(a) Increase in operating efficiency and new product introduction.

- Future plan of action:

(a) The Company will continue to focus on improving operational efficiencies.

4. Expenditure on Research and Development	₹ In Lakhs
(i) Capital	6.36
(ii) Revenue	1475.68
(iii) Total	1482.04
(iv) Total R&D expenditure as percentage of total turnover	1.5%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief made towards technology absorption, adaptation and innovation:
 - a) 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.
2. 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.
3. Imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

As mentioned in (1) 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:

1. Activities relating to exports: Initiatives taken to increase exports; development of new export markets for products and services and export plans.

The Company is at present exporting bulk drugs to Ireland. The Company is continuously exploring possibilities of exporting more of its products to different markets.
2. During the period under review:
 - a) Foreign exchange earnings by the Company was ₹ 828 Lakhs.
 - b) Foreign exchange expenditure (which includes import of raw materials, spares and remittance of dividends etc.) was ₹ 94306 Lakhs.

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

**R.A. Shah
Chairman**

Mumbai, 9th October, 2014

CORPORATE GOVERNANCE REPORT

I. PFIZER'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance at Pfizer is not just adherence to mandatory rules and guidelines. Your Company has responsibly, critically, and collegially worked through all major decisions. It has helped create a credible reputation amongst all stakeholders and regulators. We are guided by 9 Core Values of our Parent Company, Pfizer Inc. USA in our day-to-day decision-making which reflect the enduring character of Pfizer and its people. Your Company constantly strives to maintain high governance standards and is focused on the goal of making Pfizer the most valued company in the world. This approach has helped the Company earn the trust of all its stakeholders over its long history.

II. BOARD OF DIRECTORS

(a) Composition of the Board of Directors

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board at Pfizer represents an optimum mix of professionalism, knowledge and experience. Presently, the Board comprises of 3 Non-Executive Directors and 3 Executive Directors. Mr. R.A. Shah, Mr. Pradip Shah and Mr. Uday Khanna are Non-Executive Independent Directors. The Chairman of the Board is a Non-Executive Independent Director. None of the Directors are related to each other.

(b) Board Meetings

The Board meets at least once every quarter to review the quarterly results and other items of the Agenda and, if necessary, additional meetings are held. The gap between two Board Meetings does not exceed four months. The Board is apprised and informed of all the important information relating to the business of the Company including those listed in Annexure-1A of Clause 49 of the Listing Agreement. The Chairman of the Board, the Managing Director and the Company Secretary discuss the items to be included in the Agenda and the Agenda is sent in advance to the Directors along with the draft of the relevant documents and explanatory notes wherever required, to enable the Board to discharge its responsibilities effectively and take informed decisions.

During the period April 1, 2013 to March 31, 2014 ("financial year under review"), the Company held five Board Meetings as under:

- | | |
|---------------------------------------|--------------------------------------|
| (i) 14 th May, 2013 | (iv) 23 rd November, 2013 |
| (ii) 26 th July, 2013 | (v) 31 st January, 2014 |
| (iii) 11 th November, 2013 | |

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

Name	Category of Directorship*	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at the Last AGM	No. of other Directorships held	No. of other Committees of which Member/Chairman
Mr. R.A. Shah (Chairman)	NED (I)	5	5	Yes	13	5/4
Mr. Aijaz Tobacowalla (Managing Director)	WTD	5	5	Yes	1	2/Nil
Mr. Pradip Shah	NED (I)	5	5	Yes	11	5/1
Mr. Uday Khanna	NED (I)	5	4 [#]	Yes	4	2/3
Mr. Vivek Dhariwal	WTD	5	5	Yes	1	Nil/Nil
Mr. S. Sridhar (w.e.f. 14 th May, 2013)	WTD	5	5	Yes	1	Nil/Nil

* NED (I) - Non-Executive Director, Independent
WTD - Whole-time Director

Leave of Absence was granted to Mr. Uday Khanna.

Notes:

- (1) Number of directorships/memberships held in other companies excludes 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.
- (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 covers Chairmanship/Memberships of Audit Committee and Shareholders'/Investors' Grievance Committee.

III. BOARD COMMITTEES

During the financial year ended 31st March, 2014, the Board had three Committees viz., the Audit Committee, Shareholders'/Investors' Grievance Committee and Board Administrative Committee. The Board decides the terms of reference of these Committees and the assignment of its Members thereof.

AUDIT COMMITTEE

Presently, the Audit Committee comprises of Mr. R.A. Shah as Chairman, Mr. Pradip Shah and Mr. Uday Khanna, Independent Directors.

Mr. Pradip Shah and Mr. Uday Khanna are Chartered Accountants by profession. Mr. R.A. Shah is a Solicitor by profession. All the members of the Committee are professionals and are also financially literate within the meaning of Clause 49 of the Listing Agreement.

Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the 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 th May, 2013 | (iv) 23 rd November, 2013 |
| (ii) 26 th July, 2013 | (v) 31 st January, 2014 |
| (iii) 11 th November, 2013 | |

The details of the composition of the Audit Committee and the attendance of the Members in the Audit Committee Meetings are as under:

Name	Category*	Number of Meetings held	Number of Meetings attended
Mr. R. A. Shah	NED (I)	5	5
Mr. Pradip Shah	NED (I)	5	5
Mr. Uday Khanna	NED (I)	5	4 [#]

* NED (I) - Non-Executive Director, Independent

[#] Leave of Absence was granted to Mr. Uday Khanna.

During the financial year under review, the terms of reference of the Audit Committee included the matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges as well as Section 292A of the Companies Act, 1956.

The Managing Director, Finance Director, the Internal Auditor and the Statutory Auditors are invitees to the Meeting.

The Chairman of the Audit Committee was present at the 62nd Annual General Meeting held on 6th September, 2013. The Minutes of the Audit Committee Meetings were noted at the Board Meetings.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

As on 31st March, 2014 the Shareholders'/Investors' Grievance Committee comprises of Mr. Pradip Shah as its Chairman and Mr. Vivek Dhariwal as a Member.

The details of the composition of the Shareholders'/Investors' Grievance Committee and the attendance of the Members at the Meeting held on 31st January, 2014 are as under:

Name	Designation	Category*	Whether attended the Meeting held on 31 st January, 2014
Mr. Pradip Shah	Chairman	NED (I)	Yes
Mr. Vivek Dhariwal	Member	WTD	Yes

* NED (I) - Non-Executive Director, Independent

WTD - Whole-time Director

Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the Committee and as the Compliance Officer.

The terms of reference of the Shareholders'/Investors' Grievance Committee covers the matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Minutes of the Shareholders'/Investors' Grievance Committee Meeting were noted at the Board Meeting.

The Board of Directors on 2nd May, 2014 renamed the said Committee as Stakeholders Relationship Committee.

A summary of the complaints received, cleared/pending during the financial year under review are given below:

Nature of Complaints	Number of Complaints			
	As on 1 st April, 2013	Received during the financial year under review	Cleared/ attended during the financial year under review	Pending as on 31 st March, 2014
Non-receipt of dividend warrants	Nil	72	72	Nil
Non-receipt of share certificates after transfer, deletion of name, transmission, transposition, consolidation of folios & share certificates, correction of name, etc.	Nil	18	18	Nil
Non-receipt of Annual Report	Nil	1	1	Nil
Letters from SEBI/ Stock Exchanges and Ministry of Corporate Affairs	1	12	13	Nil
Total	1	103	104	Nil

During the financial year under review, 103 complaints were received and as on date all of them have been redressed/ answered to the satisfaction of the shareholders. No investor grievance remained unattended/pending for resolution for more than 30 days and no request for share transfers and dematerialization received for the financial year under review was pending for more than the time limit prescribed under the Listing Agreement with the Stock Exchanges.

BOARD ADMINISTRATIVE COMMITTEE

Presently, the Board Administrative Committee comprises of Mr. Aijaz Tobaccowalla, Mr. Vivek Dhariwal and Mr. S. Sridhar (w.e.f. 26th July, 2013).

Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the Committee.

The Board Administrative Committee *inter alia*, considers and approves the matters relating to grant of Power of Attorneys for operational and administrative matters, to issue Authority Letters/Affidavits for the purpose of institutional business/government supplies and to do such other business as may be required for the administrative purposes of the Company.

The Committee meets on a need basis and the minutes of the Board Administrative Committee Meetings were noted at the Board Meetings.

The Board of Directors on 24th July, 2014 renamed the said Committee as Board Administrative & Share Transfer Committee and widened the terms of reference of the said Committee to cover matters relating to share transfer/transmission, issue of duplicate shares, etc.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors on 28th April, 2014 has constituted a Nomination and Remuneration Committee comprising of Mr. Pradip Shah as its Chairman, Mr. R. A. Shah, Mr. Uday Khanna and Mr. Aijaz Tobaccowalla as its members.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors on 2nd May, 2014, constituted a Corporate Social Responsibility Committee.

REMUNERATION TO DIRECTORS

There has been no materially significant related party transactions, pecuniary relationships or transactions between Pfizer Ltd. and its Directors for the financial year under review that may have a potential conflict with the interest of the Company at large.

Remuneration to Directors: Salary, Benefits, Perquisites, Performance Linked Incentives, Sitting Fees and Commission:

The following table gives details of remuneration paid to all Directors for the financial year under review:

(a) Executive Directors

₹ in Lakhs

Name	Remuneration			
	Salary	Benefits and Perquisites	Performance Linked Incentives	Total
Mr. Aijaz Tobaccowalla	231.65	365.11	71.81	668.57
Mr. Vivek Dhariwal	87.89	20.21	17.82	125.92
Mr. S. Sridhar (w.e.f. May 14, 2013)	100.13	23.79	26.38	150.30
Total	419.67	409.11	116.01	944.79

Notes:

(1) Service Contracts, Severance Fees and Notice Period

The appointment of the Managing Director and Whole-time Director(s) is governed by the Articles of Association of the Company and the Resolutions passed by the Board of Directors and the members of the Company. These cover the terms and conditions of such appointment read with the service rules of the Company.

In terms of the Articles of Association, resignation of a Director becomes effective upon its acceptance by the Board. The appointment of Managing Director/Whole-time Director(s) are by way of Board Resolution and Service/Employment contracts. These contracts are terminable by either party by serving notice of three months. There is no separate provision for payment of severance fee under the resolutions/contracts governing the appointment of Managing Director and Whole-time Director(s).

(2) Employee Stock Option Scheme

The Company does not have any Employee Stock Option Scheme for its Directors. Mr. Aijaz Tobaccowalla, Mr. Vivek Dhariwal and Mr. S. Sridhar are, however, eligible for the annual long term Incentive Compensation granted by the Parent Company.

(3) Performance Linked Incentive criteria

The Company has internal norms for assessing the performance of its senior executives including Executive Directors.

- (4) Mr. Aijaz Tobaccowalla, Mr. S. Sridhar and Mr. Vivek Dhariwal doesn't hold any equity shares of the Company.

(b) Non-Executive Directors

The Resident Indian Non-Executive Directors are paid remuneration by way of Commission and Sitting Fees. The details of remuneration paid to Non-Executive Directors for the financial year under review are as under:

₹ in lakhs

Name	Sitting Fees	Commission	Total	Number of shares held
Mr. R.A. Shah	2.00	10.00	12.00	3400
Mr. Pradip Shah	2.20	10.00	12.20	Nil
Mr. Uday Khanna	1.60	10.00	11.60	Nil
Total	5.80	30.00	35.80	-

Notes:

- (1) The Commission payable to the Resident Indian Non-Executive Directors is decided by the Board of Directors of the Company within the limits stipulated by the Special Resolution passed at the 62nd Annual General Meeting held on 6th September, 2013. The amount of Commission payable to each of the Resident Indian Non-Executive Director is decided by the Board on the basis of the role and responsibility as Chairman/Member of the Board and of the Board Committee(s) and overall financial performance of the Company.
- (2) Mr. R. A. Shah is a senior partner of M/s. Crawford Bayley & Co., Solicitors & Advocates, who have a professional relationship with the Company. The fees earned by M/s. Crawford Bayley & Co. from Pfizer Ltd. constitutes less than 1% of the total revenue of M/s. Crawford Bayley & Co. in each year during the last three financial years. As per the view of the Board of Directors and also as per the legal opinion sought on the subject of Independence of Mr. R.A. Shah, the legal firm, M/s. Crawford Bayley & Co. does not have a material association with the Company. The professional fees of ₹ 48.57 Lakhs that was paid to them during the financial year under review is not considered material enough to impinge on the independence of Mr. R. A. Shah.
- (3) Besides payment of commission and sitting fees, and dividend on equity shares held, if any, by the Directors, no other payments have been made or transactions of a pecuniary nature entered into by the Company with the Directors.

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

As required under Clause 49(IV) the Listing Agreement, the CEO and CFO Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended 31st March, 2014, was placed before Board of Directors at its Meeting held on 2nd May, 2014.

V. GENERAL BODY MEETINGS

(a) The details of the last 3 Annual General Meetings held are as under:

AGM	Financial Year	Date and Time	Venue of the AGM
62 nd	2012-2013	6 th September, 2013 at 3.00 p.m.	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021.
61 st	2011-2012	2 nd August, 2012 at 3.00 p.m.	
60 th	2009-2011 (16 months period from 1 st December, 2009 to 31 st March, 2011)	19 th July, 2011 at 3.00 p.m.	

All the resolutions set out in the respective Notices were passed by the requisite majority of the members.

A meeting of the shareholders was convened on 16th April, 2014, under the directions of the Hon'ble Bombay High Court, to seek their approval to the proposed Scheme of Amalgamation between Wyeth Limited and the Company. At the said meeting, the shareholders unanimously (100% in number and 100% in value), approved the Scheme of Amalgamation between Wyeth Limited and the Company.

(b) Special Resolutions passed at the last three Annual General Meetings:

A Special Resolution was passed at the 62nd Annual General Meeting of the Company held on 6th September, 2013, for payment of commission to Resident Indian Non-Executive Directors of the Company at the rate of 1% of the net profits of the Company subject to a maximum limit of ₹ 80,00,000/- (Rupees Eighty Lakhs only) per annum, to be computed in the manner laid down in Section 198(1) of the Companies Act, 1956, for a period of five years commencing from 1st December, 2013.

(c) Passing of Special 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 4th February, 2013 and Circular CIR/CFD/DIL/8/2013 dated 21st May, 2013, shareholders' approval was sought by Postal Ballot for a resolution to approve the Scheme of Amalgamation of Wyeth Limited with Pfizer Limited and their respective shareholders and creditors. Based on the report of CS (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 with an overwhelming majority. The votes cast in favour aggregated to 99.92% of the total votes cast.

None of the Resolutions proposed at the 63rd Annual General Meeting need 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 Promoters, Directors, or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

The Company has received disclosures from the 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 the related parties as per requirements of Accounting Standard 18 are disclosed in Note 36 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. 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. This commitment stands evidenced by the Model Code of Conduct adopted by the Board of Directors at their meeting held on 30th December, 2004 which is applicable to each member of the Board of Directors and Senior Management of the Company. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the said Code for the financial year under review.

A certificate from Mr. Aijaz Tobacowalla, Managing Director to this effect forms part of this Report. The said Code is also posted on the website of the Company 'www.pfizerindia.com'.

(d) Whistle Blower Policy

The Company has in place a mechanism for employees to report to the Management, concerns about unethical behavior, 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 employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors.

(e) 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.

(f) 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.

(g) 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.

(h) Mandatory Requirements

The Company has complied with all the mandatory requirements under the Code of Corporate Governance under Clause 49 of the Listing Agreement. The adoption of non-mandatory requirements is provided in this Report.

VII. MEANS OF COMMUNICATION

Financial Results

The quarterly, half-yearly and annual financial results are generally published in 'Business Standard' and 'Sakal'. The results are also displayed on the website of the Company 'www.pfizerindia.com' shortly after its submission to the Stock Exchanges.

Presentation to Institutional Investors/Analysts

Five tele-conferences were held with Institutional Investors/Analysts on 31st May, 2013, 30th July, 2013, 12th November 2013, 23rd November, 2013 and 5th February, 2014. The transcript of the same were put on the Company's website 'www.pfizerindia.com'. The official news releases are also displayed on the website of the Company.

VIII. GENERAL SHAREHOLDER INFORMATION

Date, time and venue of the Annual General Meeting

Date	:	10 th November, 2014
Time	:	10.30 a.m.
Venue	:	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021

Financial Year

The financial year of the Company is from 1st April to 31st March.

Financial Calendar

First Quarter Results	24 th 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

Date of Book Closure

31st October, 2014 to 10th November, 2014 (both days inclusive).

Dividend Payment Date

The Board of Directors ("Board") had declared an interim dividend of ₹ 360.00 (3600%) per equity share and the same was paid on 17th December, 2013. The dividend payout aggregated to ₹ 107429 Lakhs and the corporate dividend tax paid by your Company amounted to ₹ 18258 Lakhs. Keeping in mind the substantial payout by way of interim dividend, your Directors did not recommend any further dividend for the year ended 31st March, 2014.

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.

Stock Code

BSE Ltd. - 500680

The National Stock Exchange of India Ltd. - PFIZER EQ

International Securities Identification Number (ISIN)

The Company's scrip form part of the SEBI's Compulsory Demat Segment bearing **ISIN No. INE182A01018**.

Corporate Identity Number (CIN)

The Company's CIN, allotted by the Ministry of Corporate Affairs, Government of India, is **L24231MH1950PLC008311**. The Company is registered at Mumbai in the State of Maharashtra, India.

Address for Correspondence

All Shareholders' correspondence should be forwarded to M/s. Karvy Computershare Pvt. Ltd., the Registrar and Transfer Agents of the Company or to the Secretarial Department of the Company at the following addresses.

Registrar and Share Transfer Agents Address

Karvy Computershare Pvt. Ltd.

UNIT: PFIZER LIMITED

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

Tel.: 040 4465 5000 Fax: 040 2342 0814

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

E-mail: einward.ris@karvy.com

Registered Office Address

Pfizer Limited
Pfizer Centre, Patel Estate,
Off S.V. Road, Jogeshwari (W),
Mumbai – 400 102.
Tel: 022 6693 2000 Fax: 022 2678 4569
E-mail: prajeet.nair@pfizer.com
Homepage: www.pfizerindia.com
CIN: L24231MH1950PLC008311

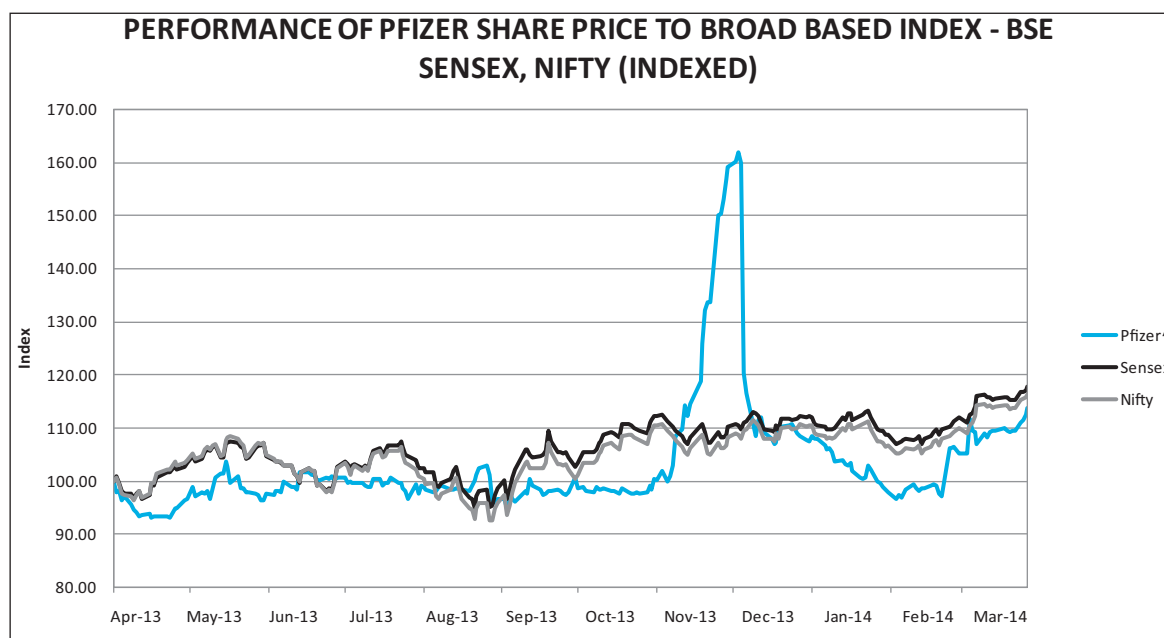
Share Transfer System

The Company Secretary has been empowered by the Board for approving transfers/transmissions of shares, split/consolidation, and other allied matters up to a limit of 1000 shares of individual items. At each meeting, the Board is apprised of the details of transfer/transmission/issue of duplicate shares. The Company's Registrars, M/s. Karvy Computershare Pvt. Ltd. has adequate infrastructure to process the share transfers. The share transfers received are processed within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects. Demat 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, every six months, a Practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued.

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 below:

Month	BSE Ltd.		The National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr 2013	1084.90	993.00	1088.00	995.00
May 2013	1125.00	1025.00	1125.00	1025.00
Jun 2013	1118.70	1035.00	1118.75	1031.05
July 2013	1090.00	985.00	1098.95	982.00
Aug 2013	1118.80	1010.00	1120.00	1011.60
Sep 2013	1107.00	1004.10	1137.00	1003.80
Oct 2013	1097.25	1041.00	1098.00	1031.00
Nov 2013	1729.80	1065.00	1727.90	1055.00
Dec 2013	1779.00	1071.00	1777.70	1100.00
Jan 2014	1175.00	1035.70	1175.00	1032.05
Feb 2014	1230.00	1020.00	1229.00	1010.00
Mar 2014	1275.00	1106.00	1299.00	1115.00



* Source: BSE and NSE Websites. ^ Pfizer share price on BSE.

DISTRIBUTION OF SHAREHOLDING

(a) Shareholding Pattern as on 31st March, 2014:

Category of Shareholder	Number of Shares	Percentage of Shareholding
Promoters		
Pfizer East India B.V., Netherlands	18186334	60.94
Warner-Lambert Company, LLC, USA	1187163	3.98
Parke, Davis & Company, LLC, USA	955733	3.20
Pharmacia Corporation, USA	783941	2.63
Sub-Total	21113171	70.75
Non-Promoters		
Mutual Funds/UTI	1332945	4.47
Venture Capital Fund	75	0.00
Financial Institutions/Banks	11017	0.04
Insurance Companies	297154	1.00
Foreign Institutional Investors	921371	3.09
Bodies Corporate	364318	1.22
Individuals	5514995	18.48
Directors & Relatives	3400	0.01
Trusts	2033	0.00
Foreign Bodies Corporate	300	0.00
Non-resident Indians	231076	0.77
Clearing Members	49585	0.17
Sub-Total	8728269	29.25
Total	29841440	100.00

(b) **Class-wise Distribution of Equity Shares as on 31st March, 2014:**

Number of Equity Share Holding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 - 50	45615	65.95	950775	3.19
51 - 100	11083	16.03	902009	3.02
101 - 500	10994	15.90	2272048	7.61
501 - 1000	922	1.33	661855	2.22
1001 - 5000	472	0.68	879124	2.94
5001 - 10000	28	0.04	204555	0.69
10001 & Above	48	0.07	23971074	80.33
Total	69162	100.00	29841440	100.00

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 Registrars & Share Transfer Agents, M/s. Karvy Computershare Pvt. Ltd.

As on 31st 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	27878940	93.42	42290	61.14
Held in dematerialized mode in CDSL	875605	2.94	11541	16.69
Physical mode	1086895	3.64	15331	22.17
Total	29841440	100.00	69162	100.00

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

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

Plant Location

Pfizer Limited
Thane Belapur Road
KU Bazar Post
Navi Mumbai - 400 705
Tel.: 022 6791 6161 Fax: 022 6791 6160

IX. NON-MANDATORY REQUIREMENTS

Shareholders' Rights

The half-yearly financial results are published in the newspapers as mentioned above and also they are displayed on the website of the Company. Therefore, the results were not separately circulated to all shareholders.

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

Mumbai, 9th October, 2014

R. A. Shah
Chairman

Auditors' Certificate on Corporate Governance

To the Members of Pfizer Limited

We have examined the compliance of conditions of Corporate Governance by Pfizer 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 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 & Co. LLP**

Chartered Accountants

Firm's Registration No. : 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 48648

Place: Mumbai

Date: 9 October 2014

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

In accordance with Clause 49(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March, 2014.

For Pfizer Limited

Place : Mumbai

Date : 2nd May, 2014

Aijaz Tobaccowalla

Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of Pfizer Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Pfizer Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss, Cash Flow Statements for year ended 31 March 2014 and a 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 controls 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 31 March 2014; and
- iii. in case of the Cash Flow Statement, of the cash flows for the year ended 31 March 2014.

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 statements 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 statements 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 & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

Place: Mumbai
Date: 2 May 2014

Sadashiv Shetty
Partner
Membership No: 048648

ANNEXURE TO THE INDEPENDENT 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. Certain fixed assets were verified during this year as per this program. 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, except stock lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For all stocks lying with third parties at the year-end, written confirmations have been obtained.
- (b) The procedures for the physical verification of inventory 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 Act. 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 and sales of certain items of inventories are for the Company's and buyers' specialized requirements respectively 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 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, Employees' state insurance, 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.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Investor Education and Protection fund, Employees' state insurance, Income tax, Sales tax, Value added tax, Service tax, Wealth tax, Customs duty, Excise duty, Cess and other material statutory dues were in

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2014 (CONTINUED)

arrears as at 31 March 2014 for a period of more than six months from the date they became payable other than professional tax amounting to ₹661,818.

- (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 year.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) According to the information and explanations given to us, no material fraud by or on the Company has been noticed or reported during the year.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

Sadashiv Shetty
Partner
Membership No: 048648

Place: Mumbai
Date: 2 May 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2014 (CONTINUED)

Appendix 1 as referred to in paragraph ix (b) of Annexure to the Independent Auditors' Report

Name of the Statute	Forum where dispute is pending	Period to which the amount relates	Nature of dues	Amount
Value Added Tax Act and CST Rules	Superintendent of Taxes	2003 to 04, 2004 to 05 and 2005 to 06	Tax	14.70
	Deputy Commissioner (CT) Secunderabad	2006 to 2010	Tax	62.99
	Appellate Deputy Commissioner	2007 to 2010	Tax	27.56
	Appellate Authority	2006 to 2010	Tax and penalty	19.54
	Bihar tax tribunal	1995 to 1996	Tax	2.03
	Deputy Commissioner Appeal	1999 to 2001	Tax	6.02
	Joint Commissioner (appeals)	2009 to 2013	Tax and penalty	246.84
	Joint commissioner of sales tax	2001 to 2003	Tax	48.74
	Tribunal Sales tax Patna	1994 to 1996	Tax	2.51
	Joint Commissioner	2006 to 2011	Tax interest and penalty	269.35
	Appellate commissioner	2009 to 2011	Tax	26.10
	Second Appellate Authority	2008 to 2009	Tax and penalty	0.30
	Appeal	2013 to 2014	Tax	18.25
	Joint Commissioner, Corporate Circle	2007 to 2011	Tax	1289.60
	Mobile squad – Gaziabad	2009 to 2010	Tax	26.96
	Supreme Court	1992 to 1993	Tax	10.27
	Tax authority	2004 to 2011	Tax	266.77
	Tribunal	2006 to 2007	Tax	10.39
	Assistant Commissioner of sales tax (appeals)	1986 to 1987	Tax	1.92
	Deputy Commissioner appeal	2001 to 2002	Tax	3.36
State and Central Sales Tax Act	Deputy Commissioner Appeals	1983-2005	Tax and interest	6119.74
	Additional Commissioner-IV	1993-1999	Tax	37.56
	Appellate Authority	2008-2010	Tax and interest	18.70
	Tax Authority	2001-2011	Tax interest and penalty	116.09
	Tribunal	2002-2003	Tax	3.57
	Tribunal - Sales Tax U.P.	1996-1997		
The Central Excise Act, 1944	Customs, Excise, Service Tax Appellate Tribunal	1990-2006	Duty and penalty on classification/ valuation and ther disputes	433.96
	Supreme Court	1998	Duty and penalty	14.55
	Customs, Excise, Service Tax Appellate Tribunal	1985-2006	Duty and penalty	563.23
	Bombay High Court	2004-2005	Duty and penalty	2.24
	Comissioner of Appeals	2005-2006	Duty and penalty	2.49
Customs Act, 1962	Comissioner of Appeals	1995	Duty and penalty on imports and other disputes	1.06
	Supreme Court	1996-1997	Duty and penalty on imports and other disputes	36.92
The Central Excise Act, 1944 (Service Tax)	Bombay High Court	1997-2001	Duty and penalty	193.11
The Income tax Act, 1961	Commissioner of Income tax Appeals	2004-2011	Tax and interest	5413.24
	Commissioner of Income tax Appeals	2004 - 2013	Non deduction/ short deduction	6676.81
	ITAT	1994-1995 and 1999-2000 and 2002-2003 and 2007-2010	Tax and interest	12732.64

BALANCE SHEET AS AT 31 MARCH 2014

Currency: ₹ in lakhs

	Note	31 March 2014	31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2984.32	2984.32
Reserves and surplus	4	62856.93	166457.81
		65841.25	169442.13
Non-current liabilities			
Other long-term liabilities	5	10.00	10.00
Long-term provisions	6	1555.06	1406.55
		1565.06	1416.55
Current liabilities			
Trade payables	7	15993.15	15059.48
Other current liabilities	8	5467.98	3956.20
Short-term provisions	9	3567.29	16075.65
		25028.42	35091.33
TOTAL		92434.73	205950.01
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2002.06	2484.24
Intangible assets	10	-	-
Assets held for sale	10	72.42	72.42
Capital work-in-progress		315.91	37.09
		2390.39	2593.75
Non current investments	11	4448.69	4599.38
Deferred tax assets (net)	12	3419.25	3987.67
Long-term loans and advances	13	13653.61	14330.56
		23911.94	25511.36
Current assets			
Inventories	14	15149.60	16515.05
Trade receivables	15	17338.72	14208.81
Cash and bank balances	16	30779.36	143293.70
Short-term loans and advances	17	4716.80	4322.98
Other current assets	18	538.31	2098.11
		68522.79	180438.65
TOTAL		92434.73	205950.01
Significant accounting policies	2		
Notes to the financial statements	3 - 42		

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 & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
02 May 2014

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

R. A. Shah
Chairman
DIN:00009851

Aijaz Tobacowalla
Managing Director
DIN:05312126

Pradip Shah
Director
DIN:00066242

Uday Khanna
Director
DIN:00079129

S. Sridhar
Wholetime Director &
Chief Financial Officer
DIN:05162648

Vivek Dhariwal
Wholetime Director
DIN:02826679

Prajeet Nair
Company Secretary

Mumbai
02 May 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
Revenues			
Revenue from operations (gross)		105742.66	99508.98
Less: Excise duty		5315.46	4711.25
Revenue from operations (net)	19	100427.20	94797.73
Other operating income	20	10753.40	10085.92
Other income	21	10938.27	10524.30
Total revenues		122118.87	115407.95
Expenses			
Cost of materials consumed	22a & b	26576.72	23848.89
Purchases of stock-in-trade	22c	10627.44	9722.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22d	283.79	(266.51)
Employee benefits	23	19176.61	21111.90
Finance costs	24	36.38	23.96
Depreciation and amortization	25	796.98	801.84
Other expenses	26	30662.45	32200.45
Total expenses		88160.37	87443.17
Profit before exceptional and extraordinary items and tax		33958.50	27964.78
Exceptional items:			
Gain on sale of Animal Health business		-	38251.74
Gain on sale of investment in subsidiary		-	3160.00
Profit before tax		33958.50	69376.52
Tax expense			
Current tax		11304.37	19543.17
Deferred tax charge / (credit)		568.42	(486.43)
Profit for the year		22085.71	50319.78
Earnings per share (of ₹ 10/- each) (Basic and diluted)			
a. before exceptional items (net of tax)	38	74.01	61.10
b. after exceptional items	38	74.01	168.63
Significant accounting policies	2		
Notes to the financial statements	3 - 42		

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 & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

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Prajeet Nair
Company Secretary

Mumbai
02 May 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
A Cash Flow from Operating Activities :-		
Net profit before taxation and exceptional items	33958.50	27964.78
Adjustments for :		
Depreciation and amortization	796.98	801.84
Unrealised foreign exchange loss / (gain) (Net)	41.20	1.04
Interest income	(8550.03)	(8911.75)
Rental income	(741.64)	(740.49)
(Profit) / Loss on fixed assets sold / discarded (Net)	(175.93)	(5.36)
Provision for doubtful trade receivables and advances (Net)	124.92	674.13
Provisions no longer required written back	(277.36)	(268.77)
Operating profit before working capital changes	25176.64	19515.42
Adjustments for :		
(Increase) / Decrease in trade and other receivables	(1405.17)	(3375.88)
(Increase) / Decrease in inventories	1365.45	(1432.70)
Increase / (Decrease) in trade and other payables	1514.35	3878.13
Increase / (Decrease) in provisions (excluding proposed dividend, tax on proposed dividend, income tax provision)	(1012.50)	639.88
Cash generated from operations	25638.77	19224.85
Direct taxes paid (Net)	(12394.03)	(20826.02)
Net cash from operating activities (A)	13244.74	(1601.17)
B Cash Flow from Investing Activities :-		
Purchase of fixed assets	(422.32)	(66.70)
Proceeds from sale of fixed assets	204.46	5.38
Rental income on investment properties	642.92	740.49
Inter corporate deposits (Net)	-	8723.93
Proceeds from sale of investment in subsidiary	-	47160.00
Proceeds from sale of Animal Health business	-	42428.42
Investment in subsidiary	-	(43995.00)
Interest received	9841.17	7590.15
Net cash from / (used) in investing activities (B)	10266.23	62586.67

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Currency: ₹ in lakhs

	Year ended 31 March 2014	Year ended 31 March 2013
C Cash Flow from Financing Activities :-		
Dividend paid on equity shares	(116110.93)	(2066.10)
Tax paid on dividend	(19905.94)	(2253.79)
Net cash used in financing activities (C)	(136016.87)	(4319.89)
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(112505.90)	56665.61
Cash and cash equivalents at the beginning of the year (Note 1)	143292.10	86626.49
Cash and cash equivalents at the end of the year (Note 1)	30786.20	143292.10
	(112505.90)	56665.61
Notes :		
1 Cash and bank balances	30779.36	143293.70
Unrealised translation gain on foreign currency cash and bank balances	6.84	(1.60)
	30786.20	143292.10

- Cash and cash equivalents include balances aggregating to ₹1455.06 lakhs (March 2013 : ₹437.98 lakhs) with scheduled banks on current accounts in respect of unpaid dividend, which are not available for use by the Company.
- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on "Cash Flow Statement".
- Previous year figures have been regrouped where necessary.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
02 May 2014

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

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Wholetime Director
DIN:02826679

Prajeet Nair
Company Secretary

Mumbai
02 May 2014

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

1 Background

The Company is a Public limited Company, incorporated under the Indian Companies Act, 1913, having its registered office in Mumbai, Maharashtra and is listed on BSE Ltd. and the National Stock Exchange of India Limited. The Company is engaged in manufacturing, marketing, trading and export of Pharmaceutical products. The Company has its own manufacturing facility at Thane and various independent contract / third party manufacturers based across the country. The Company sells its products through independent distributors primarily 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 accounting

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 ('the Act') 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 Principles (GAAP) in India requires management to make estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Current and 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 atleast 12 months after the reporting date.

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;

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

- (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 / amortization

Tangible fixed assets

- (i) Tangible fixed assets are stated at cost of acquisition less accumulated depreciation / amortization and impairment losses. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.
- (ii) Assets costing individually up to ₹ 5000 are written off and those costing more than ₹ 5000 but up to US\$5000 are fully depreciated in the year of purchase except that -
 - “multiple-like items” the cost of which is over US\$ 10000 in the aggregate; and
 - “unlike items of a capital nature within an asset category” for large scale projects the aggregate cost of which exceeds US\$ 10000 are considered as one asset and depreciated in accordance with the accounting policy stated in (iii) below.
- (iii) Depreciation / amortization for the year has been provided on straight line method at the higher of the rates determined by the Company based on the estimated useful life of the assets or the rates specified in Schedule XIV of the Act. Depreciation on additions other than those stated in (ii) above is provided on a pro-rata basis from the month of capitalisation. Depreciation on deletions during the year is provided up to the month in which the asset is sold / discarded.
- (iv) Depreciation on assets other than those specified in (ii) above are provided at the following rates per annum:

Assets	Rate
Land : Leasehold	Amortized over the lease period
Buildings : On leasehold land	Higher of 3.34% or rate based on lease period
Leasehold improvements	Higher of 8% to 10% or amortized over the lease period
Machinery & Equipment	8% to 40%
Office Equipment, Furniture & Fixtures	8% to 33.33%
Vehicles	25%

In case of assets taken over from erstwhile Pharmacia Healthcare Limited depreciation has been provided at the rates specified in Schedule XIV of the Act except the following assets, which are depreciated at the respective rates:

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

Assets	Rate
Buildings : On Freehold land	1.65% to 3.34%
Machinery & Equipment	4.75% to 8.09%
Office Equipment, Furniture & Fixtures	3.34% to 33.33%

Asset held for sale

- (i) Assets that have been retired from active use and held for disposal are stated at the lower of their net book value and net realisable value as estimated by the Company.

Intangible fixed assets

Intangible assets comprises of

(i) **Trademarks**

Trademarks are recorded at their acquisition cost and are amortized over the lower of their estimated useful life and period of ownership on straight line basis i.e. generally over a period of 3 years.

(ii) **Application software**

Cost of Application 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 Application Software not exceeding ₹50 lakhs is being charged to the statement of profit and loss.

Revenue expenditure on research and development is expensed as incurred. Capital expenditure on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Company.

(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) **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.

(g) **Investments**

Long-term investments are stated at cost less other than temporary diminution in value, determined separately for each individual investment. Current investments are recognized at cost or net realisable value whichever is

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

lower.

Investment in land or buildings that are not intended to be occupied substantially for use by or in operations of the Company, or held for rental purpose is classified as investment property. Investment property is stated at cost less accumulated depreciation.

(h) Inventories

Raw materials, stock-in-trade, work-in-progress, finished goods and packing materials are valued at the lower of weighted average cost and net realizable value. Cost of finished goods and work-in-progress includes cost of materials, direct labour and an appropriate portion of overheads. Stores and maintenance spares are valued at average cost.

The net realizable 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 the finished products will exceed their net realizable value.

Finished goods expiring within 90 days (near-expiry inventory) as at the balance sheet date have been fully provided for.

(i) Samples

Physicians' samples are valued at standard cost, which approximates actual cost and are charged to the statement of profit and loss when distributed.

(j) Revenue recognition

Revenue from sale of goods in the course of ordinary activities is recognized 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 recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax, and is net of returns and discounts. Revenue from services is recognized as and when services are rendered and related costs are incurred, in accordance with the terms of the specific contracts. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

(k) Employee benefits

Long term employee benefits

(i) Defined contribution plan

The Company's contribution towards employees' Superannuation plan is recognized as an expense during the year.

(ii) Defined benefit plans

Provident fund

Provident fund contributions are made to a trust administered by the trustees. Trust makes investments and is settling members claims. Interest payable to the members shall not be at a rate lower than the statutory rate. Liability is recognized for any shortfall in the plan assets vis-à-vis actuarially determined liability of the fund obligation.

Gratuity plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees

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

have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation as at the balance sheet date under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to one additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

(iii) Other Long-term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date using Projected Unit Credit method by an independent actuary. 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.

(l) 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 is recognized in the statement of profit and loss on a straight line basis over the lease term.

(m) 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 and is charged to the statement of profit and loss.

(n) Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is based on the results for the year ended 31 March 2014, 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 recognized only to the extent there is virtual certainty of realization 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.

(o) 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.

(p) Provisions and contingent liabilities

The Company creates a provision when there exist 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

Authorised

Equity shares of ₹10 each

Unclassified shares of ₹10 each

Issued

Equity shares of ₹10 each

Subscribed and fully paid up

Equity shares of ₹10 each

Forfeited equity shares

Total

	31 March 2014		31 March 2013	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹10 each	29,844,080	2984.41	29,844,080	2984.41
Unclassified shares of ₹10 each	10,155,920	1015.59	10,155,920	1015.59
Equity shares of ₹10 each	29,844,080	2984.41	29,844,080	2984.41
Equity shares of ₹10 each	29,841,440	2984.14	29,841,440	2984.14
Forfeited equity shares	2,640	0.18	2,640	0.18
Total	29,844,080	2984.32	29,844,080	2984.32

Notes:

- 3.1 Reconciliation of the number of equity shares and amount outstanding at the commencement and at the end of the reporting period:

Balance at the commencement and at the end of the year	29,844,080	2984.32	29,844,080	2984.32
--	------------	---------	------------	---------

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

Equity shares of ₹10 each fully paid up held by:

Ultimate Holding Company

Pfizer Inc.

- - - -

Holding Company

Pfizer East India BV (w.e.f 3 March 2014)

18,186,334 1818.63 - -

Subsidiaries of the ultimate holding company

Pfizer Corporation (upto 2 March 2014)

- - 9,376,100 937.61

Pfizer Investments Netherlands, B.V (upto 2 March 2014)

- - 8,810,234 881.02

Warner Lambert Company

1,187,163 118.72 1,187,163 118.72

Parke Davis & Company

955,733 95.57 955,733 95.57

Pharmacia Corporation

783,941 78.39 783,941 78.39

- 3.3 Shareholders holding more than 5% shares as on

	31 March 2014		31 March 2013	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹10 each fully paid up held by:				
Subsidiaries of the ultimate holding company				
Pfizer East India BV (w.e.f 3 March 2014)	18,186,334	60.94	-	-
Pfizer Corporation (upto 2 March 2014)	-	-	9,376,100	31.42
Pfizer Investments Netherlands, B.V (upto 2 March 2014)	-	-	8,810,234	29.52

- 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.

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

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

Currency: ₹ in lakhs

	31 March 2014	31 March 2013
4 Reserves and surplus		
Securities premium account		
At the commencement and end of the year	2277.70	2277.70
General reserve		
At the commencement of the year	27983.55	22951.57
Add: Transferred from surplus	2208.57	5031.98
At the end of the year	30192.12	27983.55
Surplus		
At the commencement of the year	136196.56	102256.12
Add: Profit for the year	22085.71	50319.78
Less: Appropriations		
Proposed dividend (Nil, March 2013 : ₹ 12.50 per share)	-	3730.18
Interim dividend (₹ 360 per share, March 2013 : Nil)	107429.00	-
Special dividend (Nil, March 2013 : ₹ 20.00 per share)	-	5968.83
Tax on dividend	18257.59	1648.35
Transferred to general reserve	2208.57	5031.98
At the end of the year	30387.11	136196.56
Total	62856.93	166457.81
5 Other long-term liabilities		
Security deposits	10.00	10.00
Total	10.00	10.00
6 Long-term provisions		
Employee related		
Provident fund (Refer note 23.1)	476.51	383.33
Other provisions		
Wealth tax (Net of taxes paid)	72.30	68.32
Fringe benefit tax (Net of taxes paid)	3.64	3.64
Demands under DPCO (Refer note 6.1(b) and note 27)	478.37	478.37
Sales return (Refer note 6.1(a))	366.33	314.98
Customs and Central Excise (Refer note 6.1(c) and note 27)	157.91	157.91
Total	1555.06	1406.55

6.1 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.

	Opening	Additions	Utilisation	Reversal	Closing
(a) Sales Return					
March 2014	314.98	51.35	-	-	366.33
March 2013	-	(314.98)	-	-	(314.98)
(b) Provision for Demands under the Drugs (Prices Control) Order, 1979					
March 2014	478.37	-	-	-	478.37
March 2013	(478.37)	-	-	-	(478.37)

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

Currency: ₹ in lakhs

	Opening	Additions	Utilisation	Reversal	Closing
(c) Provision for Disputed Demands					
Central Excise					
March 2014	155.47	-	-	-	155.47
March 2013	(155.47)	-	-	-	(155.47)
Customs					
March 2014	2.44	-	-	-	2.44
March 2013	(2.44)	-	-	-	(2.44)
Total (a+b+c)					
March 2014	951.26	51.35	-	-	1002.61
March 2013	(636.28)	(314.98)	-	-	(951.26)

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

7 Trade payables

Micro and small enterprises (Refer note 7.1)
Other trade payables

Total

7.1 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.
- (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.
- (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.

31 March 2014

31 March 2013

151.69

86.20

15841.46

14973.28

15993.15

15059.48

142.94

67.21

-

-

-

-

-

-

8.75

18.99

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.

8 Other current liabilities

Unpaid dividends (Refer note 8.1)
Creditors for capital expenditure
Statutory remittances
Employee benefits
Security deposits

Total

1455.06

437.98

26.22

30.19

936.46

810.55

2129.79

2046.46

920.45

631.02

5467.98

3956.20

- 8.1 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.

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

Currency: ₹ in lakhs

9 Short-term provisions

Employee related

Compensated absences (Refer note 23.1)

Gratuity (Refer note 23.1)

Provident fund (Refer note 23.1)

Other employee benefits (Refer note 9.1(a))

Other provisions

Sales return (Refer note 9.1(b))

Demands under DPCO (Refer note 9.1(c) and note 27)

Proposed dividend (Refer note 9.2)

Tax on proposed dividend

Total

	31 March 2014	31 March 2013
	-	1339.06
	608.04	1600.25
	63.93	25.65
	664.81	546.73
	1749.23	1216.60
	481.28	-
	-	9699.01
	-	1648.35
	3567.29	16075.65

9.1 Additional disclosures relating to certain provisions

	Opening	Additions	Utilisation	Reversal	Closing
(a) Other employee benefits					
March 2014	546.73	118.08	-	-	664.81
March 2013	(406.46)	(140.27)	-	-	(546.73)
(b) Sales Return					
March 2014	1216.60	532.63	-	-	1749.23
March 2013	(631.31)	(585.29)	-	-	(1216.60)
(c) Provision for Demands under the Drugs (Prices Control) Order, 1979					
March 2014	-	481.28	-	-	481.28
March 2013	-	-	-	-	-
Total (a + b + c)					
March 2014	1763.33	1131.99	-	-	2895.32
March 2013	(1037.77)	(725.56)	-	-	(1763.33)

9.2 Proposed dividend

Amount per share (in ₹)

Number of shares

Amount (₹ in lakhs)

	31 March 2014	31 March 2013
	-	32.50
	-	29,841,440
	-	9699.01

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

Currency: ₹ in lakhs

	Leasehold land	Leasehold improvements	Building on Leasehold Land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Building	Freehold Land	Total Tangible	Trademarks (Intangible)	Total Intangible	Total
Gross block														
Balance as at 1 April 2012	32.57	475.90	1421.36	5551.72	451.53	255.03	1119.25	2247.78	-	-	11555.14	15.51	15.51	11570.65
Additions	-	2.48	-	18.78	2.50	-	12.29	31.49	-	-	67.54	-	-	67.54
Disposals / Adjustments	-	0.10	(0.04)	0.69	0.10	52.44	2.00	84.37	-	-	139.66	-	-	139.66
Balance as at 31 March 2013	32.57	478.28	1421.40	5569.81	453.93	202.59	1129.54	2194.90	-	-	11483.02	15.51	15.51	11498.53
Balance as at 1 April 2013	32.57	478.28	1421.40	5569.81	453.93	202.59	1129.54	2194.90	-	-	11483.02	15.51	15.51	11498.53
Additions	-	-	-	33.24	1.24	-	5.91	152.25	-	-	192.64	-	-	192.64
Disposals / Adjustments	-	26.15	26.40	43.71	7.28	76.73	15.26	12.98	-	-	208.51	-	-	208.51
Balance as at 31 March 2014	32.57	452.13	1395.00	5559.34	447.89	125.86	1120.19	2334.17	-	-	11467.15	15.51	15.51	11482.66
Depreciation and impairment losses														
Balance as at 1 April 2012	15.63	306.16	460.05	4132.85	309.95	222.66	1014.68	2032.21	-	-	8494.19	15.51	15.51	8509.70
Depreciation for the year	0.33	53.72	43.41	323.91	27.29	20.50	35.50	145.75	-	-	650.41	-	-	650.41
Accumulated depreciation and impairment losses on disposals / Adjustments	0.01	0.40	14.38	0.29	(8.80)	52.46	10.11	76.97	-	-	145.82	-	-	145.82
Balance as at 31 March 2013	15.95	359.48	489.08	4456.47	346.04	190.70	1040.07	2100.99	-	-	8998.78	15.51	15.51	9014.29
Balance as at 1 April 2013	15.95	359.48	489.08	4456.47	346.04	190.70	1040.07	2100.99	-	-	8998.78	15.51	15.51	9014.29
Depreciation for the year	0.32	52.84	42.27	405.57	25.58	-	27.88	91.83	-	-	646.29	-	-	646.29
Accumulated depreciation and impairment losses on disposals / Adjustments	-	25.06	18.53	36.29	6.32	64.84	14.66	14.28	-	-	179.98	-	-	179.98
Balance as at 31 March 2014	16.27	387.26	512.82	4825.75	365.30	125.86	1053.29	2178.54	-	-	9465.09	15.51	15.51	9480.60
Net Block														
As at 31 March 2013	16.62	118.80	932.32	1113.34	107.89	11.89	89.47	93.91	-	-	2484.24	-	-	2484.24
As at 31 March 2014	16.30	64.87	882.18	733.59	82.59	-	66.90	155.63	-	-	2002.06	-	-	2002.06
Asset Held for Sale														
Balance as at 1 April 2012	-	-	-	-	-	-	-	-	208.57	20.28	228.85	-	-	228.85
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	0.09	-	0.09	-	-	0.09
Balance as at 31 March 2013	-	-	-	-	-	-	-	-	208.48	20.28	228.76	-	-	228.76
Balance as at 1 April 2013	-	-	-	-	-	-	-	-	208.48	20.28	228.76	-	-	228.76
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2014	-	-	-	-	-	-	-	-	208.48	20.28	228.76	-	-	228.76
Depreciation and impairment losses														
Balance as at 1 April 2012	-	-	-	-	-	-	-	-	141.25	-	141.25	-	-	141.25
Depreciation for the year	-	-	-	-	-	-	-	-	0.74	-	0.74	-	-	0.74
Accumulated depreciation and impairment losses on disposals / Adjustments	-	-	-	-	-	-	-	-	(14.35)	-	(14.35)	-	-	(14.35)
Balance as at 31 March 2013	-	-	-	-	-	-	-	-	156.34	-	156.34	-	-	156.34
Balance as at 1 April 2013	-	-	-	-	-	-	-	-	156.34	-	156.34	-	-	156.34
Depreciation for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment losses on disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2014	-	-	-	-	-	-	-	-	156.34	-	156.34	-	-	156.34
Net Block														
As at 31 March 2013	-	-	-	-	-	-	-	-	52.14	20.28	72.42	-	-	72.42
As at 31 March 2014	-	-	-	-	-	-	-	-	52.14	20.28	72.42	-	-	72.42

10.1 Building includes investment in share application money of ₹ 500 (March 2013: ₹ 500) in cooperative housing society, representing ownership of two residential flats.

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

Currency: ₹ in lakhs

11 Non - current investments

Other Investments

a. Investment property

Assets given on operating lease

Less : accumulated depreciation

5316.91

5316.91

868.47

717.78

4448.44

4599.13

b. Unquoted investments

Investment in other equity instruments

The Shamrao Vithal Co-operative Bank Limited

1,000 (March 2013: 1,000) shares of ₹ 25 each, fully paid-up

Gold Sovereign (Actual cost ₹ 61)

Bharuch Eco-Aqua Infrastructure Limited

72,935 (March 2013: 72,935) equity shares of ₹ 10 each, fully paid-up

Bharuch Enviro Infrastructure Limited

175 (March 2013: 175) equity shares of ₹ 10 each, fully paid-up

0.25

0.25

-

-

7.29

7.29

0.02

0.02

7.56

7.56

Investment in government securities

0.11

0.11

Less: Provision for diminution in value of investments

(7.42)

(7.42)

0.25

0.25

Total

4448.69

4599.38

Aggregate amount of unquoted investments

0.25

0.25

12 Deferred tax

Tax effect of items constituting deferred tax liability

Provision for compensated absences

182.07

-

182.07

-

Tax effect of items constituting deferred tax assets

On difference between book balance and tax balance of fixed assets

150.86

129.17

Provision for compensated absences

-

399.90

Provision for gratuity

206.67

543.92

Provision for provident fund

105.18

139.01

Provision for doubtful trade receivable and advances

383.74

842.43

Provision for excise duty, custom duty and DPCO

379.86

216.27

Amortization of voluntary retirement costs

373.95

243.31

Others

2001.06

1473.66

3601.32

3987.67

Net deferred tax

3419.25

3987.67

13 Long-term loans and advances

(Unsecured, considered good unless otherwise stated)

Capital advances

-

53.11

Compensated absences (Refer note 23.1)

535.66

162.53

Deposits and other advances considered good (Refer note 13.1)

1899.29

3734.89

Employee related loans and advances

220.78

291.28

Advance income tax

9451.24

8361.58

Balance with Customs

144.02

492.73

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

Currency: ₹ in lakhs

	31 March 2014	31 March 2013
Other loans and advances		
Considered good	1402.62	1234.44
Considered doubtful	138.32	118.53
	1540.94	1352.97
Less: Provision for other doubtful loans and advances	(138.32)	(118.53)
	1402.62	1234.44
Total	13653.61	14330.56
13.1	Includes ₹ 636.28 lakhs (Mar 2013: ₹ 636.28 lakhs) deposited in respect of demands under the Drugs (Prices Control) Order, 1979.	
14 Inventories		
<i>(At lower of cost and net realisable value unless otherwise stated)</i>		
Raw materials	4489.49	5433.81
Goods-in transit included above ₹ 575.76 lakhs (March 2013: ₹ 1079.86 lakhs)		
Work-in-progress	800.85	894.75
Finished goods (Refer note 14.1)	5553.96	5650.79
Goods-in transit included above ₹ 281.20 lakhs (March 2013: ₹ 871.18 lakhs)		
Stock-in-trade (Refer note 14.2)	3226.82	3319.88
Goods-in transit included above ₹ 69.69 lakhs (March 2013: ₹ 10.70 lakhs)		
Stores and spares (at cost)	150.75	143.14
Packing materials	927.73	1072.68
Total	15149.60	16515.05
14.1 Finished goods comprises		
Liquid parentals	27.56	38.63
Tablets and capsules	2950.30	3177.86
Liquids	2506.66	2278.08
Solids	69.17	124.96
Ointments	0.27	25.02
Feed supplements	-	6.24
	5553.96	5650.79
14.2 Stock-in-trade comprises		
Liquid parentals	297.88	308.01
Tablets and capsules	1949.44	1736.19
Powder parentals	476.51	617.06
Liquids	385.36	497.69
Solids	-	10.71
Ointments	44.68	52.72
Miscellaneous	72.95	97.50
	3226.82	3319.88

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

Currency: ₹ in lakhs

	31 March 2014	31 March 2013
15 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they became due for payment - Unsecured		
Considered good	39.49	39.85
Considered doubtful	714.76	1908.84
	754.25	1948.69
Less: Provision for doubtful trade receivables	(714.76)	(1908.84)
	39.49	39.85
Other trade receivables - Unsecured		
Considered good	17299.23	14168.96
Considered doubtful	7.41	118.12
	17306.64	14287.08
Less: Provision for doubtful trade receivables	(7.41)	(118.12)
	17299.23	14168.96
Total	17338.72	14208.81
16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	2.56	2.53
Balances with banks		
In current accounts	2643.56	4530.32
In EEFC account	183.23	906.32
In deposit accounts	26494.95	137416.55
Other bank balances		
Unpaid dividend accounts	1455.06	437.98
Total	30779.36	143293.70
17 Short-term loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Security deposits	1512.38	1472.33
Loans and advances to employees	102.63	178.45
Balance with Customs and Excise authorities	194.04	578.83
Other loans and advances		
Unsecured, considered good	2907.75	2093.37
Considered doubtful	268.49	332.96
	3176.24	2426.33
Less: Provision for other doubtful loans and advances	(268.49)	(332.96)
	2907.75	2093.37
Total	4716.80	4322.98
18 Other current assets		
Interest accrued on time deposits	298.36	1589.50
Physician samples (at cost)	239.95	508.61
Total	538.31	2098.11

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
19 Revenue from operations		
Sale of products (Refer note 19.1)	105742.66	99508.98
Less: excise duty	5315.46	4711.25
Total	100427.20	94797.73
19.1 Sale of products comprises		
Liquid parentals	5412.17	4739.24
Tablets and capsules	43025.43	43339.41
Powder parentals	9597.36	8591.27
Liquids	38416.65	33998.32
Solids	1766.52	1675.63
Ointments	843.27	830.94
Feed supplements	797.38	1088.33
Miscellaneous	568.42	534.59
	100427.20	94797.73
20 Other operating income		
Sale of services	10601.55	9821.14
CSA commission	150.90	261.24
Sale of scrap	0.95	3.54
Total	10753.40	10085.92
21 Other income		
Interest income :		
On deposits from banks	8550.03	8168.28
On staff loan	22.29	40.39
On others	1.18	703.08
Rental income (Refer note 37)	1259.19	1176.47
Liabilities / provisions no longer required written back	277.36	268.77
Net gain on foreign currency transactions and translation	-	66.49
Miscellaneous income	616.35	53.66
Insurance claims	35.94	41.80
Profit on sale of assets (net)	175.93	5.36
Total	10938.27	10524.30

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
22 Cost of materials consumed		
22 a Raw materials consumed		
Opening stock	5433.81	4816.54
Add: Purchases (net)	18424.00	17875.16
	23857.81	22691.70
Less: Closing stock	4489.49	5433.81
Cost of raw materials consumed (a) (Refer note 22a (i))	19368.32	17257.89
22 b Packing materials consumed		
Opening stock	1072.68	822.79
Add: Purchases	7063.45	6840.89
	8136.13	7663.68
Less: Closing stock	927.73	1072.68
Cost of packing materials consumed (b)	7208.40	6591.00
Total cost of materials consumed (a + b)	26576.72	23848.89
22 a (i) Raw material consumed comprises		
Vitamins	3289.83	3512.97
Codeine phosphate	3818.36	2670.97
Minipress XL bulk tablets	4872.96	3612.82
Sugar	1184.34	1171.65
Other items	6202.83	6289.48
	19368.32	17257.89
22 c Purchases of stock-in-trade		
Liquid parentals	1350.03	834.06
Powder parentals	2109.26	2179.11
Tablets and capsules	4501.86	4202.45
Liquids	1997.89	1653.79
Solids	209.11	184.05
Ointments	192.16	204.42
Feed supplements	-	118.14
Feed liquid	-	15.14
Miscellaneous	267.13	331.48
Total	10627.44	9722.64

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

Currency: ₹ in lakhs

22 d Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventories at the end of the year

Finished goods

Work-in-progress

Stock-in-trade

Inventories at the commencement of the year

Finished goods

Less: Transfer pursuant to sale of Animal Health business

Work-in-progress

Stock-in-trade

Less: Transfer pursuant to sale of Animal Health business

Net (increase) / decrease

23 Employee benefits

Salaries and wages

Contributions to provident and other funds (Refer note 23.1)

Gratuity (Refer note 23.1)

Staff welfare expenses

Compensation under Voluntary Retirement Scheme

Total

	Year ended 31 March 2014	Year ended 31 March 2013
	5553.96	5650.79
	800.85	894.75
	3226.82	3319.88
	9581.63	9865.42
	3319.88	6621.65
	-	(854.97)
	3319.88	5766.68
	894.75	707.94
	5650.79	5206.45
	-	(2082.16)
	5650.79	3124.29
	9865.42	9598.91
	283.79	(266.51)
	15574.78	16436.45
	1233.91	1192.95
	200.03	1277.13
	1204.74	1763.01
	963.15	442.36
	19176.61	21111.90

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

Currency: ₹ in lakhs

23.1 Employee benefits

	31 March 2014			31 March 2013			31 March 2012			31 March 2011			30 November 2009		
	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund
1 Changes in present value of obligations															
Projected benefit obligation, at beginning of the year	5178.73	2112.53	-	5128.93	2957.68	-	5241.84	2524.35	-	3827.17	2377.90	10059.67	3299.39	2232.61	8834.26
Current service cost	604.30	610.26	-	691.72	56.26	-	399.46	769.70	-	390.38	332.71	-	214.96	243.92	-
Transfers in	-	-	-	(414.46)	(283.12)	-	-	-	-	271.33	236.43	-	-	-	-
Interest cost	376.24	110.37	-	377.79	164.78	-	399.92	195.30	-	422.08	227.48	-	235.59	161.70	-
(Benefits paid)/(Expected settlements)	(892.26)	(1448.39)	-	(1108.44)	(417.14)	-	(485.72)	(222.94)	-	(593.25)	(254.44)	(1485.22)	(264.22)	(166.89)	(992.36)
Past service cost - vested/(curtailment gain)	-	-	-	-	-	-	-	-	-	282.41	(418.51)	-	-	-	-
Actuarial (gain)/loss on obligation/ increase in account balance	(449.39)	(385.35)	-	503.19	(365.93)	-	(426.57)	(308.73)	-	641.72	22.78	940.68	341.45	(63.44)	1094.38
Employer's contributions	-	-	-	-	-	-	-	-	-	-	-	864.35	-	-	493.82
Plan participants' contributions	-	-	-	-	-	-	-	-	-	-	-	1099.64	-	-	629.57
Projected benefit obligation, at the end of the year	4817.62	999.42	-	5176.73	2112.53	-	5128.93	2957.68	-	5241.84	2524.35	11479.12	3827.17	2377.90	10059.67
2 Changes in fair value of plan assets															
Fair value of plan assets at beginning of the year	3578.48	2246.30	-	3282.72	2060.83	-	2997.98	1918.67	-	3207.00	1698.50	9012.08	2887.87	1559.19	8196.10
Expected return on plan assets	344.89	222.42	-	295.57	185.47	-	284.81	182.27	-	338.22	185.45	999.65	218.78	124.74	660.93
Contributions	1192.24	1448.39	-	1108.63	417.14	-	485.72	222.94	-	593.25	254.44	-	306.02	-	-
Benefits paid/Transfer out/Expected settlements	(892.26)	(1448.39)	-	(1108.44)	(417.14)	-	(485.72)	(222.94)	-	(1184.33)	(254.44)	(1608.71)	(264.22)	-	(992.36)
Actuarial gain/(loss) on plan assets	(13.77)	-	-	-	-	-	(0.07)	(40.11)	-	43.84	34.72	212.01	58.55	14.57	24.02
Employer's contributions	-	-	-	-	-	-	-	-	-	-	-	1099.64	-	-	493.82
Plan participants contributions	-	-	-	-	-	-	-	-	-	-	-	864.35	-	-	629.57
Fair value of plan assets at end of the year	4209.58	2468.72	-	3578.48	2246.30	-	3282.72	2060.83	-	2997.98	1918.67	10579.02	3207.00	1698.50	9012.08
3 Net Asset / (Liability) recognized in the balance sheet															
Projected benefit obligation, at the end of the year	(4817.62)	(999.42)	(540.44)	(5178.73)	(2112.53)	(408.98)	(5128.93)	(2957.68)	(324.14)	(5241.84)	(2524.35)	(11479.12)	(3827.17)	(2377.90)	(10059.67)
Fair value of plan assets at end of the year	4209.58	2468.72	-	3578.48	2246.30	-	3282.72	2060.83	-	2997.98	1918.67	10579.02	3207.00	1698.50	9012.08
Net Asset/(Liability) recognized in the balance sheet	(608.04)	1469.30	(540.44)	(1600.25)	133.77	(408.98)	(1846.21)	(896.85)	(324.14)	(2243.86)	(605.68)	(900.10)	(620.17)	(679.40)	(1047.59)
4 Expense recognized in the statement of profit and loss															
Current service cost	604.30	610.26	-	691.72	56.26	-	399.46	769.70	-	390.38	332.71	924.97	214.96	243.92	586.71

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

Currency: ₹ in lakhs

23.1 Employee benefits (Contd.)

	31 March 2014			31 March 2013			31 March 2012			31 March 2011			30 November 2009		
	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund	Gratuity	Compen- sated absences	Provident fund
Interest cost	376.24	110.37	32.51	377.79	164.78	28.04	399.92	195.30	72.01	422.08	227.48	101.34	235.59	161.70	42.16
Past service cost – vested/ curtailment gain)	-	-	-	-	-	-	-	-	-	282.41	(418.51)	(129.62)	-	-	-
Expected return on plan assets	(344.89)	(222.42)	-	(295.57)	(185.47)	-	(284.81)	(182.27)	-	(338.22)	(185.45)	-	(218.78)	(124.74)	-
Net actuarial (Gain)/Loss recognized	(435.62)	(385.35)	98.95	503.19	(365.93)	56.79	(426.51)	(288.62)	(774.92)	597.88	(11.94)	(1044.18)	282.90	(108.01)	(147.76)
Expense recognized in the statement of profit and loss	200.03	112.86	131.46	1277.13	(330.36)	84.83	88.06	514.11	(575.96)	1354.53	(55.71)	(147.49)	514.67	172.87	481.11
5 Balance sheet reconciliation															
Opening net liability	1600.25	(133.77)	408.98	1846.21	896.85	324.14	2243.86	605.68	900.10	620.17	679.40	1047.59	411.52	673.42	638.16
Transition liability – adjusted in general reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expense as above	200.03	112.86	131.46	1277.13	(330.36)	84.83	88.06	514.11	(575.96)	1354.53	(55.71)	(147.49)	514.67	172.87	481.11
Transfer in/(out)/(Benefits paid)/Expected settlements	(1192.24)	(1448.39)	-	(1523.09)	(700.26)	-	(485.71)	(222.94)	-	269.16	(18.01)	-	(306.02)	(166.89)	(71.68)
Amount recognized in the balance sheet	608.04	1469.30	540.44	1600.25	(133.77)	408.97	1846.21	896.85	324.14	2243.86	605.68	900.10	620.17	679.40	1047.59
6 Actuarial Assumptions															
Discount rate	8.74%	8.74%	8.74%	7.95%	7.95%	7.95%	8.65%	8.65%	8.65%	8.00%	8.00%	8.00%	7.30%	7.30%	7.30%
Expected rate of return on plan assets	9.25%	9.45%	8.34%	9.00%	9.50%	8.31%	9.50%	9.50%	8.24%	8.00%	8.00%	0.00%	8.00%	8.00%	0.00%
Annual increase in compensation	5% to 9.0%	5% to 9.0%	NA	5% to 9.5%	5% to 9.5%	NA	5% to 9.5%	5% to 9.5%	NA	5% to 9.5%	5% to 9.5%	5% to 9.5%	5% to 8%	5% to 8%	5% to 8%

Defined contribution plan:

During the year, the Company has contributed Nil (March 2013: ₹ 9.84 lakhs) towards employee's superannuation fund.

General description of significant defined benefit plans

- i) **Gratuity plan**
Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, as per Company's rules or as per provisions of the Payment of Gratuity Act, 1972.
- ii) **Leave plan**
All eligible employees can carry forward and avail / encash leave as per Company's rules subject to a maximum accumulation of 90 days in case of privilege leave.
- iii) **Provident fund**
The employee's provident fund is administered by a Trust created specifically for the purpose. The employee's and employer's contributions are transferred to the trust. All liabilities arising on account of provident fund payouts on resignation or retirement from service or death while in service are made from the trust.

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
24 Finance costs		
Interest expense on others	36.38	23.96
Total	36.38	23.96
25 Depreciation and amortization		
Tangible assets (Refer note 10)	646.29	651.15
Investment property (Refer note 11)	150.69	150.69
Total	796.98	801.84
26 Other expenses		
Consumption of stores and spare parts	245.72	230.13
Processing charges	4054.04	3770.01
Power and fuel	862.45	861.22
Clinical trials	93.15	791.26
Rent	2118.61	1994.32
Repairs and maintenance - buildings	593.39	109.95
Repairs and maintenance - machinery	271.55	301.47
Repairs and maintenance - Others	5.85	20.46
Insurance	374.46	400.64
Rates and taxes	1189.96	835.66
Communication	843.02	790.49
Travelling and conveyance	3157.78	3770.64
Freight & Forwarding expenses	5381.03	5180.17
Advertisement and sales promotion	3380.40	4826.12
Legal and professional fees	3784.04	4144.26
Payments to auditors (Refer note 26.1)	72.05	56.13
Royalty	39.09	43.72
Cash discount	21.50	3.54
Exchange Loss	83.96	-
Excise Duty	271.45	287.13
Bank charges	73.32	149.26
Provision for doubtful trade receivables and advances	124.92	674.13
Printing and stationery	138.94	141.81
Service charges	755.31	530.20
Commission to directors	30.00	30.00
Miscellaneous expenses	2696.46	2257.73
Total	30662.45	32200.45
26.1 Payment to auditors (inclusive of Service tax)		
Audit fees	31.46	31.46
Other services	39.33	23.60
Reimbursement of expenses	1.26	1.07
	72.05	56.13

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

Currency: ₹ in lakhs

27 Drugs Prices Equalisation Account (DPEA)

(a) Oxytetracycline and other formulations

In respect of certain price fixation Orders of 1981 of the Government of India, the Supreme Court vide its Order of 22 March 1993 held that, pending disposal of the Company's Writ Petition in the High Court of Mumbai, the Company may deposit 50% of the impugned amount of ₹ 87.61 lakhs (March 2013: ₹ 87.61 lakhs), less ₹ 19.90 lakhs (March 2013: ₹ 19.90 lakhs) already deposited, with the Union of India before 15 May 1993 which has been done. In the event that the Company succeeds before the High Court of Mumbai, this amount will be returned within one month from the date of the decision of the High Court with interest at the rate of 15% per annum. However, if the Company loses the Writ Petition, the balance amount of ₹ 43.80 lakhs (March 2013: ₹ 43.80 lakhs) with interest at the rate of 15% per annum will have to be paid to the Government.

(b) Multivitamin Formulations

In respect of certain price fixation Orders of 1986 of the Government of India, the Supreme Court vide its Order dated 3 December 1992, held that, pending disposal of the Company's Writ Petition in the High Court of Mumbai, the Company may deposit 50% of the impugned amount of ₹ 98.00 lakhs (March 2013: ₹ 98.00 lakhs) with the Union of India before 31 January 1993 which has been done. In the event that the Company succeeds before the High Court of Mumbai, this amount will be returned within one month from the date of the decision of the High Court with interest at the rate of 15% per annum. However, if the Company loses the Writ Petition, the balance amount of ₹ 49.00 lakhs (March 2013: ₹ 49.00 lakhs) with interest at the rate of 15% per annum will have to be paid to the Government.

(c) Protinex

In yet another case, the Company had challenged in 1986 a price fixation Order of the Government of India by a Writ Petition before the High Court of Mumbai. The Honorable Court passed an ad interim and interim order staying the impugned order. The Petition, while it was still pending for hearing and final disposal, was withdrawn in 1989 on redressal of the Company's grievances. After protracted correspondence on the subject, in 1993 the Government raised a demand of ₹ 81.83 lakhs (March 2013: ₹ 81.83 lakhs) on the Company for the period April 1986 to July 1989 and directed the Company to deposit the same into the DPEA. Thereafter, the Drug Prices Liability Review (DPLR) Committee sent a letter dated 15 February 1996 seeking the Company's submission/ representation against the reduced claim amount of ₹ 33.87 lakhs (March 2013: ₹ 33.87 lakhs) for the period April 1986 to August 1987 as intimated to the DPLR Committee by the Government of India. The Company has made its submissions to the DPLR Committee vide its letter of 29 March 1996 claiming that no amount whatsoever is due and payable having regard to the facts and relevant material of the case.

In the meantime, the Department of Chemicals and Petrochemicals vide their letter dated 11 February 1997 raised an additional demand of ₹ 178.56 lakhs (March 2013: ₹ 178.56 lakhs) for the earlier period of February 1984 to March 1986 over and above the revised claim of ₹ 33.87 lakhs (March 2013: ₹ 33.87 lakhs) for the period April 1986 to August 1987. Thus, the total demand raised now stands revised to ₹ 212.43 lakhs (March 2013: ₹ 212.43 lakhs). The DPLR Committee had, vide its letter dated 24 February 1997 invited the Company to make its submissions/ representations against the above said claim. The Company has made its submissions to the DPLR Committee vide its letter dated 14 May 1997 claiming that no amount whatsoever is due and payable having regard to the facts and relevant material of the case.

Pursuant to the submissions made by the Company, the DPLR Committee directed by an Order on 17 November 1998 that clarifications should be obtained from the Mumbai High Court on whether the Interim Stay granted in the Civil Writ Petition Number 2368 of 1996 is applicable to this matter. (This Writ Petition is filed by OPPI and IDMA jointly against any Notice issued by the Government of India after 25 August 1987 to any member of the OPPI or IDMA, initiating proceedings for recovery of an amount demanded in respect of a period prior to that date).

On a Notice of Motion filed by the Company in the said Writ Petition, the Mumbai High Court has granted ad interim Order that "pending the hearing and final disposal of this Notice of Motion, further proceedings in the said Case No 49/1996 pending before the said Drug Prices Liability Review Committee be stayed."

The Bombay High Court vide its judgement dated 22 December, 2011 dismissed the Writ Petition filed by OPPI & IDMA and directed the companies who have been issued show cause notices to file appropriate replies and directed the government to pass appropriate orders accordingly.

(d) Vitamin and other formulations

The Government has arbitrarily determined the liability of the Company at ₹ 1466 lakhs (March 2013: ₹ 1466 lakhs) being the difference in price in respect of Vitamin and other formulations sold by the Company during

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

Currency: ₹ in lakhs

the years 1983 to 1989. The Company has repudiated the liability on this account. The Company's Solicitors have advised that the repudiation by the Company is legally sustainable. The Government has pursued the matter. The Company maintains its position that the claim by the Government is not legally sustainable.

(e) Chloramphenicol

The Government has arbitrarily determined the liability of the Company at ₹ 145 lakhs (March 2013: ₹ 145 lakhs) and ₹ 14 lakhs (March 2013: ₹ 14 lakhs) being the difference between the price of bulk drug Chloramphenicol powder and Chloramphenicol Palmitate respectively allowed in the formulation price and actual procurement price for the period 1979 to 1988. The Company has repudiated the liability on this account as advised by the Company's Solicitors. The Company has also obtained a Stay order from the Honorable High Court of Mumbai against the demand.

Pursuant to the submissions made by the Company, the DPLR Committee directed by an Order on 17 November 1998 that clarifications should be obtained from the Mumbai High Court on whether the Interim Stay granted in the Civil Writ Petition Number 2368 of 1996 is applicable to this matter. (This Writ Petition is filed by OPPI and IDMA jointly against any Notice issued by the Government of India after 25 August 1987 to any member of the OPPI or IDMA, initiating proceedings for recovery of an amount demanded in respect of a period prior to that date).

Similar applications were filed as in the matter of Protinex before the Bombay High Court in Writ Petition filed by OPPI & IDMA and similar order was passed i.e Case No 23/95 pending before the said Drug Prices Liability Review Committee was stayed. The OPPI & IDMA Writ Petition have been disposed with the direction as aforesaid.

(f) Pursuant to the repeal of DPCO 1970, erstwhile Warner-Hindustan Limited (merged with Parke-Davis (India) Limited in 1988 and Parke – Davis (India) Limited merged with Pfizer Limited in 2003) had classified Isokin tablets, Isokin liquid and Pyridium tablets as decontrolled products under the DPCO 1979. The categorization was, however, challenged by the Government in 1984 and a demand of ₹ 113 lakhs (March 2013: ₹ 113 lakhs) was raised against the Company. Against this demand an excise duty set off of ₹ 7 lakhs (March 2013: ₹ 7 lakhs) was allowed to the Company and a final demand of ₹ 106 lakhs (March 2013: ₹ 106 lakhs) was raised in 1987.

The Company had deposited an amount of ₹ 30 lakhs (March 2013: ₹ 30 lakhs) in February 1987 and ₹ 25 lakhs (March 2013: ₹ 25 lakhs) in May 1990 totalling to an aggregate of ₹ 55 lakhs (March 2013: ₹ 55 lakhs) in full and final settlement of the demand, as per the arguments set forth by the Company. The Government subsequently raised a demand of ₹ 117 lakhs (March 2013: ₹ 117 lakhs) towards interest on principal demand. (i.e. interest of ₹ 43 lakhs (March 2013: ₹ 43 lakhs) for Pyridium for the period 1982 to August 1995 and ₹ 74 lakhs (March 2013: ₹ 74 lakhs) for Isokin for the period 1982 to June 1997).

The Company filed a Writ Petition in the Andhra Pradesh High Court in September 1997 for staying all further proceedings against the Company. The High Court stayed the demand in respect of collection of interest but directed the Company to deposit the balance demand of ₹ 51 lakhs (March 2013: ₹ 51 lakhs) (which amount was deposited in November 1997).

The said Writ Petition has been heard and disposed off by final judgement of the Hon'ble Hyderabad High Court, on 15 April 2011. The Hon'ble High Court has inter alia set aside all the demand notices and further directed the Respondents to refund the monies paid under the interim orders.

The Union of India has preferred a SLP before the Honorable Supreme Court against the above judgement. In view of there being a discrepancy in the English and Hindi Notification of DPCO, 1979 in para 13(5) of the DPCO, 1979 the Special Leave Petition came to be allowed vide order dated 12 April, 2013 setting aside the impugned judgment and restoring the writ petition to file, to conduct appropriate enquiry and for hearing and fresh disposal. The matter now stands remanded back to the Hyderabad High Court.

(g) Multivitamin Formulations:

The Government has arbitrarily raised a demand of ₹ 182.38 lakhs (March 2013: ₹ 182.38 lakhs) on account of alleged overpricing of certain multivitamin formulations marketed by erstwhile Pharmacia Healthcare Limited (merged with Pfizer Limited) for the period 1983 to 1986. The Company has repudiated the liability on this account as advised by its solicitors. The Company filed a Writ Petition No. 814 of 1992 in the High Court at Mumbai. The Supreme Court of India, in a Special Leave Petition (SLP) filed by the Company held that pending disposal of Writ Petition filed before the High Court at Mumbai, the Company shall furnish an undertaking in respect of 50% of its liability and shall deposit the balance 50% aggregating to ₹ 91.19 lakhs (March 2013: ₹ 91.19 lakhs). This amount has been deposited with the Government of India and is included under the head "Long Term Loans and Advances".

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

Currency: ₹ in lakhs

Pursuant to a Transfer Petition (Civil) no 475-496 of 2003 filed under Article 139A(1) of the Constitution of India, all pending writ petitions in respect of DPEA liabilities are now to be transferred to the Supreme Court to be heard and finally decided by the Supreme Court of India. Consequently as a result of the said transfer petition, Writ Petitions referred to in (a), (b), (c), (e), (f) and (g) above will now be heard and disposed off by the Supreme Court.

The Supreme Court however, by order dated 3 May 2010 disposed off the Transfer Petition, directing that the concerned High Courts to take up the writ petitions before them and dispose them on merits.

The Writ Petitions filed before the Hon'ble Bombay High Court came up for hearing in the Hon'ble Bombay High Court on February 1, 2013. The Hon'ble Bombay High Court was of the view that the Orders passed by the Union may be set aside and the Union may be directed to decide the matters afresh keeping all the issues and contentions open. Consequently, as directed by the Hon'ble Court draft minutes of the order were prepared and circulated to the Advocates for the Union for their perusal.

In view of the disagreement between the parties on the draft minutes, on 12 March, 2013 the Union sought to press for their Notice of Motion for all the matters to be listed for final hearing. Thereafter, the Hon'ble Bombay High Court passed an Order for the matters to be listed in due course and rejected the Notice of Motion of the Union.

Thereafter, the Union made an application before the Hon'ble Chief Justice for having this group of matters to be assigned to a Division Bench for expeditious hearing. However, till date no Order has been passed in the matter.

In view of matters (a), (b), (c), (e), (f) and (g) being subjudice, the legal opinion being in favor of the Company, and based on the assessment of the Management, no further provision is considered necessary over and above the sum of ₹ 198.37 lakhs (March 2013: ₹ 198.37 lakhs) which has been paid off in earlier years.

The Company would continue to seek legal recourse in all the above matters.

(h) Other Pricing related disputes

The government had raised various demands for alleged overcharging of prices on batches manufactured prior to the effective date of price notifications for certain products. The government had also raised demands on account of alleged non-adherence of certain price notifications on 4 products marketed / traded by the Company. The total liability in respect of these demands amounted to ₹ 2074.97 lakhs against which the Company has made a provision of ₹ 761 lakhs (March 2013: ₹ 280 lakhs).

Based on the legal opinions obtained during the year the Company is of the opinion that the estimated liability in respect of these cases involved shall not exceed the amount provided in books of accounts.

28 Contingent liabilities and Commitments (to the extent not provided for)

	31 March 2014	31 March 2013
(i) Contingent liabilities		
(a) Claims not acknowledged as debt	1546.75	1573.65
(b) Other guarantees	486.79	811.35
(c) Other contingent liabilities in respect of:		
1. Excise Duty	1029.07	1028.97
2. Customs duty	40.54	40.54
3. Sales tax / VAT	9594.84	9674.60
4. Service tax	193.11	193.11
5. Income tax	23958.41	29326.72
6. Pending labour matters contested in various courts	103.57	103.57
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	292.61	0.64

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

Currency: ₹ in lakhs

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

Nature of exposure	31 March 2014		31 March 2013	
	Foreign currency (US\$ in lakhs)	₹ in lakhs	Foreign currency (US\$ in lakhs)	₹ in lakhs
Accounts receivable	32.61	1953.65	28.20	1509.32
Accounts payable	118.20	7080.30	65.02	3531.67
Net receivable / (payable)	(85.59)	(5126.65)	(36.82)	(2022.35)

30 Value of imports calculated on CIF basis

	Year ended 31 March 2014	Year ended 31 March 2013
Raw materials	7246.31	6875.48
Goods for resale	3254.13	2440.65
Total	10500.44	9316.13

31 Expenditure in foreign currency (accrual basis)

	Year ended 31 March 2014	Year ended 31 March 2013
Royalty	29.57	33.08
Travelling and conveyance	108.67	141.85
Service charges	347.94	239.46
Salaries and wages	315.47	137.38
Legal and professional fees	12.58	25.58
Other matters	122.47	116.93
Total	936.70	694.28

32 Details of consumption of imported and indigenous raw materials

	Amount	%
Imported		
March 2014	7991.21	41%
March 2013	(7383.37)	(43%)
Indigenous		
March 2014	11377.11	59%
March 2013	(9874.52)	(57%)
Total	19368.32	100%
	(17257.89)	(100%)

33 Earnings in foreign exchange

	Year ended 31 March 2014	Year ended 31 March 2013
Export of goods calculated on FOB basis	49.81	124.11
Service income	777.92	1426.98

34 Dividend remitted in foreign currency

	Year ended 31 March 2014	Year ended 31 March 2013
Amount of dividend remitted in foreign currency	82869.20	2639.14
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	5	5
Total number of shares held by them on which dividend was due	21,113,171	21,113,171
Year to which the dividend relates	31 March 2013 final dividend and 31 March 2014 interim dividend	31 March 2012 final dividend

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

Currency: ₹ in lakhs

35 Exceptional items

The company had spun-off its animal health business operations on April 2, 2012 to Pfizer Animal Pharma Private Limited ('PAPPL'). Accordingly, the gain of ₹ 38252 lakhs arising on the slump sale of the said business was disclosed as 'Exceptional items' during the year ended March 31, 2013. The Company had transferred on December 7, 2012, its 100% ownership in the wholly owned subsidiary, Pfizer Animal Pharma Private Limited to Zoetis India Limited (erstwhile Pfizer Animal Health India Limited), the then 100% indirect subsidiary of Pfizer Inc. for a consideration of ₹ 47160 lakhs. The gain on sale of investment of ₹ 3160 lakhs was disclosed as exceptional item for the year ended March 31, 2013.

The Company provides transitional support to PAPPL including support for manufacture of certain Animal Health products. The revenue for the year ended March 31, 2014 includes ₹ 4247 lakhs (March 31, 2013: ₹ 3292 lakhs) for sale of such products. Further the Company also provides consignment selling agent services (CSA) and other support functions. Other operating income for the year ended March 31, 2014 includes ₹ 1067 lakhs (March 31, 2013: ₹ 1278 lakhs) towards such CSA commission and support services.

Considering the above spin-off in April of previous year, the Company has concluded that beginning current year April 1, 2013 it has only one segment which is Pharmaceuticals and therefore disclosure relating to segments is not applicable and accordingly not made.

36 Disclosures as required by the Accounting Standard 18 on "Related Party Disclosures" are given below:

I. Names of Related Parties and description of Relationships

A. Parties where control exists:

Ultimate holding company:

Pfizer Inc., USA

Holding Company:

Pfizer East India B.V. (w.e.f. 3 March 2014)

Companies collectively exercising significant influence:

Pfizer Corporation, Panama (upto 2 March 2014)

Warner-Lambert Company, LLC, USA

Parke-Davis & Company, LLC, USA

Pharmacia Corporation, USA

Pfizer Investments Netherlands, B.V. (upto 2 March 2014)

[Collectively holding 70.75% of the aggregate of equity share capital of the Company]

B. Fellow Subsidiaries with whom transactions have taken place during the year

Pfizer Laboratories (Proprietary) Limited South Africa

Pfizer Enterprises SARL, Luxembourg

Pfizer Export Company., Ireland

Pfizer Global Trading, Ireland

Zoetis Pharmaceutical Research Private Limited (erstwhile Pfizer Pharmaceutical India Private Limited., India upto 24 June 2013)

Pfizer Singapore Trading Pte Limited, Singapore

Pfizer Limited, Philippines

Pfizer Private Limited., Singapore

Pfizer Products India Private Limited, India

Zoetis India Limited (erstwhile Pfizer Animal Health India Limited upto 24 June 2013)

Wyeth Limited, India

Zoetis Singapore PTE Ltd (upto 24 June 2013)

Pfizer Austria

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

Currency: ₹ in lakhs

Pfizer Animal Pharma Private Limited (upto 24 June 2013)
Pfizer Overseas LLC
Pfizer Corporation, Panama (upto 2 March 2014)
Pfizer Investments Netherlands, B.V. (upto 2 March 2014)
Pfizer Corporation Hongkong Limited
Pfizer Suzhou Animal Health Private Limited

C. Executive Committee Members

Kewal Handa (resigned w.e.f 15 Aug 2012)
Aijaz Tobacowalla (w.e.f 16 Aug 2012)*
Chandrashekhar Nilkanth Potkar
Shiva P Nair
Partha S. Ghosh
S Venkatesh (resigned w.e.f 13 January 2014)
Samir S Kazi
Sridhar S (joined as the executive director w.e.f 14 May 2013)*
Suresh Subramanian
Vivek Dhariwal*
Sarita Bahl
Hiroo Mirchandani (resigned w.e.f 31 October 2013)
Laxmi Nadkarni
Sunil Madhok (retired w.e.f 31 January 2013)

* Executive Directors on the Board

II. Transactions during the year and Balances Outstanding as at the year end with the Related Parties are as follows:

No.	Nature of Transactions	31 March 2014				31 March 2013			
		Ultimate Holding Company	Companies exercising significant influence	Subsidiary Company	Fellow Subsidiaries	Ultimate Holding Company	Companies exercising significant influence	Subsidiary Company	Fellow Subsidiaries
1	Sale of finished goods (net of returns)	-	-	-	2080.92	-	-	2081.00	1142.56
2	Service income (including service tax)	777.92	-	-	10387.63	1426.98	-	67.83	9366.72
3	Sale of asset	-	-	-	7.00	-	-	-	-
4	Recovery of expenses	134.15	-	-	853.29	18.58	-	2.94	1120.41
5	Purchase of finished goods	-	-	-	2679.92	-	-	-	2104.94
6	Purchase of raw / bulk materials	-	-	-	4341.88	-	-	-	3260.71
7	Royalty expense	29.57	-	-	-	33.08	-	-	-
8	Service charges	-	-	-	755.31	-	-	-	530.20
9	Expenses reimbursed	335.03	-	-	462.94	-	-	-	386.83
10	Interim Dividend for December 2013 and dividend in respect of the year ended 31 March 2013 and year ended 31 March 2012	-	82869.20	-	-	-	2639.15	-	-
11	Commission income	-	-	-	71.58	-	-	293.35	-
12	Rental income	-	-	-	159.79	-	-	-	637.99
13	Loans given	-	-	-	-	-	-	260.00	8270.00

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

Currency: ₹ in lakhs

No.	Nature of Transactions	31 March 2014				31 March 2013			
		Ultimate Holding Company	Companies exercising significant influence	Subsidiary Company	Fellow Subsidiaries	Ultimate Holding Company	Companies exercising significant influence	Subsidiary Company	Fellow Subsidiaries
14	Loans repaid	-	-	-	-	-	-	598.00	16655.00
15	Interest received on loans given	-	-	-	-	-	-	9.30	689.52
16	Outstanding as at the year end – Due from	904.23	0.22	-	8382.98	1170.20	-	-	3924.17
17	Outstanding as at the year end – Due to	637.33	396.72	-	6806.48	111.22	397.62	-	6566.31
18	Investment in 100% subsidiary	-	-	-	-	-	-	43995.00	-
19	Sale of Animal Health Business	-	-	-	-	-	-	42428.00	-
20	Sale of Investment	-	-	-	-	-	-	-	47160.00

Executive committee members

No. Nature of transactions

1 Remuneration to Key Management personnel

**Year ended
31 March 2014
2072.79**

Year ended
31 March 2013
2008.17

III. Others

Under the terms of the agreement between Pfizer Inc. (Ultimate Holding Company) and the Company for conducting clinical trials and studies in India, Pfizer Inc., has agreed to indemnify, defend and hold the Company and its directors, employees and agents harmless against any and all liability, loss or damage they may suffer as a result of any claims, demands, costs, penalties, fines or judgments incurred or imposed against it arising out of any clinical trial and study or otherwise pursuant to the agreement.

Details of material transactions during the year:

	Year ended 31 March 2014	Year ended 31 March 2013
a) Sale of finished goods (net of returns)		
Pfizer Laboratories (Pty) Limited, South Africa	-	77.24
Pfizer Inc. Philippines	15.45	0.52
Pfizer Animal Pharma Private Limited	2046.95	3145.80
b) Sale of fixed assets		
Wyeth Limited	7.00	-
c) Service Income		
Pfizer Inc., USA	777.92	1426.98
Zoetis Pharmaceutical Research Private Limited	-	26.37
Wyeth Limited, India (including service tax)	8788.37	7669.88
Pfizer Products India Private Limited, India (including service tax)	1224.29	608.88
Zoetis India Limited	-	101.76
Pfizer Animal Pharma Private Limited	374.97	1027.72
d) Recovery of expenses		
Pfizer Inc., USA	134.15	18.58
Zoetis Pharmaceutical Research Private Limited	73.91	240.07
Pfizer Products India Private Limited, India	176.16	367.22
Wyeth Limited, India	305.53	274.97
Pfizer International LLC, USA	279.25	225.11
Zoetis India Limited	17.95	13.04

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
e) Purchase of finished goods		
Pfizer Export Company, Ireland	802.26	513.97
Pfizer Global Trading, Ireland	355.15	240.48
Pfizer Singapore Trading Pte Limited, Singapore	1301.99	1047.04
Pfizer Enterprises SARL, Luxembourg	-	13.08
Pfizer Suzhou Animal Health Private Limited	-	240.85
f) Purchase of Raw/ Bulk materials		
Pfizer Export Company, Ireland	4333.15	3254.29
g) Royalty expense		
Pfizer Inc., USA	29.57	33.08
h) Expenses reimbursed		
Pfizer Private Limited, Singapore	255.68	188.93
Pfizer Inc., USA	335.03	195.88
Wyeth Limited, India	133.13	0.09
Pfizer Products India Private Limited, India	1.43	1.42
i) Service Charges		
Wyeth Limited, India	755.31	530.20
j) Dividend Paid		
Pfizer Corporation, Panama	36801.19	1172.01
Pfizer Investment Netherlands, B.V	34580.17	1101.28
k) Loans given		
Zoetis Pharmaceutical Research Private Limited	-	8270.00
Pfizer Animal Pharma Private Limited	-	260.00
l) Loans repaid		
Zoetis Pharmaceutical Research Private Limited	-	16655.00
Pfizer Animal Pharma Private Limited	-	598.00
m) Interest received on loans given		
Zoetis Pharmaceutical Research Private Limited	-	689.52
Pfizer Animal Pharma Private Limited	-	9.30
n) Rental income		
Zoetis Pharmaceutical Research Private Limited	159.59	637.99
o) Remuneration to Key Management Personnel		
Aijaz Tobacowalla	668.57	484.26
Kewal Handa	-	449.86
p) Outstanding as at the year end due from		
Zoetis Pharmaceutical Research Private Limited	-	0.36
Wyeth Limited, India	7006.27	1921.19

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
Pfizer Limited, United Kingdom	277.25	251.26
Pfizer Inc., USA	904.23	329.83
Pfizer Animal Pharma Private Limited	-	1511.15
Pfizer International LLC	657.55	840.37
Pfizer Products India Private Limited, India	343.92	152.60
q) Outstanding as at the year end due to		
Pfizer Export Company, Ireland	5249.12	1905.19
Wyeth Limited, India	94.61	61.11
Pfizer Singapore Trading Pte Limited, Singapore	551.39	431.38
Pfizer Animal Pharma Private Limited	-	3505.89
r) CSA commission		
Pfizer Animal Pharma Private Limited	71.58	293.35

37 Details of leasing arrangements

As Lessor

The Company has let out some of its owned property during the year on operating lease. The lease terms is in the range of 1 - 3 years. The information in respect of the same is as follows:

Gross book value (Refer note 11)	5316.91	5316.91
Accumulated Depreciation (Refer note 11)	868.47	717.78
Depreciation for the lease period	150.69	150.69
Rental income	748.16	729.22

Lease Income recognised in the statement of profit and loss for the year in respect of sub-let property is ₹ 511.03 lakhs (March 2013: ₹ 447.25 lakhs)

As Lessee

The Company has taken various residential / godowns / office premises (including furniture and fittings, therein as applicable) under operating lease or leave and licence agreements. These are generally not non-cancellable and range between 11 months and 3 years under leave and licence, or longer for other leases and in certain cases are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.

Future minimum lease payments		
not later than one year	453.31	1225.11
later than one year and not later than five years	-	510.46
later than five years	-	-

Lease payments are recognised in the statement of profit and loss under Rent.

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
38 Earnings per share (Basic and diluted)		
Profit before exceptional items (net of tax)	22085.71	18233.47
Net profit for the year	22085.71	50319.78
Weighted average number of equity shares	29,841,440	29,841,440
Par value per share	₹10	₹ 10
Earnings per share		
a. before exceptional items (net of tax)	₹ 74.01	₹ 61.10
b. after exceptional items	₹ 74.01	₹ 168.63
39 Expenditure on research and development		
Capital	6.36	3.15
Revenue	1475.68	1755.18
Total	1482.04	1758.33

40 Employee stock option scheme

The employees of the Company have been issued 79,820 (March 2013: 1,13,163) Share Options and 15,964 (March 2013: 22,634) 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 ₹ 282.29 lakhs (March 2013: ₹ 237.07 lakhs). These amounts have not been charged to the Company by Pfizer Inc.

41 Merger

The Board of Directors ("The Board") approved the Scheme of Amalgamation of Wyeth Limited with the Company ("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 unanimously approved by the equity shareholders (100% in number and 100% 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 an overwhelming 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.

42 Previous year figures

Figures for the previous year have been regrouped where necessary.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W

Sadashiv Shetty

Partner

Membership No: 048648

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

R. A. Shah

Chairman

DIN:00009851

Aijaz Tobaccowalla

Managing Director

DIN:05312126

Pradip Shah

Director

DIN:00066242

Uday Khanna

Director

DIN:00079129

S. Sridhar

Wholetime Director &

Chief Financial Officer

DIN:05162648

Vivek Dhariwal

Wholetime Director

DIN:02826679

Prajeet Nair

Company Secretary

Mumbai
02 May 2014

Mumbai
02 May 2014



PFIZER LIMITED

CIN: L24231MH1950PLC008311

Registered Office: Pfizer Centre, Patel Estate, Off S. V. Road, Jogeshwari (W), Mumbai – 400 102

Tel: 91 22 6693 2000 Fax: 91 22 2678 4569 Website: www.pfizerindia.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.pfizerindia.com.

Shareholders holding shares in 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 Agents 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.

PFIZER LIMITED

Prajeet Nair

Company Secretary

Place: Mumbai

Date: 9th October, 2014

PFIZER LIMITED

CIN: L24231MH1950PLC008311

Registered Office: Pfizer Centre, Patel Estate, Off S. V. Road, Jogeshwari (W), Mumbai – 400 102

Tel: 91 22 6693 2000 Fax: 91 22 2678 4569 Website: www.pfizerindia.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.

PFIZER LIMITED

CIN: L24231MH1950PLC008311

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Tel: 91 22 6693 2000 Fax: 91 22 2678 4569 Website: www.pfizerindia.com

63RD 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 63rd Annual General Meeting of the Members of Pfizer Limited which will be held at Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021, on Monday, 10th November, 2014 at 10.30 a.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.



PFIZER LIMITED

CIN: L24231MH1950PLC008311

Registered Office: Pfizer Limited, Pfizer Centre, Patel Estate, Off S.V. Road, Jogeshwari (West), Mumbai – 400 102
Tel: 91 22 6693 2000 Fax: 91 22 2678 4569 Website: www.pfizerindia.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) holding shares of Pfizer Limited hereby appoint

1. Name	2. Name	3. Name
Address	Address	Address
E-mail ID	E-mail ID	E-mail ID
Signature	Signature	Signature
....., or failing him / her, 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 63rd Annual General Meeting of the Company to be held on Monday, 10th November, 2014 at 10.30 a.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.

Signature of the Shareholder: _____ Signature of the Proxy holder(s): _____

Please affix
Revenue
Stamp

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



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

OUR VALUES



COLLABORATION



INNOVATION



COMMUNITY



CUSTOMER FOCUS



QUALITY



PERFORMANCE



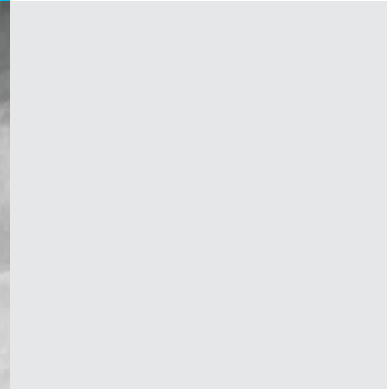
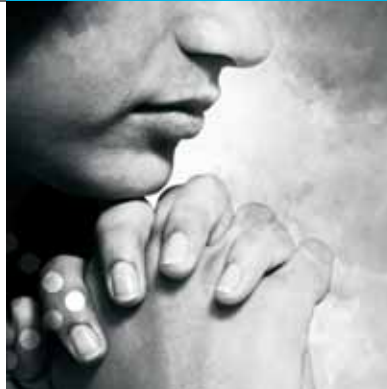
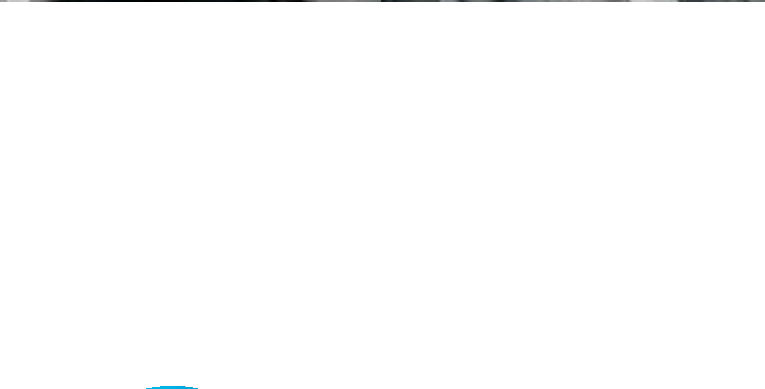
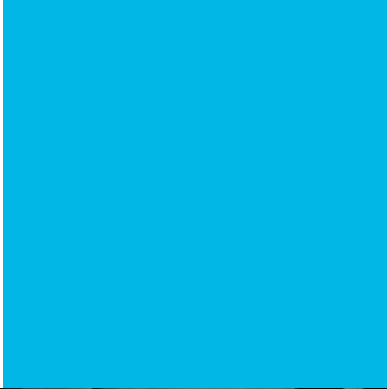
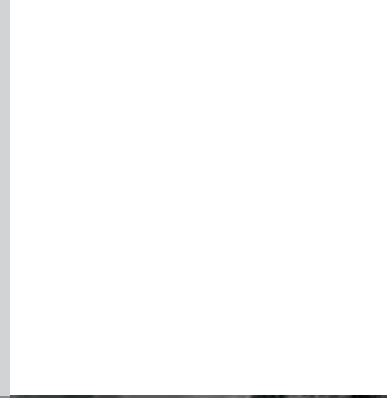
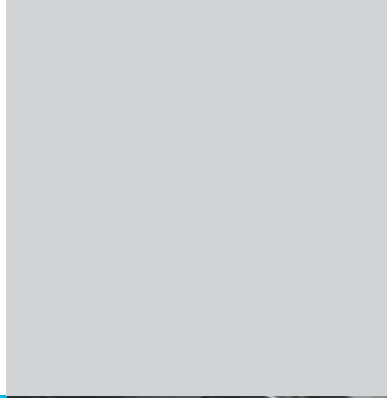
INTEGRITY



RESPECT
FOR PEOPLE



LEADERSHIP



Working together for a healthier world™

Pfizer Limited
Pfizer Centre,
Patel Estate,
Off S.V. Road,
Jogeshwari (W),
Mumbai - 400 102.

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