



IMMUNITY IS THE NEW
INTELLIGENCE.
IT'S TIME TO BUILD OUR
CORPORATE
IMMUNITY QUOTIENT.



Pfizer Limited
Annual Report 2019-20

India is getting back to work.

But the work environment is no longer what it used to be. COVID-19 has shown the business world that a health crisis can impact the very fundamentals of public life and business environment in sudden and unexpected ways.

The economic health of a business is linked to the health of its workforce. Resilient employees make for resilient organizations. Now is the time for Corporate India to do all it can to build health resilience and provide its employees and workforce with all the protection that is available to get healthy and stay healthy.

It is time for a brand new concept. A time when Immunity is the new Intelligence. A time when all of us must build our “**Corporate Immunity Quotient**” to make healthy workforce, healthy businesses, healthy families and healthy communities, all over India.

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MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

This year, Pfizer completes 70 years of its journey in India. We say we are as old as the Republic, both coming into life in 1950! It has been a memorable seventy years and we are proud to have introduced many breakthroughs and innovations that have truly impacted our patients' lives while also creating value for our shareholders. To commemorate this platinum jubilee and to optimally utilize surplus cash, your Company declared a landmark special dividend of ₹320/- (3200%) per equity share for the financial year 2019-20.

These past 70 years have witnessed your Company transform into a powerhouse brand with over 150 products across 15 therapeutic areas, strategically altering our model to adapt to the latest healthcare challenges in India. Over the past few years, your Company has made a conscious effort to truly unleash the power of our global research and innovation for the benefit of patients in India. Worldwide, Pfizer has established itself as an innovation powerhouse with a focus on bringing **Breakthroughs that Change Patients' Lives**. As a result of this effort, your Company's share of global brands is now almost 50% vs 36.3% in 2016 in India.

2020: A year of new products and growth of flagship brands

I am proud to say that in this momentous Platinum Jubilee Year, your Company launched **Zinforo** (ceftaroline fosamil)—a novel cephalosporin indicated for treatment of adult patients with community-acquired Pneumonia. What was even more exciting was the unique way in which we launched this important new innovative therapy in India; we adopted a digital-first approach making Zinforo your Company's first ever launch that is 100% digital! Interestingly, we did this even before the enforced COVID-19 lockdown, in a way signalling our mindset and capabilities of going digital even before being compelled to do so. We strongly feel that digital will be the way forward and will drive the way we do business in the years to come. Your Company is consciously investing its efforts towards creating digital assets that will help us reach patients far and wide.

During a challenging and uncertain year, I am pleased to inform you that your Company's flagship brands including Prevenar, Minipress, Meronem, Eliquis and Becosules continued to show

strong performance. During this period, a number of innovative interventions, including transforming our go-to-market strategy and building digital initiatives to connect with healthcare professionals, among others, were rolled out to ensure our strong position in the marketplace.

Responding to the COVID-19 challenge globally and in India

For the first time, I am writing this letter to you not from my office, but from what has become a new workspace for all of us - our home. The COVID-19 crisis has changed our lives and has forced us to quickly adapt to challenging circumstances. As India attempts to find ways to get back, the road to recovery will be undoubtedly paved with challenges. Indeed, in the way the markets will operate, people will work, patients will be treated,



and consumers will buy, the new normal will not be anything like the old normal. Your Company has been hard at work through the pandemic to put in place a clear and well-defined strategy for bringing business operations back on track. Pfizer's response to tackling and battling COVID-19 is taking place at multiple levels.

Globally, Pfizer Inc. has been at the forefront of research and development to develop therapeutics and vaccines against the novel Coronavirus. The Company has marshalled some of its best resources to join the global scientific community in developing drugs and vaccines to reduce the death toll and bring an end to this pandemic.

While Pfizer Inc., and indeed the world, is in active pursuit of these solutions, your Company has also been at the forefront of providing relief and succour to our brave COVID warriors who have devoted their daily lives to provide care to those affected by this pandemic. Through its CSR efforts, your Company has provided essential equipments like state-of-the-art ventilators to Government facilities that are treating COVID patients, supplied medication to the Government for their COVID-19 relief efforts; worked alongside Government and NGO partners to distribute food to labourers; and has supplied N95 masks to frontline and supporting healthcare personnel across 15 cities in India. Your Company is also supporting a dedicated quarantine and treatment facility for Mumbai Police Officers.

Through the Pfizer Foundation, Pfizer Inc. has also supplemented our efforts in India. A special grant provided to NGOs by the Foundation has allowed a supply of essential equipments and consumables to a dedicated quarantine facility in Mumbai's Dharavi and provided N95 protective masks for healthcare workers across the country.

New healthcare in a post-COVID world

The COVID-19 crisis has brought about an unprecedented focus on health. In particular, preventive health. One of the important lessons that this tiny virus has taught us is that individuals and businesses can no longer be complacent when it comes to safeguarding the health of their workforce. That there are solutions today to protect employees, and through them, families and communities from both communicable and non-communicable diseases. And that it is the responsibility of organizations, managers, owners and individual departments to make sure that all these solutions are fully utilized.

It is for this reason that Pfizer has focussed and will continue to focus on encouraging companies to introduce Adult Immunization as a mechanism to provide employees with the protective shield of vaccines and prevent disease that can be prevented today. To this end, we have introduced a new and easily implementable concept which we call: Building the **Corporate Immunity Quotient**, on the understanding that Immunity is the new Intelligence and that IQ must take on a completely different meaning in the post-COVID world. This is indeed the time to bring back focus on **preventive health, immunization and healthcare reforms**.

We believe that the unique challenge posed by COVID-19 in our country puts a spotlight on the need for more fundamental healthcare reforms and investment in public health infrastructure. Our brave COVID warriors have fought diligently to keep our recovery rates high, mortality rates low and ensured that India fares better than many countries on these counts. Yet, there is no doubt that our decades of underspending in healthcare has been all too apparent in these past months. The latest World Bank numbers suggest that for every 1000 population, India has 0.7 hospital beds as compared to a global average of 2.7, 0.9 physicians vs 1.6 and 1.7 nurses and midwives against global mean of 3.8. It is no wonder that our healthcare system has been severely overburdened during these testing times.

On the policy front too, many of our rules and processes require to be overhauled to bring them into alignment with the modern times. It is heartening to see that work on this has already started, at least with regard to our Drug Regulations. India must also invest significantly in creating a robust Digital Health backbone, add impetus to telemedicine, adopt more nuanced policies on enhancing access to healthcare and medicines and truly foster public-private partnerships to bring vitality to important programs such as Jan Aushadhi and Ayushman Bharat. In fact, given its unique mandate and guided by the vision of the National Health Authority and the Niti Aayog, the Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana is set to be a precursor to universal health coverage in India.

In this and other ways, COVID-19 may well leave a positive legacy behind. That of triggering a period of long-awaited healthcare reforms in India that can catapult our country into a modern healthcare state.

Dear Shareholders, we mark our 70th anniversary in India by rededicating ourselves to our patients. We look forward to the next 70 years with renewed energy and commitment. We look to bringing new therapies that change our patients' lives, we commit to finding new solutions that enhance the access of our medicines, we will maintain our focus on addressing some of the most pressing healthcare challenges of our times.

On behalf of the Management of your Company, I thank you sincerely for your steadfast support in this incredible journey and for your continued encouragement for our path ahead.

Yours Sincerely,

S. Sridhar

Purpose Blueprint

PFIZER AT A GLANCE



OUR PURPOSE

Breakthroughs that change patients' lives

OUR BOLD MOVES



1. Unleash the power of our people



2. Deliver first-in-class science



3. Transform our go-to-market model



4. Win the digital race in pharma



5. Lead the conversation

OUR BIG IDEAS

1.1 Create room for meaningful work

1.2 Recognize both leadership and performance

1.3 Make Pfizer an amazing workplace for all

2.1 Source the best science in the world

2.2 Double our innovation success rate

2.3 Bring medicines to the world faster

3.1 Improve access through new payer partnerships

3.2 Address the patient affordability challenge

3.3 Transform the way we engage patients and physicians

4.1 Digitize drug discovery and development

4.2 Enhance health outcomes and patient experience

4.3 Make our work faster and easier

5.1 Be known as the most patient-centric company

5.2 Drive pro-innovation/pro-patient policies

5.3 Focus the narrative on the value of our science

OUR VALUES



Courage



Excellence



Equity



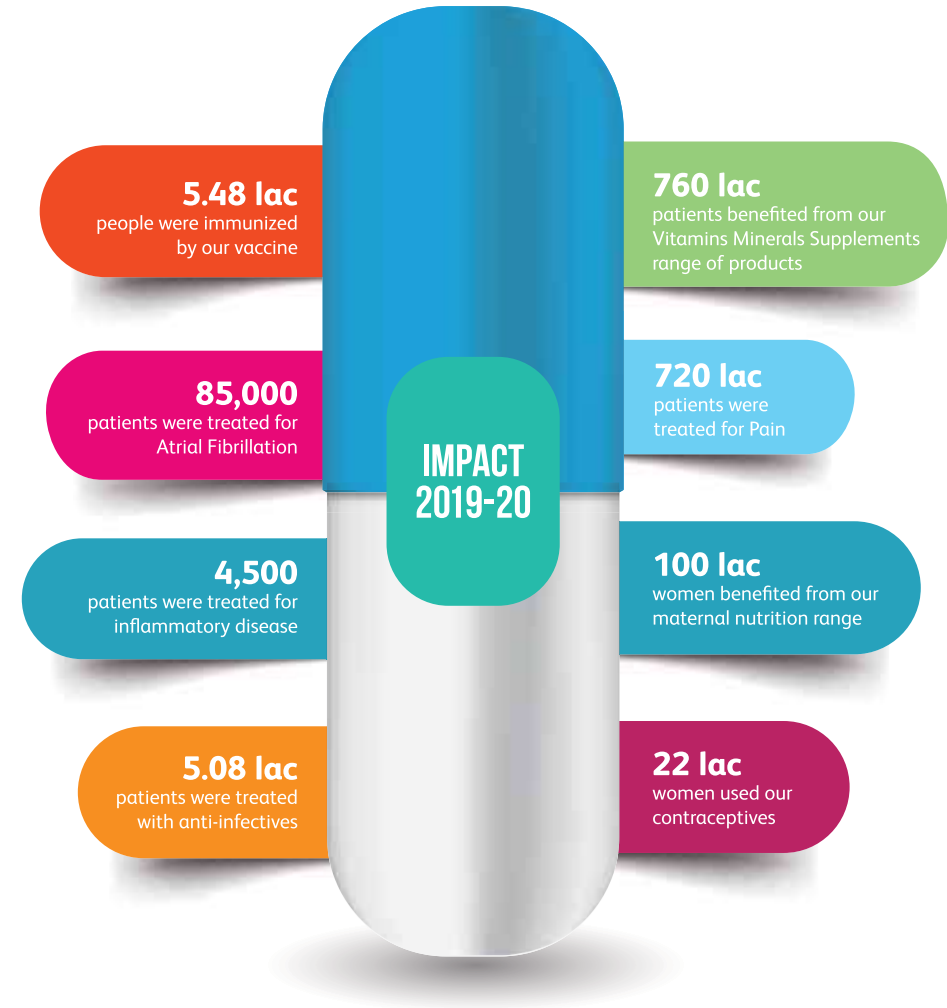
Joy



Disclaimer: Unless indicated otherwise, the information contained in this summary is as of December 31, 2019.



Disclaimer: Unless indicated otherwise, the information contained in this summary is as of March 31, 2020.



Disclaimer: Patient counts are estimates as of March 31, 2020 and are derived from multiple data sources.

CORPORATE PROFILE

REGISTERED OFFICE
 PFIZER LIMITED
 The Capital, 1802 / 1901, Plot No. C-70,
 G Block, Bandra Kurla Complex,
 Bandra (E), Mumbai – 400 051.
 Tel: +91 22 6693 2000
 Fax: +91 22 2654 0274
 Website: www.pfizerindia.com
 E-mail ID: contactus.india@pfizer.com
 CIN: L24231MH1950PLC008311

REGISTRAR AND SHARE TRANSFER AGENT

KFIN TECHNOLOGIES PRIVATE LIMITED
 (formerly Karvy Fintech Private Limited)
 UNIT: PFIZER LIMITED
 Selenium Tower B, Plot No 31 & 32,
 Gachibowli, Financial District,
 Nanakramguda,
 Serilingampally, Hyderabad,
 Telangana – 500032.
 Tel: +91 40 6716 2222
 Fax: +91 40 2300 1153
 Toll Free No: 1-800-3454-001
 E-mail ID: einward.ris@kfintech.com

BANKERS

JP MORGAN CHASE BANK N.A
 DEUTSCHE BANK AG
 CITIBANK NA
 ICICI BANK
 STATE BANK OF INDIA

COMPANY SECRETARY

PRAJEET NAIR

STATUTORY AUDITOR

WALKER CHANDIOK & CO LLP

COST AUDITOR

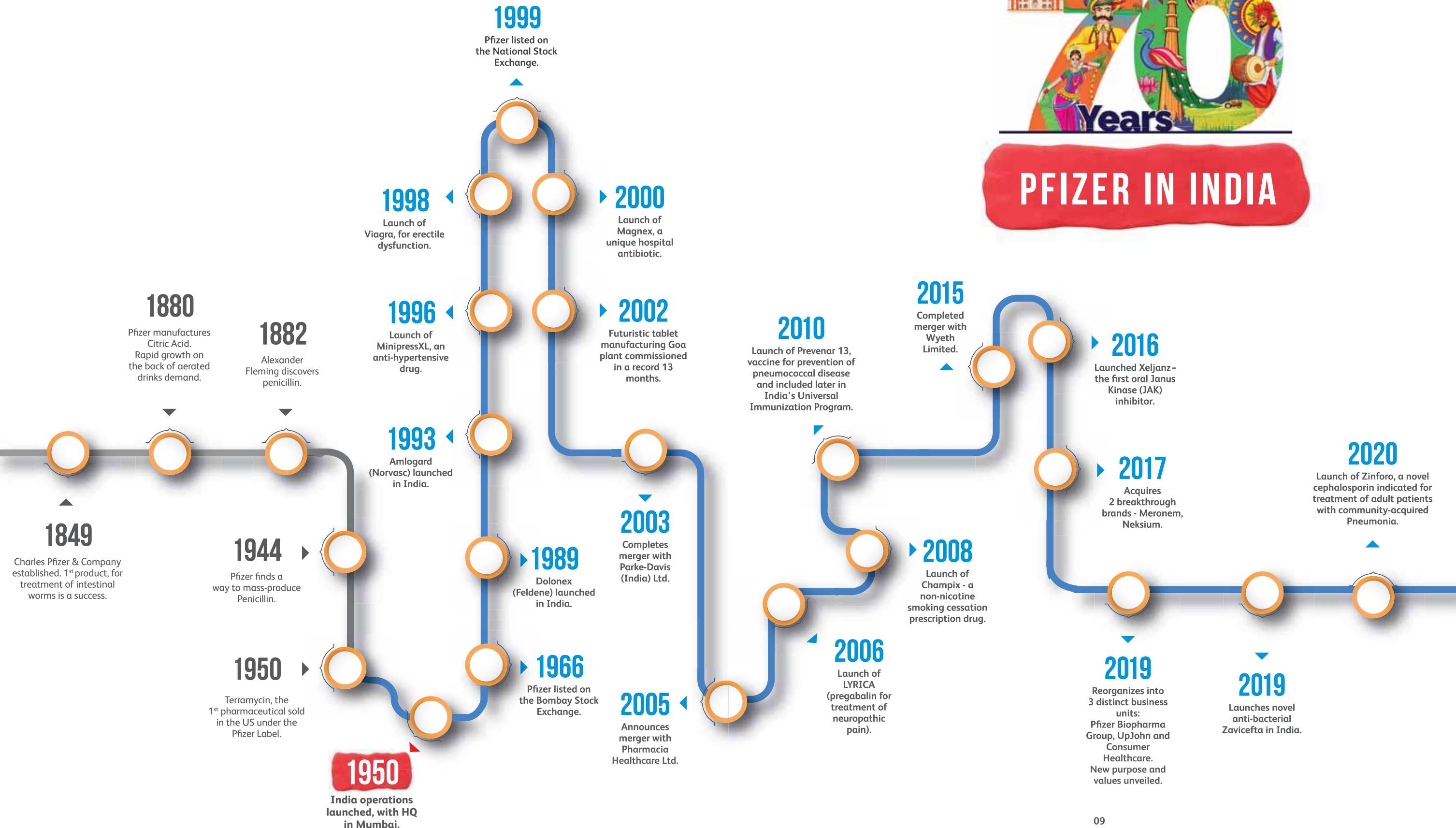
RA & CO.

SECRETARIAL AUDITOR

SARAF & ASSOCIATES

SOLICITORS AND ADVOCATES

CRAWFORD BAYLEY & CO.
 VERITAS LEGAL



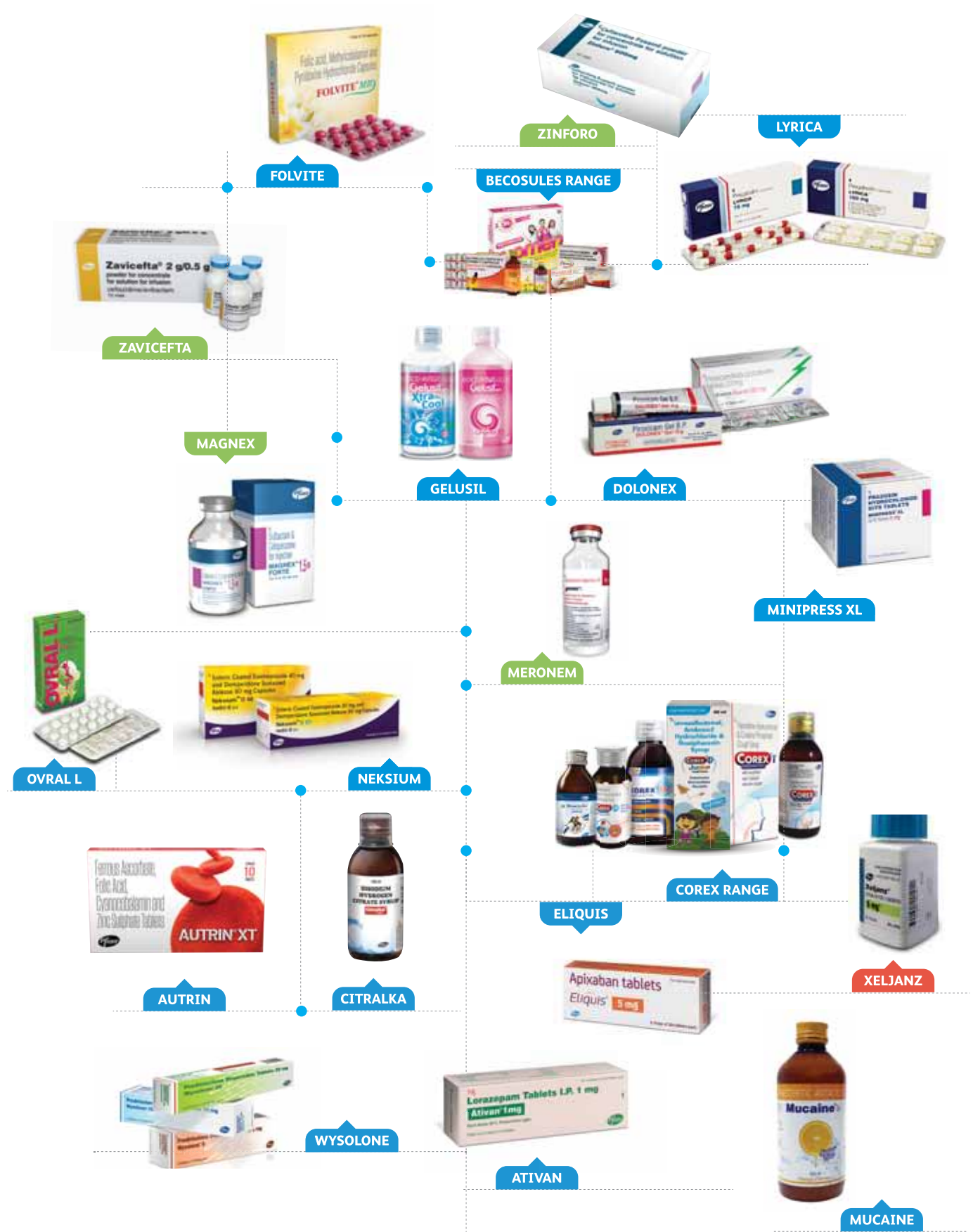
KEY PRODUCTS



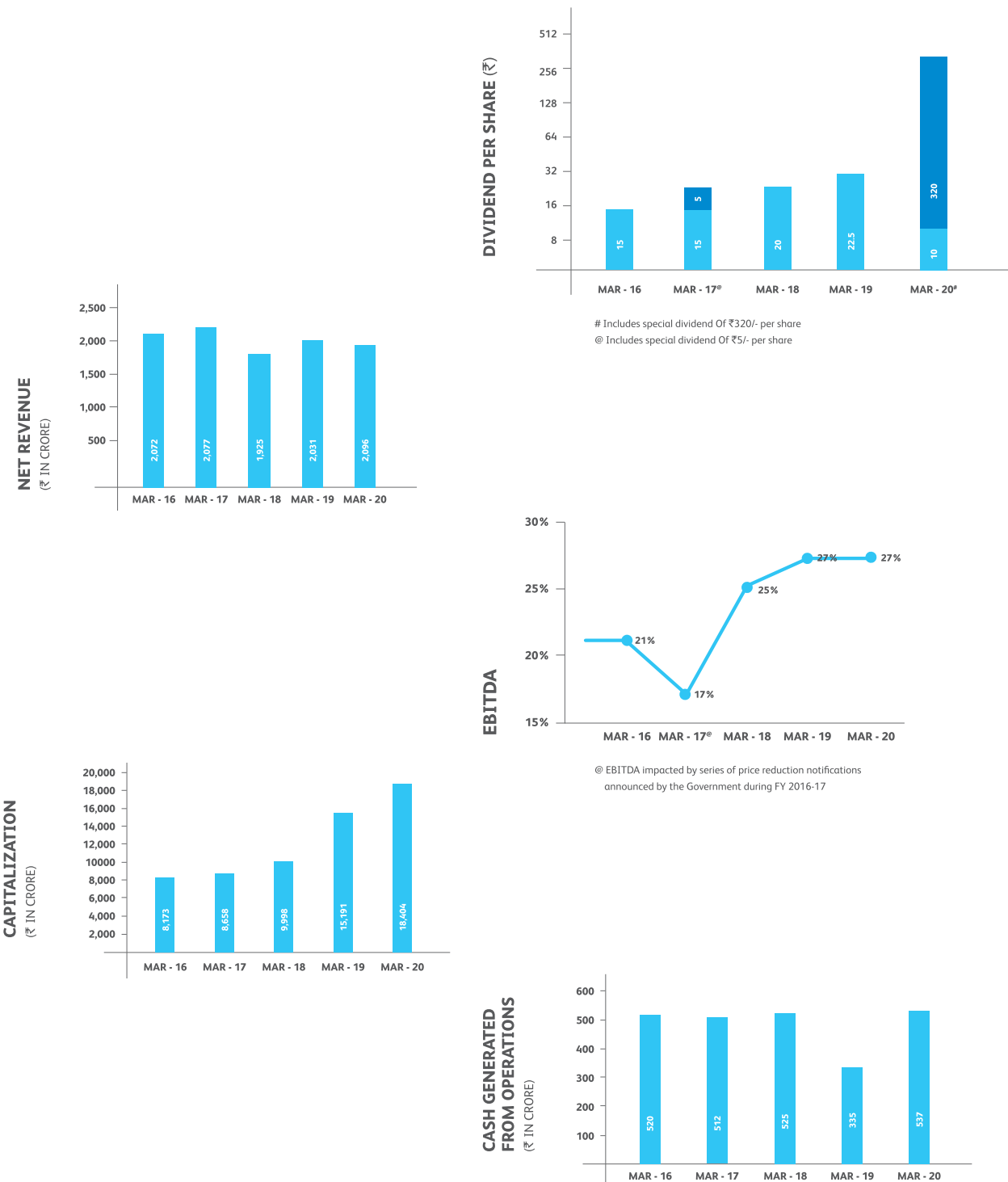
In India, over 5 lakh children and adults get protected against Pneumococcal disease by getting vaccinated with Prevenar13.

One dose of Prevenar13 from start to finish takes the work of 1700 employees, undergoes 678 quality tests & 2.5 years to manufacture.

PREVENAR* celebrates 20 years of pneumococcal disease protection worldwide. (*Prevenar includes both Prevenar7 and Prevenar13)



KEY PERFORMANCE HIGHLIGHTS



FINANCIAL PERFORMANCE - 10 YEAR HIGHLIGHTS

Currency: (₹ in Crore) [except Book Value Per Share, EPS and DPS]

STATEMENT OF PROFIT AND LOSS	MAR 2011	MAR 2012	MAR 2013	MAR 2014	MAR 2015	MAR 2016	MAR 2017	MAR 2018	MAR 2019	MAR 2020
	16 months		@		\$		**			
Net Sales	1,170	1,017	948	1,004	1,828	2,072	2,017	1,925	2,030	2,096
Other Income (including other operating income)	176	169	207	217	93	109	126	170	218	239
Total expenditure	998	908	871	882	1,602	1,720	1,757	1,547	1,589	1,693
Profit Before tax and exceptional items	348	278	280	340	318	461	386	548	660	642
Profit Before Taxation	345	278	694	340	238	470	517	548	660	642
Profit After Taxation ^^	226	185	503	221	100	305	337	360	429	509
Total dividend amount	49	37	97	1,074	57	69 ¹	92 ¹	92 ¹	103 ¹	1,510 ¹
BALANCE SHEET										
Fixed Assets	86	32	26	23	957	928	882	918	854	943
Cash and Bank balances	577	866	1,433	308	609	1,025	1,523	1,772	1,914	2,220
Net Deferred Tax (Net)	36	37	40	34	67	(28)	(18)	(15)	(2)	1
Net Other Assets	465	370	196	294	340	239	32	8	245	232
Share Capital	30	30	30	30	46	46	46	46	46	46
Reserves and Surplus	1,134	1,275	1,665	629	1,927	2,118	2,373	2,637	2,965	3,350
KEY RATIOS										
Profit before tax margin	26%	23%	60%	28%	12%	22%	24%	26%	29%	28%
Book value per share	390	437	568	221	431	473	529	587	658	742
Return on Net Worth	19%	14%	30%	34%	5%	14%	14%	13%	14%	15%
Earnings Per Share (EPS)	75.85	61.87	168.63	74.01	15.26	66.66	73.61	78.70	93.78	111.28
Dividend Per Share (DPS)	16.50	12.50	32.50	360.00	12.50	15.00 ¹	20.00 ¹	20.00 ¹	22.50 ¹	330.00 ¹

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

\$ Includes results of erstwhile Wyeth Limited on its amalgamation with the Company.

^^ Profit for FY 2014-15 excludes Impact of Scheme of Amalgamation (₹31 Crore).

** Includes profit on sale of four brands and office premises.

¹Dividend recommended / declared by the Board of Directors for respective financial years.

The Company has transitioned from Previous GAAP to Ind AS effective April 1, 2015.

Profits are calculated on total income.

BOARD OF DIRECTORS



MR. R. A. SHAH
INDEPENDENT DIRECTOR (CHAIRMAN)

Mr. R. A. Shah is a leading Solicitor and a Senior Partner of M/s. Crawford Bayley & Co., a firm of Advocates & Solicitors. Mr. Shah specializes in a broad spectrum of corporate laws in general, with special focus on Foreign Investments, Joint Ventures, Technology and License Agreements, Intellectual Property Rights, Mergers and Acquisitions, Industrial Licensing, and Anti-Trust Laws, Company Law and Taxation. Mr. Shah is the Chairman/Director of various public limited companies and Chairman / Member of various Board Committees. Mr. R. A. Shah was first appointed on the Board on November 9, 1965.

MR. S. SRIDHAR
MANAGING DIRECTOR



Mr. S. Sridhar is a Chartered Accountant by profession with almost three decades of experience. Mr. Sridhar has led a number of strategic initiatives that have significantly expanded the Company's business footprint in the country. Prior to being appointed as the Managing Director, Mr. Sridhar held the position of Business Unit and Distribution Head. Mr. Sridhar joined the Company as the Chief Financial Officer in 2008. Prior to joining the Company, Mr. Sridhar held the position of Finance Director of Diageo India Private Limited. Mr. Sridhar was first appointed to the Board on May 14, 2013.



MR. PRADIP SHAH
INDEPENDENT DIRECTOR

Mr. Pradip Shah holds an MBA from the Harvard Business School. He is also a Chartered Accountant and a Cost Accountant and ranked first in India in the Chartered Accountancy examination. Mr. Shah is the ex-Managing Director of CRISIL, India's first and the largest credit rating agency. Prior to founding CRISIL, Mr. 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 presently the Chairman of IndAsia Fund Advisors Pvt. Ltd. He was first appointed to the Board on December 7, 1999.

MR. UDAY KHANNA
INDEPENDENT DIRECTOR



Mr. Uday Khanna is a Chartered Accountant, with a distinguished career spanning close to four decades with Hindustan Lever/Unilever and Lafarge India and has handled a variety of roles in finance, commercial and general management. Mr. Khanna was the Chairman of Lafarge India Private Limited. Mr. Khanna was the President of the Indo-French Chamber of Commerce & Industry in 2008 and 2009 and was the President of the Bombay Chamber of Commerce & Industry in 2012 and 2013. Mr. Khanna was first appointed to the Board on May 21, 2012.



MS. MEENA GANESH
INDEPENDENT DIRECTOR

Ms. Meena Ganesh is a PGDM holder from IIM Calcutta and has a graduate degree in Physics from the Madras University. In 2011, she was conferred the 'Distinguished Alumnus' award by IIM Calcutta. Ms. Ganesh is one of India's foremost business leaders and most successful entrepreneurs with nearly three decades of experience in industries including healthcare, consulting, technology, outsourcing, education and e-commerce. Ms. Ganesh is the MD and CEO of Portea Medical, which she co-founded in July 2013. She was appointed to the Board on March 8, 2019.

MR. SUNIL LALBHAI
INDEPENDENT DIRECTOR



Mr. Sunil S. Lalbhai, holds MS degree in Chemistry from the University of Massachusetts and MS degree in Economic Policy and Planning from Northeastern University. Mr. Lalbhai has expertise and wide experience in the Management field. He is presently the Chairman and Managing Director of Atul Limited, a diversified chemical company. Mr. Lalbhai was also on the Board of Wyeth Limited since 2002 till its amalgamation with Pfizer Limited. Mr. Lalbhai was first appointed to the Board on February 14, 2015.



MR. MILIND PATIL
EXECUTIVE DIRECTOR – FINANCE & CFO

Mr. Milind Patil joined Pfizer Limited on August 16, 2018 as the Chief Financial Officer with over two decades of experience predominantly in the pharmaceutical industry. A graduate of Commerce and a Fellow Member of the Institute of Chartered Accountants of India, Mr. Patil has completed Financial Excellence, Financial Leadership and Advance Leadership Programs from Harvard Business School, USA. Mr. Patil has been recognized as a global business leader with versatile exposure in challenging and complex business environments in multiple finance and business functions. Prior to the current role, Mr. Patil was the CFO for Middle East North Africa region for Novartis based out of Dubai. Mr. Milind Patil was appointed to the Board on November 14, 2018.

MR. SAMIR KAZI
EXECUTIVE DIRECTOR - LEGAL



Mr. Samir Kazi is a lawyer with over 20 years of rich legal experience. Mr. Kazi earned his Bachelor's of Law degree from the University of Mumbai in the year 1999. Mr. Samir Kazi started his career with an illustrious law firm in Mumbai - Mulla & Mulla & Craigie Blunt & Caroe, where Mr. Samir Kazi practiced for over 7 years before taking up in-house law practice. Thereafter, Mr. Samir Kazi was a Legal advisor to the Hinduja Group India Limited, before being associated with Pfizer Limited since 2007. Mr. Samir Kazi is responsible for providing quality legal advice, including inputs on matters relating to industrial bodies, governance, compliance and mergers & acquisitions, establishment of strategic alliances, partnerships and relationships with internal & external clients. Mr. Samir Kazi was appointed to the Board on February 14, 2020.



MR. PRAJEET NAIR, COMPANY SECRETARY

Mr. Prajeet Nair heads the Corporate Secretarial functions of the Company. He has about 25 years of experience and expertise in handling Corporate Secretarial matters and Compliances under securities exchange and corporate laws. He is a Member of the Institute of Company Secretaries of India and holds a Bachelor's Degree in Law. Mr. Nair has an extensive experience in mergers and acquisitions having handled the amalgamations of Parke-Davis (India) Limited, Pharmacia Health care Limited and Wyeth Limited with Pfizer Limited. Mr. Prajeet Nair has over 10 years of experience in handling drug price control matters and currently oversees the regulatory aspects of Pricing function.

IMMUNITY IS THE NEW INTELLIGENCE. IT'S TIME TO BUILD OUR CORPORATE IMMUNITY QUOTIENT.



A minuscule virus just about 60 to 140 nm in size has stopped the world in its tracks. It has given a new meaning to the word “disruption” in the business sphere. It has forced countries and leaders to rethink their politics, policies and purpose. It has changed, possibly forever, the way we live, the way we socialize and the way we work.

The overriding question in the minds of all corporate leaders is: when will it end and in what shape will it leave us? While the fight against COVID-19 is likely to continue for many months to come, it has become abundantly clear that ensuring business continuity and resilience is a critical part of this fight. “Human capital” fuels the growth and productivity of corporates. The COVID-19 crisis has further sharpened the realization that the **health and well-being of the workforce** are of paramount importance for the health and well-being of the business and must be preserved in every way possible.

Preserving the health of the workforce has two components to it: preventing illness and treating illness. Most companies now offer corporate health insurance plans to their employees. Coupled with tie-ups with medical facilities, these ensure that employees have the support they need to tide over illness. **Preventive health**, however, gets less attention.

The need of the hour is to enable corporate executives to get healthy and stay healthy by enhancing their ability to fight back. To build resilience against both lifestyle diseases as well as dangerous infectious diseases. To be strong as individuals and strong, by impact, as the collective organization. Immunity is the new Intelligence, and therefore it is time to pay heed to the new IQ – our Immunity Quotient. Now is the time to build our **Corporate Immunity Quotient**.

DR LALIT R. SANKHE,

ASSOCIATE PROFESSOR, DEPARTMENT OF COMMUNITY MEDICINE, GRANT MEDICAL COLLEGE &
SIR J J GROUP OF HOSPITALS, MUMBAI

COVID-19 has made everyone truly appreciate the importance of disease prevention—whether through careful hygiene and sanitization or through the urgent search for a vaccine. Adult immunization is a tenet of disease prevention and a powerful way to safeguard the health of a population. Businesses that are willing to go the extra mile to protect their employees' health through an immunization programs are doing a tremendous job, both for their employees and the community at large.



DR. RAVINDRA MEHTA

CHIEF OF CRITICAL CARE, CONSULTANT PULMONOLOGIST/SLEEP MEDICINE SPECIALIST,
APOLLO HOSPITALS JAYANAGAR, BANGALORE

The COVID-19 pandemic is unlike anything we have seen in our generation. Like COVID-19, two other conditions - influenza and pneumococcal pneumonia - can also lead to serious respiratory illnesses and complications. While we wait for a cure or a vaccine for COVID-19, we need to take the vaccines available to prevent pneumococcal pneumonia and influenza, especially as the season for these infections is coming. By taking these vaccines, we can lower the risk of these respiratory infections and strengthen our immunity. The pneumococcal vaccine is recommended for adults over the age of 50 years while the influenza vaccine needs to be taken once every year. 'Preventive health', which means doing whatever we need to do to prevent a disease, is always important. The nationwide lockdown is an example of perhaps the biggest 'preventive' measure that our country could have taken to slow down and reduce the spread of the pandemic. Immunization is one of the biggest personal preventive health measures that businesses can consider for the safety of their employees.

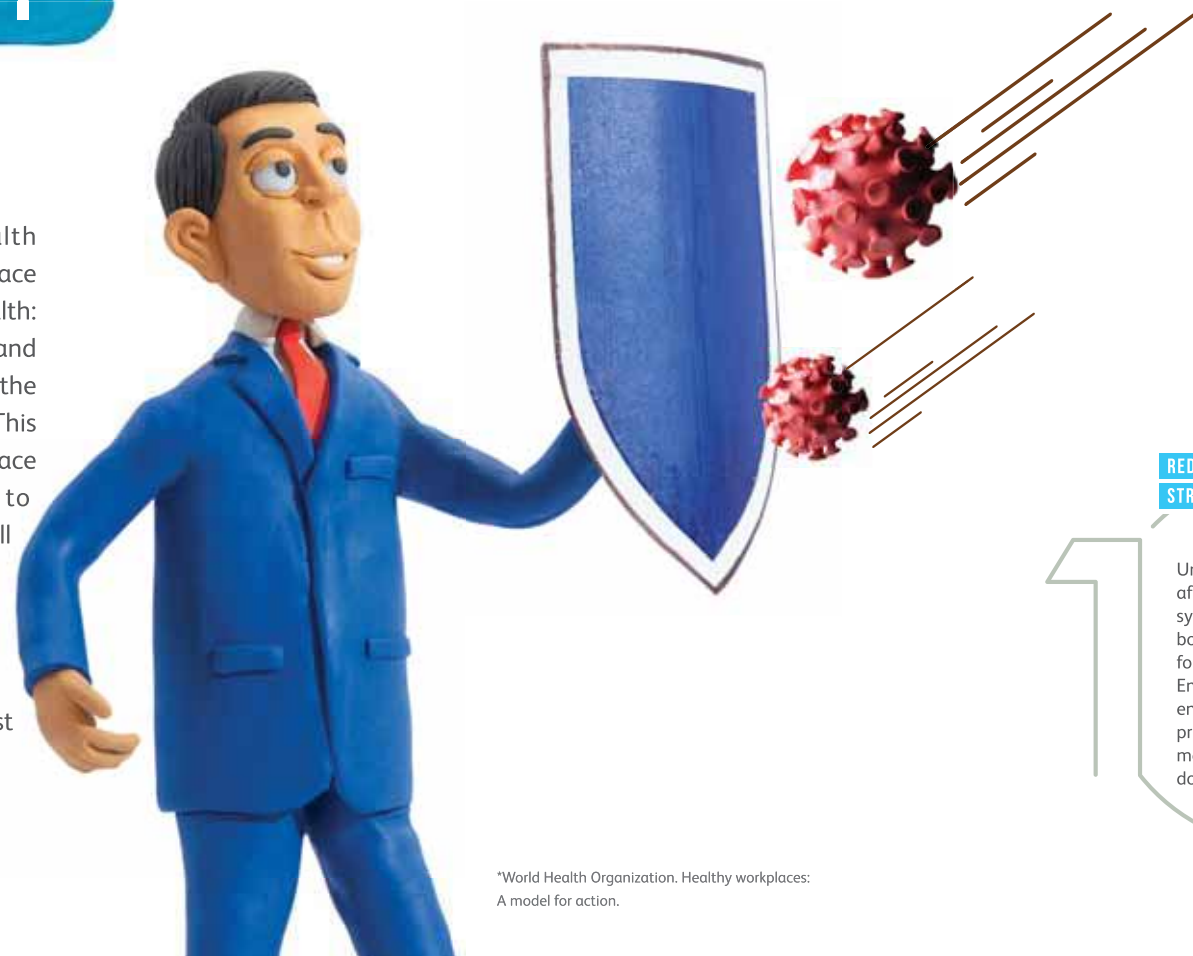


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BUILDING IMMUNITY MEANS BEING FIT TO FIGHT DISEASE

According to the World Health Organization (WHO*), a healthy workplace is inspired by its own definition of health: "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity." This requires a shift in thinking of workplace health as not being limited to work-related health issues only, but all health determinants.

Businesses must therefore do more to lower the risk of non-communicable and communicable diseases amongst their employees.



*World Health Organization. Healthy workplaces: A model for action.

According to the WHO, immunization of adults is an important "primary intervention service" to prevent the occurrence of a disease. The WHO also recommends a healthy diet and sufficient rest to build strong immune system. Other medical experts recommend 20 to 30 minutes of exercise for 5 days a week to strengthen immunity.

DR. VIVEK NANGIA,

PRINCIPAL DIRECTOR & HEAD, INSTITUTE OF RESPIRATORY, CRITICAL CARE & SLEEP MEDICINE, MAX HOSPITAL, NEW DELHI

All of us, who focus on lung health, are more concerned now than ever before, to ensure that all adults benefit from the protection that existing vaccines such as the pneumococcal vaccine provide. It is increasingly being realized that more than children, it is the adults who carry a greater burden of illness and death from vaccine preventable infectious diseases. If it becomes "normal" for companies to be vigilant about adult immunization for their employees, it will help lower the risk and burden of some common and important infectious diseases.



SOME WAYS TO BOOST IMMUNITY IN THE WORKPLACE

- REDUCE EMPLOYEES STRESS LEVELS**

Undue stress can negatively affect the way the immune system coordinates with other body systems and increase risk for certain viral infections. Employers should create an environment conducive to productive work and ensure a manageable workload that does not lead to stress.
- ENCOURAGE DAILY EXERCISE**

A 5-day a week program of 20-30 minutes is ideal training for the immune response. It should be encouraged and if possible, corporate facilities such as gymnasium should be provided.
- FOCUS ON A HEALTHY DIET**

Office canteens should ensure that employees are provided with healthy, immune-friendly food options that include fresh fruits and vegetables.
- IMPLEMENT PROGRAMS TO ENHANCE PREVENTIVE HEALTH CARE**

Companies should tie-up with health centres to offer preventive health check-ups to their employees, organize health and wellness seminars on non-communicable illnesses, and arrange on-site immunization programs to protect employees from vaccine preventable infectious diseases.
- PROMOTE A CULTURE OF "TURNING OFF WORK"**

Managers must encourage their team to "turn off work" at the end of a workday, go home on time and impress upon them the need to care for themselves - take time off, have quality time with family and get good quality sleep. Lack of sleep lowers physical immunity and work-related productivity.

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Corporates must consider **Adult Immunization** to protect their employees against a number of communicable diseases and also mitigate complications that arise when employees with existing risk factors of non-communicable diseases (NCDs) contract life-threatening infectious illnesses. Corporate health programs should include the entire gamut of vaccines that are now recommended by Organization Health experts for workplace immunization. This can lead to **reduced sick leave, improved work productivity, higher employee morale and financial benefits for employers.**



EXPERTS SPEAK

DR SIDRAM RAUT,

President, Indian Association of Occupational Health, (IAOH) & Director, Noble Hospital; Head of Blood Bank, Corporate and Overseas Business and Clinical Research, Pune

In your experience, what is the burden of vaccine preventable diseases at workplaces in India?

Working adults play an important role in keeping a nation's economy healthy. The nature of their work responsibilities exposes them to multiple risk factors and vaccine preventable diseases are one such risk. According to a study conducted by insurance companies, the common reasons that impacted an individual's health were fever, gastroenteritis and respiratory infections. These were also found to be the reasons behind unplanned sick leave and a drop in productivity.

What are the benefits of employee immunization?

An immunization program in the workplace is beneficial for both employees and employers. It ensures that employees are protected against vaccine preventable diseases, bringing down the cost of hospitalization and reducing mortality. Vaccinated employees help to prevent the spread of infections to others such as friends or colleagues.

Immunization not only improves the health of the employees, but also improves employee – employer relationship as it shows mutual promise to create a healthier work environment. It shows that employers are invested in keeping the workplace free of vaccine preventable diseases. It helps to reduce absenteeism and presenteeism because of common vaccine preventable diseases. By reducing the occurrence of many diseases such as influenza, hepatitis or pneumonia, it helps to reduce hospitalization cost as well. Overall, the cost of immunization gives multi-fold reducing by reducing overall healthcare cost and revenue lost because of lowered productivity.

As IAOH president, what are the steps the IAOH is taking to increase awareness about adult immunization?

The IAOH believes in the adage 'prevention is better than cure.' One of the keys to prevent illness is through comprehensive immunization of the workforce against vaccine preventable diseases (VPDs). This is happening at a global level because there is consensus on its value. Now it is time for India to do the same.

The IAOH, through some of its senior members, has worked with a team of experts in the space of VPDs to develop a document titled 'Guidelines on adult immunization in Occupational Health Settings,' which could be used to guide the adoption of immunization in India's workplaces.

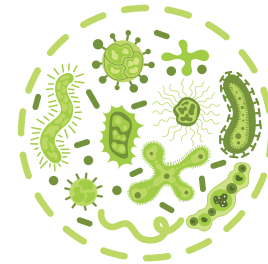
What advice would you like to give to organizations to encourage immunization in the workplace?

Organizations need to shift from a reactive to a proactive approach in order to introduce adult immunization as a safeguard for their employees and reduce the cost of healthcare. IAOH believes in prevention and we would like companies to educate employees on the benefits of immunization. This can be done through the use of internal communication channels. Organizations should introduce a company policy that enables employees to avail of immunization either for free or at subsidized cost.

Disclaimer: Your Company participates in numerous initiatives and awareness programs. One such awareness initiative that your Company is committed to is immunization. The content herein is meant for informational and awareness purposes only and should not be considered as a substitute for competent medical advice. Please consult your doctor on immunization.

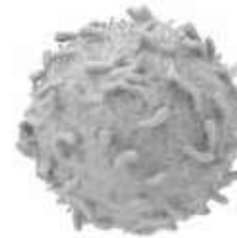
UNDERSTANDING VACCINES AND HOW THEY IMPACT IMMUNITY

The immune system is a vital part of the body's defence system and attacks microbial 'intruders' such as bacteria, viruses and parasites.



First, the immune system must identify that these invading microbes are foreign agents and therefore dangerous.

Then, the special 'white blood cells' go into action to eliminate this threat



The immune system has the incredible ability to remember a past infection by creating specialized memory cells that can recognize the microbe or toxin. So, if the same microbe attacks again, the body can quickly trigger a full-blown attack quickly and neutralize the pathogen.



A vaccine is usually a weakened or killed form of a disease-causing organism, or a weakened toxin produced by the organism.

When a person is vaccinated, the immune system responds to the perceived danger, and creates specialized memory cells that are able to recognize the microbe or toxin, and builds immunity against the microbe.



Later, if or when the actual pathogen infects the person, these thousands of memory cells get activated quickly and eliminate the pathogen.

Several expert committees and medical associations in India and abroad have made recommendations on vaccines for adults. Some are recommended for all adults, while others are advised in special situations and for specific groups of people.

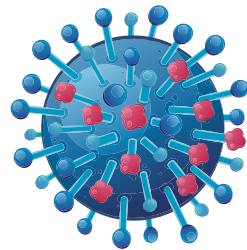
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IAOH GUIDELINES ON ADULT IMMUNIZATION

According to the Indian Association of Occupational Health (IAOH) Guidebook on Adult Immunization in Occupational Health Settings, there are 6 recommended vaccines for all adults in India:

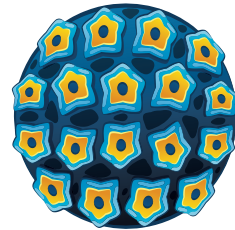
INFLUENZA VACCINE

The flu vaccine may be recommended once a year for adults. The components of the vaccine may change every year, depending on the type of flu viruses that are most prevalent at the time. Different flu vaccines are available in India and the doctor must be consulted for advice about which of the vaccines is to be taken.



HUMAN PAPILLOMAVIRUS (HPV) VACCINE

The HPV vaccine protects adults from some of the common human papillomaviruses. The vaccine is most beneficial when given before an individual becomes sexually active but can be taken by adults up to the age of 45 years. A doctor must always be consulted for advice about what vaccines are to be taken.



PNEUMOCOCCAL VACCINE

Pneumococcal vaccines may be recommended for adults over the age of 50 years or even to younger adults, if they are at a higher risk of the infection. A doctor must always be consulted for advice about what vaccines are to be taken.



HERPES ZOSTER VACCINE

The shingles vaccine may be recommended for all adults over the age of 60 years. The shingles vaccine has the same component as the chickenpox vaccine, but at a much higher concentration in order to protect adults from the infection. A doctor must always be consulted for advice about what vaccines are to be taken.



DR. V.S. NATARAJAN,
GERIATRIC FOUNDATION



As people get older, their immune system weakens, and they often take longer to recover from an illness. Vaccine protection against some infectious diseases for this age group is of paramount importance. But in India, it is not widely recommended. What we need is a more concerted effort by all stakeholders to encourage all adults, across ages, to get vaccinated. In my opinion, immunization programs at the workplace would be an effective way of ensuring that immunization becomes an integral part of our healthcare system.

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DIPHTHERIA, PERTUSSIS AND TETANUS (DPT) VACCINE

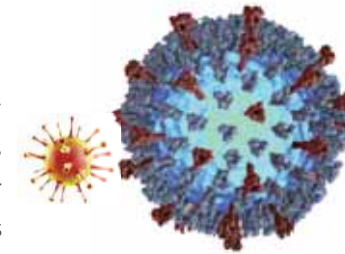


There are several types of DPT vaccines available, which vary in how the three components are combined. The recommended vaccine schedule is different for those who have been immunized with the vaccine series in childhood and those who have not.

Thus a doctor must always be consulted for advice about what vaccines are to be taken.

MEASLES, MUMPS, RUBELLA (MMR) VACCINE

The MMR vaccine is available in multiple variations: only mumps; or mumps and rubella; or measles, mumps and rubella; or measles, mumps, rubella and varicella. The vaccine may be recommended for all adults up to the age of 60 years. A doctor must always be consulted for advice about what vaccines are to be taken.



DR. ANAND N. MALAVIYA, CONSULTANT RHEUMATOLOGIST, 'A&R CLINIC' & VISITING SR. CONSULTANT RHEUMATOLOGIST
ISIC SUPERSPECIALITY HOSPITAL, NEW DELHI. ((RETIRED) HEAD OF THE DEPARTMENT OF MEDICINE, AND CHIEF OF
CLINICAL IMMUNOLOGY AND RHEUMATOLOGY SERVICES, ALL-INDIA INSTITUTE OF MEDICAL SCIENCES, NEW DELHI

Patients with rheumatological conditions are often at a far higher risk of infectious diseases – because of the nature of the disease as well as their treatment. Vaccines are of critical importance for these patients, but unfortunately, the concept of adults needing immunization is hardly ever discussed in India. I urge businesses to do more to protect the health of their employees and urge them to provide adult immunization as part of their health benefits. This would be particularly beneficial for those with rheumatoid arthritis and other such conditions.

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INTERVIEW
DR. T. RAJGOPAL

Dr. T. Rajgopal, Vice President, Global Medical and Occupational Health, Unilever is a member of the organization's Global Safety and Health Leadership Team (SHLT). He has many years of experience in Occupational Health in the corporate sector providing strategy and leadership in comprehensive medical and occupational health services covering more than 155,000 employees worldwide.

What are the leading benefits of an immunization program at the workplace?

In India, over 63% of the total population is in the productive age group. Health and productivity are interlinked. While we know that work can affect a person's health, the reverse is also true: ill health can affect work. This makes adult immunization to prevent diseases a key component of health promotion at the workplace. Immunization for the working population plays a significant role in reducing both 'absenteeism' or the number of days an employee is absent, and 'presenteeism' which means lowered productivity at work. Immunization can also help to prevent severe illness or hospitalization and therefore lower healthcare costs.

Why are companies still lagging behind in their adoption of adult immunization as part of their wellness programs?

Well, there are a number of reasons. The concept of adult immunization is not popular in India. Many corporates do not yet believe in the value of immunization for the health of their employees and its potential to reduce absenteeism and presenteeism. Lack of employee awareness on the need for immunization is also a limiting factor and it contributes to companies not prioritising immunization as part of their ongoing wellness program. However, I think India Inc is waking up to the twin threat of noncommunicable diseases such as diabetes and hypertension, and communicable diseases such as pneumonia and influenza.

Moving forward, I expect to see progressive companies increasingly advocating the use of immunization as a health protective strategy for their workforce.

What should be done to encourage corporate India to take adult immunization seriously?

Last year, the Indian Association of Occupational Health (IAOH) demonstrated their commitment to improve the health and well-being of corporates in the country by formulating India's first ever guidebook on Adult Immunization in Occupational Health Settings. The guidebook has steps to encourage corporate India to protect their "human capital" from vaccine preventable diseases. Now, this guidebook needs to be put into practice in corporate India. Here are some ways for businesses to make that happen:

- Share vaccine recommendations with all working professionals in the company to increase awareness on the topic of adult immunization
- Host an immunization program on company premises, as this is a great way for a business to demonstrate its commitment to providing accessible health and wellness benefits
- Extend benefits of adult immunization to family members of employees
- Involve company leaders to drive a successful adult immunization and wellness program



MAKING A DIFFERENCE TO OUR COMMUNITIES



PFIZER LIMITED CSR PRIORITIES:

ENCOURAGE INDIAN HEALTHCARE INNOVATION
AND INTELLECTUAL PROPERTY

SUPPORT NATIONAL PROGRAMS AND PRIORITIES
WITH LINKAGES TO HEALTHCARE

CREATE PATIENT AWARENESS AND ACCESS
PROGRAMS

CONTRIBUTE TO DISASTER RELIEF WORK

DEVELOP COMMUNITY OUTREACH INITIATIVES
INVOLVING COLLEAGUES

OUR CSR PURPOSE AT PFIZER -

NURTURING INNOVATION.

ENCOURAGING COLLEAGUES.

SYNERGIZING EFFORTS IN PARTNERSHIP.

At Pfizer, we seek to make quality healthcare available to those in need across India. To achieve this, we draw inspiration from our Purpose - Breakthroughs that Change Patients' Lives. Our flagship CSR programs aim to nurture science and innovation, reduce the threat of disease, strengthen healthcare capacity, ensure access to quality care, address immediate disaster and humanitarian health needs, and enhance Pfizer's community outreach.

CANCER CARE INITIATIVE

India bears a significant burden of Cancer with limited health system infrastructure, a scarcity of oncology specialists and patients' inability to afford cancer treatment. This led to the launch of Pfizer Ltd's Cancer Care initiative in partnership with Alamelu Charitable Foundation (ACF)—a SPV constituted by Tata Trusts. The project's aim is to serve as a one-stop, information and support program for patients and families at key cancer facilities supported by Tata Trusts.

All our CSR programs are carefully selected to ensure that they are novel, address a key healthcare priority, and, are scalable and sustainable. By focusing our attention and committing our resources to projects that meet each of these parameters, our CSR initiatives have been designed in a way which enables the communities to reap the maximum benefits.

In our endeavor to make a difference, we studied the Indian healthcare system, identified need gaps and initiated novel CSR initiatives which could bridge these gaps, at the start of this year. These projects will serve as a pivot to push the Indian healthcare system to greater heights.

The program is in the first Phase of its operation and includes the following:

Health and Wellness Kiosks in Ranchi, Diphu, Silchar and Tirupati. These kiosks provide services including counselling and interactive sessions on preventing cancer and other lifestyle-related disorders, counselling sessions for smoking cessation and prevention, screening for Oral, Cervical and Breast cancer and general physician examinations among others.

Community Outreach and early detection for NCDs through screening of catchment populations and referral to nearest centres.

Set-up and operationalise a **Patient Referral and Tracking Platform**.

Manage and operate a **Virtual Patient Helpdesk**, complemented by one on-site patient navigator in OPD and day care centers in Ranchi, Diphu, Silchar and Tirupati.

COVID-19 RELIEF EFFORTS IN INDIA

While globally, Pfizer is leading the effort to discover therapeutics and vaccines to counter COVID-19, Pfizer Ltd. is also actively supporting the relief efforts here in India through our Corporate Responsibility platforms. Your Company has deployed an estimated Rs. 2.5 crore towards various COVID-19 relief efforts. Some of the key interventions include:

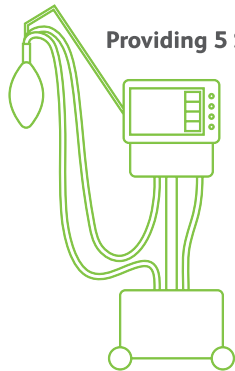
Donation of 3 lac protective N95 Masks

Our frontline healthcare workers are performing a remarkable duty to provide healthcare services to patients across the country. In order to provide relief to such personnel, your Company funded NGOs to donate close to 3 lac N95 protective masks for use by frontline and supporting healthcare personnel across India.



Providing 5 State-of-the-art Ventilators

As the number of COVID-19 cases rapidly increased in Maharashtra, the MCGM Disaster Management Cell along with the Health Department ramped up the testing and isolation facilities available. Your Company partnered with Amiceres India Foundation to provide five high-quality Macquet Servo-I Ventilators to three key Government hospitals with COVID-19 facilities: HBT Trauma Care Centre, Jogeshwari; Bhabha Hospital, Bandra; and Rajawadi Hospital, Ghatkopar, all located in densely populated suburbs in Mumbai.



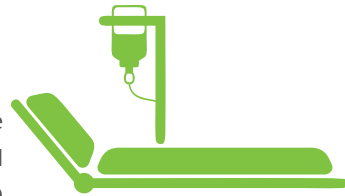
Assisting migrant workers with food relief

Goa is home to Pfizer's manufacturing plant. Being an industrial state, it is also home to a large migrant population that would require basic food relief and support at this time. Through its NGO partners, your Company provided food and grocery packets and other essentials for those in need in the talukas of Sattari and Valpoi in Goa.



COVID-19 Treatment Facility for Police Personnel

In addition to the healthcare workers, our police personnel too are serving as COVID Warriors with courage and dedication. In order to support our Police Personnel, your Company supported a 75-bed isolation ward at the Mumbai Police Kalina Hospital for the Maharashtra Police. Support was provided towards COVID-19 Emergency Response Intervention for setting up of the temporary COVID-19 hospital dedicated to police personnel in Kalina and providing critical life-saving supplies.



Essential medicine donation

Your Company donated 75,000 tablets of Trulimax (Azithromycin), responding to a call from the Government of India for the treatment of COVID-19 patients under the care of Government facilities.

In addition to efforts by Pfizer Ltd., Pfizer Inc., through the Pfizer Foundation, has also supported COVID-19 relief efforts in India. These include:

Supporting Quarantine Facilities at Dharavi in Mumbai

Dharavi had emerged as an epicenter of COVID-19 outbreak in Mumbai. The Government responded by stepping up its effort in setting up a quarantine facility to contain and control further spread of the disease. Pfizer supported the MCGM's efforts in setting up this facility by helping provide critical care life-saving equipment for COVID-19 patients and the frontline healthcare staff with critical protective gear.



Donation of N95 Masks

Supplementing your Company's efforts, Pfizer Foundation additionally funded the donation of almost 1 lac masks for use by frontline healthcare workers across 17 cities in India.

PFIZER-IIT DELHI INNOVATION & IP PROGRAM



After a successful launch of a high-decibel public awareness campaign 'AMR ko Aao Milkar Rokein' (Let us work together to curb AMR) in January 2019, your Company continued its efforts to curb AMR in India. With a clear priority to "Support national programs and priorities with linkages to healthcare", your Company in March 2020, partnered with an NGO, Amiceres India Foundation to roll out two distinct initiatives that aimed at reducing the spread of antimicrobial resistance in the country.

A flagship programme under this umbrella—**Project Parivartan** focusses on addressing the current Infection Prevention and Control (IPC) challenges in healthcare facilities. In this multi-year project, your Company will support the development of a model for "Institutional Capacity Building" to deliver facility-based IPC and Anti-Microbial Stewardship among small and mid-size hospitals across India.

VILLAGE TRANSFORMATION PROJECT



With these interventions, we hope to build sustainable, productive, healthier and self-sufficient communities in the region.

Your Company created this unique incubation accelerator program with an aim to support, promote and reward healthcare innovations made in India. Through this Program, your Company supports incubation and IP filing of start-ups with promising ideas in the field of healthcare that can truly add value to healthcare delivery in the country. The program, launched in partnership with the Foundation for Innovation and Technology Transfer (FITT) at IIT Delhi, is now in its fourth phase. Since inception in 2015-16, collectively between full-time incubations and support for IP filings, the program has supported 34 innovators in their journey of creating innovations.

COMBATting AMR IN INDIA

Additionally, your Company along with Amiceres India Foundation, will launch an **Online Learning Platform** for healthcare workers to ensure that they have access to quality training on IPC across India. The project is currently in the initial phase of building the IPC module as per the WHO guidelines. The platform would be accessible free of cost with certification in three languages (English, Hindi, Malayalam).

Your Company in partnership with BAIF, has embarked on a holistic village transformation intervention. The aim of the project is to transform the lives of 5000 people living in 13 hamlets of Kualale gram panchayat at Jawhar, Maharashtra, adopted by Pfizer. The objective of the program is to:

- Improve access and availability of drinking water all-round the year
- Ensure access to nutrition, sanitation and healthcare facilities
- Improve livelihood options through an increase in productivity and diversification
- Create awareness regarding water and water conservations

GLOSSARY

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Notice

NOTICE is hereby given that the 69th Annual General Meeting of the Members of Pfizer Limited will be held on **Friday, September 4, 2020 at 3.00 p.m. IST through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')** to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of the Audited Financial Statement.

To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2020, including the Reports of the Board of Directors and Auditors thereon.

Item No. 2 – Declaration of Final Dividend.

To declare a final dividend of ₹10/- (100%) per equity share for the financial year ended March 31, 2020.

Item No. 3 – Appointment of Mr. Milind Patil (DIN: 02546815) as a Director liable to retire by rotation.

To consider appointment of a Director in place of Mr. Milind Patil (DIN: 02546815), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No 4 - To consider the appointment of Mr. Samir Kazi (DIN: 07184083) as a Director of the Company effective February 14, 2020.

To consider the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Samir Kazi (DIN: 07184083) who holds office as an Additional Director of the Company up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (“Act”) and being eligible for appointment, in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Item No. 5 - To consider the appointment of Mr. Samir Kazi (DIN: 07184083) as a Whole-time Director of the Company for a period of 5 years effective February 14, 2020.

To consider the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Rules framed thereunder, Schedule V to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Samir Kazi (DIN: 07184083) as a Whole-time Director designated as Executive Director, Legal of the Company for a period of 5 (five) years with effect from

February 14, 2020 and to his receiving remuneration, payments, perquisites, benefits and amenities as given below:

A. Salary, Fixed Allowances and Bonus/Performance Linked Incentives:

The aggregate of Salary, Fixed Allowances and Bonus / Performance Linked Incentives payable to Mr. Samir Kazi shall be subject to a maximum limit of ₹3,00,00,000/- (Rupees Three Crore only) per annum.

B. Other Perquisites, Benefits and Amenities:

In addition to the above mentioned Salary, Fixed Allowances and Bonus / Performance Linked Incentives, Mr. Samir Kazi shall be entitled to the following perquisites, benefits and amenities:

(a) Conveyance:

Mr. Samir Kazi shall be entitled to a Conveyance Allowance of ₹10,80,000/- (Rupees Ten Lakhs Eighty Thousand only) per annum, payable monthly on proportionate basis, with such increments as may be decided by the Board from time to time.

(b) Medical Expenses:

Mr. Samir Kazi shall be entitled to reimbursement of hospitalization expenses incurred for him and his family as per rules of the Company.

(c) Leave Entitlement:

Mr. Samir Kazi shall be entitled to leave as per the rules of the Company. Mr. Samir Kazi shall also be entitled to encashment of leave at the end of tenure as per the rules of the Company.

(d) Personal Accident Insurance and Group Term Life Insurance Coverage:

Mr. Samir Kazi shall be entitled to Personal Accident Insurance and Group Term Life Insurance Coverage as per the rules of the Company.

(e) Provident Fund:

Mr. Samir Kazi shall be entitled to contribution to the Company's Provident Fund Scheme, in accordance with the rules of the Scheme.

(f) Gratuity:

Mr. Samir Kazi shall be entitled to contribution to Gratuity Fund as per the rules of the Company.

(g) Reimbursement of Expenses:

Mr. Samir Kazi shall be entitled to reimbursement of expenses incurred by him for the purpose of the business of the Company.

(h) Mr. Samir Kazi shall be entitled to such other benefits, amenities and perquisites as are available to other senior executives of the Company or as the Board of Directors of the Company may determine from time to time.

The Company's contribution to provident fund, gratuity payable at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure, as per the rules of the Company, shall not be included in the computation of the above ceiling of ₹3,00,00,000/- (Rupees Three Crore only) per annum.

C. Minimum Remuneration:

Notwithstanding anything contained above, in the event in any financial year during Mr. Samir Kazi's tenure as a Whole-time Director, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Kazi shall be subject to the provisions of Section 197 of the Companies Act, 2013, ("Act") and the provisions of Section II of Part II of Schedule V to the Act or any other law or enactment for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company may, in its discretion, pay to Mr. Samir Kazi lower remuneration than the maximum remuneration hereinbefore stipulated and revise the same from time to time, within the maximum limit stipulated. The terms of remuneration payable to Mr. Kazi shall be in compliance with the provisions of Sections 197 and 198 of the Act read with Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as in its absolute discretion, may consider, necessary, expedient or desirable, in order to give effect to this Resolution."

Item No. 6 – To consider and ratify the remuneration payable to Messrs. RA & Co., Cost Accountants for the financial year ending March 31, 2021.

To consider the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and other rules, if any, made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹13,25,000/- (Rupees Thirteen Lakhs Twenty Five Thousand only) plus applicable taxes 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 cost records maintained by the Company for manufacturing of pharmaceutical formulations for the financial year ending March 31, 2021, be and is hereby ratified."

By Order of the Board of Directors

Prajeet Nair
Company Secretary
Membership No.:ACS19267

Mumbai, June 15, 2020

Registered Office:
Pfizer Limited
The Capital, 1802 /1901,
Plot No. C – 70, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
Tel: +91 22 6693 2000
Fax: +91 22 2654 0274
Website: www.pfizerindia.com
E-mail ID: contactus.india@pfizer.com
CIN: L24231MH1950PLC008311

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular dated May 5, 2020 read with Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted holding of the Annual General Meeting ("AGM") through VC / OAVM, without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, this AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement setting out material facts pursuant to Section 102 of the Act with respect to Item Nos. 4 to 6 of the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 29, 2020 to Friday, September 4, 2020 (both days inclusive) for the purpose of payment of final dividend.

The Final dividend for the financial year ended March 31, 2020, as recommended by the Board of Directors of the Company, if approved at the Annual General Meeting, will be paid to the Members on or before September 30, 2020, as under:

- i. To all Beneficial Owners in respect of shares in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, August 28, 2020.
 - ii. To all Members in respect of shares held in physical form as per the Register of Members, as may be made available by the Company's Registrar and Share Transfer Agent, as of the close of business hours on Friday August 28, 2020.
4. In terms of the MCA Circulars, kindly note that, in case the Company is unable to pay the final dividend by way of direct bank credit, due to non-availability of bank account details, the dividend warrants/demand drafts of such shareholders shall be dispatched upon normalization of postal services.
 5. As this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

Further, since the AGM is being held through VC / OAVM, the route map of the venue of the Meeting is also not annexed to this Notice.

6. Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit Transfer and Refund) Rules, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("Rules") and other applicable provisions of the Act, if any, the Company had after sending due reminders to the requisite shareholders and publishing advertisement in the newspapers, credited the shares of the shareholders whose dividend has remained unclaimed for seven consecutive years to the Demat Account of the Investor Education and Protection Fund ("IEPF"). Details of the shares credited are as follows:

Particulars	Number of Shareholders	Number of Shares
Total shares in the MCA IEPF Account as on April 1, 2019.	4,984	3,03,217
Details of shares transferred on September 28, 2019 with respect to the Dividend for the year ended March 31, 2012.	344	19,338
Number of shares claimed and transferred to the shareholders from MCA IEPF Account during the year.	22	1,678
Total shares in the MCA IEPF Account as on March 31, 2020.	5,306	3,20,877

Voting rights on shares lying in the MCA IEPF account shall remain frozen till the rightful owner of such shares establishes his/her title of ownership to claim the shares. The details of shares so transferred are available on the Company's website under the Investor Section at www.pfizerindia.com.

The concerned shareholders may note that, no claim shall lie against the Company in respect of unclaimed dividend amounts and shares credited to the Demat Account of IEPF. Pursuant to the provisions of the Act and the Rules, the concerned shareholders can claim the shares along with the unclaimed dividend amount(s) which have been transferred to IEPF Account from the MCA. The procedure for claiming such dividend and/or shares is available on the website of the Company at www.pfizerindia.com and on the website of the Ministry of Corporate Affairs at www.mca.gov.in and www.iepf.gov.in.

The Members/claimants whose shares, unclaimed dividend, etc. have been transferred to the Fund may claim the shares by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as

decided by the Authority from time to time. The Member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

Further, please note that the unclaimed dividend in respect of the financial year ended March 31, 2013, is in the process of being transferred to the IEPF in accordance with the provisions of Sections 124 and 125 of the Act.

- In compliance with Sections 124 and 125 of the Act, the Company has transferred the unpaid and unclaimed dividends declared up to the financial year ended March 31, 2012 for Pfizer Limited and erstwhile Wyeth Limited from time to time to the IEPF established by the Central Government. The Company has uploaded the details of shareholders who have not claimed their dividend for the past seven years which is lying with the Company as on August 9, 2019 (date of previous Annual General Meeting) on the website of the Company, www.pfizerindia.com and also on the website of the MCA. For any clarification/ assistance with respect to outstanding dividends for the succeeding years, the concerned shareholder(s) may contact the Company's Registrar and Transfer Agent-

KFin Technologies Private Limited
 UNIT: PFIZER LIMITED
 Selenium Tower B, Plot No 31 & 32, Gachibowli
 Financial District, Nanakramguda, Serilingampally,
 Hyderabad, Telangana – 500032.
 Contact person: Mr. Premkumar Nair - Manager
 Tel: +91 40 6716 2222
 Fax: +91 40 2300 1153
 TOLL FREE NO.: 1-800-3454-001
 E-mail ID: einward.ris@kfintech.com

Further, the Company has also uploaded on its website, the list of shareholders who have not claimed dividend for the financial year ended March 31, 2019 as on September 30, 2019.

Members are requested to note that dividends that are not claimed or remain unpaid till seven years from the date of transfer to the Company's unpaid dividend account will be transferred to the IEPF. Further, equity shares in respect whereof dividend remains unclaimed/unpaid for seven consecutive years or more will be transferred to the demat account of the IEPF Authority as per Section 124 of the Act read with Rules notified thereunder, as may be amended from time to time.

- Pursuant to Schedule V and VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, 19,996 unclaimed shares held by 656 shareholders were outstanding in the Company's Unclaimed Suspense Account as on March 31, 2020, details of which are as follows:

Particulars	Number of Shareholders	Number of Outstanding Shares
Aggregate number as at April 1, 2019.	697	21,303
Number of shares transferred from the Unclaimed Suspense Accounts to MCA IEPF Account during the year.	33	1,130
Number of shareholders who approached Company for transfer of shares from unclaimed suspense account during the year.	8	177
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account.	8	177
Aggregate number as at March 31, 2020.	656	19,996

Voting rights on shares lying in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares establishes his/her title of ownership to claim the shares.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Member as part of their KYC. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's Registrar and Share Transfer Agent.
- Pursuant to SEBI Notification dated June 8, 2018, on Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 and amendments thereof, Listed Companies and their Registrars and Transfer Agents (RTAs) have been advised to ensure that shares which are lodged for transfer are mandatorily in dematerialized form with effect from April 1, 2019. Accordingly no transfer shall be given effect for shares held in physical mode from the said date.

The Shareholders holding shares in physical mode are advised to dematerialize their shares at the earliest to avail the benefits thereof including smooth transfer of shares if they propose to do so in future. The basic process for dematerialization of shares and its benefits are available under the "Member Utility" and "Frequently Asked Questions" respectively in "Investor Services" tab of the "Investor Relations" section on the Company's website - www.pfizerindia.com. In case the shareholders have any queries or need any assistance in this regard, they are

requested to contact the Company's Registrar and Transfer Agent – KFin Technologies Private Limited at einward.ris@kfintech.com or the Company at contactus.india@pfizer.com.

- Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to the Company at contactus.india@pfizer.com or the Company's Registrar and Transfer Agent at einwards.ris@kfintech.com in case the shares are held by them in physical form.

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, KFin Technologies Private Limited at einward.ris@kfintech.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Address Proof (self-attested scanned copy of Address proof, preferably Aadhaar card) for registering email address.
	Following additional details need to be provided in case of updating Bank Account Details:
	<ol style="list-style-type: none"> Name and Branch of the Bank in which you wish to receive the dividend, Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions, 9-digit MICR Code Number, 11-digit IFSC Code, and A scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	Shareholders holding shares in Demat mode are requested to reach out to their Depository Participant (DP) for updation/registration of the aforementioned details.

- As per SEBI Directive, in case of failure to register the PAN and bank account details as aforesaid, any transaction in

the securities of the Company shall be subject to enhanced due diligence by the Company/RTA, as may be prescribed.

- In terms of Section 72 of the Act read with the applicable rules thereto, every holder of shares in the Company may 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 in SH-13 format can be obtained from the Registrar & Share Transfer Agent. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

- Dispatch of Annual Report through Electronic Mode:**
 In compliance with the MCA Circulars and SEBI Circular, Notice of this AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participants. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.pfizerindia.com and websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

- For receiving all communication (including Annual Report) from the Company electronically:
 - Members holding shares in physical mode and who have not registered / updated their email address and mobile number with the Company are requested to register / update the same by clicking https://ris.kfintech.com/email_registration/ or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at contactus.india@pfizer.com or to KFinTech at einward.ris@kfintech.com
 - Members holding shares in dematerialized mode are requested to register / update their email address and mobile number with the respective Depository Participant(s).

Shareholders who have not registered their email address and mobile number can temporarily register the same with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: https://ris.kfintech.com/email_registration/ to enable us to email to Notice for the 69th AGM, Annual Report 2019-20 and e-voting instructions along with the User ID and Password. Shareholders are requested to follow the below mentioned steps to temporarily register their email address and mobile number.

In case of any queries, shareholder may write to einward.ris@kfintech.com

STEPS TO TEMPORARILY REGISTER THE EMAIL-ID AND MOBILE NUMBER WITH THE COMPANY:

A. Electronic Folio(s) - DP ID Client ID

- (a) Visit the link https://ris.kfintech.com/email_registration/
- (b) Select the Company name.
- (c) Shareholder to enter DPID-CLID and PAN.
- (d) Shareholder to enter the email ID and Mobile No.
- (e) System check the authenticity of the DP ID Client ID and PAN and send the different OTPs to Mobile and Email to validate.
- (f) Shareholder to enter the OTPs received by SMS and email ID to complete the validation process. (OTPs will be valid for 5 min. only).
- (g) System confirms the email ID for the limited purpose of sending 69th AGM Notice, Annual Report 2019-20 and e-voting instructions along with the User ID and Password.
- (h) System will thereafter send the notice and procedure for e-voting to the email ID registered by shareholder.

B. Physical folio(s):

- (a) Visit the link https://ris.kfintech.com/email_registration/
- (b) Select Company name.
- (c) Shareholder to enter physical Folio No and PAN.
- (d) If PAN is not available in the records, shareholder to enter one of the Company's Share Certificate Number.
- (e) Shareholder to enter the email ID and Mobile No.
- (f) System checks the authenticity of the Folio No. and PAN / Certificate No. and sends the different OTPs to Mobile and email to validate.
- (g) Shareholder to enter the OTPs received by SMS and email ID to complete the validation process. (OTPs will be valid for 5 min. only).
- (h) If PAN is not available, system will prompt to upload the duly signed scan copy of the PAN.
- (i) System confirms the email ID for the limited purpose of sending 69th AGM Notice, Annual Report 2019-20 and e-voting instructions along with the User ID and Password.

- (j) System will thereafter send the notice and procedure for e-voting to the email ID registered by shareholder.

16. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, the Company is pleased to offer remote e-voting facility, which will enable the Members to cast their votes electronically on all resolutions set out in the Notice.

The remote e-voting period commences on Monday, August 31, 2020 (9.00 a.m. IST) and ends on Thursday, September 3, 2020 (5.00 p.m. IST).

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled upon expiry of the aforesaid period.

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

17. Remote e-voting facility:

The Company has appointed KFin Technologies Private Limited ("KFinTech") to provide the remote e-voting facility. In case of any query pertaining to e-voting, please visit Help & FAQ's section of KFinTech e-voting website: <https://evoting.karvy.com>.

The Instructions for e-voting are as under

A. In case a member receives an e-mail from the Company / KFinTech [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>

(User ID and password given in the e-mail). The e-voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for

e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.karvy.com> or contact toll-free number 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.) for obtaining your existing password.

- ii) After entering these details appropriately, click on "LOGIN".
- iii) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. 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, e-mail 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.
- iv) You need to login again with the new credentials.
- v) On successful login, the system will prompt you to select the "EVENT" i.e., Pfizer Limited.
- vi) 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.
- vii) 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.
- viii) Once the vote on the Resolution is cast by the shareholder, he / she shall not be allowed to change it subsequently.

- ix) 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. to the Scrutinizer at e-mail ID info@dholakia-associates.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO." Alternatively, the aforesaid documents may be uploaded on the KFinTech e-voting website: <https://evoting.karvy.com>

B. In case of a member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:

- i) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by clicking on https://ris.kfintech.com/email_registration/ or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at contactus.india@pfizer.com or to KFinTech at einward.ris@kfintech.com
- ii) Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
- iii) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.
- iv) Follow the instructions at A. (i) to (viii) to cast your vote.
 - I. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).
 - II. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
 - III. In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / e-voting user manual

available through a dropdown menu in the “Downloads” section of KFinTech’s website for e-voting: <https://evoting.karvy.com> or contact KFinTech as per the details given above.

18. PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

The Company will provide VC / OAVM facility to its Members for participating at the 69th AGM of the Company:

The Company is pleased to provide facility of VC / OAVM and live webcast of the proceedings of the AGM on September 4, 2020 from 2.30 P.M. (IST) onwards at the web link – <https://emeetings.kfintech.com/>

a) **Members will be able to attend the AGM through VC / OAVM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials.**

Members are requested to follow the procedure given below:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com>
 - ii. Enter the login credentials. (i.e., User ID and password for e-voting).
 - iii. After logging in, click on “Video Conference” option
 - iv. Then click on camera icon appearing against AGM event of Pfizer Limited, to attend the Meeting.
- b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.
- c) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the ‘Speaker Registration’ option available on the screen after log in. The Speaker Registration will be open during Monday, August 31, 2020 to Wednesday, September 2, 2020. Only those members who have pre-registered their name will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability

of time as appropriate for smooth conduct of the AGM.

d) Members will be allowed to attend the AGM through VC / OAVM on first-come-first-served basis.

In accordance with the Applicable Circulars, the VC/OAVM will have a capacity to allow at least 1000 members to participate in the AGM and such participation shall be on a first-come-first-served basis. However, please note that pursuant to the MCA Circulars, large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors, etc. may be allowed to attend the meeting without restriction on account of first-come-first served principle.

e) Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

f) Members who need assistance before or during the AGM, can contact KFinTech on emeetings@kfintech.com or call on toll free number 1800-345-4001. Kindly quote your name, DP ID-Client ID / Folio no. and e-voting Event Number in all your communications.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

20. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

21. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

22. Members are requested to note the following contact details for addressing e-voting grievances:

Mr. Premkumar Nair, Manager
KFin Technologies Private Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032
Phone No.: +91 40 6716 2222
Toll-free No.: 1800-345-4001
E-mail: einward.ris@kfintech.com

23. General Instructions for Shareholders:

- i) The Cut-off date for determining the eligibility of Members for remote e-voting and Instapoll is Friday, August 28, 2020 at close of business hours.
- ii) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e., Friday, August 28, 2020, at close of business hours. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Friday, August 28, 2020 at close of business hours only shall be entitled to avail the facility of remote e-voting / Insta Poll.
- iii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e., Friday, August 28, 2020, at close of business hours may obtain the User ID and password in the manner as mentioned below:
 - a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.

Example for NSDL:
MYEPWD <SPACE> IN12345612345678

Example for CDSL:
MYEPWD <SPACE> 1402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click “Forgot Password” and enter Folio No. or DP ID, Client ID and PAN to generate a password.
 - c) In case of any clarification regarding remote e-voting and e-voting, Members may call on KFinTech’s toll-free number 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.). Member may send

an e-mail request to evoting@kfintech.com. If the member is already registered with KFinTech’s e-voting platform, then he/she can use his existing password for logging in.

iv) The Notice of the 69th AGM of the Company is also available on KFinTech remote e-voting website: <https://evoting.karvy.com>

v) The remote e-voting shall close at 5.00 p.m. IST on Thursday, September 3, 2020. KFinTech shall block the remote e-voting module after 5.00 p.m. IST on Thursday, September 3, 2020.

vi) Members who have voted electronically through remote e-voting shall not be eligible to vote at the Annual General Meeting.

24. Information and instructions relating to e-voting/ Insta Poll are as under:

- i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- ii. A member can opt for only single mode of voting per event, i.e., through remote e-voting or voting at the Meeting (Insta Poll).
- iii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Friday, August 28, 2020 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.
- iv. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

The e-voting facility at AGM will be disabled after 15 minutes from the conclusion of the Meeting.

25. The Company has appointed (CS) Mr. Bhumitra V. Dholakia, Designated Partner of Dholakia & Associates LLP, Company Secretaries in practice as the Scrutinizer for conducting the electronic voting and electronic polling process in a fair and transparent manner.

The Scrutinizer shall within a period of forty-eight hours from the conclusion of the Annual General Meeting, submit his report of the votes cast in favour or against, through electronic voting and electronic polling process to the Chairman or to any other person as authorized by the Chairman. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company www.pfizerindia.com and on the website of KFinTech <https://evoting.karvy.com>. The results shall simultaneously be communicated to the BSE Limited and the National Stock Exchanges of India Limited.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

26. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

A. RESIDENT SHAREHOLDERS:

A.1 Tax Deductible at Source for Resident Shareholders

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1.	Valid Permanent Account Number (PAN) updated in the Company's Register of Members	7.5 %	No document required (if no exemption is sought)
2.	In absence of a valid PAN updated in the Company's Register of Members	20 %	No document required (if no exemption is sought)
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department under section 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

All documents referred to in the Notice and Explanatory Statement thereto will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to contactus.india@pfizer.com.

27. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday, September 3, 2020 through email on contactus.india@pfizer.com. The same will be replied by the Company suitably.

28. Pursuant to the amendments introduced by the Finance Act, 2020, the Company is required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. April 1, 2020. No tax will be deducted on payment of dividend to the resident individual shareholders if the total aggregate dividend paid during the year ending March 31, 2021 does not exceed ₹5,000/-. The Interim (Special) Dividend declared by the Board on April 27, 2020 and paid to the shareholders on May 19, 2020 will also be considered for arriving at the said limit of ₹5000/-.

The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

Given below are the details of withholding tax rate (as on June 15, 2020) as per the residency status of the shareholders and list of documents required to be submitted for the same:

A.2 No tax will be deducted as source on dividend payment to resident shareholders, if the resident shareholders submit and register the following documents with the Company / KFinTech through the link <https://ris.kfintech.com/form15/>

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1.	Individual shareholder whose tax on his / her estimated total income of the financial year ending 31 March 2021 including the dividend received and receivable by the Company will be Nil	Nil	Self-declaration in Form No. 15G (in duplicate) with all the required fields duly filled up.
2.	Individual shareholder, who is of the age of sixty years or more at any time during the financial year ending 31 March 2021, whose tax on his / her estimated total income of the financial year including the dividend received and receivable by the Company will be Nil	Nil	Self-declaration in Form No. 15H (in duplicate) with all the required fields duly filled up.
3.	Shareholders to whom the provisions of section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, or any other insurer	Nil	Documentary evidence that the said provisions are not applicable and a self-declaration of beneficial interest in the shares of the Company held by it.
4.	Shareholder covered under section 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds	Nil	Documentary evidence for coverage under section 196 of Income Tax Act, 1961 and a self-declaration of beneficial interest in the shares of the Company held by it.
5.	Category I and II Alternative Investment Fund, as notified in Notification number 51/2015 dated 25 June 2015	Nil	SEBI registration certificate to claim benefit under section 197A(1F) of Income-tax Act, 1961.
6.	Funds, Authorities, Boards, Institutions or Bodies by whatever name called, whose income is unconditionally exempt from tax and who are not statutorily required to file return of income under section 139 of the Income-tax Act, 1961, as listed in Circular 18/2017 issued by the Central Board of Direct Taxes	Nil	Documentary evidence of coverage under Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT) and eligible for unconditional exemption under section 10 of the Income-tax Act, 1961.
7.	National Pension System Trust referred to in clause 44 of section 10 of the Income-tax Act, 1961	Nil	Documentary evidence of coverage under clause 44 of section 10 of the Income-tax Act, 1961.

B. NON-RESIDENT SHAREHOLDERS:

Withholding tax on dividend payment to non-resident shareholders, if the non-resident shareholders submit and register the following documents with the Company / KFinTech through the link <https://ris.kfintech.com/form15/>

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1.	Foreign Institutional Investors (FIIs) /Foreign Portfolio Investors (FPIs)	20 % (plus applicable surcharge and cess)	FFI/FPI registration number / certificate.
2.	Other Non-resident shareholders	20 % (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty all the following documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. Self-attested copy of Permanent Account Number issued by Indian tax authorities 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment / fixed base in India 5. Self-declaration of Beneficial ownership of the shares held in the Company by the non-resident shareholder (Note: Application of beneficial Tax Treaty Rate shall depend upon the accuracy and completeness of the documents submitted by the Non Resident shareholder and review to the satisfaction of the Company).

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
3.	Indian Branch of a Foreign Bank	Nil	No tax deduction certificate under section 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department under section 195(2) or 195(3) or 197 of Income Tax Act, 1961	Rate specified in certificate	Nil / lower tax deduction certificate obtained from Income Tax Authority
(i)	The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / KFinTech post payment of the final dividend. Shareholders will also be able to download the TDS certificate from the Income Tax Department's website https://incometaxindiaefiling.gov.in (refer to Form 26AS) provided that the correct PAN is registered with the Company/Depository Participants.		of tax at source by the Company arising from any misrepresentation, inaccuracy or omission of information provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax assessment or appellate proceedings, as may be required.
(ii)	The aforesaid documents such as Form 15G / 15H, documents under Sections 195, 196, 197A, FII/FPI Registration Certificate, Tax Residency Certificate, Form 10F, Nil/lower tax certificate, self declaration etc. duly filled in all respects are required to be uploaded on the link https://ris.kfintech.com/form15/ on or before Friday, September 11, 2020 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction for the purpose of the said final dividend received post Friday, September 11, 2020 shall not be considered under any circumstances. Please note that incomplete, invalid documents shall be subject to rejection at the discretion of the Company.		(vii) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
(iii)	Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company / KFinTech.		29. Members holding shares in the physical mode are requested to address their communications regarding transfer of shares, change of address etc., quoting their folio number(s) to the Company's Registrar & Share Transfer Agents: KFin Technologies Private Limited UNIT: PFIZER LIMITED Selenium Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032. Contact person: Mr. Premkumar Nair - Manager Tel: +91 40 6716 2222 Fax: +91 40 2300 1153 TOLL FREE NO.: 1-800-3454-001 E-mail ID: einward.ris@kfintech.com
(iv)	The Shareholders who have not updated their PAN details are required to update the same with Company in case of physical holding and with their respective Depository Participant in case of Electronic holding on or before September 11, 2020 to avoid higher rate of tax deduction and to avail the credit of tax so deducted.		AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SS 2-SECRETARIAL STANDARDS ON GENERAL MEETINGS, GIVEN BELOW ARE THE DETAILS OF THE DIRECTOR PROPOSED FOR RE-APPOINTMENT.
(v)	In case, for any reasons, TDS is deducted at a higher rate by the Company, an option is still available with the shareholder to file the return of income and claim an appropriate refund.		ITEM NO. 3: Mr. Milind Patil (DIN: 02546815) aged about 56 years, is a graduate of Commerce and a Fellow Member of the Institute of Chartered Accountants of India. Mr. Patil has also completed Financial Excellence Program & Financial Leadership Program and Advance Leadership Program from Harvard Business School, USA and Tuck School of Management, USA.
(vi)	In the event of any income tax demand (including interest, penalty, etc.) due to short deduction		

Mr. Patil is a finance professional with over two decades of experience predominantly in the Pharmaceutical industry and having versatile exposure in global MNCs in challenging and complex business environments across multiple finance and business functions. Mr. Patil has a proven track record in business turnaround strategies and managing stakeholders, people, performance and risks and opportunities effectively.

Mr. Patil joined the Company on August 16, 2018 as Chief Financial Officer of the Company. Mr. Patil's last employment was as Chief Financial Officer for Middle East North Africa (MENA) region for Novartis in Dubai. Prior to that, Mr. Patil worked as the Country Chief Financial Officer (CCFO) for Novartis in India from April, 2011 till March 2016. Mr. Patil has held leadership roles in Finance for Siemens, Ciba Geigy, Parke-Davis and Johnson & Johnson.

Mr. Patil was appointed as a Whole-time Director on the Board designated as Executive Director - Finance and Chief Financial Officer for a period of 5 years on November 14, 2018.

In terms of Section 152 of the Companies Act, 2013, Mr. Patil is liable to retire by rotation at the 69th Annual General Meeting. Mr. Patil being eligible, offers himself for re-appointment.

Mr. Patil does not hold any shares in the Company. Mr. Patil is not a Director in any other Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Patil (being the appointee) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3. This Statement may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS 2 - Secretarial Standard on General Meetings.

None of the Directors or Key Managerial Personnel are related to each other. The Number of Board / Committee Meetings attended during the year and other Directorships, Membership / Chairmanship of Committees are stated in the Corporate Governance Report (Annexure H to the Board's Report).

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ("THE ACT") FOR ITEM NOS: 4-6.

ITEM NOS. 4 & 5

The Board of Directors of the Company at their meeting held on February 14, 2020 had, pursuant to the recommendation of the Nomination and Remuneration Committee, appointed Mr. Samir Kazi (DIN: 07184083) as an Additional Director of the Company with effect from February 14, 2020. In terms of Section 161 of

the Companies Act, 2013, ("Act") Mr. Kazi will hold office up to the date of this Annual General Meeting.

The Board of Directors of the Company at their meeting held on February 14, 2020, had pursuant to the recommendation of the Nomination and Remuneration Committee, also appointed Mr. Kazi as a Whole-time Director of the Company for a period of 5 (five) years effective February 14, 2020 on such remuneration, payments, perquisites, benefits and amenities as set out in the Resolution at Item No. 5 of the Notice of the Meeting. The said appointment is subject to the approval of the shareholders at the Annual General Meeting of the Company.

Mr. Kazi aged about 45 years, is a lawyer with over 20 years of rich legal experience. Mr. Kazi earned his Bachelor's of Law degree from the University of Mumbai in the year 1999. Mr. Kazi started his career with an illustrious law firm in Mumbai - Mulla & Mulla & Craigie Blunt & Caroe, where Mr. Kazi practiced for over 7 years before taking up in-house law practice. Thereafter, Mr. Kazi was a Legal advisor to the Hinduja Group India Limited, before being associated with Pfizer Limited since 2007.

Mr. Kazi has represented various clients in a broad range of litigation disputes and transactional matters, handled complex commercial and business litigation and specialized in alternative dispute resolution. Mr. Kazi's core competencies includes Corporate Laws, Intellectual Property laws, Corporate Governance, Cross Border transactions, Mergers & Acquisitions, Joint Ventures, Amalgamations and Regulatory laws amongst various other areas of expertise.

Mr. Kazi is responsible for providing quality legal advice, including inputs on matters relating to industrial bodies, governance, compliance and mergers & acquisitions, establishment of strategic alliances, partnerships and relationships with internal & external clients.

Mr. Kazi does not hold any shares in the Company. Mr. Kazi is not a Director in any other Company.

Mr. Kazi is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Kazi for the office of Director of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Kazi (being the appointee) are concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 4 and 5. This Statement may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS 2 - Secretarial Standard on General Meetings.

The given particulars of his appointment and remuneration as set out in the Resolution at Item No. 5 of the Notice of the Meeting may be treated as an Abstract pursuant to Section 190 of the Act. None of the Directors or Key Managerial Personnel are related to each other. The Number of Board / Committee Meetings attended during the year and other Directorships, Membership / Chairmanship of Committees are stated in the Corporate Governance Report (Annexure H to the Board's Report).

The terms and conditions of appointment of Mr. Kazi is open for inspection by the Members in electronic mode. The shareholders may write an email up to the date of this Annual General Meeting to the Company at contactus.india@pfizer.com by mentioning "Request for Inspection" in the subject of the email.

The Board recommends the Ordinary Resolution set out at Item Nos. 4 and 5 of the Notice for approval by the Members.

ITEM NO. 6:

Pursuant to Section 148 of the Companies Act, 2013 ("Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors at its Meeting held on June 15, 2020, on the recommendation of the Audit Committee, appointed Messrs. RA & Co., Cost Accountants (having Firm's Registration No. 000242) for conducting Cost Audit of the cost records maintained by the Company for manufacturing of pharmaceutical formulations for the financial year ending March 31, 2021, at a remuneration of ₹13,25,000/- (Rupees Thirteen Lakhs and Twenty Five Thousand only) plus applicable taxes and out-of-pocket expenses which is subject to ratification by the Members. The said remuneration as approved

by the Board of Directors payable to Messrs. RA & Co. requires to be ratified by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

By Order of the Board of Directors

Prajeet Nair
Company Secretary
Membership No.: ACS19267

Mumbai, June 15, 2020

Registered Office:
 Pfizer Limited
 The Capital, 1802 / 1901,
 Plot No. C – 70, G Block, Bandra Kurla Complex,
 Bandra (East), Mumbai - 400 051.
 Tel: +91 22 6693 2000
 Fax: +91 22 2654 0274
 Website: www.pfizerindia.com
 E-mail ID: contactus.india@pfizer.com
 CIN: L24231MH1950PLC00831

Board's Report

Including Management Discussion and Analysis Report

To the Members,

Your Directors take pleasure in presenting this 69th Annual Report along with the Audited Financial Statement for the financial year ended March 31, 2020. The Company operates only in one business segment that is, "Pharmaceuticals" and this Report covers its Pharmaceutical business performance.

DIVIDEND

The Board of Directors ('Board') at their meeting held on April 27, 2020 declared an Interim (Special) Dividend of ₹320/- (3200%) per equity shares for the financial year ended March 31, 2020 mainly to commemorate 70 years of Pfizer's existence in India and to optimize utilization of surplus cash. The said Interim (Special) Dividend was paid on May 19, 2020, electronically through bank transfer. The Interim (Special) dividend payout was ₹1,463.93 Crore. The Board at their Meeting held on June 15, 2020 recommended a final dividend of ₹10/- (100%) per equity share for the financial year ended March 31, 2020. The dividend payout will be ₹45.75 Crore. The total dividend payout for the Financial Year ended March 31, 2020 aggregates to ₹1,509.68 Crore.

FINANCIAL HIGHLIGHTS

Particulars	₹ in crore)	
	Year ended March 31, 2020	Year ended March 31, 2019
Net Sales	2,096.32	2,030.49
Other Operating Income	55.33	51.01
Revenue from Operations	2,151.65	2,081.50
Other Income	184.02	167.39
Profit Before Tax	642.49	659.91
Income Tax Expense	133.36	230.86
Profit for the year	509.13	429.05
Total other comprehensive income (net of tax)	(8.93)	1.05
Total comprehensive income for the year	500.20	430.10

Your Company's sales for the financial year ended March 31, 2020 stood at ₹2,096.32 Crore as compared to ₹2,030.49 Crore in the previous year, which represents a growth of 3.24%. The sales for the year under review are not strictly comparable with that of the previous year on account of the impact of COVID-19 and divestment of the rights and interest in certain brands. Adjusting the impact of COVID-19 and divestments, the restated growth for the year under review would be 6.3%.

Profit before tax for the financial year ended March 31, 2020 was ₹642.49 Crore as compared to ₹659.91 Crore in the previous year. The profit after tax stood at ₹509.13 Crore for the financial year ended March 31, 2020 as compared to

₹429.05 Crore in the previous year. The profits for the financial year under review and for the previous year included ₹30.53 Crore and ₹28.93 Crore respectively on account of sale of the Company's rights and interests in certain brands.

INDIAN ECONOMIC OVERVIEW

The year 2020 was defined by the singular and unprecedented event of COVID-19 pandemic. The rampant spread of this pandemic severely impacted global economic activity and triggered significant downside risks to the overall global economic outlook. The International Monetary Fund (IMF), in its June 2020 update of its flagship World Economic Outlook forecasted a ~4.9% global growth in 2020, 1.9% below its April 2020 estimate.

India, like other countries around the world, has been severely impacted. The IMF has projected a deeper contraction of 4.5%, for India for the year 2021, citing a more extended lockdown period and slower-than-anticipated recovery in the first half of 2020. Similarly, international rating agencies such as Moody's Investors Service, Fitch Ratings and S&P Global Ratings, have predicted a 4-5% contraction in India's economic growth rate during the financial year 2020-21.

While assessing the exact impact on India is difficult, with the uncertainty on how long the pandemic would last and the economic impact of current lockdowns, there is hopeful anticipation of a U-shaped recovery.

Recovery is expected to manifest in different sectors in different ways. It is expected that the country's economic recovery is going to be led by rural sector which in turn may feed into manufacturing sector as well. The depth of the slowdown would present an opportunity to the companies to rebound and recover, though the road back today will be steeper.

With an overall stringent restriction on movement, specific industries will face pressure as rising debt and defaults affect market sentiments, stress the financial sector and reduce domestic demand.

Current Healthcare and Pharmaceuticals Environment

Like every other industry, the Healthcare Industry was no exception to the challenges faced due to COVID-19 lockdown and the resultant restrictions. The global pandemic led to a significant impact on the Healthcare Industry resulting in a drastic reduction in the outpatient footfalls in hospitals. This coupled with postponement of elective procedures by patients have adversely impacted the healthcare sector.

The Indian pharmaceutical sector was poised to grow at a CAGR of 9.3% (+2.0%), reaching ₹2,39,620 Crore by 2024.

However, the COVID-19 outbreak and its rapid spread across the globe has had both a direct and an indirect impact on the pharmaceutical industry. The uncertainty around its containment is expected to impact healthcare demand, disruptions on supply chain and changes to macroeconomic outlook.

In the 2020-21 Union Budget, the government allocated ₹67,484 Crore to healthcare, a modest 5.7% increase from the previous year. However, India continues to fall short of achieving the target of spending 2.5% of GDP on healthcare by 2025. While the government is stepping up its efforts to broaden access to subsidised healthcare, the progress, however, is expected to be gradual and patients will continue to foot the majority of the national healthcare bill.

With the roll-out of the government-funded Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) and growth of private health insurance market, a proportion of the population with access to some form of health insurance cover may increase in the coming years. Private clinics, however, will remain dominant providers of primary care. The Government is putting efforts to strengthen public provision to shift focus from treatment to prevention and effective disease management. The government plans to create a network of 1,50,000 health and wellness centres by 2022, offering free access to comprehensive primary care services. Around 29,000 such centres are reported in operation as of January 2020.

Indian Pharmaceutical Industry Market Overview:

The Indian pharma market (IPM) grew at 10.8% over the April 2019-March 2020 period, with a turnover of ₹1,50,153 Crore. The growth was primarily driven by price, which contributed 5.2% to the total, followed by new products at 3.2% and volume at 2.4%. Multinational companies hold about 20% share in the market and have grown at 7.4%.

Therapeutic Growth:

Anti-infectives continues to be the top therapy area within the Industry. Respiratory segment has the highest growth rate of 14.5% among the key therapy areas. The Acute Care segment is growing at 10.4%, which has improved over last year's rate of 9%. Key growth drivers for the acute market have been Anti-infectives, Pain and Respiratory. Chronic segment has maintained its growth at 12% with both Cardiac and Anti-Diabetic therapies continuing to post double-digit growths.

COVID-19 Impact on Pharmaceutical Industry:

The impact of COVID-19 is visible on the performance of the Industry as month-on-month growth has slipped to 5.4% (Mar'20) from 14.5% (Feb'20). The healthcare sector is at the epicenter of this unprecedented global pandemic challenge. There has been a significant drop in both in-patient and out-patient footfall for private hospital chains, be it a single specialty, multi-specialty, tertiary-care hospitals or even

diagnostics. Impact is lesser on chronic therapies as patients have stocked up on essential medications to prepare for extended lockdowns. With the emerging COVID-19 situation, the Industry has severely suffered as IQVIA has projected growth for MAT December 2020 between 0.8% to 2%. However, a fair degree of recovery is expected in 2021, and the Industry may yet achieve its Pre-COVID-19 growths. Early monsoons too may result in uptake of Anti-Infectives which will further boost co-prescribed therapies like Vitamins, Pain and Gastro.

The ongoing COVID-19 situation has brought some degree of Government focus on bolstering the healthcare infrastructure and modernizing policies, particularly those related to ease of regulatory eco-system. The COVID-19 pandemic has served a stark reminder that economies can be brought to a grinding halt, if public healthcare systems are inadequate, clearly demonstrating the need for increased investment in the Sector. Should this focus on strengthening healthcare in India continues, it may have an overall positive impact on the healthcare and pharmaceuticals industry in the country.

AN OVERVIEW OF THE OPERATING ENVIRONMENT

The Government expended significant efforts to ease up and help resolve operational challenges faced by the Industry resulting from COVID-19 related disruptions. The Department of Pharmaceuticals played a key role in maintaining a high degree of engagement with the Industry Associations, resolving roadblocks that challenged the manufacturing and transportation of medicines at federal and state levels. Consequent to the efforts of the Industry and partnership role played by the Government, there were no major incidents of any shortage of essential medicines during the peak of the COVID-19 related lockdowns in the country.

Looking at the bigger picture, the Government's efforts for providing access to affordable and quality healthcare to the poorest sections of the society has seen a boost due to the continued rollout of the AB-PMJAY scheme across the country. There is also an increasing focus on simplifying regulatory processes so as to make it easy for innovative therapies to be produced and/or launched in India.

During the year under review, a number of areas of policy and public healthcare programming were taken up by the Government.

Process for Revision of the National List of Essential Medicines (NLEM) and Price Controls:

The Government constituted a Standing National Committee Medicines (SNCM) and initiated the process of revision of the NLEM 2015 in areas including cardio-vascular diseases, oncology, respiratory diseases, anti-microbial resistance etc. Simultaneously, the SNCM undertook external stakeholder consultations wherein various stakeholders including industry associations shared their views regarding the revision. A specific stakeholder consultation

was held focusing on anti-infective agents aligning with anti-microbial resistance. Your Company as well as various Industry Associations have made representation to the SNCM, providing evidence-based arguments for consideration. In view of the COVID-19 pandemic, the SNCM has also been urged to postpone implementation of the revised NLEM to 2021.

Intellectual Property Rights (IPR) Protection: IPR protection continues to be an area of interest for your Company. The Industry has been in discussion with the government on various IPR issues at different forums and has raised concerns on pending reforms. In particular, the current provisions of pre and post grant oppositions that significantly delay the launch of innovative therapies in the country, lack of a patent information system that prevents innovator companies from defending their IP and gaps in IP enforcement, including the illegal inflow of patented molecules to India from neighboring markets, are some of the issues raised at multiple platforms with the Government. Meaningful IP reforms would help provide an enabling environment that promotes and protects innovation in India.

Drugs and Magic Remedies (Objectionable Advertisements) (Amendment) Bill, 2020: The Ministry of Health and Family Welfare, Government of India initiated early discussions on amendments to the DMR (OA) Amendment Bill 2020, in order to keep pace with the changing times and technology. Your Company had strongly advocated for amending this Act such that capacities and capabilities of the private and not-for-profit sectors can be leveraged to strengthen and expand the Government's health awareness and preventive health campaigns and initiatives.

Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) and Role of Pharma Industry: During the year under review, the National Health Authority (NHA), the implementing agency for AB-PMJAY, undertook a comprehensive review of the Health Benefit Packages (HBPs) of various specialties by constituting 24 Specialist Committees. These Committees evaluated the existing HBPs in order to remove aberrations, recommended inclusions and exclusions and advised on the cost of each HBP, among others. The recommendations after review by the NHA Review Committee were announced as HBP 2.0 in October, 2019; by March 31, 2020, seven states had adopted it and the expectation is that more states will be covered in the coming year. Your Company continues to advocate for greater partnerships between the AB-PMJAY program and the private sector to help a broader availability of innovative therapies to the program's beneficiaries.

Regulatory system strengthening: The Central Drugs Standards and Control Organization (CDSCO) is aspiring to transform the Indian regulatory system to Stringent Regulatory Authority (SRA), as outlined by WHO and at par with the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH). It is vital to strengthen

the drug regulatory system in the country through identification of gaps and monitoring regulatory activities, to gain the trust of the public on the system and ensure that the drugs manufactured and marketed in the country are safe and effective.

Overall, the operating environment in India was defined by an immediate and short-term focus to resolve COVID-19 related bottlenecks and minimize disruption of manufacturing, supply chains and availability of medicines.

Over a longer term, your Company believes that a positive environment would entail focus on several key priorities, viz.:

- **Enhancing Access** by creating opportunities and frameworks for partnerships with the private sector in flagship Government programs such as Ayushman Bharat and Jan Aushadhi program.
- **Evolving from traditional drug pricing regulations** to make room for modern models such as tiered pricing while simplifying onerous provisions of price implementation.
- **Making India's IP eco-system among the best in the world** by addressing long awaited reforms on IP laws and plugging gaps in IP enforcement.
- **Removing or simplifying archaic policies and practices**, in particular, those that prevent private and not-for profit organizations from raising awareness on prevention of diseases and a simplification of regulatory systems.

Review of Strategic Alternatives for Upjohn Business

Pfizer Inc., USA had announced on July 29, 2019, that it had entered into a definitive agreement to combine its Upjohn Business which consists off-patented branded and generic established medicines with Mylan N.V., thereby creating a new global pharmaceutical Company. It may be noted that five brands currently marketed by Pfizer Limited in India, viz., Lyrica, Amlogard, Daxid, Dilantin and Viagra are expected to be a part of this combined entity. The transaction is anticipated to close in mid-2020, subject to regulatory approvals and satisfaction of other customary closing conditions.

Review of Strategic Alternatives for Global Consumer Healthcare Business

Pfizer Inc., USA had announced on October 10, 2017, that it was considering a review of strategic alternatives for its Global Consumer Healthcare business. Further to this, in December 2018, Pfizer Inc. had announced the formation of a joint venture between Pfizer Inc. and GlaxoSmithKline Plc. to create a premier global consumer healthcare company with robust iconic brands.

On July 31, 2019, Pfizer Inc completed the transaction in which Pfizer Inc and GlaxoSmithKline (GSK) combined its respective consumer healthcare businesses into a new consumer healthcare joint venture that operates globally under the GSK Consumer Healthcare name. The Joint Venture is a category leader in pain

relief, respiratory and vitamins, minerals and supplements, and therapeutic oral health and is the largest global OTC consumer healthcare business.

Your Company had been informed by Pfizer Inc. that the brands Anne French and Anacin which are currently marketed by your Company will become part of the portfolio of the Joint Venture Company.

Thane Plant – Business Transfer Agreement

In September 2015, the Company entered into a Business Transfer Agreement (BTA) for transfer of the Company’s manufacturing facility at Thane as a going concern. The BTA will be concluded upon receipt of all necessary approvals.

REVIEW OF OPERATIONS:

COVID-19 impact on Business Operations:

COVID-19, a pandemic caused by the Novel Coronavirus, has emerged as an unprecedented challenge globally and to the pharmaceutical companies in particular, who have a responsibility towards public health. As a participant in this eco-system, your Company has taken a number of steps to respond to this unique situation and ensure supply of essential medicines to its customers. The Company’s Goa Plant continues to remain operational at almost its usual capacity while strictly following the protocols on social distancing and providing safe working environment to its workforce at the Goa Plant.

There has been no significant adverse operational impact on the Company’s supply chain during March 2020 due to the nationwide lockdown imposed by the Government of India in view of COVID-19. The Company has monitored the impact of COVID-19 on all aspects of its business. In view of the continued uncertainties and its inability to predict the extend and duration of COVID-19 situation, the Company currently is unable to predict any future impact on its business operations. Your Company will continue to ensure supply of essential medicines and take steps to mitigate any risks associated with COVID-19 pandemic.

The Company transitioned into a full Work From Home model and several measures were put in place for communications, technology and productivity improvements to help employees cope with this change. The Company also made various contributions to Government, health department, public healthcare workers, etc., as part of its COVID-19 CSR initiatives.

COVID-19 insurance coverage to Stockists:

As the world continues to battle the unprecedented challenge of COVID-19, your Company played an effective role to ensure that every patients has access to the medicines they need. During this time of fear and contagion, your Company also

ensured that the Stockists and their employees, who selflessly dedicate their services as a shining example of the nobility of the profession of healthcare, are protected in case of any unfortunate COVID-19 related situation.

Your Company partnered with a leading insurance and risk management service firm, to provide its Stockists and their employees **a special complimentary COVID-19 Insurance Cover** to take care of COVID-19 treatment costs for a period of one year. This would benefit approximately 25,000 Stockists and their employees across the country.

This goodwill gesture towards our trade partners has been widely appreciated. While your Company hopes and prays for the safety and good health of its Stockists and their employees, we are sure that this step would ease their financial concerns and help them focus on the need of the hour-to ensure supply of essential drugs to the needy patients.

Business Operations:

Your Company’s commercial operations are conducted through distinct business units that focus on clearly defined therapeutic areas. Between these business units, your Company collectively addresses 15 therapy areas with a portfolio of over 150 products that include therapeutics and vaccines.

1. Vaccines:

The Vaccine business focuses on Prevenar13, a pneumococcal conjugate vaccine that is administered to children between 6 weeks to 17 years and adults above 50 years of age. This vaccine provides broad coverage against the most prevalent 13 serotypes of streptococcus pneumoniae.

Your Company continues to enjoy a leadership position in the pneumococcal vaccines market with a share of 61%. With its continuing preference among Pediatricians, Prevenar 13 is now the 13th ranked brand in the Indian Pharma Industry.

In India, the incidence of community-acquired Pneumonia (CAP) is 4 million cases a year with up-to 20% requiring hospitalization. The burden of the disease is higher amongst children, individuals who are suffering with underlying chronic conditions and those with age-group above 50.

Your Company, being a leader in the pneumococcal vaccines market is committed towards creating awareness, education and make vaccines available so that more individuals can be protected against devastating pneumococcal infections.

To support Healthcare Professionals (HCPs) with robust scientific updates and global best practices, your Company conducted a large number of experience-sharing initiatives by enlisting the support of international speakers. Your Company partnered with parenting health portals and e-commerce platforms to create awareness and education of pneumococcal vaccination amongst parents. Understanding that such initiatives help individuals realize the value of vaccination, your Company extended the program to e-Pharmacies, YouTube and dedicated health portals. The team also created digital awareness resources such as Fight Pneumo microsite and a toll-free number from where additional information on vaccination can be obtained.

Availability of vaccines for adults is a critical step to complete the circle of protection. Hence, your Company partnered with approximately 100 hospitals across India to encourage them to deploy adult vaccination centers – a dedicated unit from where information on adult immunization can be obtained and vaccination be administered. Your Company has an ambition to expand such strategic partnership to protect more lives against pneumococcal disease in the future.

2. Inflammation and Immunology:

The Inflammation and Immunology vertical makes available medicines to patients suffering from chronic diseases related to immune system like Rheumatoid Arthritis, Psoriasis, Psoriatic Arthritis, Ankylosing Spondylitis and Internal Bowel Diseases. These advance therapies include drugs made from protein-cytokine, and oral therapies that manage inflammation and pain.

The goal of this team is to transform the management of chronic inflammatory diseases, many of which are poorly managed by existing treatment options that provide only symptomatic relief.

Your Company has two products in the Rheumatology therapy area:

Enbrel is the first Tumor Necrosis Factor (TNF) inhibitor launched across the globe for chronic indications like Rheumatoid Arthritis (RA), Ankylosing Spondylitis (AS), Psoriatic Arthritis (PsA), Psoriasis (PsO) and Juvenile Idiopathic Arthritis (JIA). Till date, this auto prefilled injection that can be applied subcutaneously among all age groups, has impacted the lives of over 6 million patients worldwide.

Enbrel is currently prescribed by Rheumatologist, Dermatologist, Pediatric Rheumatologist and selected orthopedic treating physicians in India. Your Company played a key role in maintaining the growth of this 20-year old brand via various medical marketing initiatives like

Train the Trainer, Case Based Discussions and Communication campaign focusing on safety and efficacy, etc.

Launched in India in 2016, **Xeljanz** (tofacitinib), is the first oral Janus Kinase (JAK) inhibitor, a type of medication that functions by inhibiting the activity of one or more of the Janus kinase family of enzymes, launched for chronic conditions such as RA. Today Xeljanz is the market leader in the ORAL Category with 12% Market share. Being Oral Medication, it does not require cold storage, it is safer compared to TNFs and has ease of compliance.

In recognition of its growth and the unique digital awareness program built around it, Xeljanz was also recognized as the “Best New Product Launch Brand” by the Industry Association OPPI in 2019. In its efforts to shape the ORAL category, your Company rolled out medical-marketing initiatives like Experience Sharing Meetings, RA Summit, TOFACON, National & Regional Experience Webinars, Meet the Masters and other scientific driven engagements.

One of the stand-out initiatives launched by your Company was the creation of Asia’s largest Facebook community called All About Arthritis – a platform to create awareness on quality of life, symptoms and management for patients suffering from arthritic diseases. The community today has over 100k followers. Additionally, your Company launched first-of-its-kind in-clinic and digital patient reach program where patients along with physicians share their success stories with other patients.

3. Internal Medicine:

In the third quarter of FY19-20, your Company’s Internal Medicine (IM) team framed a new mission for the next five years and developed a strategic roadmap – “To deliver sustainable, market-beating growth for core brands enabled by innovative go-to-market strategy and accelerate growth with new launches in relevant specialties”. The team undertook a significant restructuring exercise to build an organization poised to deliver the envisaged strategy through a three pronged strategic approach:– a specialty focus that leverages the strength of science; a targeted approach where different go-to-market solutions are deployed that are customized to respective territories and a business model that delivers sustainable growth.

Consequently, the Internal Medicine business was categorized into three focus areas based on multiple parameters, including the nature of current business, population density, analysis of prescribing Healthcare Professionals (HCP) universe and potential for future growth. With these changes and a new leadership team in place, the Internal Medicine team is well poised to deliver sustainable market beating growth for each of its key portfolios.

Respiratory Portfolio:

Your Company has a 9.8% market share in the respiratory segment with its flagship brand Corex Dx that has maintained leadership position in the dry cough RPM with 15.2% market share with value growth of 11% and prescription growth of 23%. With continuous focus and growth, the brand is now part of the prestigious Top 100 brands of the IPM. As part of future growth strategy, your Company continues to focus on building brands in the wet cough segment with line extensions of Corex LS and Corex LS Junior. In the OCS segment, your Company has maintained our 7% market share with focus on prescription-led growth with 5% prescriber growth.

Vitamins Portfolio:

Your Company's flagship brand Becosules continues to lead and shape the B-complex vitamins market and has a strong prescriber base of ~60,000 doctors. With a legacy of more than 60 years, the brand is still growing faster than the market with an Evolution Index (EI) of 102, which has resulted in moving its market share to 73.3%. Continuous focus on expanding the prescriber base and innovative channel initiatives have been the key pillars to strengthen the brand's leadership.

Neuroscience and Cardiovascular:

Your Company's Neuroscience portfolio represents multiple brands that are leaders in their respective segments. Pacitane leads in its respective therapeutic category with 70% market share. Ativan (Lorazepam) is the second largest anxiolytic brand in the Benzodiazepine Tranquilizer market. During this year there has also been renewed focus on the smoking cessation drug Champix with dedicated efforts on HCP education, capacity building and also providing end-to-end solutions for smokers in their Quit Journey through awareness programs, etc.

The Cardiovascular (CV) team operates in the anti-hypertensive segment with its brand Minipress XL. Your Company continued its engagement activities in the area of uncontrolled hypertension through medico-marketing meetings with Nephrologists and Physicians on treating hypertension in people with chronic kidney disease. Over 2500 healthcare practitioners were involved in various educational initiatives.

Eliquis:

Eliquis® (Apixaban) a Factor Xa Inhibitor Anticoagulant is a leading oral Anticoagulant, predominantly prescribed by Cardiologists and Neurologists. Eliquis is the leader in the NOAC Market, with an EI of 139. Eliquis grew by 91% over last year same period as per MAT Mar 2020.

During the year under review, the team has brought in extraordinary focus on the brand through a dedicated unit that is focused on building brand Eliquis. The new go-to-market model enables your Company to drive significant patient outcomes through maximizing reach and effort at core specialty of cardiology.

Your Company has been on the forefront of leading scientific education programs like International speaker programs, Masterclasses, Cardio-Neuro Connect programs, AUGUSTUS round table meets, AF live webinars etc. which have helped improve the overall management of patients with Atrial Fibrillation. Over 3000 Cardiologists and Neurologists have been engaged in various educational initiatives. During the year in review, Eliquis has made significant progress to attain its leadership in the top 200 Hospitals of the country.

Women's Healthcare:

Your Company's portfolio in Women's Healthcare comprises many of the segment's iconic brands, supporting important life-stages like pregnancy and overall reproductive health. Brands like Folvite, Autrin, Premarin and Ovral L continue to maintain their leadership position in the represented market and the consolidated portfolio continues to grow faster than the market average.

Partnership with reputed institutions and societies like Federation of Obstetric and Gynaecological Societies of India (FOGSI) and Indian Menopause Society have helped drive engagement of a large number of Gynecologists through tailor-made programs in the areas of reproductive health, maternal nutrition and menopause, through Indian and global experts, engaging large number of Gynecologists.

Your Company collaborated with FOGSI and Spina Bifida Foundation for comprehensive maternal and reproductive health, driving awareness and HCP training on the importance of maternal nutrition to prevent birth defects and better diagnosis via point-of-care detection kits, which provide instant hemoglobin readings. Brands like Folvite and Ovral-L continue to grow strong. New launches in the portfolio continue to be the fastest growing with an EI of over 100. Folvite DHA is now ranked third (out of 59 brands) and Folvite Active is ranked seventh (out of 73 brands).

Gastric portfolio:

Your Company has made strong strides towards the consolidation of its gastroenterology portfolio, spearheaded by the PPI (Proton Pump Inhibitor) brand Neksium, by driving relevance at a specialty level. Neksium continues to be one of the fastest growing NIs in its represented market, with imminent potential for growth through preferential share gain amongst gastroenterologists.

Other leading brands such as Gelusil and Mucaine have further entrenched your Company's dominance in the gastric therapy, displaying market beating growth and registering the highest market share in last 12 months.

4. Hospitals

Your Company's Hospitals business unit focuses on institutions such as hospitals and nursing homes with an advanced anti-infectives and sterile injectables portfolio. The year under review stood out with the team launching two new and breakthrough innovative therapies from Pfizer Inc's global portfolio in India.

Zavicefta

In 2019, the team launched Pfizer's original breakthrough innovative and patented drug Zavicefta 2gm/0.5gm (ceftazidime-avibactam) and has already recorded a business of over ₹9 Crore in the first nine months of launch. This novel drug is indicated for the management of hospital-acquired pneumonia including ventilator-associated pneumonia (HAP/VAP), complicated intra-abdominal infection (cIAI) and complicated urinary infection (cUTI) in adults. The emergence and spread of carbapenemase-producing pathogens are a concern and has highlighted the urgent need for new antimicrobial agents. Zavicefta is the first anti-infective launched by your Company in a decade and represents the cutting edge of our medical research and innovation.

Zinfo

The team has also recently launched Zinfo (ceftaroline fosamil)-a novel cephalosporin indicated for treatment of adult patients with community-acquired Pneumonia. This introduction further strengthens our commitment to bring to our stakeholders the very latest of medical innovation in anti-infectives. Community-acquired Pneumonia features second in the list of most common cause of mortality due to infectious diseases in India with 25% mortality rate in the ICU. With its activity against Streptococcus pneumoniae, which is associated with a significant burden of the disease, Zinfo provides the benefit of early response within four days.

The Team believes that the launch of Zavicefta and Zinfo is an excellent example of how your Company is focusing on key therapeutic areas to achieve our purpose of bringing breakthroughs that change patients' lives.

During the year under review, this business unit made significant progress to attain its "Leadership in Hospitals" goal. Several interventions were made to consolidate this leadership position, such as roll-out of Antimicrobial Stewardship programs to encourage appropriate use of antibiotics in hospitals which has been identified as a key requirement for hospitals across. The Hospital Category

also engaged with stakeholders beyond doctors in the hospital to gain collaborative insights to become value partners for these institutions.

The team revamped its go-to-market model to bring in a customer-centric approach, focusing on key hospital institutions to maximize opportunity and effort for the multi-brand portfolio. The Hospital category maintained its leadership in represented markets and four brands are currently leaders in their molecule segments with a double-digit growth of 14%.

The category has a strong presence across the anti-bacterial continuum, ranging from beta-lactam/beta-lactamase-inhibitor (BL/BLI) products to high-end anti-bacterial products. Amongst these, Magnex is the leading brand with approximately 5% market share by value in the represented market segment and has posted a growth of 19% vs last year. In 2017, the team acquired and launched the brand Meronem, an injectable antibiotic indicated for the treatment of serious bacterial infections which are difficult to treat due to resistant pathogens. Meronem enjoys over 6.8% market share by value in the represented market and has posted a growth of 6% vs last year.

5. Consumer Healthcare

Your Company rolled out various trade initiatives for Anacin and retained focus on differentiated packs for different geographies to enhance retail penetration. Mass point-of-sale material was used in-store to improve brand visibility.

Your Company sustained its brand communication and messaging for Anne French to strengthen brand relevance for consumers. The media mix was strengthened with the addition of digital channels to expand consumer outreach. Local visibility was improved through regular display campaigns rolled out at key retail outlets to ensure in-store brand presence.

DIGITAL MARKETING

Your Company is dedicated to delivering new and innovative solutions in Digital Marketing. During the year under review, the initiatives focused beyond scaling reach and frequency with HCPs: to provide credible human health information to patients and caregivers.

The Team has built a strong eco-system of digital opportunities in alignment with global initiatives and delivered ~1.9 million touchpoints with HCPs through Virtual Promotions across therapies. The team has also undertaken social media community building efforts for patients and caregivers such as 'All About Arthritis' on Facebook with over 100k followers. The Vaccines portfolio leveraged the power of video content marketing by leveraging YouTube to build awareness with ~1.9 million video views.

Your Company's Digital Marketing efforts stood out during the months impacted by the COVID-19 pandemic, where your Company has virtually reached over 22,000 HCPs across specialties on third party online initiatives. Further, your Company delivered over ~1.9 million communication impression to covered and uncovered HCPs across online marketing platforms.

In other digital initiatives, the team has demonstrated reach and frequency with trade partners with access to over 300K digital touchpoints for offers, promotions, etc.

MANUFACTURING OPERATIONS

Overview

Your Company's manufacturing operations are carried out in full compliance with local laws and in line with the stringent Global Pfizer Quality and EHS standards. Your Company has taken stringent measures to ensure that there is no disruption in production due to the COVID-19 pandemic. Your Company has ensured that all colleagues maintain a social distance of minimum two meters during transportation and manufacturing operations. Other measures including daily thermal screening of all employees entering the site, provision of mask for all employees and placing of sanitization dispensers across the site, are being followed. Your Company's plant in Goa was categorized as an 'essential service' and thus remained operational even during the lockdown.

People

Over the past year, your Company conducted several programs and initiatives to train and motivate colleagues to deliver best-in-class performance, including Integrated Manufacturing Excellence Program (IMEx) for leaders, Six Sigma Green Belt training and Operational Excellence trainings.

Environment Sustainability

Your Company's continued focus on renewable resources has created an excellent model for environmental sustainability through which effort is made to reduce waste and a strong emphasis is put on conservation of resources across manufacturing site. The Goa Plant follows stringent global safety, environmental health and hygiene requirements and this year has received a number of awards including award for Excellence in Environment Sustainability.

Your Company installed one 50 KW Hybrid Renewable Energy plant consisting of 45 KW Solar Photovoltaic cells and one 5 KW wind turbine. Your site is planning to install another 70 KW Solar Energy plant in the coming year.

The Plant continued its drive towards energy conservation initiatives including replacement of old manufacturing operations machines with high-efficiency machines thereby reducing energy consumption. Your site also replaced old dehumidifiers with new generation high efficiency units to

conserve energy. These initiatives have resulted in significant reduction in power consumption and carbon footprint.

MEDICAL AFFAIRS

The year under review was attributed to transformation, leadership and Delivering first-in-class Science and Winning the Digital Race in these unprecedented times for the Medical Team. The Team partnered with a large number of healthcare practitioners, medical institutions and associations as relevant to each business line and remained committed to delivering impactful insights and disseminating medical knowledge to meet the ultimate goal of improving patient care. Additionally, the team has been agile in disseminating timely appropriate information on COVID-19 through a multispecialty panel discussion.

A. Medical Education

During the period under review, the team delivered first-in-class science to 14,000 HCPs through various initiatives including general physicians (ECHO), consulting physicians, neurologists, cardiologists (AF Connect), gynecologists (partnership with SBF and ESI), gastroenterologists (GUTS), nephrologists (Nephro Connect) and psychiatrists (Psychiatry Connect) via face-to-face and virtual meetings.

Your Company developed case-based modules in partnership with the Academy of Infection Management (AIM), a non-profit UK-based organization that aims to conduct educational programmes and help improve health outcomes in infectious disease. The modules were rolled out to HCPs across varied specialties, to combat the menace of AMR. The team partnered with medical professional associations for antimicrobial stewardship for training of clinicians (AIM), nurses (CCNS) and pharmacists (IPA), and management of fungal diseases (FISF) and continued Antimicrobial Testing Leadership and Surveillance (ATLAS) at nine institutes PAN India.

To strengthen your Company's leadership position in private hospitals, the team conducted 42 programs (Pharmacy Academia, Virtual Preceptorship Program with International expert, and Nursing Academia) in 40 key institutes across India, training over 1200 pharmacists and 300 nurses. The team has also supported ID Fellowships in order to improve the capability for management of infectious disease in the country.

Additionally, the team also conducted six "IN IT TOGETHER: Medical-to-Medical update webinars" to reach over 60 rheumatologists and dermatologists covering recent updates in rheumatology through patient registries, guideline updates and Pfizer efforts during the COVID-19 pandemic. The regionally-hosted webinars were leveraged for updating the clinician fraternity to reach out to more than 100 rheumatology experts.

The team hosted 135 virtual meetings with 7500 pediatricians at their clinics disseminating information on pneumococcal disease, the current practices in pneumococcal disease and prevention.

B. Insights Generation

Your Company's Medical team conducted multiple advisory board meetings with an objective to gain structured insights engaging 150 HCPs across specialties like cardiologist, neurologists, ID specialist, nephrologist, pulmonologist, rheumatologists, dermatologists, hematologists and pediatricians. Additionally, the team also gathered insights on new clinical evidence on oral anticoagulants in high risk patients with AF as well as recently published clinical trials-AUGUSTUS and ARISTOPHANES.

C. Data Generation and Publications

During the period under review, the team contributed to valuable and extensive data generation and has been presenting at scientific conferences and submitted for publishing in science journals.

The team collaborated with the Indian Academy of Pediatrics on ACVIP guidelines on Immunization during COVID-19 pandemic, the scientific discussions helped justify the medical value of vaccination with pneumococcal vaccine. Additionally, a chapter titled "Vaccine Industry and Manufacturing of Vaccines" in the third edition of "IAP textbook of vaccines" was released in January 2020.

The team published posters on clinical and scientific outcomes in renowned publications and forums. The team published the papers on "in vitro activity of tigecycline", "expert review and recommendations on rational use of proton pump inhibitors" (JAPI), and "pharmacogenomics and treatment resistant depression" (Indian J Private Psychiatry). Additionally, a few manuscripts on antacids and uncontrolled hypertension are under review.

The team also worked towards publishing first-of-its-kind Indian long-term extension experience for up to seven years for Indian subset of patients in global clinical trials. The article titled "Tofacitinib in the treatment of Indian patients with rheumatoid arthritis: A post hoc analysis of efficacy and safety in Phase 3 and long-term extension studies over 7 years" was published in the International Journal of rheumatic diseases.

HUMAN RESOURCES

Faced with the unprecedented disruption caused due to the COVID-19 pandemic, your Company has responded with agility to facilitate a smooth transition, enabling all our employees to safely work from home alongside maintaining business continuity.

The team continued to leverage the power of digital platforms to hire and on-board all our new hires, thus ensuring minimal disruption to the employee experience.

To ensure that the employees and their families continue to stay safe and protected during this phase, your Company extended a special Pfizer COVID Care Plan for employees and their spouses, along with reimbursement of COVID-19 testing for employees and their eligible dependents.

During this time, your Company also launched a Telemedicine facility for its employees and their families which they can avail to tele consult with healthcare professionals from the comfort of their homes.

The crisis is putting to test not only our physical, but also our mental and emotional resolve. Keeping this in mind, your Company partnered with a global technology platform to provide physical, mental and emotional well-being services at no cost to employees.

Overall, the HR team focused on four key priorities:

A. Attracting Talent

Strengthening our Employee Value Proposition (EVP):

In line with your Company's Bold vision of Unleashing the Power of our People and making Pfizer an Amazing Workplace for all, the team began the journey of co-creating Pfizer's Employee Value Proposition in partnership with a leading external partner, a cross-section of internal colleagues and those who aspire to be associated with your Company. The newly-crafted Employee Value Proposition conveys your Company's purpose and embodies the values as an employer. The Employee Value Proposition campaign will bring alive the tenets of Pfizer's meritocratic culture driven by equity and joy and will proclaim as an Employer of Choice in the marketplace.

Pfizer Sales Training Program: Every year, your Company's HR team partners with the commercial teams to induct bright, young talents with a flair for sales and the zeal to learn and build their career in the pharmaceutical industry. With the objective of infusing young talent into the organisation, improving gender diversity and being future-ready, the 'Pfizer Sales Trainee Program' continues to attract high potential graduates from campus. These cohorts of fresh graduates are supported by a strong induction plan titled 'Campus to Corporate', followed by a strong learning journey for a 12-month period.

Differentiated Rewards Approach for Diversity Hiring:

Your Company believes that a diverse workforce is a key enabler for it to unlock its full potential. Your Company's women colleagues in the field are the brand ambassadors,

capable of inspiring their peers to embrace a career in pharma sales. With this in mind, the team launched a 'Women as Allies for Women' initiative. Under the aegis of this initiative, your Company's referral policy was made more attractive, encouraging the women workforce to refer fellow women peers from their network to earn double the referral amount.

B. Developing Talent & Capability

Building a Strong Career Architecture: Your Company is committed to identifying and developing talent from within, ensuring that its employees get the right experiences and development opportunities to that prepares them for the opportunities in the future. The current Sales Career Architecture was thus revamped, based on feedback of employees and the evolving needs of your Company's businesses. The new framework ensures a well-rounded approach to identifying and assessing potential for future commercial leadership roles. The selected talent pool of high potential colleagues is then put through a well-crafted, bespoke development journey aimed at preparing them to take on leadership roles in the future.

Launch of the Learning Architecture: With continued focus on developing managerial capability using a structured approach, a personalized learning journey, SANKALP was launched for those colleagues who demonstrate managerial potential. SANKALP is designed to promote self-growth and development through a blended learning approach which includes an appropriate mix of on the job, peer to peer, classroom/online as well as self-paced learning. The program aims at enabling a colleague to make a successful transition from being an individual contributor to becoming a manager of a team.

Enabling Managers to Own the Employee Experience: Managers are the last mile experience of Pfizer for colleagues today. It is thus important that your Company's managers are fully equipped with the right tools and information to make these experiences rich and positive. With this endeavor, your Company launched a Conversations That Count capability building program that aims to facilitate a deeper understanding of the key employee life-cycle events and the role that managers play to bring alive the Pfizer Values with the right level of engagement.

C. Creating an Inclusive Environment & Focusing on Employee Wellness

Creating an Inclusive and Safe Environment: Your Company is committed to building a workforce that is as diverse as the patients and communities that we serve. Towards this, your Company has prioritized Gender Diversity as a core area of focus and has committed to double the number of women colleagues in field and increase the representation of women colleagues in the India Leadership Team. In the field, your Company has

earmarked headquarters that are safe and conducive for women colleagues and are working towards enhancing the representation of women substantially in these headquarters. To ensure a safe and supportive work environment to women colleagues your Company launched a Travel Safe policy whereby a woman colleague in field is eligible to avail a fully reimbursed cab facility should they find themselves working late in the field.

D. Breakthrough Benefits & Wellness

Flexible Work Arrangements: Your Company knows colleagues today juggle multiple priorities, and optimum employee productivity occurs when they have the flexibility and independence to manage those priorities appropriately. Thus, where possible, a Flexible Work Arrangement (FWA) framework has been put in place. This enables employees to avail flexible working hours, work from home facility or avail part time work thus empowering them to balance their personal and professional lives appropriately. This proposition will also help attract a wide range of diverse talent pool into your organisation.

Pfizer Employee Assistance Program: As part of Breakthrough Benefits, a new global Employee Assistance Plan (EAP) is now available to support employees to deal with daily stresses and challenges of a busy working life. Through this program, colleagues can reach out for expert opinion on wellness and mental health, seek counselling, advice and tips on various aspects of day to day life such as parenting, ageing, balancing work and life etc.

PREVENTION OF SEXUAL HARASSMENT POLICY

The 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' ("the Act") seeks to protect women colleagues against sexual harassment in their workplace. Your company has specially designed training modules to help all colleagues and contingent associates to understand what constitutes sexual harassment in the workplace and how to address it; as well as the organisation's role in preventing it.

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Act. The details of complaints filed and disposed of during the Financial Year under review are as under:

Particulars	
Number of Complaints pending as on the beginning of the Financial Year 2019-20.	2
Number of Complaints filed during the Financial Year 2019-20.	Nil
Number of Complaints disposed of during the Financial Year 2019-20.	2
Number of Complaints pending as on the end of the Financial Year 2019-20.	Nil

LEGAL DIVISION

Your Company's Legal Division is committed to providing pragmatic solutions in line with the legal and commercial interests of the Company. Being a specialized department, the Legal Division works proactively with the business to drive compliant and innovative business ideas, strategies and programs right from inception and thereby promotes your Company's commitment to Patients First.

During the COVID-19 situation, the Legal Division has been fore fronting solutions for business continuity with support on documentation and processes.

Few of the areas where the Legal Division played leadership role during the year under review include:

- Spearheading litigation against infringers and protecting the IP rights and entitlement of your Company.
- Guiding the business across Digital initiatives to enhance reach to physicians and awareness to patients using technology.
- Constant support for Projects across divisions and enabling functions.
- Mitigation of risks associated with Company's business operations and intellectual property rights.
- Defending the Company against litigation as well as pro-actively initiating litigation, wherever necessary, to ensure that your Company is insulated from operational risks.

GLOBAL COMMERCIAL OPERATIONS (GCO)

Converging globally into the Chief Business Office (CBO), GCO is an integral part of Pfizer's Commercial Operating model enabling strategic and operational capabilities and excellence. GCO continues to build on four key pillars: Ease of doing things; Commercial impact; Capability development; and Compliance. This strategic model has empowered GCO to significantly undertake transformational projects which have advanced Pfizer's Purpose and Bold Moves. Global Commercial Operations has witnessed enormous growth in the scale and size of its operations since the six years of its inception in India.

Some of GCOs milestones and achievements built on the overarching theme of 'Automation and Simplification' in 2019 include:

- Launch of global platform **Pfizer for Professionals (PfizerPro)** in India which will serve as a single point of contact for HCPs to view scientific content
- Launch of the first patient-centric website, globally, for pneumococcal disease, **ChooseWisely**

- Launch of **Local Contract Management (LCM)** system, contributing to simplification and automating ~4000 Health Care Professional (HCP) speaker contracts
- Launch of new global Sales Force Automation (SFA) platform **PforceRx** furthering field force excellence and laying the foundation to truly transform the way we connect with Health Care Professionals

These achievements have been possible due to the strong collaboration and partnership with various functions across the organisation and the unparalleled spirit of the employees who work every day with the aim of making a significant difference to the lives of customers and patients.

GLOBAL SUPPLY CHAIN

Your Company's Supply Chain and Distribution orchestrates breakthroughs that change patients' lives through various interventions by enhancing the service capability across the value chain. Conscious efforts are made to develop and upgrade your Company's facilities with digital support that delivers value beyond supply through a robust, flexible and efficient distribution network comprising of 21 CFAs and 3 Hubs who oversees supply of medicines to ~7500 stockist and 2100 institutions across India.

The Division also focuses on increasing the customer reach by developing an optimized network model, while demonstrating the responsibility towards nature by undertaking Go-Green initiatives. Amidst the COVID-19 pandemic, special arrangements were made with charter flight operators and alternate airport options and collaborations with industry peers to safeguard unremitting supply of medicines to patients.

DIGITAL

COVID-19 challenged your Company's traditional way of work. It was important to ensure that as an organization, we were able to maintain a high degree of engagement with HCPs and channel partners. Your Company ensured that the usual processes and essential tasks such as support IT need of the employees, onboarding new joiners etc., do not get hampered. Your Company's Digital team responded to this challenge through a number of measures, including:

- Partnered with Business for launch of new products, portals and facebook page
- Introducing new ways of connecting with HCPs over video call
- Webex, OFFICE-365 (Teams, One Drive, OUTLOOK) and remote desktop for new joiners

Your Company is one of the first Pfizer worldwide locations to adopt Veeva VCC. The platform allows front-end Field Force to do remote video call with HCPs and share approved content.

Consequently, your Company has embarked on many new initiatives which would help us grow and be more connected to the HCPs patients and care givers, including:

- a. Tele medicine and tele health platform
- b. Fight pneumo FB page for vaccines
- c. FB LIVE webinar for HCP and Patients
- d. Virtual promotions using FB, Instagram, LinkedIn and Google

While physical visits have become more and more difficult, your Company's thoughtful, novel and innovative means have augured well to connect with HCPs and patients. All the above initiatives will keep your Company ahead of the pack and your Company will continue to keep adopting new digital technologies and solutions to support the business.

FINANCE

The Finance Division has been a strong and effective business partner to provide guidance and leadership while upholding highest standards for internal controls and governance. The Division has been instrumental in driving performance, managing risks and opportunities, and leading enterprise wide initiatives.

During the year under review, your Company's Finance team partnered strongly with business in driving key projects including restructuring of the Internal Medicine Business Unit, launch of innovative medicines, resource allocation/reallocation, and played the role of enabler in multiple high impact business critical matters.

The Finance Division also played vital role in ensuring business continuity during the challenging COVID-19 times by providing thought leadership to the Management, working capital support to the trade and driving various business decisions to ensure uninterrupted supply of medicines.

In addition to the strong business partnering, the Finance division played a pivotal role in ensuring fiduciary integrity, upholding high corporate governance standards, maintaining good investor relations, institutionalizing effective internal controls and consistently driving strong business performance and financial prudence.

COMPLIANCE AND ETHICS

As your Company continues to grow its business and work towards achieving its goals, it also ensures that it is consistent with Pfizer's commitment to integrity and compliance. The Compliance Division of your Company makes sure that all its employees demonstrate integrity at every level.

Your Company has a proactive approach to address compliance risks driving through thoughtful risk taking and leadership

accountability. In order to achieve compliance culture at all the levels in the organisation, the Team has implemented various unique compliance initiatives which includes Compliance Roadshows, Compliance Champions League and Captain Compliance. The team has also embedded various compliance elements in the entire lifecycle of people process (from hiring to exit). Approach to all compliance programs has been to keep it interesting, technology based, innovative and above all, making it a way of life at Pfizer.

The Team has also increased its focus in recent years on leveraging technology not only for proactive monitoring of trends through various analytical tools but also engaging with our customers, healthcare professionals and patients using virtual platforms in a compliant manner.

Internal Control Systems, their adequacy and Compliance

The Compliance Controls and Risk (CCR) team is responsible to ensure adequacy and effectiveness of internal controls through continuous monitoring. The team's objective is to give senior management, Risk Management Committee and the Audit Committee, an independent and reasonable assurance on the adequacy and effectiveness of the Company's risk management, control and governance processes. This is achieved through a co-sourced internal audit model which includes independent reviews performed by the CCR team together with audit reviews performed through an independent Chartered Accountancy firm.

Your Company has laid down Internal Financial Controls that include a risk-based framework to ensure orderly and efficient conduct of its business, safeguarding of its assets, accuracy and completeness of the accounting records and assurance on reliability of financial information. The Audit Committee has evaluated the design framework and operative assessment and deliberated with members of management and Statutory Auditors to ascertain their views or opinion. The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control system laid down by management. The Statutory Auditors have confirmed the adequacy of the internal financial control systems over financial reporting.

The CCR team conducts a risk assessment every year during which all risks to the Company's objectives are assessed and mitigating plans put in place. These risks include operational, financial, regulatory, legal, business and compliance risks. All the key risks along with mitigating plans are presented and discussed annually with the Risk Management Committee and the Audit Committee.

Annually, based on the risk assessment and findings from previous internal audits, the CCR Team prepares the annual audit plan approved by the Risk Management Committee and the Audit Committee and followed throughout the year. As part of the quarterly review, status of the annual audit plan,

design assessment, operating effectiveness, key audit findings and remediation status of prior findings are presented and discussed with the Risk Management Committee and the Audit Committee.

Your Company has a policy covering interaction with Healthcare Professionals and Government officials called 'My Anti- Corruption Policy & Procedures' (MAPP). The policy addresses both local legal requirements while also leveraging best practices followed in other markets. As a way of reinforcing its compliance culture, your Company has identified 70 colleagues as "Compliance Champions" from various teams who act as first point of contact for colleagues in case they have policy related questions. These measures have ensured that your Company is well placed to drive the spirit of compliance across its stakeholders.

CORPORATE AFFAIRS

The Corporate Affairs Division works in the domains of Government Relations, Communications and Corporate Social Responsibility. During the year under review, the division undertook a number of policy advocacy initiatives; stakeholder engagement outreach; campaigns to build corporate and TA reputation and community and colleague engagement programs.

Government Relations

Your Company's Managing Director Mr. S. Sridhar was re-elected as the Chair of the Federation of Indian Chambers of Commerce & Industry's (FICCI) National Pharmaceutical Committee for the current year. He also continues to serve as an Executive Committee Member in the Organisation of Pharmaceuticals Producers of India (OPPI). Pfizer also assumed the Co-Chair of the India Pharma Committee of the Pharmaceutical Research and Manufacturers of America (PhRMA) and the US India Business Council (USIBC).

a) Engagement through industry associations and direct advocacy:

As a member of the OPPI, FICCI, PhRMA, USIBC and US India Strategic Partnership Forum (USISPF), your Company continued to participate and play an active role in leading the dialogue with relevant government stakeholders and contributing recommendations and comments on key policy matters such as the revision of the National List of Essential Medicines, amendments of the Drug Price Control Order, Drug and Magic Remedies (Objectionable Advertisements) Amendment Bill 2020 and strengthening of Intellectual Property eco-system among others.

b) Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY):

The National Health Authority (NHA), the implementing arm of the government's AB-PMJAY has shown interest in engaging with the industry and explore possibilities that

would increase the availability and access to in hospital treatments and medicines for the AB-PMJAY beneficiaries. The review of the Health Benefit Packages (HBPs) and implementation of the second version of the same by the NHA, after only one year of the launch of the scheme, has signaled the government's intention to cover therapeutic areas and packages that were not covered earlier. Your Company has been engaging with the NHA to explore the possibility of working out mechanisms through which innovative therapies could be included in specific HBPs and make them available to the AB-PMJAY beneficiaries.

c) Adult immunisation:

Your Company strongly believes that adult immunisation against vaccine preventable pneumococcal disease should be taken up on a large scale. With the World Health Organization also recommending pneumococcal vaccination to prevent deaths due to respiratory problems caused by the COVID-19 pandemic, the time is appropriate for the Government to initiate an immediate targeted adult immunisation campaign. Your Company has been in discussions with several State Governments to explore the possibility of partnerships to roll out the pneumococcal adult vaccination campaign in these States. It also continues to explore other avenues for inclusion of adult immunisation in specific government programs and by government agencies such as Ayushman Bharat and National AIDS Control Organisation (NACO).

Communications

Your Company's communications team plays the role of a key enabler in communicating the organization's growth plans, important decisions and milestones to stakeholders both internally and externally.

Externally, your Company, continued to engage with media to share important messages pertaining to business developments and key therapies and products. The team also showcased important corporate responsibility initiatives to a wider universe of external stakeholders, including media, the HCP community, Government and industry stakeholders, through communication and participation in industry events.

Internally, your Company continued to maintain a high-impact communication program, especially to keep colleagues informed, engaged and supported during the COVID-19 crisis. Your Company maintained a high-performance culture by engaging employees and aligning them with our values, purpose and strategy. Through an active calendar of activities that focused on the wellness of our colleagues, as well as celebrations of achievements and festivals, your Company worked towards bringing its colleagues together regularly.

Highlights of the year under review include:

- a) **COVID-19 communication:** With a goal to ensure that Pfizer colleagues in the field and in Regional and

Head Offices remain engaged in a positive manner, the Communications team created a number of unique initiatives to disseminate information and involve colleagues in interactive activities.

- o **Work from home tips:** A series of tips and tricks for colleagues to follow to settle into this new way of working, carry out their work efficiently and strike a balance between work and leisure.
- o **At home with video series:** Multiple videos of the leadership team and RBMs sharing ways in which they have been making work from home, work for themselves! These videos received more than 6000 views.
- o **#wfhisfun contests:** 10 contests conducted across your organisation where colleagues were asked to share their insights, images and videos on having fun while working from home, on India Yammer page. This initiative resulted in more than 35,000 visits on Yammer over two months.
- o **Return to workplace guidebook:** A consolidated avant-garde guidebook highlighting safety precautions to keep in mind once colleagues returned to work in office and in the field.
- o **Townhalls with India Leads:** Virtual townhalls with India Leads where everyone was updated on the recent business achievements and guidelines to keep oneself safe at home and in the field. Most of the queries on the ever-evolving COVID-19 situation were also shared to remove all roadblocks and make work easier for all.
- o **COVID-19 Booklet:** A handy, easy to read and visually rich booklet was prepared for colleagues to explain the disease, its causes and ways to be safe from it.
- o **Field safety kit:** A comprehensive guide document was shared with all colleagues which featured the major guidelines for field colleagues to follow to be safe while working in the field.
- o **Workplace Diaries:** A new podcast where colleagues can share their experiences of working in the field and their tips and tricks to survive in the field, given the current situation.

b) **Celebrating Women's Day:** Your Company celebrated Women's Day by unveiling a video on the work and dedication of women colleagues in the field. Women achievers from across the country were invited to the Mumbai headquarters including a mountaineer who had

climbed Mount Everest, the founder of a successful new age media company and one of the few female auto rickshaw drivers in Mumbai, who fought her way in life to choose her profession and independence. Their stories helped colleagues understand what it means to be a woman and successful in today's day and age.

c) **Supporting a cause:** 100 Pfizer colleagues ran in the Tata Mumbai Marathon to support two Cancer Care Centers dedicated to providing support and accommodation to children and their families during the children's treatment in Mumbai. St Jude India Childcare Center being one of these establishments interacted with the colleagues in Mumbai headquarters and shared about the work that goes into supporting these suffering children and their families. This was an eye-opener for our colleagues most of whom were unaware of the care and commitment that these children require to be able to outlive the ailment. Colleagues also understood the gravity of their contribution to the cause.

CORPORATE SOCIAL RESPONSIBILITY

Your Company continued to stay true to its purpose of promoting access to quality healthcare in the country by nurturing innovation, encouraging community involvement of our colleagues and synergising efforts with government and other stakeholders for collective impact.

This year, the team continued to identify and work on projects that are aligned to Pfizer's CSR priorities as listed below:

- Encourage and support Indian innovation and Indian intellectual property with a focus on healthcare;
- Undertake awareness and access programs ourselves or in partnership with NGOs, Government and healthcare providers in areas such as women and child health, among others;
- Support Government national and/or state programs and priorities with linkages to healthcare;
- Enlist employees as volunteers to support activities around health, sanitation and disease awareness; and
- Participate in disaster relief activities.

Your Company's flagship CSR initiatives undertaken during the year gained significant momentum leading to high-impact outcomes.

Pfizer along with NGO partner Americares India Foundation has rolled out two major projects to **combat India's AMR challenges.**

a. **The Parivartan project** that aims to reduce the spread of antimicrobial resistance in health facilities and to promote

overall infection prevention and control in targeted health facilities. A multi-year project, the goal is to demonstrate a tangible impact of infection prevention and antimicrobial stewardship activities on key outcome indicators of hospitals, such as a reduction in hospital acquired infections.

b. **Online Learning Platform (OLP)** is an online platform for Health Care Workers (HCWs) to ensure that the HCWs across India have access to quality training on Infection Prevention and Control (IPC). The project is currently in the initial phase of building the IPC module as per the WHO guidelines. The platform would be accessible free of cost with certification in three languages (English, Hindi, Malayalam).

The **Pfizer-ACF (Tata Trusts) Cancer Care Project** has been set up to work with the high-risk population that require healthcare attention. Overall, this project aims to serve as a one-stop, information and support centre for patients and families at Tata Trusts' key cancer hospitals. Alamelu Charitable Foundation (ACF) was established by Tata Trusts to support the setup of a comprehensive healthcare network across India. The program is in the first Phase of its operation and includes the following:

- a. Health and wellness kiosks in Ranchi, Diphu, Silchar and Tirupati. The kiosks provide services such as counselling and interactive sessions on preventing cancer and lifestyle-related disorders to reduce the risk of non-communicable diseases, counselling session for smoking cessation and prevention, screening for Oral, Cervical and Breast cancer, general physician examination and basic laboratory investigation mainly haematological, serological and biochemical test, etc.
- b. Community outreach and early detection for NCD screening of catchment population and referral to the nearest centre
- c. Set-up and operationalisation of a patient referral and tracking platform
- d. Manage and operate a virtual patient helpdesk, complemented by one on-site patient navigator in OPD and day care centers in the four locations.

The **Pfizer-IIT Delhi Innovation and IP Program** supports Indian innovation and Indian intellectual property with a focus on healthcare. The program is now in its fourth phase and has supported around 20 innovations since inception in 2015-16. During the year under review, an additional four innovators were incubated, and ten IP filings supported.

Your Company is working towards developing the village of Kaulale, Jawhar under the **Pfizer Sustainable Village Transformation Project** with BAIF Institute for Sustainable Livelihoods and Development as the implementation partner. The aim of the program is to provide a holistic intervention

around areas of water, sanitation, health, skill development and sustainable livelihoods. The project addresses the issues access to drinking water, improving nutrition, improving agricultural practices and irrigation facilities, sustainable livelihood opportunities and creating awareness regarding water and water conservations.

Your Company had taken up 13 schools in Mumbai and Goa under the **Pfizer School Sanitation and Development Program** in 2018-19. The program has now reached completion impacting the lives 6000 students in the regions.

Your Company has been actively involved in supporting the Government's **COVID-19 Relief Efforts in India.** As a part of its efforts, Your Company is supporting the State and Central Government and other healthcare institutions to bridge the gap and enhance the current healthcare infrastructure for treating the increasing number of COVID-19 cases. Support has also been provided for the frontline healthcare workers and COVID-19 warriors by sponsoring Personal Protective Equipment kits and masks.

- a. **Donation of 3 lakh protective N95 Masks:** Our frontline healthcare workers are performing a remarkable duty to provide healthcare services to patients across the country. More often, this is at considerable personal risks of contracting infections, including COVID-19. In order to provide relief to such personnel, Pfizer has funded NGOs to donate close to 3 lakh certified N95 protective masks for use by frontline and supporting healthcare personnel across 15 states in India.
- b. **Providing 5 state-of-the-art ventilators:** As the number of COVID-19 cases rapidly increase in Maharashtra, the MCGM Disaster Management Cell along with the Health Department are ramping up the testing and isolation facilities currently available. Your Company has partnered with the NGO Americares to provide 5 high-quality Macquet Servo-I Ventilators to three key Government hospitals with COVID-19 facilities: the 20-bed ward at the HBT Trauma Care Centre, Jogeshwari; the 10-bed ward at Bhabha Hospital, Bandra; and the 20-bed ward at Rajawadi Hospital, Ghatkopar, all located in densely populated suburbs in Mumbai.
- c. **Assisting migrant workers with food relief:** Goa is home to your Company's manufacturing plant. Being an industrial state, it is also home to a large migrant population that would require basic food relief and support at this time. Through its NGO partners, Pfizer has provided food and grocery packets containing rice, dals, wheat flour, poha, sugar, oil and other essentials for those in need in the talukas of Sattari and Valpoi in Goa.
- d. **Donation of 75,000 tablets of Azithromycin:** Responding to a call from the Government of India, your Company has partnered with HLL Lifecare Ltd. to donate 75,000

Azithromycin 500 Mg tablet for the treatment of COVID-19 patients under the care of Government facilities.

- e. **COVID-19 Treatment Facility for Police Personnel:** In addition to the healthcare workers, our police personnel too are serving as COVID-19 Warriors with courage and dedication. Unfortunately, their line of duty also places them at higher risks of contracting the illness. In order to support our Police Personnel, Pfizer has supported a 75-bed isolation ward at the Mumbai Police Kalina Hospital for the Maharashtra Police. Support was provided towards COVID-19 Emergency Response Intervention for setting up of the temporary COVID-19 hospital dedicated to police personnel in Kalina. The support included critical lifesaving supplies such as Oxygen concentrators, Pulse Oximeters, Multipara Monitors, ECG Machines etc.

Shortfall in CSR spend

The Company had earmarked a significant proportion of the CSR outlay towards two key initiatives – namely the AMR Hospital Transformation Project in partnership with Americares and the Cancer patients support program in partnership with Tata Trusts.

Given the extensive planning required for these projects, the scale of interventions and time taken to conclude initial work, the projects were not in a position to consume the entire outlay within the financial year.

Consequently, in line with the provisions of sub-section (6) in Section 135 of The Companies Act, 2013, (to be gazetted), the Company has placed an amount of ₹4.63 crores earmarked for aforementioned identified projects in a dedicated bank account with a plan to utilize the same within 3 years for the said projects which are long term and continuing in nature and are expected to remain in your Company’s CSR portfolio in the subsequent years.

Further, the Company will look towards meeting its CSR spend obligations in the year 2020-21.

A brief outline of the initiatives undertaken during the year and details of CSR projects undertaken by your Company during the financial year under review are provided in the Corporate Social Responsibility Report which forms part of this Report and annexed herewith as “Annexure - A”.

WHISTLE BLOWER / VIGIL MECHANISM

Your Company has established a Whistle Blower / Vigil Mechanism through which its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviour, 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 and also direct access to the higher levels of supervisors. The e-mail ID for reporting genuine concerns is: ‘corporate.compliance@pfizer.com’. In appropriate and exceptional cases, concerns may be raised

directly to the Chairman of the Audit Committee at ‘Chairman. IndiaAuditcom@pfizer.com’. No person has been denied access to the Audit Committee Chairman. A quarterly report on the whistle blower complaints received and action taken thereon is placed before the Audit Committee for its review.

DIRECTORS:

In accordance with the provisions of the Companies Act, 2013, Mr. Milind Patil, (DIN: 02546815) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Vivek Dhariwal (DIN: 02826679), ceased to be Executive Director - Technical Operations of the Company with effect from close of business on February 14, 2020. Your Directors wish to place on record their appreciation for valuable contributions made by Mr. Vivek Dhariwal.

The Board of Directors of the Company at their Meeting held on February 14, 2020, pursuant to the recommendation of Nomination and Remuneration Committee, appointed Mr. Samir Kazi (DIN: 07184083) as Executive Director – Legal with effect from February 14, 2020 for a period of 5 (five) years subject to the approval of members at the ensuing Annual General Meeting. The Company has received a Notice for candidature as a Director from a Member pursuant to Section 160 of the Act.

All Independent Directors have given the declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Performance Evaluation

The Company has devised a Performance Evaluation Framework and Policy, which sets a mechanism for the evaluation of the Board, Board Committees and Directors.

Performance Evaluation of the Board, Committees and Directors was carried out through an evaluation mechanism in terms of the aforesaid Performance Evaluation Framework and Policy.

The performance evaluation of each individual Director, the Board and Committees was carried out through deliberations. The said performance evaluation was done based on the parameters stated in the templates designed under the aforesaid Framework and after taking into consideration the guidance note issued by the Securities and Exchange Board of India.

Independent Directors’ Meeting

During the year under review, one Meeting of the Independent Directors was held on May 28, 2019, without the presence of the Executive Directors and Management Personnel. At the said Meeting, the Independent Directors carried out performance evaluation of Non-Independent Directors and the Board of Directors as a whole, performance of Chairman

of the Company, the quality, content and timeliness of flow of information between the Management and the Board, based on the Performance Evaluation framework of the Company. All the Independent Directors were present at the aforesaid Meeting.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Your Company has in place a Familiarization Program for Independent Directors to provide insights into the Company’s business to enable them to contribute significantly to its success. The Executive Directors and Senior Management make presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. Your Company also circulates news and articles related to the Industry and provide specific regulatory updates to the Independent Directors on a regular basis.

A brief summary of the major Familiarization Programs carried out during the year for the Independent Directors is given below:

Sr. No.	Particulars of the Programmes / Presentations	Date	No of Hours Duration (Hrs.)
1.	Pharma Market, Industry Performance and Regulatory changes update (Duration 1.00 hr each)	28.05.2019 09.08.2019 26.10.2019 14.02.2020	4.00
2.	Meeting with Ms. Susan Silbermann - President, Emerging Markets for discussion on Pfizer’s outlook in India	23.04.2019	1.00
3.	Business presentation on Vaccines	28.05.2019	0.75
4.	Risk Management Framework and Key Business Risks	26.10.2019	0.75
5.	Business Strategy presentation	14.02.2020	0.75
6.	Status of Active Pharmaceutical Ingredients import and impact of Novel Corona Virus (COVID-19)	14.02.2020	1.00
Total			8.25

NOMINATION AND REMUNERATION POLICY:

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management, Key Managerial Personnel and their remuneration. The Nomination and Remuneration Policy forms part of this Report annexed herewith as “Annexure - B”.

MEETINGS OF THE BOARD:

The details of the meetings of the Board and Committees are provided in the Corporate Governance Report which forms part of this Report and annexed herewith as “Annexure - H”.

DIRECTORS’ RESPONSIBILITY STATEMENT:

Your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes 2 and 3 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

KEY FINANCIAL RATIOS:

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we give below the key financial ratios:

Sr. No.	Particulars	FY 2020	FY 2019
1	Debtors Turnover Ratio	12.52	12.75
2	Inventory Turnover Ratio	1.94	2.19
3	Interest Coverage Ratio	N.A.	N.A.
4	Current Ratio	3.49	3.05
5	Debt Equity Ratio	N.A.	N.A.
6	Operating Profit Margin (%)	22%	24%
7	Net Profit Margin (%)	24%	21%
8	Return on Net Worth	15%	14%

None of the aforementioned ratios have undergone a change of more than 25 % as compared to the previous financial year.

The return on net worth is computed as net income by shareholders equity. The change in return on net worth is primarily on account of increase in net profit to ₹509.13 crore from ₹429.05 crore.

AUDIT COMMITTEE:

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

RISK MANAGEMENT POLICY:

The details pertaining to the Risk Management Policy are included in the Corporate Governance Report, which forms part of this Report.

RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The Company had entered into materially significant related party transactions with Pfizer Innovative Supply Point Intl BVBA, Belgium and Pfizer Service Company BVBA, Belgium for purchase of raw materials, bulk drugs and finished goods. The same are within the limits duly approved by the members at the 65th Annual General Meeting.

All Related Party Transactions are placed on a quarterly basis before the Audit Committee for approval and before the Board for consideration and noting.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website 'www.pfizerindia.com'. The weblink for the Policy is <http://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised%20Related%20Party%20Transaction%20Policy%20-%20Pfizer%20website.pdf>

None of the Directors have any material pecuniary relationships or transactions vis-à-vis the Company.

Pursuant to Section 134 of the Companies Act, 2013 and Rules made thereunder, particulars of transactions with related parties as required under Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2 forms part of this Report and annexed herewith as "Annexure - C".

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has not granted any loans, guarantees and investments under Section 186 of the Companies Act, 2013 for the financial year ended March 31, 2020.

DEPOSITS FROM PUBLIC:

During the financial year under review, the Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

DISCLOSURES OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

OTHER INFORMATION:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, forms part of this Report and annexed herewith as "Annexure - D".

A table containing particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, ("the Act") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report and annexed herewith as "Annexure - E".

The information required pursuant to Section 197(12) of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, forms part of this Report. However, as per the provision of Sections 134 and 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members through electronic mode up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy of such statement may write to the Company Secretary at the Company's Registered Office.

The Company does not have any subsidiary company or associate company or joint venture company.

AUDITORS:

The Auditors, Messrs. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as Statutory Auditors to hold office for a term of 5 (five) years from conclusion of 66th Annual General Meeting till the conclusion of the 71st Annual General Meeting subject to ratification by members at every subsequent Annual General Meeting.

The Companies (Amendment) Act, 2017 has waived the requirement for ratification of the appointment of statutory auditor by the shareholders at every Annual General Meeting. Hence, the approval of the members is not being sought for the re-appointment of the statutory auditor and in line with their resolution of appointment passed at the previous Annual General Meeting held on September 6, 2018, Accordingly Messrs. Walker Chandio & Co. LLP will continue to hold office till the conclusion of the 71st Annual General Meeting of the Company. Messrs. Walker Chandio & Co. LLP have confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the Statutory Auditor.

The Auditor's Report for the financial year ended March 31, 2020 do not contain any qualification, reservation or adverse remark.

COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost audit records maintained by the Company is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed Messrs. RA & Co., to audit the cost accounts of the Company for the financial year 2020-21 on a remuneration of ₹13,25,000/- (Rupees Thirteen Lakhs and Twenty Five Thousand only). As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Messrs. RA & Co., Cost Auditors is included at Item No.6 of the Notice convening the Annual General Meeting.

Your Company is required to maintain the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Your Company has accordingly maintained the same and has filed the Cost Audit Report for Formulations and Compliance Report for the financial year ended March 31, 2019 on October 14, 2019, which is within the stipulated timeline prescribed under the applicable regulations. The Cost Audit Report for Formulations for the financial year ended March 31, 2020 is due to be filed by October 26, 2020.

Messrs. R. A. & Co., 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 March 31, 2021. The remuneration is subject to ratification by the shareholders.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs. Saraf & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report forms part of this Report and annexed herewith as "Annexure - F". The Secretarial Audit Report for the financial year ended March 31, 2020, does not contain any qualification, reservation or adverse remark.

COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Directors confirm that the Secretarial Standards issued by the Institute of Companies Secretaries of India, as applicable

to the Company and which are mandatory in nature, have been duly complied with.

ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT 9 forms part of this Report and annexed herewith as "Annexure - G". The Annual Return of the Company as required under the Companies Act, 2013, will be available on the website of the Company at www.pfizerindia.com.

RESPONSIBILITY REPORTING:

A Report on Corporate Governance along with a Certificate from Messrs. Walker Chandio & Co LLP, regarding compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report and annexed herewith as "Annexure - H".

A Business Responsibility Report as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by your Company from an environmental, social and governance perspective, forms part of this Report and annexed herewith as "Annexure-I".

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.

ACKNOWLEDGMENTS

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

Mumbai, July 27, 2020

R.A. Shah
Chairman
DIN: 00009851

Annexure-A

Corporate Social Responsibility

1. CSR POLICY OVERVIEW

At Pfizer Limited (the “Company” or “Pfizer”), we constantly strive to positively impact the health of people throughout the country. In India, for around seven decades, we have strived to serve our community by setting the standard for quality, safety and value in the discovery, development, manufacture and delivery of medicines.

Your Company through its Corporate Social Responsibility (“CSR”) Policy encourages stronger commitment from the organization and employees towards the society to address the healthcare challenges of the Country. The Policy applies to all CSR programs/projects of the Company and has been prepared keeping Pfizer’s own core competence and priorities in mind. The policy also aims to align your Company’s CSR interventions with the healthcare priorities of the Government of India and other stakeholders working with similar mandates.

In doing so, it would be the endeavor of your Company to synergize its CSR initiatives undertaken by various functions/divisions within one unified strategic umbrella. The CSR Committee acts in an advisory capacity to the Board and Management with respect to policies and strategies that affect your Company’s role as a socially responsible organization. The CSR Committee ensures that the implementation and monitoring of the projects is in compliance with the CSR Objectives and Policy of your Company.

CSR COMMITTEE

Sr. No.	Name	Designation/ Category
1.	Mr. Pradip Shah	Chairman-Independent Director
2.	Mr. S. Sridhar	Member-Managing Director
3.	Mr. Milind Patil	Member-Whole-time Director
4.	Mr. Samir Kazi	Member-Whole-time Director

OUR PURPOSE

Promote access to quality healthcare in the country by nurturing innovations, encouraging community involvement of your Company’s employees and synergizing efforts in partnership with Government and other stakeholders for collective impact.

The Board of Directors of your Company, on the recommendation of the CSR Committee, has adopted the CSR policy with the following focus areas for designing our interventions:

CSR FOCUS AREAS

1. Encourage and support Indian Innovation and Indian Intellectual Property with a focus on Healthcare;
2. Undertake awareness and access programs ourselves or in partnership with NGO’s, Government and Healthcare Providers in areas such as Women and Child health, among others;
3. Support Government’s national and/or state programs and priorities with linkages to healthcare;
4. Enlist employees as volunteers to support activities around health, sanitation and disease awareness;
5. Participate in disaster relief activities.

The details of CSR projects undertaken by your Company during the financial year under review are provided in the Board’s Report under Corporate Social Responsibility section. The weblink for the CSR policy is [http://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised % 20 Corporate % 20 Social % 20 Responsibility % 20 Policy.pdf](http://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised%20Corporate%20Social%20Responsibility%20Policy.pdf)

FINANCIAL DETAILS

The provisions pertaining to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 are applicable to Pfizer Limited. The financial details, as sought under Section 135 of the Companies Act, 2013, are as follows:

(₹ in Crores)	
Particulars	Amount
Average net profit of the Company for the last three financial years	608.58
Prescribed CSR Expenditure (as per Section 135 of the Companies Act, 2013)	12.17
Details of CSR spent during financial year	
a) Total amount to be spent for the financial year	12.17
b) Amount unspent, if any	4.63
c) Manner in which the amount was spent during the financial year	Details given below

Manner in which CSR amount was spent during the Financial Year 2019-20

(₹ in Crores)							
Sr. no.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where Projects or Programs were undertaken	Amount outlay (budget) Project or Program wise	Amount spent on the Projects and Programs 1. Direct Expenditure on Projects / Programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Expenditure on projects/programs							
a.	ICMR Pfizer Center for Antimicrobial Resistance (AMR) Research and Education	Promoting and Preventive Healthcare	PAN India	4.46	0.06	10.37	Through Implementing agency
b.	School Adoption and Development Program - Pfizer goes to school	Sanitation & Healthcare	Maharashtra and Goa	1.30	1.10	6.46	Through implementing agency
c.	Pfizer - Tata Trusts Cancer Care Project	Preventive Healthcare	Assam, Ranchi and Tirupati	1.84	1.84	1.84	Through Implementing agency
d.	AMR - Hospital Transformation Project	Promoting and Preventive Healthcare	PAN India	2.50	0.78	0.78	Through Implementing agency
e.	Project OLP - Online Learning Platform	Preventive Healthcare	PAN India	0.43	0.43	0.43	Through Implementing agency
f.	Village Healthcare Transformation	Sanitation & Healthcare	Jawhar, Maharashtra	1.18	1.18	1.18	Through Implementing agency
g.	Covid-19 Relief Interventions	Disaster Relief Work	Mumbai and Goa	0.00	1.92	1.92	Through Implementing agency
h.	Charitable contribution to Cankids through participation in Tata Mumbai Marathon 2020	Promoting and Preventive Healthcare	Mumbai	0.23	0.18	0.39	Through Implementing Agency
i.	Employee Volunteering	Employee Volunteering and Promoting education	Mumbai	0.23	0.05	0.07	Direct
Total				12.17	7.54	23.44	

REASONS FOR SHORTFALL IN CSR SPENT

Your Company had earmarked a significant proportion of the CSR outlay towards two key initiatives – namely the AMR - Hospital Transformation Project in partnership with Americares and the Cancer patients support program in partnership with Tata Trusts.

Given the extensive planning required for these projects, the scale of interventions and time taken to conclude initial work, the projects were not in a position to consume the entire outlay within the financial year.

Consequently, in line with the provisions of sub-section (6) in Section 135 of the Companies Act, 2013, (to be gazetted), your Company has placed an amount of ₹4.63 Crores earmarked for the aforementioned identified projects in a dedicated bank account with a plan to utilize the same within 3 years for the said projects which are long term and continuing in nature and are expected to remain in your Company’s CSR portfolio in the subsequent years.

Further your Company will look towards meeting its CSR spend obligations in the year 2020-21.

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is reproduced below:

Pfizer's CSR projects/programs are entrenched in the way we do business and are guided by our corporate mission, values and aspirations. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of Board of Directors

S. Sridhar
Managing Director
DIN: 05162648

Pradip Shah
Chairman, CSR Committee
DIN: 00066242

Mumbai, June 15, 2020

Annexure-B

The Nomination and Remuneration Policy

This Nomination and Remuneration Policy ("Policy") has been adopted by Pfizer Limited's Board of Directors ("Board"), acting on the recommendations of its Nomination and Remuneration Committee.

1. OBJECTIVES:

The Nomination and Remuneration Committee Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with the applicable Rules thereto and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The key objectives of the Policy would be:

- a. Assess necessary and desirable competencies of Board members;
- b. Review Board succession plans;
- c. Evaluate the Board's performance;
- d. Make recommendations to the Board on:
 - i. Executive Directors remuneration and incentive policies;
 - ii. Remuneration packages of key managerial personnel and senior management;
 - iii. The Company's recruitment, retention and termination policies for key managerial personnel and senior management; and
 - iv. The remuneration framework for Directors.

2. PFIZER LIMITED'S COMPENSATION PHILOSOPHY:

Pfizer Limited's ("Company"/ "Pfizer") Compensation and Benefits programs are designed to enhance its ability to attract, motivate, retain and engage a high performing and committed workforce.

3. DEFINITIONS:

- a. "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- b. "Key Managerial Personnel" means
 - i. Chief Executive Officer or the Managing Director or the Manager;
 - ii. Whole-time Director;
 - iii. Chief Financial Officer;

- iv. Company Secretary; and
- v. Such other officer as may be prescribed under the Act.

- c. "Senior Management" means personnel of the Company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the Executive Directors including the functional heads.

4. ROLE OF THE COMMITTEE:

- a. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- ii. Identify persons who are qualified to become a Director and persons who may be appointed in Key Managerial Personnel and Senior Management Personnel in accordance with the criteria laid down in this policy;
- iii. Formulate criteria for evaluation of Directors, Key Managerial Personnel, Senior Management Personnel and the Board as a whole;
- iv. Recommend to the Board, criteria for remuneration for Directors, Key Managerial Personnel and other Employees;
- v. Recommend to the Board, appointment, re-appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel; and
- vi. Devise a Policy on Board Diversity.

- b. Policy for appointment, re-appointment, remuneration and removal of Directors, Key Managerial Personnel and Senior Management:

- i. The Nomination and Remuneration Committee will ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to Directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- ii. Appointment criteria and qualifications:**
- a) the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend to the Board his / her appointment.
- b) the candidate shall possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) the appointment of any Director / Key Managerial Personnel / Senior Management shall also be governed by the prevailing policies of the Company.
- iii. Term / Tenure:**
- a) Managing Director / Whole-time Director:**
The Company may appoint or re-appoint a person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:**
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment for another term up to five consecutive years on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
 - At the time of appointment of Independent Director, it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director, and three listed companies as an Independent Director in case such person is serving as a Whole-Time Director of a listed company or such other number as may be prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For this purpose, the Independent Directors shall submit a declaration in this regard and the Committee / Board shall rely on such declaration.
- iv. Evaluation:**
The Committee shall carry out the evaluation of performance of Directors, Key Managerial Personnel, Senior Management Personnel and the Board as a whole at regular interval (yearly).
- v. Removal:**
Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder or for such other compelling reasons, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Act, Rules and Regulations and applicable policies of the Company.
- vi. Retirement:**
The Independent Directors shall not be liable to retire by rotation. The other Directors, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and prevailing policies of the Company.
- c. Policy relating to the Remuneration for the Managing Director, Whole-time Director, Key Managerial Personnel and Senior Management Personnel:**
- i. General:**
While determining the remuneration / compensation / benefits etc. to the Managing Director, Whole-time Directors, Key Managerial Personnel and Senior Management Personnel, the Committee shall keep in mind following criteria:
- That the remuneration is aligned with market when compared to relevant peer companies;
 - That the remuneration is appropriate for the Company as it exists today but anticipates future business needs;
 - Philosophically consistent around Pfizer's global policies but locally and culturally appropriate;
 - Understandable and valuable to the talent the Company wishes to attract, motivate, engage and retain;
 - Simple and cost-effective for the Company to communicate, maintain and administer;
 - Selected positions may be paid higher remuneration than market aligned peer group remuneration; and
 - Higher remuneration may be considered for the purpose of retention of talent.
- The remuneration / compensation / benefits etc. of Managing Director and Whole-time Directors shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- ii. Increments to the existing remuneration / compensation / benefit structure of Managing Director Whole-time Directors will be recommended by the Committee to the Board subject to the maximum limits approved by the Shareholders.**
- iii. Remuneration to Managing Director, Whole-time Director, Key Managerial Personnel and Senior Management Personnel:**
The Committee shall ensure that Remuneration to Managing Director, Whole-time Directors, Key Managerial Personnel and Senior Management Personnel has a balance between fixed and variable incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The components of remuneration consists of annual guaranteed cash comprising of basic salary, ad-hoc/special allowance, House Rent Allowance, etc. Variable component consists of bonus / performance linked incentives based on the performance of the Company and performance of each Director / Key Managerial Personnel / Senior Management Personnel. The Managing Director / Whole-time Directors / Key Managerial Personnel / Senior Management Personnel are also eligible for Long Term Incentives granted by the Parent Company, Pfizer Inc., U.S.A in the form of Stock Options and Restricted Stock Units. The quantum of perquisites includes employer's contribution to Provident Fund, Medical Reimbursement Expenses, Leave Travel Assistance, Car / Conveyance Allowance etc.
- iv. Remuneration to Non-Executive / Independent Directors:**
- **Sitting Fees:**
Resident Non-Executive / Independent Directors shall be paid the sitting fees for attending the meetings of the Board and the Committees of which they are member. The Board may at its discretion revise the sitting fees payable to the Resident Non-Executive / Independent Directors from time to time. Provided that the amount of such fees shall not exceed the limit prescribed under the Act.
 - **Commission:**
In addition to the sitting fees, Resident Non-Executive / Independent Directors may also be paid a Commission, as may be determined by the Board, as recommended by the Nomination and Remuneration Committee after considering the performance of the Company and the

performance and contribution of the Directors, as evaluated by the Board, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act and subject to approval of Shareholders.

Stock Options:

Independent Directors shall not be entitled to any stock options of the Company or its Parent Company.

5. OTHERS:

Clauses with respect to the Membership and Term, Chairperson, Frequency of Meetings, Nomination and Remuneration Duties and other administrative functions of the Committee shall be as per the Nomination and Remuneration Charter of the Company.

6. REVIEW OF THE POLICY:

The Committee will discuss any revisions that may be required, and recommend any such provisions to the Board for consideration and approval.

Annexure-C

Form AOC-2

Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

i. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

ii. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions conducted on arm's length basis during the year ended March 31, 2020 are as follows:

Sr. No.	Name of the Related Party and Relationship	Nature of Transaction	Duration	Salient Terms	Amount (₹ in Crores)
1	Pfizer Inc., USA (Ultimate Holding Company)	Reimbursement of Expenses	Ongoing	On arm's length basis and in ordinary course of business.	0.54
2	Pfizer Worldwide Services, Ireland (Fellow Subsidiary)	Service Income	Ongoing	On arm's length basis and in ordinary course of business.	29.59
3	Pfizer Innovative Supply Point BVBA, Belgium (Fellow Subsidiary)	Purchase of Stock in Trade	Ongoing	On arm's length basis and in ordinary course of business.	66.07
4	Pfizer Service Company BVBA, Belgium (Fellow Subsidiary)	Purchase of Stock in Trade Purchase of Raw / Bulk Materials	Ongoing	On arm's length basis and in ordinary course of business.	327.34 111.62
5	Pfizer Products India Private Limited (Fellow Subsidiary)	Service Income Recovery of Expenses	Ongoing	On arm's length basis and in ordinary course of business.	25.60 0.19

Appropriate approvals have been taken for all related party transactions. No advances have been paid or received against the transactions mentioned above.

For and on behalf of the Board of Directors

R. A. Shah
Chairman
DIN: 00009851

Mumbai, June 15, 2020

Annexure-D

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

INFORMATION UNDER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY:

a) Energy Conservation measures taken:

- The facility has upgraded the HVAC system to improve the quality of treated air with adoption of new generation energy efficient technology.
- The facility has upgraded the dehumidifier with microprocessor based equipment to reduce energy consumption by around 25%.
- New generation Tablet Compression machines introduced in General Tablet Suite there by reducing energy consumption by 25%.
- Installed Variable Frequency Drive in all high load applications.

b) Impact of measures taken:

- Reduction of Electrical energy consumption.
- Reduction in carbon emission.

c) Steps taken for utilizing alternate sources of energy:

The site has installed a Hybrid (Solar and Wind) renewable energy project of 50 KW capacity.

d) Capital investment on energy conservation equipments:

A sum of ₹3 Crore was spent as capital expenditure for upgradation of the facility to achieve energy conservation.

B. TECHNOLOGY ABSORPTION:

Research and Development (R & D):

1. Efforts in brief made towards technology absorption:

The Company on an on-going basis takes steps to enhance its technical expertise for pharmaceutical formulations. The Company 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.

Development of new products for the domestic market, improvement in product quality, operational

excellence projects, technology transfer of products and reduction in energy consumption are some of the benefits derived as a result of above efforts carried out during the year under review.

3. Imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

- The details of technology imported: Nil
- The year of import: Not applicable
- Whether the technology been fully absorbed: Not applicable
- If not fully absorbed, areas where absorption has not taken place and reasons thereof: Not applicable

As mentioned in (1) we continue to receive technology, process know-how and technical assistance from time to time from the Parent Company.

4. Expenditure on Research and Development

(₹in Crore)	
(i) Capital	NIL
(ii) Revenue	NIL
(iii) Total	NIL
Total to R&D expenditure as percentage of total turnover	N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the period under review:

- Foreign exchange earnings by the Company was ₹39.75 Crore.
- Foreign exchange expenditure (which includes import of raw materials and goods for resale, service charges etc.) was ₹41.13 Crore.

For and on behalf of the Board of Directors

Mumbai, June 15, 2020

R. A. Shah
Chairman
DIN: 00009851

Annexure-E

PARTICULARS OF EMPLOYEES

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No	Requirement under Rule 5(1)	Details
1.	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year.	Executive Directors <ul style="list-style-type: none"> Mr. S. Sridhar, Managing Director: 43.38 Mr. Milind Patil, Executive Director - Finance and CFO: 25.03 Mr. Samir Kazi, Executive Director - Legal*: 16.24 Mr. Vivek Dhariwal, Executive Director - Technical Operations**: 21.35 Non-Executive Directors <ul style="list-style-type: none"> Mr. R. A. Shah, Independent Director: 2.49 Mr. Pradip Shah, Independent Director: 2.61 Mr. Uday Khanna, Independent Director: 2.53 Mr. Sunil Lalbhai, Independent Director: 2.24 Ms. Meena Ganesh, Independent Director: 2.20
2.	Percentage increase in remuneration of each Executive Director, Chief Financial Officer (CFO), Chief Executive Officer (CEO) and Company Secretary (Salary of 2019-20 v/s Salary of 2018-19)	<ul style="list-style-type: none"> Mr. S. Sridhar, Managing Director (CEO): 13.45% Mr. Milind Patil, Executive Director - Finance and CFO: (6.26%) Mr. Samir Kazi, Executive Director - Legal *: Not Applicable Mr. Vivek Dhariwal, Executive Director - Technical Operations** : 12.52% Mr. Prajeet Nair, Company Secretary : 12.17%
3.	Percentage increase in the median remuneration of employees in the financial year (2019-20 v/s 2018-19)	7.03%
4.	Number of Permanent Employees as on March 31, 2020 on the rolls of the Company.	2,489
5.	Average percentage increase made in the salaries of employees other than the managerial personnel in last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Managerial Personnel: 0.63% Others: 5.14%
	Justification for variation in the average percentile increase between Non Managerial employees and Managerial employees	Average percentage calculated based on comparison between sum of remuneration paid to all managerial personnel in 2018-19 vs. 2019-20. Adjusting for changes in managerial personnel during the comparison period the average percentage increase would be 7.27%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the Nomination and Remuneration Policy of the Company

* Mr. Samir Kazi was appointed as an Executive Director - Legal effective February 14, 2020. The ratio of his remuneration is arrived at based on his annualized remuneration.

** Mr. Vivek Dhariwal ceased to be the Executive Director - Technical Operations of the Company effective February 14, 2020.

For and on behalf of the Board of Directors

R. A. Shah
Chairman
DIN: 00009851

Mumbai, June 15, 2020

ANNEXURE - F

Form No. MR-3 Secretarial Audit Report for the Financial Year ended 31st March 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
PFIZER LIMITED
 CIN: L2431MH1950PLC008311
 The Capital, 1802 / 1901,
 Plot No. C-70, G Block,
 Bandra Kurla Complex,
 Bandra (East), Maharashtra,
 Mumbai – 400051.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pfizer Limited** (L2431MH1950PLC008311) (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment; the Company has neither made any Overseas Direct Investment (ODI) nor accepted any External Commercial Borrowings (ECB), hence ODI and ECB Guidelines are not applicable to the Company.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the rules framed thereunder.

The Company has further complied with below mentioned laws, which are specifically applicable to the Company as it is in the business of drugs and pharmaceuticals:

- i. Drugs and Cosmetics Act, 1940
- ii. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- iii. Drugs (Prices Control) Order, 2013
- iv. Narcotic Drugs and Psychotropic Substances Act, 1985
- v. Pharmacy Act, 1948

Following laws were not applicable to the Company during the Audit period:

- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- ii. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- iii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

We have also examined compliance with respect to the Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc as mentioned above.

We further report that:

- The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions were carried through unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificates issued by the Executive Director - Legal and the Company Secretary which were taken on record by the Board of Directors at their meetings, we are of the opinion that the management has adequate systems and processes, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events/ actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

Saraf and Associates
(Practising Company Secretaries)

Place: Mumbai
Date: June 15, 2020
FRN : S1988MH004801
UDIN : F001596B000344609

K. G. Saraf
Proprietor
FCS 1596 : CP 642

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

To, 'ANNEXURE 1'

The Members,
PFIZER LIMITED
 CIN: L2431MH1950PLC008311
 The Capital, 1802 / 1901,
 Plot No. C-70, G Block,
 Bandra Kurla Complex,
 Bandra (East), Maharashtra,
 Mumbai – 400051.

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Saraf and Associates
 (Practising Company Secretaries)

Place: Mumbai
 Date: June 15, 2020
 UDIN: F001596B000344609

K. G. Saraf
 Proprietor
 FCS 1596 : CP 642

Annexure-G

FORM MGT - 9 - EXTRACT OF ANNUAL RETURN

EXTRACT OF ANNUAL RETURN (AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020) FORM MGT - 9

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i. CIN	L24231MH1950PLC008311
ii. Registration Date	November 21, 1950
iii. Name of the Company	Pfizer Limited
iv. Category Sub-Category of the Company	Company limited by Shares Non Government Company
v. Address of the Registered office and contact details	The Capital, 1802/1901 Plot No. C-70, G Block, Bandra Kurla Complex Bandra East Mumbai – 400 051 Tel: +91 22 6693 2000 Fax: +91 22 2654 0274 Email: contactus.india@pfizer.com Website: www.pfizerindia.com
vi. Whether listed Company	Yes
viii. Name Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited UNIT: PFIZER LIMITED Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032. Tel: +91 40 6716 2222 Fax: +91 40 2300 1153 Toll Free No: 1-800-3454-001 E-mail ID: einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

All business activities contributing 10% or more of the total turnover of the Company are as given below:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product	% to total turnover of the Company
1	Pharmaceutical	21002	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Pfizer East India B. V. Rivium Westlaan 142 2909 LD Capelle aan den IJssel Netherlands	N.A.	Promoter	39.75	2(69)
2.	Wyeth LLC 1209 Orange Street Wilmington Delaware USA 19801	N.A.	Promoter	12.28	2(69)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
3.	Wyeth Holdings Corporation 128 State Street #3 Augusta ME 04330 United States	N.A.	Promoter	3.56	2(69)
4.	Warner-Lambert Company LLC 1209 Orange Street Wilmington Delaware USA 19801	N.A.	Promoter	2.60	2(69)
5.	Parke, Davis & Company LLC 30600 Telegraph Road, Suite 2345 Bingham Farms Michigan 48025 USA	N.A.	Promoter	2.09	2(69)
6.	John Wyeth & Brother Limited Ramsgate Road Sandwich, Kent CT13 9NJ United Kingdom	N.A.	Promoter	1.93	2(69)
7.	Pharmacia Corporation 1209 Orange Street Wilmington Delaware USA 19801	N.A.	Promoter	1.71	2(69)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	0	0	0	0	0	0	0	0	0
b. Central Government	0	0	0	0	0	0	0	0	0
c. State Government(s)	0	0	0	0	0	0	0	0	0
d. Bodies Corporate	0	0	0	0	0	0	0	0	0
e. Banks/FI	0	0	0	0	0	0	0	0	0
f. Any other									
Sub-Total (A) (1)	0	0	0	0	0	0	0	0	0
(2) Foreign									
a. NRIs - Individuals	0	0	0	0	0	0	0	0	0
b. Other Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporate	29243042	0	29243042	63.92	29243042	0	29243042	63.92	0
d. Banks/FI	0	0	0	0	0	0	0	0	0
e. Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	29243042	0	29243042	63.92	29243042	0	29243042	63.92	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	3957400	550	3957950	8.65	4274103	500	4274603	9.34	8.00
b. Banks/FI	223375	1745	225120	0.49	338287	1447	339734	0.74	50.91
c. Central Government	0	0	0	0	0	0	0	0	0
d. State Government	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	1172592	0	1172592	2.56	1048652	0	1048652	2.29	(10.57)
g. FIIs/FPI	1920734	11	1920745	4.20	1689890	11	1689901	3.69	(12.02)
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Alternative Investment Fund	125918	0	125918	0.28	124895	0	124895	0.27	(0.81)
j. Qualified Institutional Buyer	0	0	0	0	794857	0	794857	1.74	N.A.
Sub-Total (B)(1)	7400019	2306	7402325	16.18	8270684	1958	8272642	18.08	0.12
2. Non Institutions									
a. Bodies Corporate									
i. Indian	2229746	7705	2237451	4.89	1344415	7258	1351673	2.95	(39.59)
ii. Overseas	0	310	310	0	0	310	310	0	0.00
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹1 Lakh	5195842	647061	5842903	12.77	5182986	565626	5748612	12.57	(1.61)
ii. Individual shareholders holding nominal share capital in excess of ₹1 Lakh	474422	0	474422	1.04	473208	0	473208	1.03	(0.26)
c. Others (Specify)									
i. Directors and Relatives	6017	0	6017	0.01	6017	0	6017	0.01	0
ii. Trusts	2032	88	2120	0.01	1641	88	1729	0.00	(18.44)
iii. NBFCs	1571	0	1571	0.00	1294	0	1294	0.00	(17.63)
iv. Non-resident Indians	215393	2754	218147	0.48	190172	2605	192777	0.42	(11.63)
v. Clearing Members	16205	2	16207	0.04	135549	2	135551	0.30	736.37
vi. MCA IEPF Account	303217	0	303217	0.66	320877	0	320877	0.70	5.82
Sub-Total (B)(2)	8444445	657920	9102365	19.90	7656159	575889	8232048	17.99	(9.56)
Total Public Shareholding (B)=(B)(1)+(B)(2)	15844464	660226	16504690	36.08	15926843	577847	16504690	36.08	0.00
C. Shares held by the Custodian, against which depository receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	45087506	660226	45747732	100	45169885	577847	45747732	100	0

ii) Shareholding of Promoters

Sr. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shareholders	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shareholders	
1	Pfizer East India B. V.	18186334	39.75	0	18186334	39.75	0	0
2	Wyeth LLC	5617707	12.28	0	5617707	12.28	0	0
3	Wyeth Holdings Corporation	1630164	3.56	0	1630164	3.56	0	0
4	Warner-Lambert Company LLC	1187163	2.60	0	1187163	2.60	0	0
5	Parke, Davis & Company LLC	955733	2.09	0	955733	2.09	0	0
6	John Wyeth & Brother Limited	882000	1.93	0	882000	1.93	0	0
7	Pharmacia Corporation	783941	1.71	0	783941	1.71	0	0
	Total	29243042	63.92	0	29243042	63.92	0	0

The term “encumbrance” has the same meaning as assigned to it in Regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

iii) Change in Promoters’ Shareholding

Sr. No	Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	Pfizer East India B. V.	At the beginning of the year	18186334	39.75	18186334	39.75
		At the end of the year	18186334	39.75	18186334	39.75
2	Wyeth LLC	At the beginning of the year	5617707	12.28	5617707	12.28
		At the end of the year	5617707	12.28	5617707	12.28
3	Wyeth Holdings Corporation	At the beginning of the year	1630164	3.56	1630164	3.56
		At the end of the year	1630164	3.56	1630164	3.56
4	Warner-Lambert Company LLC	At the beginning of the year	1187163	2.60	1187163	2.60
		At the end of the year	1187163	2.60	1187163	2.60
5	Parke, Davis & Company LLC	At the beginning of the year	955733	2.09	955733	2.09
		At the end of the year	955733	2.09	955733	2.09
6	John Wyeth & Brother Limited	At the beginning of the year	882000	1.93	882000	1.93
		At the end of the year	882000	1.93	882000	1.93
7	Pharmacia Corporation	At the beginning of the year	783941	1.71	783941	1.71
		At the end of the year	783941	1.71	783941	1.71
	Total		29243042	63.92	29243042	63.92

None of the promoter shareholders have made any transactions with respect to the shares of the Company during the financial year ended March 31, 2020.

iv) Shareholding pattern of top ten Shareholders* (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name of the Shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED ACCOUNT AND SCHEMES				
	Opening Balance	3328867	7.28	3328867	7.28
	Shares bought during the period 01/04/2019 to 31/03/2020	345627	0.76	3674494	8.03
	Shares sold during the period 01/04/2019 to 31/03/2020	439397	0.96	3235097	7.07
	Closing Balance	3235097	7.07	3235097	7.07
2	LIFE INSURANCE CORPORATION OF INDIA				
	Opening Balance	1061147	2.32	1061147	2.32
	Shares bought during the period 01/04/2019 to 31/03/2020	246759	0.54	1307906	2.86
	Shares sold during the period 01/04/2019 to 31/03/2020	142824	0.31	1165082	2.55
	Closing Balance	1165082	2.55	1165082	2.55
3	ATUL LIMITED				
	Opening Balance	958927	2.10	958927	2.10
	Shares bought during the period 01/04/2019 to 31/03/2020	0	0.00	958927	2.10
	Shares sold during the period 01/04/2019 to 31/03/2020	0	0.00	958927	2.10
	Closing Balance	958927	2.10	958927	2.10
4	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.				
	Opening Balance	855809	1.87	855809	1.87
	Shares bought during the period 01/04/2019 to 31/03/2020	98011	0.21	953820	2.08
	Shares sold during the period 01/04/2019 to 31/03/2020	270397	0.59	683423	1.49
	Closing Balance	683423	1.49	683423	1.49
5	L AND T MUTUAL FUND AND SCHEMES				
	Opening Balance	5000	0.01	5000	0.01
	Shares bought during the period 01/04/2019 to 31/03/2020	364605	0.80	369605	0.81
	Shares sold during the period 01/04/2019 to 31/03/2020	0	0.00	369605	0.81
	Closing Balance	369605	0.81	369605	0.81
6	SBI MUTUAL FUND AND SCHEMES				
	Opening Balance	277508	0.61	277508	0.61
	Shares bought during the period 01/04/2019 to 31/03/2020	90190	0.20	367698	0.80
	Shares sold during the period 01/04/2019 to 31/03/2020	190	0.00	367508	0.80
	Closing Balance	367508	0.80	367508	0.80

Sr. No	Name of the Shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
7	PARI WASHINGTON INDIA MASTER FUND LIMITED				
	Opening Balance	291402	0.64	291402	0.64
	Shares bought during the period 01/04/2019 to 31/03/2020	0	0.00	291402	0.64
	Shares sold during the period 01/04/2019 to 31/03/2020	17910	0.04	273492	0.60
	Closing Balance	273492	0.60	273492	0.60
8	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND				
	Opening Balance	164987	0.36	164987	0.36
	Shares bought during the period 01/04/2019 to 31/03/2020	47442	0.10	212429	0.46
	Shares sold during the period 01/04/2019 to 31/03/2020	4393	0.01	208036	0.45
	Closing Balance	208036	0.45	208036	0.45
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND				
	Opening Balance	159182	0.35	159182	0.35
	Shares bought during the period 01/04/2019 to 31/03/2020	789	0.00	159971	0.35
	Shares sold during the period 01/04/2019 to 31/03/2020	1405	0.00	158566	0.35
	Closing Balance	158566	0.35	158566	0.35
10	TATA MUTUAL FUND AND SCHEMES				
	Opening Balance	0	0	0	0
	Shares bought during the period 01/04/2019 to 31/03/2020	135500	0.30	135500	0.30
	Shares sold during the period 01/04/2019 to 31/03/2020	0	0	0	0
	Closing Balance	135500	0.30	135500	0.30

* The list of top 10 shareholders are as on March 31, 2020

V. Shareholding of Directors and Key Managerial Personnel (KMP):

Sr. No	Name of the Director	Shareholding at the Beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. R. A. Shah – Chairman				
	At the beginning of the year	3540	0.01	3540	0.01
	At the end of the year	3540	0.01	3540	0.01
2	Mr. Pradip Shah – Independent Director				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
3	Mr. Uday Khanna – Independent Director				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

Sr. No	Name of the Director	Shareholding at the Beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr. Sunil Lalbhai – Independent Director				
	At the beginning of the year	2477	0.01	2477	0.01
	At the end of the year	2477	0.01	2477	0.01
5	Ms. Meena Ganesh – Independent Director				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6	Mr. S. Sridhar – Managing Director				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	Mr. Milind Patil – Executive Director & Chief Financial Officer				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8	Mr. Samir Kazi – Executive Director [#]				
	As on February 14, 2020	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
9	Mr. Vivek Dhariwal – Executive Director [*]				
	At the beginning of the year	0	0.00	0	0.00
	As on February 14, 2020	0	0.00	0	0.00
10	Mr. Prajeet Nair – Company Secretary (KMP)				
	At the beginning of the year	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00

[#] Mr. Samir Kazi was appointed an Executive Director – Legal of the Company effective February 14, 2020

^{*} Mr. Vivek Dhariwal ceased to be the Executive Director – Technical Operations of the Company effective February 14, 2020.

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

The Company has not availed any loan during the year and is a debt-free company.

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and Chief Financial Officer

Sr. No.	Particulars of Remuneration	Name of MD/WTD/KMP				Total Amount (₹)
		Mr. S. Sridhar	Mr. Milind Patil	Mr. Samir Kazi (w.e.f. February 14, 2020)	Mr. Vivek Dhariwal**	
		CEO and MD	WTD and CFO	WTD	WTD	
1	Gross Salary					
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,63,70,625	2,10,44,736	14,54,479	1,56,50,900	7,45,20,740
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	46,89,972	-	1,19,641	18,78,514	66,88,127
c)	Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option*	-	-	-	13,32,650	13,32,650
3	Sweat Equity	-	-	-	-	-
4	Commission					
	• As % of profit	-	-	-	-	-
	• Others, specify	-	-	-	-	-
5	Other please specify	-	-	-	-	-
	Total	4,10,60,597	2,10,44,736	15,74,120	1,88,62,064	8,25,41,517
	Ceiling as per the Act	32,91,50,350	32,91,50,350	32,91,50,350	32,91,50,350	65,83,00,700

* Consists of Stock Options / Restricted Stock Units granted by the Parent Company, Pfizer Inc. USA

** Mr. Vivek Dhariwal ceased to be the Executive Director – Technical Operations of the Company effective February 14, 2020.

Mr. Samir Kazi was appointed an Executive Director – Legal effective February 14, 2020

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹)
		Mr. R. A. Shah	Mr. Pradip Shah	Mr. Uday Khanna	Mr. Sunil Lalbhai	Ms. Meena Ganesh	
1.	Independent Directors						
	• Fee for attending board / committee meetings	4,90,000	5,80,000	5,20,000	2,90,000	2,60,000	
	• Commission	15,00,000	15,00,000	15,00,000	15,00,000	15,00,000	
	• Others, please specify	-	-	-	-	-	
	Total Managerial Remuneration	19,90,000	20,80,000	20,20,000	17,90,000	17,60,000	96,40,000
	Overall Ceiling as per the Act			6,58,30,070			
2.	Other Non-Executive Directors						
	• Fee for attending board / committee meetings		N.A.				N.A.
	• Commission		N.A.				N.A.
	• Others, please specify		N.A.				N.A.
	Total Managerial Remuneration		N.A.				N.A.
	Overall Ceiling as per the Act		N.A.				N.A.

C. Remuneration to Key Managerial Personnel - Company Secretary

Sr No.	Particulars of Remuneration	Mr. Prajeet Nair CS - Company Secretary
1	Gross Salary	
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	48,66,158
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,50,439
c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	• As % of profit	-
	• Others, specify	-
5	Other please specify	-
	Total	52,16,597

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no instances of any penalties / punishment / compounding of offences for the year ended March 31, 2020.

For and on behalf of the Board of Directors

R.A. Shah
Chairman
DIN: 00009851

Mumbai, June 15, 2020

Annexure-H

Corporate Governance Report

I. PFIZER'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance at Pfizer is not just adherence to mandatory rules and guidelines. It lies in observing the spirit behind the letter. 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 the Core Values of Pfizer in our day-to-day decision-making which reflects 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 premier, innovative bio-pharmaceutical Company. This approach has helped the Company earn the trust of all its stakeholders over its long history.

II. BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Company is fully compliant with the Corporate Governance norms in respect of constitution of the Board of Directors ("Board"). The Board at Pfizer represents an optimum mix of professionalism, knowledge, gender and experience. Presently, the Board comprises of 5 Non-Executive Independent Directors including one Woman Director and 3 Executive Directors. Mr. R. A. Shah, Mr. Pradip Shah, Mr. Uday Khanna, Mr. Sunil Lalbhai and Ms. Meena Ganesh (Woman Director) are Non-Executive Independent Directors on the Board. Mr. S. Sridhar, Mr. Milind Patil and Mr. Samir Kazi are Executive Directors on the Board. The Chairman of the Board is a Non-Executive Independent Director. None of the Director is related to other Directors.

Based on the disclosures received from Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

The Company has also obtained certificate from Practicing Company Secretaries, Saraf & Associates, confirming that none of the Directors on Board are debarred or disqualified from being appointed or continuing as Director of the Company by SEBI / Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as Annexure 1 to this Corporate Governance Report.

Given below are the key skills / expertise / competence identified by the Board of Directors which are required by them in the context of the business and sector of the Company to function effectively and available with them:

Skills / Expertise / Competence	Description
Business Leadership & Operations	Deep knowledge of the Pharmaceutical Industry to provide important insights and perspectives to the Board on the Company's commercial, strategic, manufacturing, legal and other functions. Leadership experience resulting in a practical understanding of the Company's processes, develop talent, succession planning and driving the long term growth strategy of the Company.
Risk Management & Governance	In depth knowledge and understanding of business risks to provide insights and perspective to the Board on Enterprise risk. Develop highest levels of governance practices, provide insights about maintaining Board and management accountability and to protect stakeholders interest.
Finance & Accounting	Provide financial expertise to the Board, including an understanding and analysis financial statements, corporate finance, accounting and Capital markets.
Business Expertise	In depth understanding of the pharmaceutical operating and business environment, market access and healthcare solutions. Respond to change with agility, optimism and innovation. Sound knowledge of Business Technology, Digital Marketing, Strategic Development, Public Affairs, etc.

(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 120 days. The Board is apprised and informed of all the important information relating to the business of the Company including those listed in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). 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.

Four Board Meetings were held during the financial year under review. These Meetings were held on May 28, 2019, August 9, 2019, October 26, 2019 and February 14, 2020,

The details of composition of the Board, number of Board Meetings held, 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 March 31, 2020, 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	Skills/Expertise/Competence
Mr. R. A. Shah (Chairman)	NED (I)	4	4	Yes	7	5/3	Business Leadership & Operations and Risk Management & Governance
Mr. S. Sridhar	MD	4	4	Yes	Nil	1/Nil	Business Leadership & Operations, Risk Management & Governance, Finance & Accounting and Business Expertise
Mr. Pradip Shah	NED (I)	4	4	Yes	9	7/3	Business Leadership & Operations, Risk Management & Governance, Finance & Accounting
Mr. Uday Khanna	NED (I)	4	4	Yes	4	5/2	Business Leadership & Operations, Risk Management & Governance, Finance & Accounting
Mr. Sunil Lalbhai	NED (I)	4	4	Yes	5	4/1	Business Leadership & Operations, Risk Management & Governance and Business Expertise
Ms. Meena Ganesh	NED (I)	4	4	Yes	2	Nil/Nil	Business Leadership & Operations and Business Expertise
Mr. Milind Patil	WTD	4	4	Yes	Nil	Nil/Nil	Business Leadership & Operations, Risk Management & Governance, Finance & Accounting and Business Expertise
Mr. Samir Kazi (Executive Director (w.e.f February 14, 2020)	WTD	1	1	N.A.	Nil	1/Nil.	Business Leadership & Operations and Risk Management & Governance
Mr. Vivek Dhariwal (Executive Director upto February 14, 2020)	WTD	4	4	Yes	N.A.	N.A.	Business Leadership & Operations, Risk Management & Governance and Business Expertise

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

Memberships of Directors in other listed entities:

Sr. No.	Name of the Director	Names of the Listed Entity	Category of Directorship in the respective listed entity
1	Mr. R. A. Shah	Procter & Gamble Hygiene and Healthcare Limited	Non-Executive Independent Director
		BASF India Limited	Non-Executive Independent Director
		Godfrey Philips India Limited	Non-Executive Director
		Lupin Limited	Non-Executive Independent Director
		Atul Limited	Non-Executive Director
		Colgate-Palmolive India Limited (Retired w.e.f April 1, 2020)	Non-Executive Independent Director
2	Mr. Pradip Shah	BASF India Limited	Non-Executive Independent Director
		Bajaj Auto Limited	Non-Executive Independent Director
		Bajaj Holdings & Investment Limited	Non-Executive Independent Director
		Kansai Nerolac Paints Limited	Non-Executive Independent Director
		KSB Limited	Non-Executive Independent Director
		Sonata Software Limited	Non-Executive Independent Director
3	Mr. Uday Khanna	Castrol India Limited	Non-Executive Independent Director
		Kotak Mahindra Bank Limited	Non-Executive Independent Director
		Pidilite Industries Limited	Non-Executive Independent Director
4	Mr. Sunil Lalbhai	Amal Limited	Executive Director
		Atul Limited	Executive Director
		The Bombay Dyeing & Manufacturing Company Limited	Non-Executive Independent Director
		Navin Fluorine International Limited	Non-Executive Independent Director
5	Ms. Meena Ganesh	Procter & Gamble Hygiene and Healthcare Limited	Non-Executive Independent Director

• Mr. S. Sridhar, Mr. Milind Patil and Mr. Samir Kazi does not hold directorship in any other listed entity.

Notes:

- Number of Directorships / Memberships held in other companies excludes Directorships/Memberships in private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013 ("Act"), membership of managing committees of chambers / bodies and alternate directorships.
- None of the Independent Directors serve as an Independent Director in more than 7 listed companies. Mr. Sunil Lalbhai who is the Managing Director of Atul Limited does not hold Independent Directorship in more than 3 listed companies.
- The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors are Members of more than 10 Committees and Chairman of more than 5 Committees across all public limited companies in which they are a Director. Number of Chairmanships / Membership of Committees covers Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee. The number of Membership of Committees includes Chairmanships also, if any.

six Committees viz., Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee and Board Administrative & Share Transfer 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, Mr. Uday Khanna and Mr. S. Sridhar as its Members.

Mr. Pradip Shah, Mr. Uday Khanna and Mr. S. Sridhar are Chartered Accountants by profession. Mr. R. A. Shah is a Solicitor by profession. All the members of the Audit Committee are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations. Mr. Prajeet Nair, Company Secretary, acts as the Secretary to the Committee.

Four Audit Committee Meetings were held during the financial year under review and the gap between two Meetings did not exceed 120 days. These Meetings were held on May 28, 2019, August 9, 2019, October 26, 2019 and February 14, 2020.

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

Name	Category*	Number of Meetings held	Number of Meetings Attended
Mr. R. A. Shah (Chairman)	NED(I)	4	4
Mr. Pradip Shah	NED(I)	4	4
Mr. Uday Khanna	NED(I)	4	4
Mr. S. Sridhar	MD	4	4

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

The terms of reference of the Audit Committee includes the matters specified under Part C of Schedule II to the Listing Regulations as well as Section 177 of the Companies Act, 2013. The Chief Financial Officer, Internal Auditor and Statutory Auditors are permanent invitees to the Meeting. The Chairman of the Audit Committee was present at the 68th Annual General Meeting held on August 9, 2019. The Minutes of the Audit Committee Meetings were noted at the Board Meetings.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Presently, the Stakeholders' Relationship Committee comprises of Mr. Uday Khanna as its Chairman, Mr. Sunil Lalbhai and Mr. Samir Kazi as its Members. Mr. Prajeet Nair, Company Secretary, acts as the Secretary to the Committee and as the Compliance Officer. The details of the composition of the Stakeholders' Relationship Committee and the attendance of the Members at the Meeting held on February 14, 2020 are as under:

Name	Designation	Category*	Attendance at the Meeting held on February 14, 2020
Mr. Uday Khanna (Chairman)	Chairman	NED(I)	Yes
Mr. Sunil Lalbhai	Member	NED(I)	Yes
Mr. Vivek Dhariwal (up to February 14, 2020)	Member	WTD	Yes
Mr. Samir Kazi (w.e.f February 14, 2020)	Member	WTD	NA

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

The terms of reference of the Stakeholders' Relationship Committee covers the matters specified under Part D of Schedule II to the Listing Regulations as well as under Section 178 of the Companies Act, 2013.

The Minutes of the Stakeholders' Relationship Committee Meeting were noted at the Board Meeting.

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

	As on April 1, 2019	Received during the financial year	Cleared/attended during the financial year	Pending as on March 31, 2020
Non-receipt of dividend warrants	Nil	48	48	Nil
Non-receipt of share certificates after transfer, deletion of name, transmission, transposition, consolidation of folios & share certificates, correction of name, etc.	Nil	7	7	Nil
Non-receipt of Annual Report	Nil	Nil	Nil	Nil
Letters from SEBI, Stock Exchanges and Ministry of Corporate Affairs	Nil	44	44	Nil
Total	Nil	99	99	Nil

During the financial year under review, 99 complaints were received and all of them have been redressed/answered to the satisfaction of the shareholders including the complaints pending at the beginning of the year. 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 Regulations and SEBI (Depositories and Participants) Regulations, 2018 as applicable.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Presently, the Corporate Social Responsibility Committee comprises of Mr. Pradip Shah as its Chairman, Mr. S. Sridhar, Mr. Milind Patil and Mr. Samir Kazi as its Members. Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the Committee. The Head of the Public Affairs/Corporate Affairs Division of the Company is an invitee to the Meeting.

Three Corporate Social Responsibility Committee meetings were held during the financial year under review. These Meetings were held on May 28, 2019, October 26, 2019 and February 14, 2020.

III. BOARD COMMITTEES

During the financial year under review, the Board had

The details of composition of the Corporate Social Responsibility Committee and attendance of the Members at the Corporate Social Responsibility Meetings are as under:

Name	Category*	Number of Meetings held	Number of Meetings attended
Mr. Pradip Shah (Chairman)	NED(I)	3	3
Mr. S. Sridhar	MD	3	3
Mr. Milind Patil	WTD	3	3
Mr. Vivek Dhariwal (up to February 14, 2020)	WTD	3	3
Mr. Samir Kazi (w.e.f February 14, 2020)	WTD	NA	NA

* MD - Managing Director, NED(I) – Non Executive Director, Independent, WTD- Whole Time Director

The terms of reference of the Corporate Social Responsibility Committee includes the matters specified in Section 135 of the Companies Act, 2013, Schedule VII to the Act and Rules made thereunder. The Minutes of the Corporate Social Responsibility Committee Meetings were noted at the Board Meetings.

Based on the recommendation of the Corporate Social Responsibility Committee, the Board of Directors have formulated and adopted a Policy on Corporate Social Responsibility. The same is displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com'. A Report on Corporate Social Responsibility activities carried out by the Company during the year under review and details thereof are given as Annexure - A to the Board's Report.

NOMINATION AND REMUNERATION COMMITTEE

Presently, the Nomination and Remuneration Committee comprises of Mr. Pradip Shah as Chairman, Mr. R. A. Shah and Mr. Uday Khanna (Non-Executive Independent Directors) as its Members. Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the Committee.

Two Nomination and Remuneration Committee meetings were held during the financial year under review. These Meetings were held on May 28, 2020 and February 14, 2020. The details of composition of the

Nomination and Remuneration Committee and the attendance of the Members at the Meetings are as under:

Name	Category*	Number of Meetings held	Number of Meetings attended
Mr. Pradip Shah (Chairman)	NED(I)	2	2
Mr. R. A. Shah	NED(I)	2	2
Mr. Uday Khanna	NED(I)	2	2

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

The Nomination and Remuneration Committee, inter alia, reviews and recommends to the Board, remuneration including the Bonus/ Performance Linked Incentive of Managing Director, Whole-time Directors, Key Managerial and Senior Management Personnel based on the performance parameters for the executives and the Company, subject to the limits approved by the Members and as permitted by law. The terms of reference of the Nomination and Remuneration Committee include the matters specified under Part D of Schedule II to the Listing Regulations as well as under Section 178 of the Companies Act, 2013.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have formulated and adopted Nomination and Remuneration Policy and the same is given as Annexure - B to the Board's Report. The Minutes of the Nomination and Remuneration Committee Meetings were noted at the Board Meetings.

RISK MANAGEMENT COMMITTEE

Presently the Risk Management Committee comprises of Mr. Sunil Lalbhai as Chairman, Ms. Meena Ganesh (Non-Executive Independent Directors), Mr. S. Sridhar, Mr. Milind Patil (Executive Directors) and Mr. Navin Singhania (Employee – Digital Client Partner India Lead), as its Members. Mr. Prajeet Nair, the Company Secretary, acts as the Secretary to the Committee.

One Risk Management Committee meeting was held during the financial year under review. This Meeting was held on October 26, 2019. The details of composition of

the Risk Management Committee and the attendance of the Members at the Meeting are as under:

Name	Category*	Number of Meetings held	Number of Meetings attended
Mr. Sunil Lalbhai (Chairman)	NED(I)	1	1
Ms. Meena Ganesh	NED(I)	1	1
Mr. S. Sridhar	MD	1	1
Mr. Milind Patil	WTD	1	1
Mr. Navin Singhania	EMP	1	0^

* NED (I) - Non-Executive Director, Independent, MD - Managing Director, WTD - Whole-time Director, EMP - Employee.

^ Leave of absence was granted

The Risk Management Committee is responsible for oversight on overall risk management processes of the Company and shall ensure that key strategic and business risks are identified and necessary steps are taken for mitigation / redressal of the said risks. The role and responsibility of the Risk Management Committee include the matters specified under Regulation 21 to the Listing Regulations.

The Minutes of the Risk Management Committee Meeting were noted at the Board Meeting.

BOARD ADMINISTRATIVE & SHARE TRANSFER COMMITTEE

Presently, the Board Administrative & Share Transfer Committee comprises of Mr. S. Sridhar, Managing Director,

(a) Executive Directors

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

Name	Salary	Benefits and Perquisites*	Performance Linked Incentives	(Amount in ₹)
				Total
Mr. S. Sridhar - Managing Director	2,78,88,684	47,74,979	83,96,934	4,10,60,597
Mr. Milind Patil	1,80,97,724	13,41,000	16,06,012	2,10,44,736
Mr. Vivek Dhariwal (up to February 14, 2020)	1,22,07,293	38,10,078	28,44,693	1,88,62,064
Mr. Samir Kazi (w.e.f February 14, 2020)	14,41,699	1,32,421	NA	15,74,120

*Benefits and Perquisites include stock options / restricted stock units granted by the Parent Company, Pfizer Inc. USA

(i) 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, Board Resolutions, Members Resolutions and service/ employment contracts. The Board Resolutions and Members Resolutions cover the terms and

Mr. Milind Patil, Whole-time Director and Mr. Samir Kazi, Whole-time Director. Mr. Prajeet Nair, Company Secretary, acts as the Secretary to the Committee. The details of composition of the Board Administrative & Share Transfer Committee and attendance of the Members thereat are as under:

Name	Category*	Number of Meetings held	Number of Meetings attended
Mr. S. Sridhar	MD	38	38
Mr. Milind Patil	WTD	38	38
Mr. Vivek Dhariwal (up to February 14, 2020)	WTD	36	36
Mr. Samir Kazi (w.e.f. February 14, 2020)	WTD	2	2

* MD - Managing Director, WTD - Whole-time Director.

The Board Administrative & Share Transfer Committee, inter alia, considers and approves operational and administrative matters and matters relating to share transfer, transmission, issue of duplicate shares, etc. The Committee meets on a regular basis to approve administrative actions and share transfer matters. The minutes of the Board Administrative & Share Transfer Committee Meetings were noted at the Board Meetings.

REMUNERATION TO DIRECTORS

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

conditions of such appointment read with the service rules of the Company. The service/ employment 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).

(ii) Employee Stock Option Scheme

The Company does not have any Employee Stock Option Scheme for its Directors and Employees. The Executive Directors and Senior Management Personnel are, however, eligible for the annual Long Term Incentive Compensation plan by way of Restricted Stock Units and Five Year Total Shareholder Return Units granted by the Parent Company, Pfizer Inc. USA.

(iii) Performance Linked Incentive criteria

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

(iv) Mr. S. Sridhar, Mr. Samir Kazi and Mr. Milind Patil do not hold any equity shares of the Company.

(b) Non-Executive Directors

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

Name	(₹in Lakhs)			
	Sitting Fees	Commission	Total	Number of shares held
Mr. R.A. Shah	4.90	15.00	19.90	3,540
Mr. Pradip Shah	5.80	15.00	20.80	Nil
Mr. Uday Khanna	5.20	15.00	20.20	Nil
Mr. Sunil Lalbhai	2.90	15.00	17.90	2,477
Ms. Meena Ganesh	2.60	15.00	17.60	Nil
Total	21.40	75.00	96.40	

(1) The Commission payable to the Resident Non-Executive Directors is decided by the Board of Directors of the Company within the limits stipulated by the Special Resolution passed at the

67th Annual General Meeting held on September 6, 2018. The amount of Commission payable to each of the Resident Non-Executive Director is decided by the Board on the basis of the enhanced 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 Limited 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 ₹44.93 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 Regulation 17 (8) of the Listing Regulations, 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 March 31, 2020, was placed before the Board of Directors at its Meeting held on June 15, 2020.

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

Four Special Resolutions were passed at the 68th Annual General Meeting held on August 9, 2019, which were as follows:

- i) Re-appointment of Mr. R. A. Shah (DIN: 00009851) as an Independent Director of the Company for a term of 5 years effective November 10, 2019.
- ii) Re-appointment of Mr. Pradip Shah (DIN: 00066242) as an Independent Director of the Company for a term of 5 years effective November 10, 2019
- iii) Re-appointment of Mr. Uday Khanna (DIN: 00079129) as an Independent Director of the Company for a term of 5 years effective November 10, 2019
- iv) Re-appointment of Mr. Sunil Lalbhai (DIN: 00045590) as an Independent Director of the Company for a term of 5 years effective February 14, 2020

A Special Resolution was passed at the 67th Annual General Meeting of the Company held on September 6, 2018, for continuation of the remaining term of Mr. R. A. Shah (DIN: 00009851) as an Independent Director upto November 9, 2019.

(c) Passing of Special Resolutions by Postal Ballot

During the year under review, there was no special resolution required to be passed through postal ballot.

None of the Resolutions proposed for the ensuing Annual General Meeting is required to be passed by Postal Ballot.

VI. OTHER 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 disclosed details of material transactions with related parties to the BSE Limited and the National Stock Exchange of India Limited along with the compliance report on corporate governance.

The Company has formulated and adopted a policy on dealing with related party transactions and same is displayed under the Investor Relations section

on the Company's website 'www.pfizerindia.com'. The weblink for the Policy is [https://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised % 20 Related % 20 Party % 20 Transaction % 20 Policy % 20 - % 20 Pfizer % 20 website.pdf](https://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised%20Related%20Party%20Transaction%20Policy%20-%20Pfizer%20website.pdf)

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 Indian Accounting Standard 24 are disclosed in Note 40 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 Regulations. The said transactions are in the ordinary course of business and at arm's length basis. The Company had taken omnibus approvals for indicative transactions proposed during the financial year ended March 31, 2020.

(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 December 30, 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. S. Sridhar, Managing Director to this effect forms part of this Report. The said Code is also displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com'.

(d) Whistle Blower / Vigil Mechanism

The Company has established a Whistle Blower / Vigil Mechanism through which its Directors, Employees and Stakeholders can report their genuine concerns

V. GENERAL BODY MEETINGS

(a) The details of the last 3 Annual General Meetings ('AGM') held

AGM	Financial Year	Date and Time	Venue of the AGM
68 th	2018-2019	August 9, 2019 at 3.00 p.m	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021
67 th	2017-2018	September 6, 2018 at 3.00 p.m.	Rama Watumull Auditorium, Kishinchand chellaram College, 124, Dinshaw Wachha Road, Churhcgate, Mumbai 400020.
66 th	2016-2017	August 30, 2017 at 3.00 p.m	Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021

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

about unethical behaviours, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said Mechanism provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors. No person has been denied access to the Audit Committee.

The e-mail ID for reporting genuine concerns is corporate.compliance@pfizer.com. In appropriate and exceptional cases, concerns may be raised directly to the Chairperson of the Audit Committee at: Chairman.IndiaAuditcom@pfizer.com

(e) Risk Management framework

The Company has in place a mechanism to inform the Risk Management Committee and 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. The Company has formulated and adopted Risk Management Policy to prescribe risk assessment, management, reporting and disclosure requirements of the Company.

(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/team-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 Indian Accounting Standards

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy in use.

(h) Board Diversity

The Company recognizes that a Board composed of appropriately qualified members with a broad range of experience relevant to the business is important for effective corporate governance and sustained commercial success. The Company believes that it has a truly diverse Board which leverages on the skills and knowledge, industry or related professional experience, age and gender, which helps the Company to retain our competitive advantage. The Board has

adopted the Board Diversity Policy to recognize the benefits of a diverse Board and to further enhance the quality of participation and performance.

(i) Familiarization Program for Independent Directors

The Company has in place a Familiarization Program for Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company's success. The Executive Directors / Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The Company also circulates news and articles related to the industry and provides specific regulatory updates to the Independent Directors on a regular basis. The Company has devised and adopted a policy on Familiarization Program for Independent Directors and has uploaded the same on the Company's website 'www.pfizerindia.com'. The weblink for the Policy and details of the Familiarization Programmes imparted to the Independent Directors during the financial year under review is [https://www.pfizerindia.com/eNewsWebsite/investor/pdf/Familiarization % 20 program % 20for % 20IDs % 20- % 20Pfizer.pdf](https://www.pfizerindia.com/eNewsWebsite/investor/pdf/Familiarization%20program%20for%20IDs%20-%20Pfizer.pdf)

(j) Performance Evaluation Criteria for Independent Directors

The Company has devised a performance evaluation framework and policy, which sets a mechanism for the evaluation of the Independent Directors. Performance evaluation of the Independent Directors was carried out through an evaluation program in terms of the aforesaid performance evaluation framework and policy.

(k) Transfer of shares to Ministry of Corporate Affairs INVESTOR EDUCATION AND PROTECTION FUND ('IEPF') Account

The details in respect of the transfer of shares to the MCA's IEPF Account pursuant to Section 124 of the Companies Act, 2013 and ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 and other applicable provisions of the Act, if any, are provided in Note No. 6 to the Notice of the 69th Annual General Meeting of the Company.

(l) Transfer of shares to Unclaimed Suspense Account

The details in respect of the shares held by the Company in its unclaimed suspense account are provided in Note No. 8 to the Notice of the 69th Annual General Meeting of the Company.

(m) Dividend Distribution Policy

In terms of the provisions of Regulation 43A of the SEBI Listing Regulations, the dividend distribution policy for determining the parameters and factors to be considered for declaration of dividend is available on the website of the Company at 'www.pfizerindia.com' under Investor Relations section under Policies and Procedures Tab.

(n) Policy on criteria for determining materiality of events

In terms of the Regulation 30 of the SEBI Listing Regulations, the policy on criteria for determining materiality of events and ensuring timely and accurate dissemination of the material event/information to the Stock Exchanges is available on the website of the Company at 'www.pfizerindia.com' under Investor Relations section under Policies and Procedures Tab.

(o) Code of conduct for dealing in Company's securities

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has framed a Code of Conduct for the designated persons for dealing in the securities of the Company.

(p) Code of practices and procedures for fair disclosure of unpublished price sensitive information

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereof, your Company has framed code of practices and procedures for fair disclosure of unpublished price sensitive information. The same is available on the website of the Company at 'www.pfizerindia.com' under Investor Relations section under Policies and Procedures Tab.

(q) Archival Policy for website content

In terms of the Regulation 30 of the SEBI Listing Regulations, the Company has formulated a policy on maintaining and preserving timely and accurate records uploaded on the website of the Company. The same is available on the website of the Company at 'www.pfizerindia.com' under Investor Relations section under Policies and Procedures Tab.

(r) Disclosures in the relation to the Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2019-20	Nil
Number of complaints disposed of during the financial year 2019-20	2
Number of complaints pending as on end of the financial year 2019-20	Nil

(s) Mandatory Requirements

The Company is fully compliant with all the mandatory requirements stipulated under the provisions of the Listing Regulations, as amended from time to time. The adoption of non-mandatory requirements is provided in this Report.

(t) The Company does not deal in commodity(ies) and hence disclosure relating to commodity price risks and commodity hedging activities does not apply to the Company.

(u) The Company has not raised any funds through preferential allotment or Qualified Institutional Placement for the financial year ended March 31, 2020.

(v) The Company has paid ₹ 85.00 lakhs as total fees for all services provided by M/s. Walker Chandiok & Co. LLP, Statutory Auditors of the Company for the financial year under review.

(w) There has been no instance of any Non- Compliance with the requirements of Corporate Governance Report under Sub para (2) to (10) of Part C of Schedule V to the Listing Regulations.

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 displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com' shortly after its submission to the Stock Exchanges. Further the Press Release issued by the Company are uploaded on the Company's website 'www.pfizerindia.com'.

Presentation to Institutional Investors / Analysts

No tele-conference was held with Institutional Investors / Analysts during the year under review. The official news releases are displayed under the Investor Relations section on the website of the Company.

VIII. GENERAL SHAREHOLDER INFORMATION

Date, Day, Time and Venue of the Annual General Meeting

Date : September 4, 2020

Day : Friday

Time : 3.00 p.m.

Venue : Through Video Conference / Other Audio Visual Means as set out in Notice convening the Annual General Meeting

Financial Year

The financial year of the Company is from 1st April to 31st March. Financial Calendar (Tentative)

First Quarter Results	July 27, 2020
Second Quarter Results	On or before November 14, 2020
Third Quarter Results	On or before February 14, 2021
Fourth Quarter and Annual Results	On or before May 29, 2021

Date of Book Closure

August 29, 2020 (Saturday) to September 4, 2020 (Friday) {both days inclusive}

Dividend Payment Date

The Board of Directors at their meeting held on April 27, 2020 declared an Interim (Special) Dividend of ₹320/- (3200%) per equity shares for the financial year ended March 31, 2020. The said Interim (Special) Dividend was paid electronically through bank transfer on May 19, 2020.

The Board of Directors at its meeting held on June 15, 2020 further recommended a final dividend of ₹10/- (100%) per equity share for the financial year ended March 31, 2020, as recommended by the Board of Directors of the Company, if approved at the Annual General Meeting, will be paid to the Members on or before September 30, 2020 as under:

- i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday August 28, 2020;
- ii. To all Members in respect of shares held in physical form as per the Register of Members as may be made

Address for Correspondence

All Shareholders' correspondence should be addressed to KFin Technologies Private Limited, the Registrar and Transfer Agent of the Company or to the Secretarial Department of the Company at the following addresses:

Registrar and Share Transfer Agent Address	Registered Office Address
KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) UNIT: PFIZER LIMITED Selenium Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032. Contact person: Mr. Premkumar Nair Tel: 040 6716 2222; Fax: 040 2300 1153 TOLL FREE NO.: 1-800-3454-001 E-mail ID: einward.ris@kfintech.com	Pfizer Limited The Capital, 1802/1901, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. Contact person: Mr. Prajeet Nair Tel: +91 22 6693 2000; Fax: +91 22 2654 0274 Email ID: prajeet.nair@pfizer.com; contactus.india@pfizer.com Website: www.pfizerindia.com L24231MH1950PLC008311

available by the Company's Registrar and Share Transfer Agent as of the close of business hours on Friday, August 28, 2020.

In terms of the MCA Circulars, kindly note that, in case the Company is unable to pay the final dividend by way of direct bank credit, due to non-availability of bank account details, the dividend warrants/demand drafts of such shareholders shall be dispatched upon normalization of postal services.

Listing on Stock Exchanges

The Company is listed on the following

BSE Limited	National Stock Exchange of India Limited
1st Floor, P. J. Towers, Exchange Plaza, 5th Floor, Dalal Street, Fort, Mumbai - 400 001.	Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

The annual listing fees have been paid and there is no outstanding payment towards the Stock Exchanges, as on date.

Stock Code

BSE Limited - 500680

The National Stock Exchange of India Limited - PFIZER EQ

International Securities Identification Number (ISIN)

The Company's scrip form part of the SEBI's Compulsory Demat Segment bearing ISIN 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.

Share Transfer System

The Board has authorized Board Administrative & Share Transfer Committee to approve / authorize matters relating to share transfers / transmission / issue of duplicate shares, etc. At each Board Meeting, the Directors are apprised of the details of transfer / transmission / issue of duplicate shares authorized by the Board Administrative & Share Transfer Committee. The Company's Registrars, KFin Technologies Private Limited 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 along with the requisite documents.

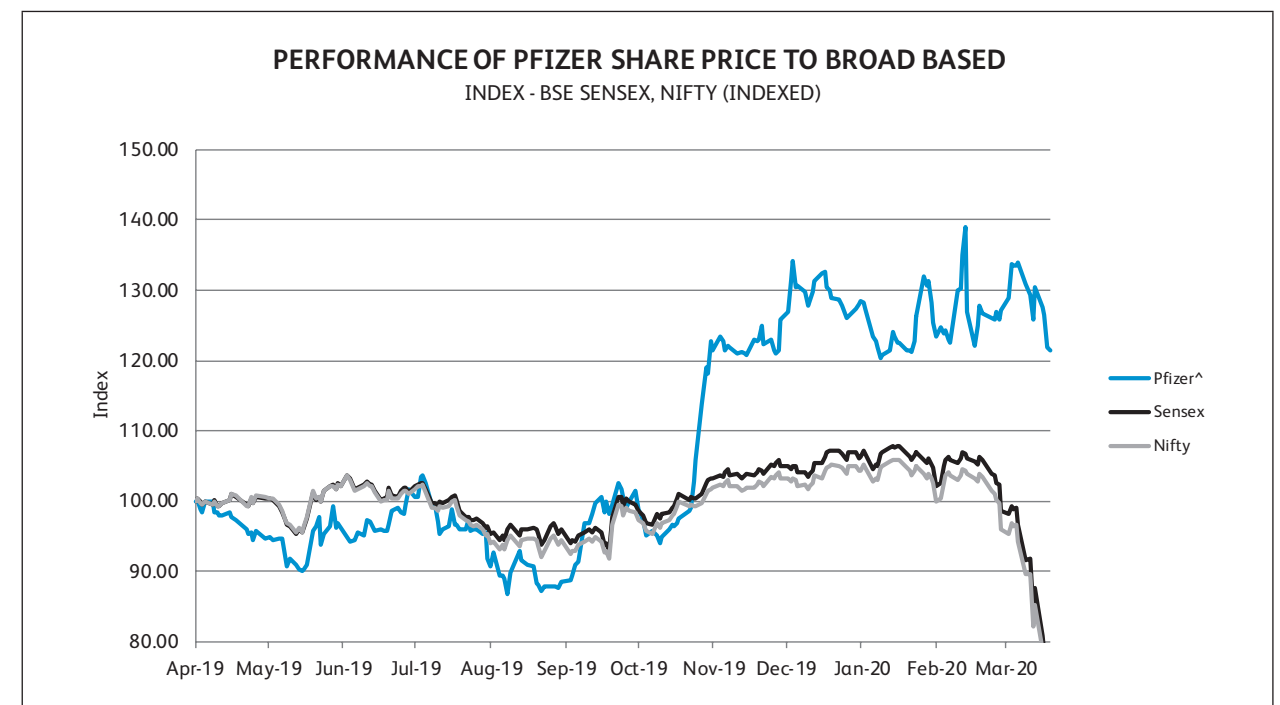
Dematerialization requests are processed within 21 days from the date of receipt, to give credit of the shares through the Depositories. In compliance with the Listing Agreement with the Stock Exchanges and the Listing Regulations, every six months, a Practicing Company Secretary audits the System of 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 and Year	BSE Limited		The National Stock of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2019	3335.40	3088.10	3342.05	3090.00
May 2019	3325.00	2948.75	3318.00	2950.00
June 2019	3389.25	3080.90	3388.00	3000.05
July 2019	3471.90	2995.10	3473.00	2995.00
August 2019	3097.70	2797.50	3095.65	2792.25
September 2019	3483.55	2907.00	3488.00	2905.05
October 2019	4134.00	3069.40	4137.90	3095.00
November 2019	4199.00	3955.45	4198.00	3952.00
December 2019	4498.00	4146.70	4499.00	4140.00
January 2020	4410.00	3930.30	4418.00	3945.25
February 2020	4649.40	4006.00	4629.85	4000.00
March 2020	4929.85	3588.15	4925.00	3461.00

* Source: BSE and NSE Websites.



^ Pfizer share price on BSE

DISTRIBUTION OF SHAREHOLDING

(a) Shareholding Pattern as on March 31, 2020:

Category of Shareholder	Number of Shares	Percentage of Shareholding
Promoters		
Pfizer East India B.V., Netherlands	18186334	39.75
Wyeth LLC, USA	5617707	12.28
Wyeth Holdings Corporation, USA	1630164	3.56
Warner-Lambert Company LLC, USA	1187163	2.60
Parke, Davis & Company LLC, USA	955733	2.09
John Wyeth & Brother Ltd, UK	882000	1.93
Pharmacia Corporation, USA	783941	1.71
Sub-Total	29243042	63.92
Non-Promoters		
Qualified Institutional Buyer	794857	1.74
Alternate Investment Fund	124895	0.27
Mutual Funds/UTI	4274603	9.34
Financial Institutions/Banks	339734	0.74
Insurance Companies	1048652	2.29
Foreign Institutional Investors	1689901	3.69
Bodies Corporate	1351673	2.96
Individuals	6221820	13.60
Directors & Relatives	6017	0.01
Trusts	1729	0.01
Foreign Bodies Corporate	310	0.00
Non-resident Indians	192777	0.42
Clearing Members	135551	0.30
NBFC	1294	0.01
MCA IEPF Account	320877	0.70
Sub-Total	16504690	36.08
Total	45747732	100.00

(b) Class-wise Distribution of Equity Shares as on March 31, 2020:

Number of Equity Share Holding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1-50	61181	71.16	1077228	2.36
51-100	10957	12.74	869285	1.90
101-500	12127	14.11	2400970	5.25
501-1000	996	1.16	710197	1.55
1001-5000	551	0.64	1074393	2.35
5001-10000	52	0.06	354016	0.77
10001 & Above	108	0.13	39261643	85.82
Total	85972	100.00	45747732	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. KFin Technologies Private Limited.

As on March 31, 2020, the number of shares held in dematerialized and physical mode are as under:

Number of Equity Share Holding	Number of Shares	Percentage to total capital issued	Number of Shareholders	Percentage to total number of shareholders
Held in dematerialized mode in NSDL	43831496	95.81	53356	62.06
Held in dematerialized mode in CDSL	1338389	2.93	22896	26.63
Sub-Total (dematerialized mode)	45169885	98.74	76252	88.69
Physical mode	577847	1.26	9720	11.31
Total	45747732	100.00	85972	100.00

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

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

Foreign exchange risk and hedging activities

The Company does not have any material foreign exchange exposure and is not involved into hedging activities.

Plant Location

- i. Plot No. L-137,
Phase III, Verna Industrial Estate,
Verna – 403 722, Goa
- ii. Thane Belapur Road*
KU Bazar Post
Navi Mumbai - 400 705

*During the financial year ended March 31, 2016, the Company had entered into an agreement for sale of Business Undertaking at the Thane plant.

Credit Rating

The Company has not obtained any credit rating for the financial year ended March 31, 2020.

As per Clause 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 on the website of the Company – ‘www.pfizerindia.com’.

IX. NON-MANDATORY REQUIREMENTS

The Board

The Chairman of the Board does not maintain a Chairman’s office at the Company’s expense.

Shareholders’ Rights

The half-yearly financial results are published in the newspapers as mentioned above and also they are displayed under the Investor Relations section on the Company’s website ‘www.pfizerindia.com’. Therefore, the results were not separately circulated to all shareholders.

Modified opinion(s) in Audit Report

The Company has its financial statements for the financial year ended March 31, 2020 with unqualified audit report.

Separate posts of Chairperson and Chief Executive Officer

Mr. R. A. Shah, Non-Executive Independent Director is the Chairman and Mr. S. Sridhar is the Managing Director and Chief Executive Officer of the Company.

Reporting of Internal Auditor

The Internal Auditor presents the Internal Audit and Remediation Status report on a quarterly basis to the Audit Committee and satisfactorily addresses the queries/clarifications sought by the Committee.

For and on behalf of the Board of Directors.

R. A. Shah
Chairman

Mumbai, June 15, 2020

DIN: 00009851

ANNEXURE 1
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members,
 PFIZER LIMITED
 CIN: L2431MH1950PLC008311
 The Capital, 1802 / 1901,
 Plot No. C-70, G Block,
 Bandra Kurla Complex,
 Bandra (East), Maharashtra,
 Mumbai – 400051.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PFIZER LIMITED** having CIN : L2431MH1950PLC008311 and having registered office at The Capital, 1802 / 1901, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Maharashtra, Mumbai – 400051 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	Mr. Rajendra Ambalal Shah	00009851	09/11/1965
2.	Mr. Sunil Siddharth Lalbhai	00045590	14/02/2015
3.	Mr. Pradip Panalal Shah	00066242	07/12/1999
4.	Mr. Uday Chander Khanna	00079129	21/05/2012
5.	Ms. Meena Ganesh	00528252	08/03/2019
6.	Mr. Sridhar Subramaniam	05162648	14/05/2013
7.	Mr. Milind Anil Patil	02546815	14/11/2018
8.	Mr. Samir Salauddin Kazi	07184083	14/02/2020

* the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Saraf and Associates
(Practising Company Secretaries)

Place : Mumbai
 Date : 15.06.2020
 FRN : S1988MH004801
 UDIN : F001596B000344653

K. G. Saraf
 Proprietor
 FCS 1596 : CP 642

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 March 31, 2020.

For Pfizer Limited

S. Sridhar
Managing Director
DIN: 05162648

Mumbai, June 15, 2020

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF PFIZER LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 16 September 2019.
2. We have examined the compliance of conditions of corporate governance by Pfizer Limited (the 'Company') for the year ended 31 March 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for

Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2020.

We 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.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Ashish Gupta
Partner
Place: New Delhi
Date: 15 June 2020
Membership No.: 504662
UDIN: 20504662AAAABU8368

Annexure-I

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Information
1.	Corporate Identity Number (CIN) of the Company	L24231MH1950PLC008311
2.	Name of the Company	Pfizer Limited
3.	Registered Address	The Capital, 1802 / 1901, Plot No. C – 70, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
4.	Website	www.pfizerindia.com
5.	E-mail id	contactus.india@pfizer.com
6.	Financial Year Reported	April 1, 2019 – March 31, 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceuticals – NIC Code – 21002
8.	List three key products/services that the Company manufactures/markets/provides:	<ol style="list-style-type: none"> 1. Prevenar 13 2. Becosules 3. Magnex
9.	Total number of locations where business activity is undertaken by the Company:	
	i. Number of International Locations	Nil
	ii. Number of National Locations	<ul style="list-style-type: none"> • The Company's manufacturing plant is located in Goa • Registered Office (Corporate Office) is located in Mumbai • Five regional offices located in New Delhi, Kolkata, Chennai, Hyderabad and Lucknow. • 24 distribution locations across the nation
10.	Markets served by the Company – Local/State/National/International	<ul style="list-style-type: none"> • PAN India • The Company also exports certain products to the following international locations: <ol style="list-style-type: none"> 1. Sri Lanka 2. Nepal 3. Bangladesh

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Information
1.	Paid up Capital	₹45.75 Crore as on March 31, 2020
2.	Total Turnover (Sale of products)	₹2,096.32 Crore for the year ended March 31, 2020
3.	Total profit after taxes	₹509.13 Crore for the year ended March 31, 2020
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹7.54 Crore (1.48% of the Profit after Tax) for the year ended March 31, 2020
5.	List of activities in which expenditure in 4 above has been incurred:	<p>The CSR spent for the year under review includes mainly the following:</p> <ol style="list-style-type: none"> 1. COVID-19 relief efforts in India 2. Pfizer IIT Delhi Innovation & IP Program 3. Interventions to combat AMR in India 4. Pfizer-ACF (Tata Trusts) Cancer Care Initiative 5. Village Transformation Project 6. School Adoption and Development Program <p>For details please refer to the CSR section and Annexure A of the Board's Report of the Company.</p>

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?

The Company does not have any Subsidiary Company.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Not Applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BRR initiatives of the Company. If yes, then indicate the percentage of such entity/entities? [Less than 30%, More than 60%]

Pfizer's Code for Business Conduct – 'The Blue Book' - contains the basic principles and rules with respect to the Business Responsibility ('BR') initiatives. The principles of the said Blue Book are extended to all its business associates who do business with the Company. While the business associates do not directly participate in the business responsibility initiatives of the Company, they are encouraged to adopt these principles.

SECTION D: BR INFORMATION

1. Details of Director responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies:

Sr. No.	Particulars	Details
1.	DIN	05162648
2.	Name	Mr. S. Sridhar
3.	Designation	Managing Director

(b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	05162648
2.	Name	Mr. S. Sridhar
3.	Designation	Managing Director
4.	Telephone number	022 6693 2000
5.	E-mail id	sridhar.s@pfizer.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency and Accountability	Product Life Cycle Sustainability	Employees' well-being	Stakeholders' Welfare	Human Rights	Environment	Public and Regulatory Policy	Inclusive Growth and Equitable Development	Customer Responsibility
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company is guided by "The Blue Book - Summary of Pfizer Policies on Business Conduct" of its parent company, Pfizer Inc., USA. The Blue Book along with Company's local policies covers all the above 9 principles.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency and Accountability	Product Life Cycle Sustainability	Employees' well-being	Stakeholders' Welfare	Human Rights	Environment	Public and Regulatory Policy	Inclusive Growth and Equitable Development	Customer Responsibility
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Blue Book and local policies adopted by Company are formulated keeping in mind the best global ethical, regulatory and environmental practices and after due consultation with relevant stakeholders..								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Pfizer's Blue Book represents one of the best global ethical, regulatory and environmental practices. Further, the local policies adopted by the Company meet with the local regulatory requirements.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Board of Directors of the Company have adopted "The Blue Book - Summary of Pfizer Policies on Business Conduct" of Pfizer Inc, its Parent Company.								
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.pfizerindia.com/eNewsWebsite/investor/company_profile.aspx								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company has established a Whistle Blower / Vigil Mechanism. The Company also has separate process to report adverse event reporting and other product related complaints.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company's Secretarial Auditor has conducted a review of the BRR related compliances and working of the policies. There are no qualifications or adverse remarks in the Secretarial Audit Report with respect to the BRR of the Company. Periodic reviews are carried out by the Company on the working of the Policies and annual refresher training is provided to the employees.								

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why:

(Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3.	The Company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4.	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5.	It is planned to be done within next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6.	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The frequency of assessment of BR performance by the Board of Directors is on an annual basis.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its Business Responsibility Report for financial year ended March 31, 2020, which forms part of the Annual Report. The same is also available on the Company's website at www.pfizerindia.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

Conducting ourselves with integrity helps us earn the trust and respect of the people we serve. At Pfizer, it is the first and foremost responsibility of each employee to abide by the Company's policies on business conduct. Each employee must comply not only with the letter of these policies but also with their spirit. Our policies are reviewed annually to ensure that they meet or exceed evolving legal standards and societal expectations.

- Does the policy relating to ethics, bribery and corruption cover only Company? Yes/No. Does it extend to the Group/ Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company is guided by the policies enshrined in the Blue Book with respect to ethics, bribery and corruption. These are applicable not only to the Company but also to the business associates who do business with the Company.

- How many stakeholders' complaints have been received in the past financial year and what % was satisfactorily resolved by the management? (if so, provide details thereof, in about 50 words or so) -

43 complaints were received during the financial year ended March 31, 2020 from the stakeholders. 37% of these were satisfactorily resolved. Internal review is still ongoing for the pending items.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- List up to 3 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

- Wysolone group of Products (5mg/10mg/20mg)

- Folvite

- Hetrazan 100

2. Product wise details in respect of resource use (energy, water, raw materials etc.) per unit of product:

Sr. No.	Product	RM used per unit of product (mg)	Energy used per unit of product (KwH)	Water used per unit of product (ml)
1.	Wysolone Tablets (5mg/10mg/20mg)	105/110/160	0.04	0.2
2.	Folvite Tablets	70	0.04	0.2
3.	Hetrazan	200	0.04	0.2

- Reduction during sourcing/production/distribution achieved since previous year throughout the value chain?

This year Goa team in with collaboration with the Business, Regulatory & Medical team eliminated Product information Leaflets from the packs of 10 SKUs (mainly above 5 SKUs). In addition, this Team also eliminated around 1 Lakh paper privacy pouches from Minesse, a leading brand from Oral Contraceptive family. This resulted in reduction in Paper which promotes environment sustainability.

Quantity of Leaflet Saved: 12 Lakhs

Quantity of Privacy Pouch: 1 Lakh

Total Weight of Paper Saved: 2.7 Tonnes

- Reduction during usage by consumers (energy / water) has been achieved since the previous year?

Goa site has initiated energy conservation projects which resulted reduction of Electrical power consumption by 15 % over previous year.

- Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what % of the inputs were sourced sustainably? (provide details in about 50 words or so)

Your Company places utmost emphasis on Environment, Health and Safety ('EHS') practices of its suppliers. In order to ensure that the suppliers are in compliance with EHS regulations, the Company conducts periodic assessment of supplier sites. Further the Company supports efforts of suppliers to improve their EHS practices & sustainability.

- What are the steps taken to procure goods and services from local and small producers, including communities surrounding their place work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

In line with the principles of Blue Book, the Company also procures goods and services from local and small manufacturers and service providers particularly located near its manufacturing facility at Goa. The business associates who do business with the Company are covered under Company's policies and evaluated periodically for Environment, Health and Safety practices and compliances. This helps your Company to ensure maintaining sustainability with the business associates to ensure business continuity and availability of the products to our stakeholders.

- What is the Mechanism to recycle products and waste? Yes/No (if yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words)

The pharmaceutical products cannot be recycled. The Company's Goa manufacturing facility is a zero effluent discharge site. All effluents generated at the said facility are treated and recycled back. Waste is segregated into hazardous and non-hazardous waste and managed through a robust waste management system. All the non-hazardous waste generated at the manufacturing facility is sent for recycling through authorized recyclers. The hazardous waste is sent for incineration to authorized vendors.

Principle 3: Businesses should promote the well-being of all employees

- Total number of employees:

The Company has 2,489 employees as on March 31, 2020.

- Total number of employees hired on temporary/contractual/casual basis:

The Company has 238 employees who are hired on contractual basis.

- Total number of permanent women employees:

The Company has 237 permanent women employees.

- Number of permanent employees with disabilities: NIL

- Does the organization have an employee association recognized by Management?

Yes, we have employee association at our Plant locations in Goa and Thane and field colleagues in Women Healthcare.

- % of permanent employees as the members of such employee association?

8.16 % of the permanent employees are members of recognized employee association.

- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/ involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

- What % of permanent employees, permanent women employees, casual/temporary/contractual employees and employees with disabilities were given safety & skill up-gradation training in the last year?

Not Applicable

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

- Has the Company mapped its internal and external stakeholders? (Yes/No)

Yes, we have mapped our internal and external stakeholders.

- Has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, we have identified the disadvantaged, vulnerable and marginalized stakeholders.

- Are there any special activities taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? (if so, provide details thereof, in about 50 words or so)

Yes. The company has undertaken several activities which includes disaster relief through donation of medicines and restoring primary health facilities and School Adoption and Development Program in Mumbai and Goa to identify and engage with schools for building and refurbishing sanitation and safe drinking water units, civil infrastructure, science labs and menstrual hygiene.

Principle 5: Businesses should respect and promote Human Rights

1. Does the Company's policy on Human Rights extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?

Yes.

2. How many stakeholder complaints have been received in the past financial year and what % was satisfactorily resolved by the management?

No stakeholder complaints were received in the past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the Company's policy on protection of environment extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes.

2. Do we have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? (if yes, please give hyperlink for webpage)

Yes, the manufacturing facility at Goa has undertaken significant number of initiatives to address the global environmental issues such as climate change, global warming, carbon foot print reduction through elimination of furnace oil usage, reduction in electricity consumption, recycling of treated effluent for gardening and reduction in raw material usage.

The Company also a 5 Year Plan to introduce Solar panels every year up to 250 KW which will cater up to 6-8 % of the annual requirement.

3. Has the company identified and access potential environmental risks?

Yes, the Company has identified environmental risks and carried out impact assessment for all the operations carried out at the site and has adequate controls to mitigate all the potential environmental risks.

4. Does the Company have any project related to Clean Development Mechanism? (if yes, provide details thereof in 50 words also whether any environmental compliance report is filed)

Yes, the site has implemented various projects to eliminate the use of Furnace Oil.

Goa site has plan to install additional Solar Photo Voltaic panels of 70 KW capacity for captive consumption for the site.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. (if yes, please give hyperlink for webpage)

Yes, the site has undertaken various process development projects thereby reducing the energy usage and emphasizing on clean technology. The Goa site is planning for a pilot renewable energy project (Solar and wind).

The Goa site has installed one 50 KW pilot Renewable Energy Plant consisting of 45 KW Solar Photo Voltaic Cells & one 5 KW Wind Turbine.

6. Are the Emissions/Waste generated within the permissible limits given by the CPCB/SPCB for the financial year being reported?

Yes, all the air emissions/ waste water generation/ waste generation are within permissible limits given by the state SPCB.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending as on end of financial year?

No show cause/legal notices received from CPCB/SPCB which were pending as on end of financial year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is the Company a member of any trade and chamber association? (if yes, name the major ones that your business deals with)

Yes.

- Organization of Pharmaceutical Producers of India.
- Federation of Indian Chambers of Commerce & Industry.
- US-India Business Council
- US-India Strategic Partnership Forum

2. Has the Company advocated/lobbied through above associations for the advancement or improvement of public good? (if yes specify the broad areas – governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, others)

Yes.

The Company focuses its advocacy on strengthening public health systems and access to healthcare, particularly towards the under-served segments. The Company has been advocating for amendments in the current policies governing the industry that would facilitate in providing an enabling environment for business to grow and supply products to various government procurement agencies. Advocacy is also focused on strengthening of the innovation eco systems through policies that encourage the creation and deployment of intellectual property in the broader area of healthcare and further development of the National Health Policy framework. Strengthening of coordination between the state and central FDA leading to faster availability of the latest innovative therapies for the patients without IP violation/infringement is an area of active advocacy by the company. Some specific areas of advocacy include:

- Policy frameworks to encourage widespread participation of the private sector in strengthening national programs, such as Ayushman Bharat and National Immunization Program.
- Public Health Policies
- Inclusive Development policies
- Drug Regulatory policies
- Encouraging Healthcare innovations made in India (towards impacting larger public health)

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of this principle? (if yes, details thereof)

Your Company's CSR purpose is to promote access to quality healthcare in the country by nurturing innovations, encouraging community involvement of our employees and synergizing efforts in partnerships with government and other stakeholders for collective impact.

COVID-19 relief efforts in India:

Your Company has deployed an estimated ₹2 Crore towards various COVID-19 relief efforts. Some of our prominent interventions include:

Donation of 3 lakh protective N95 Masks: Our frontline healthcare workers are performing a remarkable duty to provide healthcare services to patients across the country. In order to provide relief to such personnel, your Company has funded NGOs to donate close to 3 lakh certified N95 protective masks for use by frontline and supporting healthcare personnel across India.

COVID-19 Treatment Facility for Police Personnel: In addition to the healthcare workers, our police personnel too are serving as COVID warriors with courage and dedication. In order to support our Police Personnel, your Company has supported a 75-bed isolation ward at the Mumbai Police Kalina Hospital for the Maharashtra Police. Support was provided towards COVID-19 Emergency Response Intervention for setting up of the temporary COVID-19 hospital dedicated to police personnel in Kalina and for other critical lifesaving supplies.

Providing 5 State-of-the-art ventilators: As the number of COVID-19 cases rapidly increase in Maharashtra, the MCGM Disaster Management Cell along with the Health Department ramped up the testing and isolation facilities available. Your Company partnered with Americares India Foundation to provide five high-quality Macquet Servo-I Ventilators to three key Government hospitals with COVID-19 facilities: HBT Trauma Care Centre, Jogeshwari; Bhabha Hospital, Bandra; and Rajawadi Hospital, Ghatkopar, all located in densely populated suburbs in Mumbai.

Assisting migrant workers with food relief: Goa is home to your Company's manufacturing plant. Being an industrial state, it is also home to a large migrant population that would require basic food relief and support at this time. Through its NGO partners, your Company provided food and grocery packets along with other essentials for those in need in the talukas of Sattari and Valpoi in Goa.

Essential medicine donation: Your Company donated 75,000 tablets of Trulimax (Azithromycin) for the treatment of COVID-19 patients under the care of Government facilities.

Pfizer-IIT Delhi Innovation & IP Program:

Your Company created this unique incubation accelerator program with an aim to support, promote and reward healthcare innovations made in India. The program, launched in partnership with the Foundation for Innovation and Technology Transfer (FITT) at IIT Delhi, is now in its fourth phase. Since inception in 2015-16, collectively between full-time incubations and support for IP filings, the program has supported 34 innovators in their journey of creating innovations.

Interventions to combat AMR in India: After a successful launch of a high-decibel public awareness campaign 'AMR ko Aao Milkar Rokein' (Let us work together to curb AMR) in January 2019, your Company continued its efforts to curb AMR in India. With a clear priority to "Support national programs and priorities with linkages to healthcare", Pfizer Limited, in March 2020, partnered with

an NGO Americares India Foundation (AIF) to roll out two distinct initiatives that aimed at reducing the spread of antimicrobial resistance in the country.

A flagship programme under this umbrella—**Project Parivartan** focusses on addressing the current Infection Prevention and Control (IPC) challenges in healthcare facilities. In this multi-year project, your Company will support the development of a model for “Institutional Capacity Building” to deliver facility-based IPC and Anti-Microbial Stewardship among small- and mid-size hospitals across India.

Additionally, Pfizer along with AIF, will launch an **Online Learning Platform** for healthcare workers to ensure that they have access to quality training on IPC across India. The project is currently in the initial phase of building the IPC module as per the WHO guidelines. The platform would be accessible free of cost with certification in three languages (English, Hindi, Malayalam).

Pfizer-ACF (Tata Trusts) Cancer Care Initiative:

Launched in partnership with Alamelu Charitable Foundation (ACF), a SPV constituted by Tata Trusts. This Cancer Care initiative aims to serve as a one-stop, information and support centre for patients and families at key cancer facilities supported by Tata Trusts.

The program is in the first Phase of its operation and includes the following:

- Health and Wellness Kiosks in Ranchi, Diphu, Silchar and Tirupati. These kiosks provide services including counselling and interactive sessions on preventing cancer and other lifestyle-related disorders, counselling session for smoking cessation and prevention, screening for Oral, Cervical and Breast cancer, general physician examination among others.
- Community Outreach and early detection for NCDs through screening of catchment population and referral to nearest centres.
- Set-up and operationalize a Patient Referral and Tracking Platform
- Manage and operate a Virtual Patient Helpdesk, complemented by one on-site patient navigator in OPD and day care centers in Ranchi, Diphu, Silchar and Tirupati.

Village Transformation Project:

Your Company, in partnership with BAIF, has embarked on a holistic village transformation intervention. The aim of the project is to transform the lives of 5000 people living in 13 hamlets of Kaulale gram panchayat at Jawhar, Maharashtra, adopted by Pfizer. The objective of the program is to:

- Improve access and availability of drinking water all-round the year
- Ensure access to nutrition, sanitation and healthcare facilities.
- Improve livelihood options through an increase in productivity and diversification
- Create awareness regarding water and water conservations

With these interventions, we hope to build sustainable, productive, healthier and self-sufficient communities in the region.

Pfizer School Adoption and Development Program:

Your Company had taken up 13 schools in Mumbai and Goa under the Pfizer School Sanitation and Development Program in 2018-19. The program has now reached completion impacting the lives 6000 students in the regions.

2. Are the programmers/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?

Yes.

- COVID-19 relief efforts – in association with Americares India Foundation and International Association for Human Values (IAHV)
- Interventions to combat AMR in India – in association with Americares India Foundation
- Pfizer IIT Delhi Innovation and IP Program – in association with Government Structure
- Pfizer-ACF (Tata Trusts) Cancer Care Project – in association with Tata Trusts

- Village Transformation Project – in association with BAIF
- Pfizer School Adoption and Development Program – in association with IAHV and AquaKraft

3. Has the Company done any impact assessment of your initiative?

Yes.

4. What is the Company’s direct contribution to community development projects – Amount in ₹ and details of the projects undertaken)

- COVID-19 relief efforts in India: ₹1.92 Crore
- Interventions to combat AMR in India: ₹1.21 Crore
- Pfizer-ACF (Tata Trusts) Cancer Care Initiative: ₹1.84 Crore
- Village Transformation Project: ₹1.18 Crore
- School Adoption and Development Program: ₹1.10 Crore
- Charitable Contribution to Can Kids and St. Judes through Standard Chartered Mumbai Marathon – ₹0.18 Crore

5. Has the Company taken steps to ensure that the community development initiative is successfully adopted by the community? (explanation in 50 words)

Yes. Your Company in association with multiple implementation partners, has rebuilt and refurbished sanitation & safe drinking water units, civil infrastructure and science labs across schools in Mumbai and Goa. Along with this, your Company also conducts menstrual hygiene sensitization workshops through NGOs and provide hygiene kits at schools. Additionally, your Company also supported the COVID-19 response efforts of the Government of India.

Government of India and is working towards in transforming a Village in Maharashtra on a 360-degree approach.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Total 188 product complaints were received for the financial year ended March 31 2020. 94% of the said complaints were satisfactorily resolved by the management. The remaining 6% complaints were in-progress and under investigation. These will be satisfactorily resolved by the management post completion of the investigation.

No adverse trend related to product quality has been observed for the product complaints received during the financial year under review.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and /or anti-competitive behavior during the last 5 years and pending as on the end of financial year?

No.

4. Did the Company carry out any consumer survey/ consumer satisfaction trends?

Yes.

For and on behalf of Board of Directors

R.A. Shah S. Sridhar
Chairman Managing Director
Mumbai, June 15, 2020 DIN: 00009851 DIN: 05162648

Independent Auditor's Report

To the Members of Pfizer Limited

Report on the Audit of the Financial Statements

Opinion

- We have audited the accompanying financial statements of Pfizer Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>B. Litigation involving question of law and certain disallowance made by authorities in assessment orders that the Company has appealed against before the relevant appellate authorities. Total demand for such cases is ₹ 117.86 crore, out of which ₹ 9.32 crore have been provided for and ₹ 20.46 crore have been disclosed as contingent liability in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets", based on management's assessment in consultation with professional advice from the external tax consultants.</p> <p>The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets", in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p> <p>Key judgments are also made by the management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigations.</p> <p>Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external tax experts, this matter has been identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> We obtained an understanding of the nature of litigations pending against the Company and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Company. We also tested the independence, objectivity and competence of such management experts involved. On a sample basis, we obtained and reviewed the necessary evidence which includes correspondence with the external tax consultants, and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the financial statements. We reviewed the demand notices, assessment orders and appeal orders for all such cases where there was any update since previous year audit and obtained grounds of appeal submitted by the management at various authorities in consultation with their external tax consultants. For litigations on account of non-submission of documentary evidence, we obtained management's plan of action to obtain remaining forms/documentary evidences from VAT authorities in different states and actions taken by the management in this respect, and with the assistance of our Indirect tax team, validated the management's assessment and plan of action as obtained above. We reviewed each external tax consultants' response to ensure that the conclusions reached are supported by sufficient rationale according to the relevant laws and adequate information is included for the management to determine the appropriate accounting treatment of such cases in the financial statements. We assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. We also tested the arithmetical accuracy of such calculations.

Key audit matter	How our audit addressed the key audit matter
<p>1) Contingent liability for litigations under Value Added Tax (VAT) and Central Sales Tax (CST) [Refer Note 23 and 41 in the financial statements]</p> <p>The Company has outstanding litigations pertaining to Sales tax/ Value added tax (VAT) for several assessment years which the Company has challenged at different forums. These litigations pertain to following two categories:</p> <p>A. Litigation on account of non-submission of documentary evidence at the time of assessment such as Form F and Form C pending to be issued by concerned authorities. Total liability in this category is ₹ 456.18 crore, out of which ₹ 38.77 crore have been provided for and ₹ 43.78 crore have been disclosed as contingent liability in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", based on management's assessment in consultation with professional advice from the external tax consultants.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the management's process for: <ul style="list-style-type: none"> identification of legal and tax matters initiated against the Company, assessment of accounting treatment for each such litigation identified under Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets", accounting principles, and for measurement of amounts involved. We evaluated the design and tested the operating effectiveness of key controls around above process.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> We have evaluated the adequacy of disclosures made by the Company in the financial statements in view of the requirements as specified in the Indian Accounting Standards. <p>Based on the audit procedures performed, the judgements made by the management appears to be reasonable and disclosures made in respect of these litigations were appropriate in the context of the financial statements taken as a whole.</p>
<p>(2) Contingent liability for DPCO Matters [Refer Note 18 and 39 in the financial statements]</p> <p>The pharmaceutical industry is heavily regulated which increases inherent litigation risk. The Company faces a number of legal and regulatory cases, of which the most significant is a litigation under DPCO as disclosed in Note 18 and 39 to the financial statements. DPCO has issued various orders/notification for fixing the price of various pharma products.</p> <p>With respect to the sales made by the Company of the pharmaceutical products covered by the aforementioned DPCO orders, in earlier years as well as the current year, the Company has received demand notices for overcharging price (charging price over the price fixed by the DPCO for such products). The Company has challenged these demands from DPCO and the cases are pending at various High Courts and other authorities in India.</p> <p>Total demand from above cases aggregates to ₹ 175.96 crore, out of which the Company has provided ₹ 20.45 crore while ₹ 155.51 crore has been disclosed as contingent liability based on management's assessment in accordance with professional legal advice from the dealing lawyers.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets", in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p> <p>Key judgments are also made by the management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigation.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the management's process for updating the status of the legal case, assessment of accounting treatment in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" and for measurement of amounts involved. We evaluated the design and tested the operating effectiveness of key controls around above process. We inspected correspondence with the Company's external legal counsel in order to corroborate our understanding of these matters, accompanied by discussions with both internal and external legal counsels. We also tested the independence, objectivity and competence of such management experts involved and lawyers representing these cases in the courts. We obtained direct confirmation from the external legal counsel handling DPCO litigation with respect to the legal determination of the liability arising from such litigation, and assessment of resulting provision recognised and contingent liability disclosures in the financial statements in accordance with requirements of Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets". We also evaluated the response received from the legal counsel to ensure that the conclusions reached is supported by sufficient legal rationale. We assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. We also tested the arithmetical accuracy of such calculations.

Key audit matter	How our audit addressed the key audit matter
<p>We focused on this area as the eventual outcome is uncertain and unexpected adverse outcomes could significantly impact the financial position, and hence, considered this matter to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> We evaluated the Company's disclosures for adequate disclosure regarding the significant litigations of the Company. <p>Based on the audit procedures performed, the judgements made by the management appears to be reasonable and disclosures made in respect of these litigations were appropriate in the context of the financial statements taken as a whole.</p>
<p>(3) Sale of Thane Plant [Refer Note 16 and 22 in the financial statements]</p> <p>The Company had entered into a Business Transfer Agreement (BTA) on 23 September 2015 for selling the business undertaking (Thane plant) as going concern on a slump sale basis for a lump sum consideration of ₹ 178 crore. The Company had received the entire consideration by 31 March 2018. As at 31 March 2020, the property, plant and equipment of Thane plant is classified as "Assets held for Sale" and the advance received is classified as "Other Current liability".</p> <p>During the year, the Company received partial approval from MIDC on payment of ₹ 21 crore as charges for the area of exempted vacant land within the Thane plant premises as per the Maharashtra Industrial Development Corporation (MIDC) guidelines which has been capitalized in the initial cost of land in accordance with Ind AS 16, "Property, plant and equipment". Further, pending execution of assignment deed, which coincided with transfer of control Sale of Thane Plant is not recognised in the current year.</p> <p>Considering the materiality of amounts, and significant judgements involved in determining the appropriate accounting treatment, this matter has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the transaction and the litigation pertaining to Thane plant from the management. We evaluated the design and tested the operating effectiveness of key controls around above process and over the determination of appropriate accounting treatment of this transaction. We obtained an understanding of the nature of litigation and discussed the key developments during the year with the management and Company's legal counsel to obtain an update on the matter during the current financial year. We obtained and reviewed the order of MIDC for partial transfer and payment of transfer fees and charges for the area of exempted vacant land. We also evaluated whether the accounting principles applied by the management fairly present the effects of the order of MIDC in the financial statements in accordance with the principles of Ind AS. We evaluated the adequacy of disclosures made by the Company in the financial statements in view of the requirements as specified in the Indian Accounting Standards. <p>Based on the audit procedures performed, the judgements made by the management appears to be reasonable and disclosures made in respect of the transaction and litigations are appropriate in the context of the financial statements taken as a whole.</p>

Key audit matter	How our audit addressed the key audit matter
<p>4) Measurement of the provision for income tax exposures [Refer note 32 in the financial statements]</p> <p>The Company had outstanding tax provision of ₹ 96.71 crore and Advance tax (Net of provision) of ₹ 179.94 crore pertaining to various assessment years which are pending at various authorities (i.e. CIT appeals, Income tax tribunal, High courts and Hon'ble Supreme court). During the year, the Company has reversed tax provision of ₹ 44.50 crore (net) (disclosed under the head "Income tax expenses- prior year tax adjustments"), based on evaluation of uncertain tax position under Ind AS 12, "Income taxes" in consultation with professional advice from the external tax consultants.</p> <p>We identified measurement of provisions for the aforesaid income tax exposures as a key audit matter, as the amounts involved are material, and the determination of provision for taxes requires the Company to make judgments on tax issues and develop estimates regarding the Company's exposure to tax risks. Further, auditing management judgments on whether the tax positions are probable of being sustained in tax assessments involves a high degree of subjectivity.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the management's process for identification of tax matters initiated against the Company, updating the status of the tax assessments, and estimating provision for taxes. We evaluated the design and tested the operating effectiveness of key controls over completeness of records and those related to interpretation of tax laws and its application in estimation of tax liabilities. We inspected correspondence with the Company's external tax consultants in order to corroborate our understanding of these matters, accompanied by discussions with both internal and external tax consultants. We also tested the independence, objectivity and competence of such management's experts involved and consultants representing these cases in various authorities. We assessed the reliability of underlying data for the calculations made in determining the reversal of tax provisions. We also tested the arithmetical accuracy of such calculations. We evaluated the adequacy of disclosures made by the Company in the financial statements regarding the reversal of excess provision and advance taxes during the year in view of the requirements as specified in the Indian Accounting Standards. <p>Based on the audit procedures performed, the judgements made by the management appears to be reasonable and disclosures made in respect of the reversals and litigations are appropriate in the context of the financial statements taken as a whole.</p>

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

- The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.
- In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

- Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the

date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 15 June 2020 as per Annexure II expressed unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company, as detailed in note 39, 41 and 42 (i) (a) and (c) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 20504662AAAABS9854

Place: New Delhi
Date: 15 June 2020

Annexure I

Annexure I to the Independent Auditor's Report of even date to the members of Pfizer Limited on the financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (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 program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit, and no material discrepancies between inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax (GST), cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

- (b) The dues outstanding in respect of income-tax, sales-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

(₹ in crores)					
Name of Statute	Forum where dispute is Pending	Period to which the Amount relates	Nature of dues	Amount	Amount paid under Protest
The Income Tax Act, 1961	Commissioner of Income Tax, Appeals	2002-2003 to 2003-2004, 2005-2006, 2011-2012 to 2013-2014, 2017-2018	Transfer pricing adjustment, income from house property, long-term capital gain and other disallowance of expenses	63.13	62.11
	Commissioner of Income Tax, Appeals	2010-11 to 2011-2012, 2013-2014 to 2019-2020	Tax deducted at source	48.19	1.99
	Income Tax Appellate Tribunal	1984-1985, 1991-1992 to 2010-2011, 2012-2013, 2014-2015 to 2016-2017	Disallowance of near expiry/transit loss stock write off and other disallowance of expenses	395.05	255.71
The Central Excise Act, 1944	Hon'ble High Court of Bombay	2006-2007 to 2009-2010, 2012-2013	Tax deducted at source	20.11	4.09
	Customs Excise service tax Appellate Tribunal (CESTAT)	1990-1992	Valuation matter	0.06	-
Customs Act, 1962	Hon'ble High Court of Bombay	2004-2005 to 2006-2007	Disallowance of availment of CENVAT* credit	6.31	0.78
	Commissioner (Appeals)	1995	Classification Matter	0.01	-
	Customs Excise Service Tax Appellate Tribunal (CESTAT)	2012-2013	Demand of Special Additional duty (SAD)	1.31	1.31
	Customs Excise Service Tax Appellate Tribunal (CESTAT)	2015-2016	Anti -dumping duty	1.00	0.08
	Hon'ble Supreme Court of India	1996-1997	Classification Matter	0.47	0.05
Value Added Tax Act and State and Central Sales Tax	Assessing Authority	2008-2009 to 2013-2014, 2015-2016 to 2017-2018	Pending statutory declaration forms and others	13.42	0.06
	Assistant Commissioner	1986-1987, 2004-2005, 2011-2012 to 2017-2018	Pending statutory declaration forms, disallowance of credit notes and others	37.32	-
	Deputy Commissioner	1993-1994 to 1996-1997, 1999-2000 to 2003-2004, 2005-2006 to 2017-2018	Pending statutory declaration forms, disallowance of credit notes and input tax credit and others	55.93	9.20

Name of Statute	Forum where dispute is Pending	Period to which the Amount relates	Nature of dues	Amount	Amount paid under Protest
	Joint Commissioner	1983-1984, 1985-1986 to 1986-1987, 1994-1995 to 1995-1996, 1998-1999, 2000-2001 to 2016-2017	Pending statutory declaration forms, disallowance of credit note and input tax credit and others	422.88	79.04
	Commissioner (Appeals)	2005-2006, 2012-2013	Pending statutory declaration forms and others	0.18	0.02
	Additional Commissioner	1995-1996, 1997-1998 to 1998-1999, 2002-2003, 2008-2009 to 2014-2015	Pending statutory declaration forms, disallowance of credit note and others	22.47	0.41
	Revision Board	2006-2007 to 2009-2010	Pending statutory declaration forms, disallowance of credit note and others	0.37	0.01
	Various Tribunals	1991-1992 to 1992-1993, 1994-1995 to 1996-1997, 1999-2000 to 2001-2002, 2003-2004 to 2013-2014	Pending statutory declaration forms, disallowance of credit note and others	19.43	4.91
	Hon'ble High Court	1995-1996, 2012-2013 to 2013-2014	Levy of tax and interest	1.94	-
	Hon'ble Supreme Court of India	1992-1993	Levy of tax and interest	0.10	-

* Central Value Added Tax (CENVAT)

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company during the year in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under section 192 of the Act.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 20504662AAAABS9854

Place: New Delhi
Date: 15 June 2020

Annexure II

Annexure II to the Independent Auditor's Report of even date to the members of Pfizer Limited on the financial statements for the year ended 31 March 2020

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Pfizer Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of IFCoFR issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 20504662AAAABS9854

Place: New Delhi
Date: 15 June 2020

Balance Sheet

as at 31 March 2020

Currency: ₹ in crore			
	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	214.52	71.43
Capital work-in-progress		0.76	-
Investment property	5	30.95	32.33
Goodwill	6	527.49	527.49
Other intangible assets	6	199.90	254.94
Financial assets			
Investments	7	0.00	0.00
Loans	8	31.90	31.77
Deferred tax assets (net)	32(d)	0.62	-
Other non-current assets	9	141.69	126.73
Income tax receivable (net)		209.32	179.94
Total non-current assets		1,357.15	1,224.63
Current assets			
Inventories	10	430.59	386.66
Financial assets			
Trade receivables	11	172.03	171.66
Cash and cash equivalents	12a	1,763.79	73.81
Bank balance other than cash and cash equivalents	12b	456.08	1,840.53
Loans	13	3.52	5.38
Other financial assets	14	21.31	31.89
Other current assets	15	165.75	191.75
Assets held for sale	16	35.18	13.68
Total current assets		3,048.25	2,715.36
TOTAL ASSETS		4,405.40	3,939.99
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17a	45.75	45.75
Other equity	17b	3,349.74	2,965.59
Total equity		3,395.49	3,011.34
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	36	88.68	-
Provisions	18	47.87	34.73
Deferred tax liabilities (net)	32(d)	-	2.23
Total non-current liabilities		136.55	36.96
Current liabilities			
Financial liabilities			
Borrowings	19	2.50	2.50
Trade payables			
Due to micro and small enterprises		9.33	0.50
Due to others		417.45	435.42
Other financial liabilities	21	118.06	72.59
Other current liabilities	22	222.31	221.60
Provisions	23	57.71	62.37
Current tax liabilities (net)		46.00	96.71
Total current liabilities		873.36	891.69
Total liabilities		1,009.91	928.65
TOTAL EQUITY AND LIABILITIES		4,405.40	3,939.99
Significant accounting policies	2-3		
Notes to the financial statements	4 - 46		

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

As per our report of even date attached.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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

CIN: L24231MH1950PLC008311

R. A. Shah
Chairman
DIN: 00009851

S. Sridhar
Managing Director
DIN: 05162648

Milind Patil
Chief Financial Officer and
Wholetime Director
DIN: 02546815

Ashish Gupta

Partner

Membership No. 504662

New Delhi

15 June 2020

Prajeet Nair

Company Secretary

Membership No: A19267

Mumbai

15 June 2020

Statement of Profit and Loss

for the year ended 31 March 2020

Currency: ₹ in crore			
	Note	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations	24	2,151.65	2,081.50
Other income	25	184.02	167.39
Total income		2,335.67	2,248.89
Expenses			
Cost of materials consumed	26	345.21	343.65
Purchase of stock-in-trade		483.81	495.13
Change in inventories of finished goods, work-in-progress and stock-in-trade	27	(36.62)	(90.88)
Employee benefits expense	28	364.51	323.84
Finance costs	29	10.85	1.29
Depreciation and amortization expense	30	103.24	71.39
Other expenses	31	422.18	444.56
Total expenses		1,693.18	1,588.98
Profit before tax		642.49	659.91
Income tax expense:			
Current tax	32	177.70	243.77
Deferred tax	32	0.16	(12.91)
Prior year tax adjustments	32	(44.50)	-
Total income tax expense		133.36	230.86
Profit for the year		509.13	429.05
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		(11.94)	1.61
(ii) Income tax related to items that will not be reclassified to profit or loss		3.01	(0.56)
Total other comprehensive income		(8.93)	1.05
Total comprehensive income for the year		500.20	430.10
Earnings per equity share			
Basic and diluted earnings per share	33	111.28	93.78
Significant accounting policies	2-3		
Notes to the financial statements	4 - 46		

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

As per our report of even date attached.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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

CIN: L24231MH1950PLC008311

R. A. Shah
Chairman
DIN: 00009851

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Managing Director
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Chief Financial Officer and
Wholetime Director
DIN: 02546815

Ashish Gupta

Partner

Membership No. 504662

New Delhi

15 June 2020

Prajeet Nair

Company Secretary

Membership No: A19267

Mumbai

15 June 2020

Statement of Cash Flows

for the year ended 31 March 2020

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Cash from operating activities		
Profit before tax	642.49	659.91
Adjustments to reconcile profit before tax to net cash used in operating activities		
Depreciation and amortization expenses	103.24	71.39
Interest on deposits with banks and others	(129.54)	(125.58)
Provisions no longer required written back	(12.74)	(3.08)
Allowance for expected credit loss	2.09	1.78
Provision for doubtful loans (deposits)	0.21	1.61
Loss/(Profit) on sale/disposal of Property plant & equipment (net)	1.11	(0.01)
Unrealised foreign exchange loss	0.38	2.47
Expenses on share-based payment schemes	8.04	8.34
Rental income	(6.39)	(6.39)
Interest expense	10.85	-
Sale of rights and interest in brands	(30.53)	(30.00)
Gain on termination of lease	(0.28)	-
Operating profit before working capital adjustments	588.93	580.44
Working capital adjustments		
(Increase) in inventories	(43.93)	(90.82)
(Increase) in trade receivables	(2.46)	(19.24)
(Increase) in other current and non current assets	(13.15)	(61.84)
Increase/ (Decrease) in trade payables	3.22	(59.10)
Increase/ (Decrease) in current and non current financial liabilities	7.31	(11.52)
(Decrease) in provisions	(3.45)	(2.55)
Cash generated from operations	536.47	335.37
Income tax paid	(213.29)	(237.56)
Net cash generated from operating activities (A)	323.18	97.81
Cash from investing activities		
Purchase of property, plant and equipment	(16.89)	(4.49)
Additions to assets held for sale	(21.50)	-
Proceeds from sale of property, plant and equipment	0.23	0.11
Proceeds from assignment / sale of trademarks (including transfer of inventories)	36.34	31.22
Advance received towards sale of property, plant and equipment	-	0.03
Balance other than cash and cash equivalents	1,384.27	(119.40)
Rent received	7.90	6.98
Interest received	139.97	120.67
Net cash generated from investing activities (B)	1,530.32	35.12

Statement of Cash Flows

for the year ended 31 March 2020 (Contd.)

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from financing activities		
Payment of Lease liabilities	(39.00)	-
Interest paid	(0.43)	-
Dividend paid	(102.93)	(91.05)
Tax paid on dividend	(21.16)	(18.80)
Net cash used in financing activities (C)	(163.52)	(109.85)
Net increase in cash and cash equivalents (A+B+C)	1,689.98	23.08
Cash and cash equivalents at the beginning of the year	73.81	50.73
Cash and cash equivalents at the end of the year (Refer note 12a)	1,763.79	73.81

Note: 1

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements", whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Significant accounting policies 2-3
Notes to the financial statements 4 - 46

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

As per our report of even date attached.
For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of Pfizer Limited
CIN: L24231MH1950PLC008311

R. A. Shah
Chairman
DIN: 00009851

S. Sridhar
Managing Director
DIN: 05162648

Milind Patil
Chief Financial Officer and
Wholetime Director
DIN: 02546815

Ashish Gupta
Partner
Membership No. 504662

Prajeet Nair
Company Secretary
Membership No: A19267

New Delhi
15 June 2020

Mumbai
15 June 2020

Statement of Changes in Equity

for the year ended 31 March 2020

(a) Equity share capital

	31 March 2020		31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	45,750,372	45.75	45,750,372	45.75
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	45,750,372	45.75	45,750,372	45.75

(b) Other equity

	Reserves and surplus				Other comprehensive income	Total other equity
	Securities premium	General reserve	Capital reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance as at 1 April 2018	1,320.67	301.92	21.63	989.29	3.94	2,637.45
Profit for the year	-	-	-	429.05	-	429.05
Other comprehensive income for the year	-	-	-	-	1.05	1.05
Total comprehensive income for the year	-	-	-	429.05	1.05	430.10
Transactions during the year :						
Share based payment (Refer note 35a)	-	-	8.34	-	-	8.34
Dividend including corporate dividend tax (Refer note 38b(i))	-	-	-	(110.30)	-	(110.30)
Balance as at 31 March 2019	1,320.67	301.92	29.97	1,308.04	4.99	2,965.59
Profit for the year	-	-	-	509.13	-	509.13
Other comprehensive income for the year	-	-	-	-	(8.93)	(8.93)
Total comprehensive income for the year	-	-	-	509.13	(8.93)	500.20
Transactions during the year :						
Share based payment (Refer note 35a)	-	-	8.04	-	-	8.04
Dividend including corporate dividend tax (Refer note 38b(i))	-	-	-	(124.09)	-	(124.09)
Balance as at 31 March 2020	1,320.67	301.92	38.01	1,693.08	(3.94)	3,349.74

Significant accounting policies 2-3
Notes to the financial statements 4 - 46

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

As per our report of even date attached.
For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of Pfizer Limited
CIN: L24231MH1950PLC008311

R. A. Shah
Chairman
DIN:00009851

S. Sridhar
Managing Director
DIN:05162648

Milind Patil
Chief Financial Officer and
Wholetime Director
DIN:02546815

Ashish Gupta
Partner
Membership No. 504662

Prajeet Nair
Company Secretary
Membership No: A19267

New Delhi
15 June 2020

Mumbai
15 June 2020

Notes to the financial statements

for the year ended 31 March 2020

1 BACKGROUND

Pfizer Limited, "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 the BSE Limited 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 Goa and Thane. Thane plant is classified as assets held for sale (Refer note 16). The Company has various independent contract / third party manufacturers based across the country. The Company sells its products through independent distributors primarily in India.

2 BASIS OF PREPARATION

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy in use.

b) Functional and presentation currency

These financial statements are presented in Indian Rupee (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest crore or decimals thereof, unless otherwise indicated.

c) Basis of measurement

The financial statements have been prepared under the historical cost basis except for the following items:

Items	Measurement basis
(i) Certain financial assets and liabilities	Fair value
(ii) Liabilities for cash-settled-share-based payment arrangements	Fair value
(iii) Net defined benefit asset / (obligation)	Fair value of plan assets less present value of defined benefit obligations

d) Use of estimates and judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires

management to make estimates, judgements 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 these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and the use of assumption in these financial statements have been disclosed in Note 3.

Critical estimates and judgements

Information about estimates and judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 4, 5 and 6 — Useful lives of property, plant and equipment, investment property, intangible assets and impairment testing for goodwill

Note 10 — Provision for inventory obsolescence

Note 18 and 23 — Provision for sales return and sales tax/VAT

Note 34 — Assets and obligations relating to employee benefits

Note 35 — Share based payments

Note 36 — Leases

Note 37 — Provision for expected credit loss

Note 39 — Pricing litigations -Contingencies

e) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of its activities and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

f) Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

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

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 35 – Share based payment arrangements

Note 5 – Investment property

Note 37 – Financial instruments.

- c) Determining the transaction price
- d) Allocating the transaction price to the performance obligations
- e) Recognising revenue when/as performance obligation(s) are satisfied.

The total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

The Company receives revenue for supply of goods to external customers against orders received. The majority of contracts that the Company enters into relate to sales orders containing single performance obligations for the delivery of products. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer.

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

- (ii) **Rendering of services:**
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.
- (iii) **Rental income:**
Rental income from investment property and sub-leasing is recognized as a part of other income in statement of profit and loss.

(iv) Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

(v) Multiple delivery arrangements:

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit.

b) Foreign exchange transactions

The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. 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 denominated in foreign exchange, which are outstanding as at the year end, are translated at the closing exchange rate and the resultant exchange differences are recognized in statement of profit and loss.

c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment losses. The cost of property, plant and equipment 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. Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss. Refer note (e) below for details on impairment.

(ii) Subsequent expenditure

Subsequent expenditure that are directly attributable to the property, plant and equipment are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

a) Depreciation for the year has been provided as per the rates determined in Part C of Schedule

II of the Act or based on estimated useful life of the assets determined by the management.

b) Depreciation on assets other than those specified in a) above are provided at:

Assets	Rate
Land : Leasehold	Amortized over the lease period
Buildings : On leasehold land	Amortized over the lease period
Leasehold improvements	Amortized over the lease period or estimated useful life, which ever is lower

Assets acquired under the Scheme of Amalgamation from erstwhile Wyeth Limited are depreciated over the estimated residual useful life of the assets as determined by an independent expert:

Assets	Rate
Computers	16.66 % to 50 %
Furniture	33.33 % to 50 %
Office equipment	14.28 % to 100 %
Machinery and equipment	8.33 % to 100 %
Vehicles	25 % to 50 %

Depreciation on additions is provided on a pro-rata basis from the month of capitalization. Depreciation on deletions during the year is provided up to the month in which the asset is sold / discarded.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset

(iv) Reclassification to investment property

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

d) Goodwill and other intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortization / impairment losses.

(i) Goodwill:

Goodwill arising on acquisition of business is carried at costs less any accumulated impairment losses

Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

3 SIGNIFICANT ACCOUNTING POLICIES

a) Revenue

(i) Sale of goods:

Revenue arises mainly from the sale of products.

To determine whether to recognise revenue, the Company follows a 5-step process:

- a) Identifying the contract with a customer
- b) Identifying the performance obligations

(ii) Other intangible assets:

Other intangible assets comprises of trademarks and computer software.

Trademarks are amortized on a straight line basis, over a period of 10 years. Cost of computer software includes cost such as salary and other expenditure incurred on development of the computer software and is amortized on straight-line basis over a period of 10 years, which in management's estimate represents the period during which economic benefits will be derived from their use.

e) Impairment of financial and non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or of Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognized in statement of profit and loss.

For assets excluding goodwill (refer note 3(d) above), an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exists or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

f) Investment property

Investment property is measured at cost less accumulated depreciation and impairment losses, if

any. Any gain or loss on disposal of an investment property is recognized in statement of profit and loss.

Investment property is depreciated using straight line method over its estimated useful life of 33 years.

g) 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 to bring the inventory to its present location and condition. Stores and spares are valued at lower of weighted average cost and net realizable value.

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.

The comparison of cost and net realisable value is made on an item-by-item basis.

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

h) Assets held for sale

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

i) Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

(ii) Long-term employee benefits

a) Defined contribution plan

The Company's contribution towards employees' Superannuation plan is recognized as an expense in statement of profit and loss when they are due.

b) Defined benefit plans

(i) Provident fund

Provident fund contributions are made to a trust administered by the trustees. Trust makes investments and settles 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.

(ii) 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 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 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 reporting date.

Remeasurements of the net defined benefit obligation, which comprise of actuarial gains and losses and the return on plan assets are recognized in Other Comprehensive Income (OCI).

(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 reporting 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 reporting date. Remeasurements of the net defined benefit obligation, which comprise of actuarial gains and losses and the return on plan assets are recognized in statement of profit and loss.

j) Provisions and contingent liabilities

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

k) Leases

a) Company as a lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a

straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Lease liability and ROU asset have been separately presented under heads "Other Financial Liabilities" and "Property, Plant and Equipment" respectively and lease payments have been classified as financing activity under cash flows."

b) Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis on a straight-line basis over the term of the lease.

First-Time Application of Ind AS 116 Leases

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and a

corresponding right of use asset ("ROU"). Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 123.03 crore and a lease liability of ₹ 98.13 crore. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

A. The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
5. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

B. The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 8.75% p.a.

C. The difference between the lease obligation recorded as of 31 March 2019 under Ind AS 17 disclosed under note 36 of annual financial statements forming part of 2019 Annual Report and the value of the lease liability as of 1 April 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

l) Income tax

Income tax comprises of current tax and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amount and where it intends either to settle on a net basis or to realise the asset and liability simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. The company assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers whether tax law restricts the source of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. If tax law restricts the utilisation of losses to deduction against income of a specific type, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. Deferred tax assets are reviewed at each reporting date to reassess realization. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

m) Employee stock options scheme

Pfizer Inc., USA, as a part of the long-term incentive awards offers certain common stock (shares) to the employees of Pfizer Inc., and its subsidiaries. Compensation cost relating to employee stock options granted by Pfizer Inc., to employees of the Company is measured using the fair value method. Compensation expense is amortized over the vesting period of the options on a straight-line basis.

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the

estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

n) Earnings per share

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

o) Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

p) Financial instruments

(i) Recognition and initial measurement

Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets - Subsequent measurement and gains and losses:

On initial recognition, a financial asset is classified and measured at

- a) amortized cost;
- b) FVTOCI – equity investment; or
- c) FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- a)** financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at FVTPL

These assets are remeasured at fair value, at each reporting date. Net gains and losses, arising from such remeasurement including any interest or dividend income, are recognized in statement of profit and loss.

c) Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gain or loss on derecognition is recognized in statement of profit and loss.

d) Financial assets at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or

loss on derecognition is also recognized in statement of profit and loss.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance

sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit and loss.

4 PROPERTY, PLANT AND EQUIPMENT

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2020 are as follows:

Particulars	Currency: ₹ in crore							Total		
	Leasehold land	Leasehold improvements	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment		Computers	Right of Use
Gross carrying amount as at 1 April 2019	20.00	30.37	12.47	18.93	11.24	0.11	10.38	27.97	123.03	254.50
Additions	-	3.11	-	4.66	1.06	-	1.33	4.14	63.04	77.34
Deletions	-	3.54	-	-	1.39	0.06	0.86	1.97	7.94	15.76
Gross carrying amount as at 31 March 2020 (A)	20.00	29.94	12.47	23.59	10.91	0.05	10.85	30.14	178.13	316.08
Accumulated depreciation as at 1 April 2019	1.43	13.13	2.85	7.97	3.69	0.11	3.88	26.98	-	60.04
Depreciation for the year	0.26	3.82	2.04	1.17	0.99	-	1.46	3.04	36.60	49.38
Deletions	-	3.16	-	-	0.73	0.06	0.59	1.94	1.38	7.86
Accumulated depreciation as at 31 March 2020 (B)	1.69	13.79	4.89	9.14	3.95	0.05	4.75	28.08	35.22	101.56
Net carrying amount as at 31 March 2020 (A) - (B)	18.31	16.15	7.58	14.45	6.96	-	6.10	2.06	142.91	214.52

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2019 are as follows:

Particulars	Currency: ₹ in crore							Total		
	Leasehold land	Leasehold improvements	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment		Computers	Right of Use
Gross carrying amount as at 1 April 2018	20.00	29.53	12.04	15.25	10.94	0.11	9.51	28.68	-	126.06
Additions (net of adjustment)	-	0.84	0.43	4.09	0.30	-	0.87	0.82	-	7.35
Deletions	-	-	-	0.41	-	-	-	1.53	-	1.94
Gross carrying amount as at 31 March 2019 (A)	20.00	30.37	12.47	18.93	11.24	0.11	10.38	27.97	-	131.47
Accumulated depreciation as at 1 April 2018	1.16	9.25	2.08	5.41	2.49	0.11	2.54	21.52	-	44.56
Depreciation for the year	0.27	3.88	0.77	2.97	1.20	-	1.34	6.89	-	17.32
Deletions	-	-	-	0.41	-	-	-	1.43	-	1.84
Accumulated depreciation as at 31 March 2019 (B)	1.43	13.13	2.85	7.97	3.69	0.11	3.88	26.98	-	60.04
Net carrying amount as at 31 March 2019 (A) - (B)	18.57	17.24	9.62	10.96	7.55	-	6.50	0.99	-	71.43

5 INVESTMENT PROPERTY

A. Reconciliation of carrying amount

The changes in the carrying value of investment property for the year ended 31 March 2020 are as follows:

Particulars	Currency: ₹ in crore	
	Amount	
Gross carrying amount as at 1 April 2019	37.89	
Gross carrying amount as at 31 March 2020 (A)	37.89	
Accumulated depreciation as at 1 April 2019	5.56	
Depreciation for the year	1.38	
Accumulated depreciation as at 31 March 2020 (B)	6.94	
Net carrying amount as at 31 March 2020 (A) - (B)	30.95	

The changes in the carrying value of investment property for the year ended 31 March 2019 are as follows:

Particulars	Currency: ₹ in crore	
	Amount	
Gross carrying amount as at 1 April 2018	37.89	
Gross carrying amount as at 31 March 2019 (A)	37.89	
Accumulated depreciation as at 1 April 2018	4.17	
Depreciation for the year	1.39	
Accumulated depreciation as at 31 March 2019 (B)	5.56	
Net carrying amount as at 31 March 2019 (A) - (B)	32.33	

The rental income recognized, from the above investment properties, in statement of profit and loss for the year ending 31 March 2020 is ₹ 6.39 crore. (31 March 2019: ₹ 6.39 crore)

B. Measurement of fair values

- The fair value of investment property as at 31 March 2020 is ₹ 153.87 crore (31 March 2019: ₹ 134.99 crore). The fair value has been determined by external, independent property valuers. The fair value measurement for all the investment properties has been categorized as a level 3 fair value based on the inputs to the valuation technique used. The independent valuers have adopted Land and Building method of valuation. The valuation has been arrived at considering the location of the property, market enquiries, sale instances etc.

6 INTANGIBLE ASSETS

The changes in the carrying value of intangible assets for the year ended 31 March 2020 are as follows:

Particulars	Currency: ₹ in crore		
	Trade marks	Computer software	Total
Gross carrying amount as at 1 April 2019	419.51	21.80	441.31
Additions	-	-	-
Deletions	7.88	-	7.88
Gross carrying amount as at 31 March 2020 (A)	411.63	21.80	433.43
Accumulated amortization as at 1 April 2019	183.19	3.18	186.37
Amortization for the year	50.30	2.18	52.48
Deletion for the year	5.32	-	5.32
Accumulated amortization as at 31 March 2020 (B)	228.17	5.36	233.53
Net carrying amount as at 31 March 2020 (A) - (B)	183.46	16.44	199.90

The changes in the carrying value of intangible assets for the year ended 31 March 2019 are as follows:

Particulars	Currency: ₹ in crore		
	Trade marks	Computer software	Total
Gross carrying amount as at 1 April 2018	419.51	21.80	441.31
Additions	-	-	-
Gross carrying amount as at 31 March 2019 (A)	419.51	21.80	441.31
Accumulated amortization as at 1 April 2018	132.70	1.00	133.70
Amortization for the year	50.49	2.18	52.67
Accumulated amortization as at 31 March 2019 (B)	183.19	3.18	186.37
Net carrying amount as at 31 March 2019 (A) - (B)	236.32	18.62	254.94

Impairment:

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Unit (CGU) as follows:

Particulars	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Business acquired pursuant to amalgamation of erstwhile Wyeth Limited	527.49	527.49
	527.49	527.49

The recoverable amount of the above CGU has been assessed using a value-in-use model. Value in use is calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The cash flow projections include specific estimates for five years developed using internal forecasts and a terminal growth rate thereafter of 2% (31 March 2019: 2%). The planning horizon reflects the assumptions for short-to-mid term market developments.

Discount rate reflects the current market assessment of the risks. The discount rate is estimated based on the weighted average cost of capital for the Company. Post-tax discount rate used for the year ended 31 March 2020 was 8.75% (31 March 2019: 12.5%).

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The management believes that any reasonable possible change in the key assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

7 INVESTMENTS

Unquoted *	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(i) Investment in equity instruments at FVTPL	0.00	0.00
(ii) Investment in government debt securities at FVTPL	0.00	0.00
	0.00	0.00
Aggregate amount of unquoted investment	0.00	0.00

* Amount below ₹ one lakh

8 LOANS-NON CURRENT

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(Unsecured considered good, unless otherwise stated)		
Deposits		
Considered good	31.55	31.00
Considered credit impaired	1.18	2.76
	32.73	33.76
Allowances for deposits	(1.18)	(2.76)
	31.55	31.00
Employee related loans	0.09	0.10
Other loans		
Considered good	0.26	0.67
	31.90	31.77

9 OTHER NON-CURRENT ASSETS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(Unsecured considered good, unless otherwise stated)		
Prepayments	1.10	8.03
Advance to vendor		
Considered credit impaired	1.52	2.22
Allowance for advance to vendor	(1.52)	(2.22)
	-	-
Gratuity (Refer note 34)	5.73	5.57
Capital advances	1.04	0.33
Balance with government authorities		
Considered good	13.00	13.07
Considered credit impaired	0.74	0.74
	13.74	13.80
Allowance for Balance with government authorities	(0.74)	(0.74)
	13.00	13.07
Others (payments under protest for DPCO, VAT and Customs)	120.82	99.73
	141.69	126.73

10 INVENTORIES

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Raw materials	74.28	68.26
Finished goods ¹	107.46	80.39
Work - in - progress	9.19	9.93
Stock - in - trade ¹	229.99	219.70
Stores	0.18	0.14
Packing materials	9.49	8.24
	430.59	386.66

Notes:

- Includes assets recoverable from customers of ₹ 3.70 crore (31 March 2019: ₹ 1.62 crore)
- The Company writes down the value of inventories towards slow moving, non-moving, expired and non-saleable inventory based on historical experience of such items and any recent trends that may suggest realizable amount could differ from historical amounts. Charge in the statement of profit and loss on account of write down of inventory during the year is ₹ 9.74 crore (31 March 2019: ₹ 18.61 crore).

11 TRADE RECEIVABLES

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Secured, considered good	0.03	0.03
Unsecured, considered good	172.00	171.63
Unsecured, considered credit impaired	24.84	25.63
	196.87	197.29
Less: Allowances for expected credit loss	(24.84)	(25.63)
	172.03	171.66

The above includes amounts due from related parties ₹ 21.62 crore (31 March 2019: ₹ 19.60 crore). The Company's exposure to credit and currency risks, and loss allowances are disclosed in note 37.

12a CASH AND CASH EQUIVALENTS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Balance with banks :		
In current accounts	8.26	13.52
In deposit accounts with maturity less than or equal to 90 days	1,753.17	55.66
Cheques on hand	2.36	4.63
	1,763.79	73.81

12b BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Balance with banks :		
In deposit accounts with maturity more than 90 days	431.00	1,818.00
In unclaimed dividend accounts	22.14	22.32
In fixed deposit ¹	2.86	-
As margin money deposit	0.08	0.21
	456.08	1,840.53

The Company's exposure to credit and currency risks, and loss allowances are disclosed in note 37.

¹Fixed deposit towards bank guarantee for VAT demand

13 LOANS-CURRENT

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(Unsecured considered good, unless otherwise stated)		
Deposits	2.36	2.05
Loans to employees	0.10	0.15
Others		
Considered good	1.06	3.18
	3.52	5.38

14 OTHER CURRENT FINANCIAL ASSETS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Interest accrued on deposits	14.69	25.12
Other receivables	6.62	6.77
	21.31	31.89

15 OTHER CURRENT ASSETS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Prepayments	9.62	26.80
Balance with Customs and Excise authorities	17.03	16.33
Goods and service tax receivable	133.83	140.53
Advance to vendor	5.27	8.09
	165.75	191.75

16 ASSETS HELD FOR SALE

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Business undertaking at Thane	35.04	13.54
Office premises	0.14	0.14
	35.18	13.68

- (i) The Company has entered into an agreement (BTA) for sale of business undertaking at Thane on a slump sale basis for a consideration of ₹ 178.00 crore, to be paid in installments, subject to fulfillment of the conditions precedent to the closing. The impact of the transaction would be reflected upon closure of the transaction. As on 31 March 2020, the Company had received an advance of ₹ 178.00 crore (31 March 2019: ₹ 178.00 crore) as per the agreed terms and is disclosed under "Other Current Liabilities" in note 22. Upon the conclusion of the BTA, all remaining workmen at Thane Plant shall be transferred to the buyer so as to facilitate manufacturing operations. The property, plant and equipment pertaining to the plant have been disclosed under this head. The company has received the necessary approval from MIDC for the transfer of the business undertaking including the land, plant and machinery and employees, save and except certain portion of the land which is subject to pending proceedings. The Company has paid an amount of ₹ 21.50 crore to execute the transfer. Due to uncertainty on taxability of transfer, the company has sought extension to transfer the approved land from MIDC.
- (ii) Office premises not in active use is expected to be disposed in twelve months and accordingly classified as the asset held for sale. Search for a suitable buyer is underway. No impairment loss was recognized on reclassification of the said premises as held for sale and the Company expects the fair value less cost to sell to be higher than carrying amount.

17a SHARE CAPITAL

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(i) Authorised :		
52,844,080 (31 March 2019: 52,844,080) equity shares of ₹ 10/- each	52.84	52.84
10,155,920 (31 March 2019: 10,155,920) unclassified shares of ₹ 10/- each	10.16	10.16
Total	63.00	63.00
(ii) Issued		
45,750,372 (31 March 2019: 45,750,372) equity shares of ₹ 10/- each	45.75	45.75
Total	45.75	45.75
(iii) Subscribed and fully paid-up		
45,747,732 (31 March 2019: 45,747,732) equity shares of ₹ 10/- each	45.75	45.75
Forfeited equity shares 2,640 (31 March 2019: 2,640) equity shares of ₹ 10/- each *	0.00	0.00
Total	45.75	45.75

* Amount below ₹ one lakh

- (iv) There has been no movement in the equity shares outstanding at the beginning and end of the year.
- (v) The Company has a single class of equity shares. Accordingly all the equity shares rank equally with regards to voting rights, dividends and share in the Company's residual assets.
- (vi) Pursuant to the Scheme of Amalgamation of erstwhile Wyeth Limited with the Company 15,906,292 shares of face value ₹ 10 each were issued during the year ended 31 March 2015 to the shareholders of erstwhile Wyeth Limited for consideration other than cash.
- (vii) During the five reporting periods immediately preceding the reporting date, no shares have been issued by capitalization of reserves as bonus shares.
- (viii) The details of shareholders holding more than 5 % shares in the company is as below:

	31 March 2020		31 March 2019	
	No. of Shares	No of shares %	No. of Shares	No of shares %
Pfizer East India B. V.	18,186,334	39.75	18,186,334	39.75
Wyeth LLC, USA	5,617,707	12.28	5,617,707	12.28
Aditya Birla Sun Life Trustee Private Limited Account (through various Mutual Fund schemes)	3,235,097	7.07	3,328,867	6.35

- (ix) Details of equity shares held by the holding company, the ultimate holding company and their subsidiaries:

	31 March 2020		31 March 2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each fully paid up held by:				
Ultimate Holding Company				
Pfizer Inc., USA	-	-	-	-
Subsidiaries of the ultimate holding company				
Pfizer East India B.V.	18,186,334	18.19	18,186,334	18.19
Wyeth LLC, USA	5,617,707	5.62	5,617,707	5.62
Wyeth Holdings Corporation, USA	1,630,164	1.63	1,630,164	1.63
Warner - Lambert Company, LLC, USA	1,187,163	1.19	1,187,163	1.19
Parke - Davis & Company, LLC, USA	955,733	0.96	955,733	0.96
John Wyeth & Brother Ltd, UK	882,000	0.88	882,000	0.88
Pharmacia Corporation, USA	783,941	0.78	783,941	0.78

17b OTHER EQUITY

Nature and purpose of reserves

(i) Securities premium

Securities premium account is used to record the premium on issue of shares. This reserve is utilized in accordance with the said provisions of The Companies Act, 2013. This account also includes the share premium on shares issued to the shareholders of erstwhile Wyeth limited, pursuant to the Scheme of Amalgamation.

(ii) General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

(iii) Capital reserve

The share-based payment reserve is used to recognize the value of equity settled share-based payments provided to the employees by Pfizer Inc. the ultimate holding company and the Company is not liable for any recharge of the amount. Refer note 35 for further details on the plan.

(iv) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders.

	Reserves and surplus				Other comprehensive income	Total other equity
	Securities premium	General reserve	Capital reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance as at 1 April 2018	1,320.67	301.92	21.63	989.29	3.94	2,637.45
Profit for the year	-	-	-	429.05	-	429.05
Other comprehensive income for the year	-	-	-	-	1.05	1.05
Total comprehensive income for the year	-	-	-	429.05	1.05	430.10
Transactions during the year :						
Share based payments (Refer note 35a)	-	-	8.34	-	-	8.34
Dividend including corporate dividend tax (Refer note 38b(i))	-	-	-	(110.30)	-	(110.30)
Balance as at 31 March 2019	1,320.67	301.92	29.97	1,308.04	4.99	2,965.59
Profit for the year	-	-	-	509.13	-	509.13
Other comprehensive income for the year	-	-	-	-	(8.93)	(8.93)
Total comprehensive income for the year	-	-	-	509.13	(8.93)	500.20
Transactions during the year :						
Share based payments (Refer note 35a)	-	-	8.04	-	-	8.04
Dividend including corporate dividend tax (Refer note 38b(i))	-	-	-	(124.09)	-	(124.09)
Balance as at 31 March 2020	1,320.67	301.92	38.01	1,693.08	(3.94)	3,349.74

18 PROVISIONS- NON CURRENT

	31 March 2020		31 March 2019	
	Provision for Demands under DPCO	Provision for sales return	Provision for Customs and central excise	
Provision for employee benefits				
Compensated absences (Refer note 34)	-	12.13	-	7.01
Gratuity (Refer note 34)	-	9.58	-	0.02
Other provisions				
Demands under Drug Price Control Orders (DPCO) (Refer note 39)	-	20.45	-	20.81
Sales return	-	5.69	-	5.11
Customs and Central Excise	-	0.02	-	1.78
		47.87		34.73

a) Movement in provisions:

	31 March 2020			31 March 2019		
	Provision for Demands under DPCO	Provision for sales return	Provision for Customs and central excise	Provision for Demands under DPCO	Provision for sales return	Provision for Customs and central excise
Balance as at 1 April 2018	22.03	4.29	2.15	-	-	-
Additions during the year	-	0.82	-	-	-	-
Reversal / Utilization during the year	1.22	-	0.37	-	-	-
As at 31 March 2019	20.81	5.11	1.78	-	-	-
Additions during the year	-	0.58	-	-	-	-
Reversal / Utilization during the year	0.36	-	1.76	-	-	-
As at 31 March 2020	20.45	5.69	0.02	-	-	-

b) Nature of provisions:

Provision for sales returns:

This represents provision towards saleable and non-saleable return expected to be made by the customers till the product expiry. Provision towards saleable return represents products which are expected to be returned in saleable condition while non-saleable return represents expected returns of products which are either expired or damaged, such that the sale of such products may not be possible. Management estimate the provision based on historical returns and any recent trends that may suggest future returns could differ from historical amounts.

Provision for demands under DPCO:

This represents provision recognized by the Company towards unsettled compensations claimed under DPCO from the Company.

Provision for customs and central excise:

This represents provision recognized by the Company towards claims raised by Customs and Excise authorities.

19 BORROWINGS

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
From Others	2.50	2.50
	2.50	2.50

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

20 TRADE PAYABLES

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Dues to micro and small enterprises	9.33	0.50
Other trade payables	417.45	435.42
	426.78	435.92

Notes:

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

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	9.33	0.50
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.01	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day (Represents interest amounts)"	0.38	2.24
(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	0.01	-
(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	-	-

b) 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.

c) Other trade payables include amounts due to related parties ₹ 286.35 (31 March 2019: ₹ 270.83 crore) of which ₹ 124.26 crore (31 March 2019: ₹ 112.80 crore) are due for more than 3 years.

d) All trade payables are 'current'. The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 37.

21 OTHER CURRENT FINANCIAL LIABILITIES

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Unclaimed dividends#	22.14	22.32
Employee benefits	51.80	40.28
Creditors for capital expenditure	0.99	1.94
Security deposits	6.38	8.05
Lease Liability (Refer note 36)	36.75	-
	118.06	72.59

Investor Education and Protection Fund (IEPF) is being credited by the amount of unclaimed dividend after seven years from the due date. The balance represents amounts not yet due for deposit to the IEPF.

22 OTHER CURRENT LIABILITIES

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Statutory remittances	39.97	42.55
Advance from customers (Refer note (i) below)	1.06	1.02
Advances received (Refer note 16 (i))	178.03	178.03
Deferred revenue (Refer note 25)	3.25	-
	222.31	221.60

Note (i)		
Contract Liabilities -Advance from customer	1.06	1.02

Movement in Contract Liabilities

Contract Liabilities at the beginning of the year	1.02	1.66
Decrease as a result of changes in the measure of progress	(1.02)	(1.66)
Increase due to cash received and carried forward	1.06	1.02
Contract Liabilities at the end of the year	1.06	1.02

23 PROVISIONS- CURRENT

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Provision for employee benefits		
Compensated absences (Refer note 34)	2.02	2.65
Gratuity (Refer note 34)	4.67	6.11
Other employee benefits	11.86	11.76
Other provisions :		
Sales return	25.47	27.92
Provision for sales tax / VAT (net)	13.69	13.93
	57.71	62.37

Movement in provisions:

	Provision for other employee benefits	Provision for sales return	Provision for sales tax / VAT
Balance as at 1 April 2018	10.19	30.79	13.93
Additions during the year	1.57	27.92	-
Reversal / Utilization during the year	-	30.79	-
As at 31 March 2019	11.76	27.92	13.93
Additions during the year	0.10	-	-
Reversal / Utilization during the year	-	2.45	0.24
As at 31 March 2020	11.86	25.47	13.69

Provision for sales tax/ VAT

These represents provision recognized by the Company towards claims raised by Sales Tax authorities and VAT authorities as applicable in each state.

Refer note 18 for the nature and basis of the balance provisions.

24 REVENUE FROM OPERATIONS

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products	2,096.32	2,030.49
Sale of services	55.19	50.93
Sale of scrap	0.14	0.08
	2,151.65	2,081.50

Disaggregation of the revenue and reconciliation to statement of profit and loss is as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
Manufactured	1,100.83	1,119.08
Traded	995.49	911.41
Total sale of products	2,096.32	2,030.49
Sale of services	55.19	50.93
Total revenue from contract with customers	2,151.51	2,081.42
Sale of scrap	0.14	0.08
Total revenue	2,151.65	2,081.50

Refer note 43 for geographical disaggregation of the revenue.

25 OTHER INCOME

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Interest income		
On bank deposits	123.86	124.14
On loans to employees	-	0.01
On income tax refund	4.12	-
On other balances	1.56	1.43
Rental income (Refer note 5)	6.39	6.39
Liabilities / provisions no longer required written back	12.74	3.08
Insurance claims	4.17	2.08
Sale of rights and interest in brands (net of related expenses)*	30.53	28.93
Profit on sale of assets (net)	-	0.01
Gain on early termination of lease	0.28	-
Other non-operating income	0.37	1.32
	184.02	167.39

*During the year, the Company divested rights and interests in two brands for a consideration of ₹ 37.32 crore (31 March 2019 : ₹ 30.00 crore). The income of ₹ 30.53 crore net of related expenses (31 March 2019: ₹ 28.93 crore) and deferment of revenue of ₹ 3.25 crore (31 March 2019: Nil) as per Ind AS 115 on account of supply arrangement, is included in 'Other Income'

26 COST OF MATERIALS CONSUMED

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Raw materials consumed		
Opening inventory (Refer note 10)	68.26	64.90
Add: Purchases	300.52	277.59
	368.78	342.49
Less: Closing inventory (Refer note 10)	74.28	68.26
Raw materials consumed(a)	294.50	274.23
Packing materials consumed		
Opening inventory (Refer note 10)	8.24	12.92
Add: Purchases	51.96	64.74
	60.20	77.66
Less: Closing inventory (Refer note 10)	9.49	8.24
Packing materials consumed (b)	50.71	69.42
Total cost of materials consumed (a + b)	345.21	343.65

27 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Opening inventory :		
Work in progress (Refer note 10)	9.93	6.60
Finished goods (Refer note 10)	80.39	61.85
Stock-in-trade (Traded goods) (Refer note 10)	219.70	150.69
Less:		
Closing inventory:		
Work in progress (Refer note 10)	9.19	9.93
Finished goods (Refer note 10)	107.46	80.39
Stock-in-trade (Traded goods) (Refer note 10)	229.99	219.70
Change in inventories:		
Work in progress (Refer note 10)	0.74	(3.33)
Finished goods (Refer note 10)	(27.07)	(18.54)
Stock-in-trade (Traded goods) (Refer note 10)	(10.29)	(69.01)
	(36.62)	(90.88)

28 EMPLOYEE BENEFITS EXPENSE

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	325.77	285.77
Contribution to provident and other funds (Refer note 34)	14.78	14.70
Staff welfare expenses	10.13	9.21
Gratuity (Refer note 34)	5.79	5.82
Employee stock option expenses (Refer note 35)	8.04	8.34
	364.51	323.84

29 FINANCE COSTS

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on others	10.85	1.29
	10.85	1.29

30 DEPRECIATION AND AMORTIZATION EXPENSE

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation on property, plant and equipment (Refer note 4)	49.38	17.33
Depreciation on investment property (Refer note 5)	1.38	1.39
Amortization of other intangible assets (Refer note 6)	52.48	52.67
	103.24	71.39

31 OTHER EXPENSES

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Advertisement and sales promotion	84.94	81.81
Processing charges	46.21	52.42
Legal and professional fees	67.74	55.04
Auditors' remuneration (Refer note 31.1)	0.90	0.87
Power and fuel	11.04	11.45
Freight and forwarding expenses	68.76	71.02
Insurance	11.79	12.09
Travelling and conveyance	62.54	59.23
Rent (Refer note 36)	3.41	35.63
Communication	6.28	6.29
Provision for expected credit loss (includes bad debts written off)	2.09	1.78
Provision for doubtful loans (includes actual written off)	0.21	1.61
Rates and taxes	11.36	11.41
Repairs and maintenance - buildings	1.08	0.42
Repairs and maintenance - machinery	2.24	2.69
Repairs and maintenance - others	2.70	2.23
Net loss on foreign currency transactions and translation	4.45	2.45
Consumption of stores and spare parts	2.03	4.78
Bank charges	0.16	0.43
Printing and stationery	0.98	1.06
Commission to directors	0.96	0.87
Loss on sale of fixed asset (net)	1.11	-
Miscellaneous expenses (Refer note 46 for corporate social responsibility)	29.20	28.98
	422.18	444.56

31.1 AUDITORS' REMUNERATION

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
a) As statutory auditor	0.85	0.83
b) For other matters (certification work) *	-	0.00
c) Out of pocket expenses	0.05	0.04
Total	0.90	0.87

* Amount below ₹ one lakh

32 TAX RECONCILIATION

Tax expense

(a) Amounts recognized in statement of profit and loss

Currency: ₹ in crore		
	Year ended 31 March 2020	Year ended 31 March 2019
Current income tax	177.70	243.77
Deferred income tax charge, (net)		
Origination and reversal of temporary differences	-	(12.91)
Reduction in tax rate	(0.63)	-
Others	0.79	-
Prior year tax adjustments	(44.50)	-
Tax expense for the year	133.36	230.86

(b) Amounts recognized in other comprehensive income

	Currency: ₹ in crore					
	Year ended 31 March 2020			Year ended 31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to statement of profit and loss						
Remeasurements of the defined benefit plans	(11.94)	3.01	(8.93)	1.61	(0.56)	1.05
Total	(11.94)	3.01	(8.93)	1.61	(0.56)	1.05

(c) Reconciliation of effective tax rate

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax	642.49	659.91
Tax using the Company's domestic tax rate (current year 25.17% and previous year 34.94%)	161.70	230.58
Capital gains on sale of brands	-	(3.37)
Tax effect of amounts which are not deductible in calculating taxable income		
CSR expenses	7.54	3.66
Reduction in tax rate	0.63	-
Deferred tax liability created on lease liability and right of use	4.40	-
Others	3.59	(0.01)
Tax expense as per statement of profit and loss	177.86	230.86
Effective tax rate	27.68%	34.99%

(d) Movement in deferred tax balances

The movement in deferred tax balances for the year ended 31 March 2020 is as follows:

	Currency: ₹ in crore			
	Net balance 1 April 2019	Recognized in statement of profit and loss	Recognized in OCI	Net deferred tax asset/liability
Deferred tax liability (gross)				
Property, plant and equipment	(12.41)	1.58	-	(10.83)
Goodwill and intangible assets	(61.32)	23.97	-	(37.35)
Lease straight lining	(2.93)	2.93	-	-
Lease liability	-	(4.40)	-	(4.40)
Interest free deposits	(0.72)	2.28	-	1.56
Total deferred tax liabilities	(77.38)	26.36	-	(51.02)
Deferred tax assets (gross)				
Physician samples	1.67	(1.26)	-	0.41
Employee benefits	11.18	(2.18)	3.01	12.01
Provisions	46.77	(7.55)	-	39.22
Other items	15.53	(15.53)	-	-
Total deferred tax assets	75.15	(26.52)	3.01	51.64
Deferred tax liabilities (net)	(2.23)	(0.16)	3.01	0.62

The movement in deferred tax balances for the year ended 31 March 2019 is as follows:

	Currency: ₹ in crore			
	Net balance 1 April 2018	Recognized in statement of profit and loss	Recognized in OCI	Net deferred tax asset/liability
Deferred tax liability (gross)				
Property, plant and equipment	(13.17)	0.76	-	(12.41)
Goodwill and intangible assets	(74.63)	13.31	-	(61.32)
Lease straight lining	(2.93)	0.00	-	(2.93)
Interest free deposits	(0.22)	(0.50)	-	(0.72)
Total deferred tax liabilities	(90.95)	13.57	-	(77.38)
Deferred tax assets (gross)				
Physician samples	0.53	1.14	-	1.67
Employee benefits	10.68	1.06	(0.56)	11.18
Provisions	44.85	1.92	-	46.77
Other items	20.31	(4.78)	-	15.53
Total deferred tax assets	76.37	(0.66)	(0.56)	75.15
Deferred tax liabilities (net)	(14.58)	12.91	(0.56)	(2.23)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

33 EARNINGS PER SHARE (EPS)

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(i) Profit attributable to Equity holders		
Profit for the year	509.13	429.05
(ii) Weighted average number of ordinary shares	45,750,372	45,750,372
(iii) Basic and Diluted earnings per share computed on basis of profit for the year *	111.28	93.78

* Basic and diluted earning per share are in ₹

34 EMPLOYEE BENEFITS
(A) Defined contribution plan:

During the year, the Company has contributed ₹ 0.53 crore (31 March 2019: ₹ 0.46 crore) towards employee's superannuation fund.

(B) Long-term employee benefit - Compensated absences

All eligible employees can carry forward and avail / encash leave as per Company's rules.

(C) Defined benefit plan:

(i) 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.

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Accumulated PF Balances(a)	322.33	290.82
Cost of interest rate guarantee (b)	14.71	4.43
Total liability (a+b)	337.04	295.25
Less: fair value of plan assets	342.33	303.03
Deficit/(Surplus)	(5.29)	(7.78)
Effect due to asset ceiling	-	-
(Asset)/Liability*	(5.29)	(7.78)

* The net surplus in the provident fund trust as per the actuarial report is ₹ 5.29 crore as at 31 March 2020 (31 March 2019 : ₹ 7.78 crore) leading to a nil liability for the company.

(ii) Gratuity plan

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Defined benefit obligation	93.53	79.33
Fair value of plan assets	85.01	78.77
Net defined benefit assets/ (obligation)	(8.52)	(0.56)

(i) Movement in net defined benefit asset/ (obligation)

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

Gratuity plan

	Currency: ₹ in crore					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset/ (obligation)	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Opening balance	79.33	77.30	78.77	75.46	(0.56)	(1.84)
Funds received from Life Insurance Corporation of India	-	-	-	-	-	-
Current service cost	5.97	5.87	-	-	(5.97)	(5.87)
Contributions	-	-	-	2.00	-	2.00
Expected returns	-	-	5.91	5.58	5.91	5.58
Past service cost	-	-	-	-	-	-
Interest cost (income)	5.72	5.52	-	-	(5.72)	(5.52)
Benefit payments from plan assets	-	(4.54)	-	(4.54)	-	-
Benefit payments directly by employer	(9.77)	(3.48)	-	-	9.77	3.48
	81.25	80.67	84.68	78.50	3.43	(2.17)
Included in OCI						
Remeasurement loss/ (gain)	-	-	-	-	-	-
Actuarial loss/ (gain) arising from						
(i) Demographic assumptions	0.90	-	-	-	(0.90)	-
(ii) Financial assumptions	9.35	(0.63)	0.33	0.27	(9.02)	0.90
(iii) Experience adjustment	2.03	(0.71)	-	-	(2.03)	0.71
	12.28	(1.34)	0.33	0.27	(11.95)	1.61
Closing balance	93.53	79.33	85.01	78.77	(8.52)	(0.56)

Represented by

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Net defined benefit liability	14.25	6.13
Net defined benefit asset	5.73	5.57
	(8.52)	(0.56)

(ii) Plan assets

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Plan assets comprise the following		
Insurer managed fund (100%)	85.01	78.77
	85.01	78.77

(iii) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Gratuity	
	31 March 2020	31 March 2019
Discount rate	6.32%	7.50%
Future salary growth	5% to 9%	5% to 9%
Rate of employee turnover	4% to 13.82%	5% to 20%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Assumptions regarding future mortality have been based on published statistics and mortality tables.

(iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Currency: ₹ in crore			
	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	85.51	102.87	73.40	86.15
Future salary growth (1% movement)	101.28	86.31	85.30	73.81

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(v) Expected future cash flows

The expected future cash flows in respect of gratuity as at 31 March 2020 were as follows

Expected future benefit payments	
31 March 2021	4.67
31 March 2022	6.98
31 March 2023	5.72
31 March 2024	7.04
31 March 2025	6.28
Thereafter	36.03

35 SHARE-BASED PAYMENT ARRANGEMENTS

a) Employee stock options - equity settled

Certain employees of the Company are eligible for stock options, restricted stock units, portfolio performance shares and total shareholder return units granted by Pfizer Inc.

The Company has accounted ₹ 8.04 crore (31 March 2019: ₹ 8.34 crore) for share-based payment transactions among group entities in accordance with Ind AS 102, 'Share-based Payments'.

Nature and extent of employee share-based payment plans

Pfizer Inc., as a part of the long-term incentive awards offers certain common stock (shares) to the employees of Pfizer Inc., and its subsidiaries. These shares are offered through grant of awards which is a combination of stock options and restricted stock units under the Pfizer Inc. 2004 Stock plan. As per the plan, the vesting period of the stock options and the restricted stock units is 3 years from the grant date and the stock options have a term of 10 years from the grant date. All stock options and restricted stock units are settled through equity.

The employees of the Company have been issued Nil (31 March 2019: Nil) share options, 19,523 (31 March 2019: 23,251) restricted stock units, 1,370 (31 March 2019: 896) portfolio performance shares and 101,285 (31 March 2019: 121,001) total shareholder return units under the Pfizer Inc., 2004 Share Option Plan by Pfizer Inc.

(i) Employee stock options (ESOP)

Employee stock option provides the employees of Pfizer Limited with a right to receive a unit of the stock of Pfizer Inc., at a predetermined exercise price upon fulfillment of vesting conditions.

Particulars	Year ended 31 March 2020		
	Shares arising out of options	Range of exercise prices (US \$)	Weighted average exercise price (US \$)
Options outstanding at the beginning of the year	123,782	17.69 - 34.59	28.72
Add: Options granted during the year	-	-	-
Less: Options lapsed during the year	-	-	-
Less: Options exercised during the year	(20,340)	17.69 - 34.59	26.72
Less: Options forfeited during the year	-	-	-
Add/(Less): Transfer between entities	-	-	-
Options outstanding at the year end	103,442	17.69 - 34.59	28.86
Exercisable at the end of the period	102,195	17.69 - 34.59	28.86

The weighted average remaining contractual life of the ESOP outstanding at the year end is 3.6 years.

Particulars	Year ended 31 March 2019		
	Shares arising out of options	Range of exercise prices (US \$)	Weighted average exercise price (US \$)
Options outstanding at the beginning of the year	210,795	17.69 - 34.59	28.72
Add: Options granted during the year	-	-	-
Less: Options lapsed during the year	-	-	-
Less: Options exercised during the year	(83,505)	17.69 - 34.59	28.99
Less: Options forfeited during the year	(1,350)	34.59 - 34.59	26.89
Add/(Less): Transfer between entities	(2,158)	17.69 - 34.59	28.08
Options outstanding at the year end	123,782	17.69 - 34.59	28.72
Exercisable at the end of the period	121,336	17.69 - 34.59	28.43

The weighted average remaining contractual life of the ESOP at the year end is 4.4 years.

The weighted average grant date fair value of stock options granted during the years ended 31 March 2020 is Nil (31 March 2019: Nil).

(ii) Restricted stock units (RSUs)

RSUs which, when vested entitle the holder to receive a specified number of shares of the Ultimate Holding Company including shares resulting from dividend equivalents paid on such RSUs, are accounted for using a fair value based method at the date of grant. The value of each RSU grant is estimated on the grant date. The fair value based method utilizes the closing price of the Ultimate Holding Company's common stock on the date of grant. The exercise price of the RSU is Nil.

Particulars	Year ended 31 March 2020	
	Shares arising out of options	Weighted average exercise price (US\$)
RSUs outstanding at the beginning of the year	58,062	33.71
Add: Options granted during the year	19,523	43.35
Less: Options vested during the year	(17,110)	30.93
Less: Options forfeited during the year	(8,256)	37.26
Add: DEUs earned during the year	1,985	39.66
Add: Transfer between entities	(2,935)	-
RSUs outstanding at the year end	51,269	37.87

The weighted average remaining contractual life of the RSUs outstanding at the year end is 1.2 years.

Particulars	Year ended 31 March 2019	
	Shares arising out of options	Weighted average exercise price (US\$)
RSUs outstanding at the beginning of the year	54,608	33.03
Add: Options granted during the year	23,251	35.74
Less: Options vested during the year	(14,462)	34.54
Less: Options forfeited during the year	(5,784)	33.52
Add: DEUs earned during the year	1,990	37.55
Add: Transfer between entities	(1,541)	-
RSUs outstanding at the year end	58,062	33.71

The weighted average remaining contractual life of the RSUs outstanding at the year end is 1.25 years.

The weighted average grant date fair value of RSUs granted during the year ended 31 March 2020 is US \$ 43.35 per RSU (31 March 2019: US \$ 35.74 per RSU).

(iii) **Portfolio performance shares (PPSs)**

PPSs provide an opportunity to receive shares of Pfizer common stock contingent upon the company's achievement of pre set goals related to long term pipeline portfolio delivery over a five year performance period.

Particulars	Year ended 31 March 2020	
	Shares arising out of options	Weighted average exercise price (US\$)
Options outstanding at the beginning of the year	1,777	43.65
Add: Options granted during the year	1,370	43.35
Less: Options vested during the year	(836)	43.08
Less: Options forfeited during the year	(532)	39.62
Less: Transfer between entities	-	-
Options outstanding at the year end	1,779	39.18
Exercisable at the end of the year	1,868	39.18

The weighted average remaining contractual life of the PPS outstanding at the year end is 1.8 years.

Particulars	Year ended 31 March 2019	
	Shares arising out of options	Weighted average exercise price (US\$)
Options outstanding at the beginning of the year	3,372	34.42
Add: Options granted during the year	896	35.74
Less: Options vested during the year	(1,032)	37.09
Less: Options forfeited during the year	(523)	43.52
Less: Transfer between entities	(936)	-
Options outstanding at the year end	1,777	43.65
Exercisable at the end of the year	1,971	43.65

The weighted average remaining contractual life of the PPSs outstanding at the year end is 1.8 years.

The weighted average grant date fair value of PPSs option granted during the years ended 31 March 2020 is US \$43.35 per PPS (31 March 2019: US \$35.74 per PPS).

(iv) **Total Shareholder Return Units (TSRUs)**

TSRUs are awarded to senior and other key management, and, beginning in 2016, to certain other employees. TSRUs entitle the holders to receive a number of shares of our common stock with a value equal to the difference between the

defined settlement price and the grant price, plus the dividends accumulated during the five-year or seven-year term, if and to the extent the total value is positive.

We measure the value of TSRU grants as of the grant date using a Monte Carlo simulation model. The values determined through this fair value methodology generally are amortized on a straight-line basis over the vesting term.

Particulars	Year ended 31 March 2020	
	Shares arising out of options	Weighted average exercise price (US\$)
TSRUs outstanding at the beginning of the year	286,900	33.78
Add: Options granted during the year	101,285	43.35
Less: Options vested during the year	(3,207)	30.59
Less: Options forfeited during the year	(41,519)	37.30
Less: Transfer between entities	(14,090)	-
TSRUs outstanding at the year end	329,369	36.32

The weighted average remaining contractual life of the TSRUs outstanding at the year end is 2.8 years.

Particulars	Year ended 31 March 2019	
	Shares arising out of options	Weighted average exercise price (US\$)
TSRUs outstanding at the beginning of the year	202,299	32.55
Add: Options granted during the year	121,001	35.74
Less: Options vested during the year	(255)	34.06
Less: Options forfeited during the year	(29,005)	33.57
Less: Transfer between entities	(7,140)	-
TSRUs outstanding at the year end	286,900	33.78

The weighted average remaining contractual life of the TSRUs outstanding at the year end is 3.3 years.

The weighted average grant date fair value of TSRUs granted during the year ended 31 March 2020 is US \$ 43.35 per TSRU (31 March 2019: US \$ 35.74 per TSRU)

b) **Valuation of stock options**

The fair value of stock options granted during the period has been measured using the Black-Scholes-Merton option pricing model at the date of the grant. The Black-Scholes-Merton option-pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

Share price: The closing price on NYSE as on the date of grant has been considered for valuing the options granted.

Exercise price: Exercise Price is the market price or face value or such other price as determined by the Pfizer Inc.'s Remuneration and Compensation Committee.

Expected volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected option life: Expected life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

Particulars	Date of grant			
	28 February 2019	28 February 2018	28 February 2017	28 February 2016
Expected dividend yield	3.27%	3.73%	3.69%	3.85%
Risk-free interest rate	2.66%	2.85%	2.23%	1.55%
Expected stock price volatility	18.34%	20.02%	18.39%	21.64%
Expected term	6.75 years	6.75 years	6.75 years	6.75 years

36 LEASES

The Company's lease asset classes primarily consist of leases for land and buildings. The lease period for these contracts varies from 1 year to 6 years except for Goa plant having a lease period of 99 years and in certain cases, mainly relating to rent of (parts of) buildings, with extension options. The Right-of-use assets and Lease liabilities as disclosed below, do not include short term and low value leases. In general, as usual with leases, the Company's obligations under its leases are secured by the lessor's title to or legal ownership of the leased assets.

Right-of-Use Assets

The movement in Right-of-use assets has been disclosed in Note 4.

Lease Liabilities

Movement in Lease Liabilities as from 1 April 2019:

Particulars	31 March 2020
Balance as at 1 April 2019	98.13
Additions on account of New Leases	62.68
Accretion of Interest	10.45
Payments made	39.00
Early Termination of Lease	7.11
Gain on early termination	0.28
Balance as at 31 March 2020	125.43
Current	36.75
Non-current	88.68
Balance as at 31 March 2020	125.43

Rent paid for short term leases was ₹ 3.24 crore for the year ended 31 March 2020. The total cash out flows for leases are ₹ 42.24 crore in the year, including the payments relating to short term and low value leases.

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	31 March 2020
Less than one year	47.00
One to five years	100.51
More than five years	11.75
Total	159.26

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental income on assets given on operating lease is ₹ 6.39 crore for the year ended 31 March 2020.

37 FINANCIAL INSTRUMENTS

1. Financial instruments – Fair values and measurements

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

Currency: ₹ in crore

	Note	Carrying amount				Fair value			Total	
		FVTPL	FVTOCI	Amortized Cost	Derivatives designated as hedges	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)		Significant unobservable inputs (Level 3)
Financial assets										
Investments *	7	0.00	-	-	-	0.00	0.00	-	-	0.00
Loans-non current	8	-	-	31.90	-	31.90	-	-	-	-
Trade receivables	11	-	-	172.03	-	172.03	-	-	-	-
Cash and cash equivalents	12a	-	-	1,763.79	-	1,763.79	-	-	-	-
Other bank balances	12b	-	-	456.08	-	456.08	-	-	-	-
Loans-current	13	-	-	3.52	-	3.52	-	-	-	-
Other current financial assets	14	-	-	21.31	-	21.31	-	-	-	-
		0.00	-	2,448.63	-	2,448.63	0.00	-	-	0.00
Financial liabilities										
Borrowings	19	-	-	2.50	-	2.50	-	-	-	-
Trade payables	20	-	-	426.78	-	426.78	-	-	-	-
Other current financial liabilities	21	-	-	118.06	-	118.06	-	-	-	-
		-	-	547.34	-	547.34	-	-	-	-

* Amount below ₹ one lakh

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2019, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount					Fair value			
		FVTPL	FVTOCI	Amortized Cost	Derivatives designated as hedges	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		Currency: ₹ in crore								
Financial assets										
Investments *	7	0.00	-	-	-	0.00	0.00	-	-	0.00
Loans-non current	8	-	-	31.77	-	31.77	-	-	-	-
Trade receivables	11	-	-	171.66	-	171.66	-	-	-	-
Cash and cash equivalents	12a	-	-	73.81	-	73.81	-	-	-	-
Other bank balances	12b	-	-	1,840.53	-	1,840.53	-	-	-	-
Loans-current	13	-	-	5.38	-	5.38	-	-	-	-
Other current financial assets	14	-	-	31.89	-	31.89	-	-	-	-
		0.00	-	2,155.04	-	2,155.04	0.00	-	-	0.00
Financial liabilities										
Borrowings	19	-	-	2.50	-	2.50	-	-	-	-
Trade payables	20	-	-	435.92	-	435.92	-	-	-	-
Other current financial liabilities	21	-	-	72.59	-	72.59	-	-	-	-
		-	-	511.01	-	511.01	-	-	-	-

* Amount below ₹ one lakh

2. Financial risk management - objective and policies

(i) Financial risk management framework

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific risk areas.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financing activities including deposits with banks and other financial instruments. The Company establishes an allowance for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a) Trade receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 172.03 crore as at 31 March 2020 (31 March 2019: ₹ 171.66 crore).

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry, the country and the state in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

b) Expected credit loss assessment for customers and loans

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers and loans outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The company provided for expected credit loss based on lifetime expected credit loss. (simplified approach).

The movement in the allowance for credit loss in respect of trade receivables during the year was as follows

	Currency: ₹ in crore
	Amount
Balance as at 1 April 2018	23.84
Amounts written off	-
Increase in provision	1.79
Balance as at 31 March 2019	25.63
Amounts written off	2.88
Increase in provision	2.09
Balance as at 31 March 2020	24.84

The movement in the allowance for doubtful loans during the year was as follows

	Currency: ₹ in crore
	Amount
Balance as at 1 April 2018	1.32
Amounts written off	-
Increase in provision	1.44
Balance as at 31 March 2019	2.76
Amounts written off	1.67
Increase in provision	0.09
Balance as at 31 March 2020	1.18

c) Cash and bank balances

The Company held cash and bank balances of ₹ 2,219.87 crore as at 31 March 2020 (31 March 2019: ₹ 1,914.34 crore).Credit risk on cash and bank balances is limited as these are generally held or invested in deposits with banks with good credit ratings.

d) Investments

There are no significant investments made by the Company and hence credit risk is not material.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

Exposure to liquidity risk

Undiscounted contractual maturities of significant financial liabilities

Currency: ₹ in crore							
31 March 2020	Note	Carrying amount	Contractual cash flows				
			Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities							
- Borrowings	19	2.50	2.50	2.50	-	-	-
- Trade payable	20	426.78	426.78	426.78	-	-	-
- Creditors for capital expenditure	21	0.99	0.99	0.99	-	-	-
- Employee benefits payable	21	51.80	51.80	51.80	-	-	-
- Deposits	21	6.38	6.38	6.38	-	-	-
- Unclaimed dividend	21	22.14	22.14	22.14	-	-	-
Total		510.59	510.59	510.59	-	-	-

Currency: ₹ in crore							
31 March 2019	Note	Carrying amount	Contractual cash flows				
			Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities							
- Borrowings	19	2.50	2.50	2.50	-	-	-
- Trade payable	20	435.92	435.92	435.92	-	-	-
- Creditors for capital expenditure	21	1.94	1.94	1.94	-	-	-
- Employee benefits payable	21	40.28	40.28	40.28	-	-	-
- Deposits	21	8.05	8.05	8.05	-	-	-
- Unclaimed dividend	21	22.32	22.32	22.32	-	-	-
Total		511.01	511.01	511.01	-	-	-

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(v) Currency risk

The Company is exposed to currency risk on account of its operations. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future.

Exposure to currency risk

The foreign currency risk from financial instruments as at 31 March 2020 are as follows:

	Currency: ₹ in crore	
	₹	US \$
Financial assets		
Trade and other receivables	0.45	0.01
	0.45	0.01
Financial liabilities		
Trade payables	40.63	0.54
	40.63	0.54
Net assets / (liabilities)	(40.18)	(0.53)

The foreign currency risk from financial instruments as at 31 March 2019 are as follows:

	Currency: ₹ in crore	
	₹	US \$
Financial assets		
Trade and other receivables	0.55	0.01
	0.55	0.01
Financial liabilities		
Trade payables	52.43	0.76
	52.43	0.76
Net assets / (liabilities)	(51.88)	(0.75)

Every percentage point depreciation / appreciation in the exchange rate between the Indian Rupee and US dollar would not have a significant impact on statement of profit and loss for the year ended 31 March 2020.

38 CAPITAL MANAGEMENT

a) Risk management

The Company's policy is to maintain a strong capital base to sustain future development of the business.

The Company has adequate cash and bank balances and continues to remain debt-free. The Company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

b) Dividend

(i) Equity Shares

Final Dividend for the year ended 31 March 2019 of ₹ 22.50 for fully paid share (31 March 2018: ₹ 20 for fully paid share).

Dividend distribution tax on final dividend for March 2019 ₹ 21.16 crore (31 March 2018: ₹ 18.81 crore).

39 PRICING LITIGATIONS - CONTINGENCIES

The government had raised certain pricing related demands on Pfizer Limited and the erstwhile Parke-Davis (India) Ltd., Pharmacia Healthcare Limited and Wyeth Limited (which entities merged with Pfizer Limited), in respect of certain price fixation orders and other allied matters under various Drug (Prices Control) Orders (DPCO), viz., DPCO 1979, DPCO 1987, DPCO 1995 and DPCO 2013. These demands include alleged differential price demand on procurement of bulk drugs below the notified price, disputes on categorization of products, overcharging on the allegation of not following certain price control orders, allegation of delayed implementation of price ceiling notifications, etc. The Company had repudiated these demands and initiated legal proceedings to defend the Company against these alleged demands. Based on the legal assessment of these matters, certain provisions have already been made in the books, wherever necessary. The Company also has made certain deposits against these demands pursuant to directions from High Court(s).

Based on the legal opinion received by the Company and the assessment of the management, the Company is of the view that no further provisions are considered necessary over and above the sum of ₹ 20.45 crore (31 March 2019: ₹ 20.81 crore) and that the estimated liability in respect of these cases shall not exceed the amount provided in the books of accounts. A summary of the alleged pricing demands are given hereunder:

Currency: ₹ in crore						
Name of Statute	Period of dispute	Authority before whom dispute is pending	Nature of dispute	Total demand including interest	Amount Paid	Contingent Liability
DPCO 1979 / DPCO 1987	1979-1988	Drug Prices Liability Review Committee	Alleged differential bulk drug price and arbitrary retrospective demand	16.25	-	16.25
DPCO 1979	1981-1988	Hon'ble Bombay High Court	Alleged differential price demand	59.45	18.97	43.29
DPCO 1979	1982-1986	Hon'ble Hyderabad High Court	Alleged differential price demand	2.23	1.06	1.17
DPCO 1979	1983-1985	Hon'ble Bombay High Court	Alleged differential bulk drug procurement price	3.85	0.45	3.85
DPCO 1979	1984-1986	Drug Prices Liability Review Committee	Alleged demand on Food product based on wrong classification	2.12	-	2.12
DPCO 1995	2004	Hon'ble Bombay High Court	Alleged non-maintenance of raw material consumption ratio	17.11	12.88	17.11
DPCO 1995	2006-2007	Various authorities	Applicability of price control notification & allied matters	9.01	-	6.21
-						
DPCO 1995	2006-2007	Hon'ble Bombay High Court	Alleged non-implementation of price order	6.10	-	6.10
DPCO 2013	2015-2017	Hon'ble Bombay High Court	Price increase due to excise duty revision alleged as price increase in excess of permissible limit	48.46	-	48.46
DPCO 1995	2014-2015	Hon'ble Bombay High Court	Alleged delayed implementation of price order	3.90	0.15	3.90
DPCO 1995	2009-2010	Hon'ble Delhi High Court	Alleged delayed implementation of price order	0.51	0.08	0.08
DPCO 2013	2016-2017	Hon'ble Bombay High Court	Alleged delayed implementation of price order	6.97	-	6.97
Total				175.96	33.59	155.51

40 RELATED PARTY TRANSACTIONS

I. Names of related parties and description of relationships

A. Parties where control exists:

Ultimate holding company:
Pfizer Inc., USA

B. Companies collectively exercising significant influence:

Pfizer East India B.V., Netherlands
Wyeth LLC, USA
Wyeth Holdings Corporation, USA
John Wyeth & Brother Limited, UK
Warner - Lambert Company, LLC, USA
Parke - Davis & Company, LLC, USA
Pharmacia Corporation, USA

[Collectively holding 63.92% of the aggregate of equity share capital of the Company]

C. Fellow subsidiaries with whom transactions have taken place during the year

Pfizer Products India Private Limited, India
Pfizer Innovative Supply Point International BVBA, Belgium
Pfizer Service Company BVBA, Belgium
Pfizer Worldwide Services, Ireland
Pfizer Asia Manufacturing PTE, Singapore
Pfizer Canada Inc

D. Key managerial personnel

Mr. S. Sridhar - Managing Director
Mr. Milind Patil - Wholetime Director & Chief Financial Officer
Mr. Vivek Dhariwal - Wholetime Director (upto 14 February 2020)
Mr. Samir Kazi (w.e.f 14 February 2020)
Dr. Anurita Majumdar - Wholetime Director (upto 8 March 2019)
Mr. R A Shah - Independent Director
Mr. Pradip Shah - Independent Director
Mr. Uday Khanna - Independent Director
Mr. Sunil Lalbhai - Independent Director
Ms.Meena Ganesh - Independent Director

E. Relative of Key managerial personnel

Mr. Akhilesh Iyer (w.e.f 20 February 2019)

II. Transactions during the year and balances outstanding as at the year end with the related parties are as follows:

Currency: ₹ in crore									
No.	Nature of transactions	31 March 2020				31 March 2019			
		Ultimate holding company	Companies exercising significant influence	Fellow subsidiaries	Total	Ultimate holding company	Companies exercising significant influence	Fellow subsidiaries	Total
1	Service income	-	-	55.19	55.19	0.37	-	50.56	50.93
2	Recovery of expenses	0.54	0.03	0.19	0.76	-	-	0.36	0.36
3	Purchase of stock-in-trade	-	-	393.41	393.41	-	-	396.42	396.42
4	Purchase of raw / bulk materials	-	-	115.05	115.05	-	-	49.98	49.98
5	Reimbursement of expenses	-	-	-	-	0.27	-	-	0.27
6	Dividend in respect of the year ended 31 March 2019 / 2018	-	65.77	-	65.77	-	58.49	-	58.49
7	Liability written back	-	1.42	8.59	10.01	-	-	-	-

Currency: ₹ in crore									
No.	Nature of transactions	31 March 2020				31 March 2019			
		Ultimate holding company	Companies exercising significant influence	Fellow subsidiaries	Total	Ultimate holding company	Companies exercising significant influence	Fellow subsidiaries	Total
8	Outstanding as at the year end – Due from	0.54	0.09	20.99	21.62	0.33	0.06	19.21	19.60
9	Outstanding as at the year end – Due to	11.18	6.47	271.20	288.85	10.52	7.84	254.97	273.33

Key managerial personnel

No.	Nature of transactions	Currency: ₹ in crore	
		Year ended 31 March 2020	Year ended 31 March 2019
1	Remuneration to key management personnel *	9.22	10.50

* Excludes amounts payable to key management personnel towards gratuity and compensated absences.

Details of material transactions during the year:

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
a) Service income		
Pfizer Products India Private Limited	25.60	23.22
Pfizer Worldwide Services	29.59	27.34
b) Recovery of expenses		
Pfizer Products India Private Limited	0.19	0.34
Pfizer Inc., USA	0.54	-
c) Purchase of stock in trade		
Pfizer Innovative Supply Point Intl BVBA, Belgium	66.07	258.18
Pfizer Service Company BVBA, Belgium	327.34	131.93
d) Purchase of raw/ bulk materials		
Pfizer Service Company BVBA, Belgium	111.62	46.87
e) Reimbursement of expenses		
Pfizer Inc., USA	-	0.27
f) Dividend paid		
Pfizer East India B.V.	40.92	36.37
Wyeth LLC, USA	12.64	11.24
g) Remuneration to key management personnel		
S. Sridhar	4.11	3.55
Milind Patil	2.10	1.59
Vivek Dhariwal	1.88	2.53
Samir Kazi	0.16	-
Dr. Anurita Majumdar	-	1.96

	Currency: ₹ in crore	
	As on 31 March 2020	As on 31 March 2019
h) Outstanding as at the year end due from		
Pfizer Worldwide Services	5.70	5.47
Pfizer Products India Private Limited, India	15.29	13.74
i) Outstanding as at the year end due to		
Pfizer Innovative Supply Point Intl BVBA, Belgium	15.81	62.49
Pfizer Service Company BVBA, Belgium	152.55	83.97
Pfizer Export Company, Ireland	82.85	84.70

41 SALES TAX/VAT LITIGATIONS - CONTINGENCIES

The Company has outstanding litigations pertaining to Sales Tax/Value Added Tax of various assessment years which the Company has challenged at various forums. These litigations pertain to non-submission of documentary evidence at the time of assessment, litigations involving question of law and certain disallowance made by authorities in assessment orders. Based on the external consultants advise, the Company is of the view that no further provisions are considered necessary over and above the amount already provided in the books of accounts (Refer note 23). Against these bank guarantee of ₹ 12.45 crore has been issued to government authorities.

Forum where dispute is Pending	Period to which the Amount relates	Nature of dues	Currency: ₹ in crore		
			Total demand	Amount paid under Protest	Contingent Liability
Assessing officer	2008-2009 to 2012-2013, 2015-2016 to 2016-2017	Pending statutory declaration forms and others	3.28	0.06	-
Additional commissioner	1995-1996, 1997-1998 to 1998-1999, 2002-2003, 2008-2009 to 2014-2015	Pending statutory declaration forms, disallowance of credit notes and others	22.47	0.41	0.65
Assistant Commissioner	1986-1987, 2004-2005, 2011-2012 to 2017-2018	Pending statutory declaration forms, disallowance of credit notes and others	37.32	-	0.03
Commercial tax officer	2010-11 to 2013-14, 2015-2016 to 2017-2018	Pending statutory declaration forms and others	10.14	-	-
Deputy Commissioner	1993-1994 to 1996-1997, 1999-2000 to 2003-2004, 2005-2006 to 2017-2018	Pending statutory declaration forms, disallowance of credit notes and input tax credit	55.93	9.20	1.42
Hon'ble High court	1995-1996, 2012-2013 to 2013-2014	Levy of tax and interest	1.94	-	0.30
Joint Commissioner	1983-1984, 1985-1986 to 1986-1987, 1994-1995 to 1995-1996, 1998-1999, 2000-2001 to 2016-2017	Pending statutory declaration forms, disallowance of credit note and input tax credit and others	422.88	79.04	55.83
Revision Board	2006-2007 to 2009-2010	Pending statutory declaration forms, disallowance of credit notes and others	0.37	0.01	-
Hon'ble Supreme court	1992-93	Levy of tax and interest	0.10	-	0.10
Various Tribunals	1991-1992 to 1992-1993, 1994-1995 to 1996-1997, 1999-2000 to 2001-2002, 2003-2004 to 2013-2014	Pending statutory declaration forms, disallowance of credit notes and others	19.43	4.91	5.91
Commissioner (Appeals)	2005-2006, 2012-2013	Pending statutory declaration forms and others	0.18	0.02	0.00
			574.04	93.65	64.24

42 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
(i) Contingent liabilities		
(a) Claims not acknowledged as debts	15.12	13.00
(b) Other guarantees	2.28	5.18
(c) Other contingent liabilities in respect of:		
1. Duty of excise	6.37	18.48
2. Duty of customs	2.77	1.72
3. Service tax	-	1.93
4. Income tax	225.84	177.41
5. Pending labour matters contested in various courts	0.94	0.62

(ii) Commitments

	Currency: ₹ in crore	
	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.28	0.78

43 SEGMENT REPORTING

The Company has only one segment which is Pharmaceuticals and primarily operates in domestic market. The Managing Director of the Company has been identified as the Chief Operating Decision Maker. The Company's Managing Director, reviews the operating performance of the Company as a whole on a periodic basis. Therefore disclosure relating to segments is not applicable and accordingly not made.

The details of geographical segment for the year ended 31 March 2020 and 31 March 2019 is as under

	Currency: ₹ in crore	
	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations from India	2,111.90	2,038.67
Revenue from operations from outside of India	39.75	42.83
Total Revenue from operations	2,151.65	2,081.50

There are no non-current assets outside of India as at 31 March 2020 (31 March 2019: Nil).

44 COVID-19 IMPACT

COVID-19, a pandemic caused by the novel Coronavirus, has emerged as an unprecedented challenge globally and to the pharmaceutical companies in particular, who have a responsibility towards public health. As a participant in this eco-system, the Company has taken a number of steps to respond to this unique situation. The Company has taken effective steps to ensure supply of essential medicines to its customers. The Company's Goa Plant continues to remain operational at almost its usual capacity. The Company has strictly followed the protocols on social distancing and provided safe working environment at its Goa Plant.

The Company transitioned into a full Work From Home model and several measures were put in place for communications, technology and productivity improvements to help employees cope with this change. The Company also made various contributions to Government, health department, public healthcare workers, etc., as part of its COVID-19 CSR initiatives.

There has been no significant adverse operational impact on the Company's supply chain during March 2020 due to the Nationwide lockdown imposed by the Government of India in view of COVID-19, a pandemic caused by the Novel Coronavirus. The Company has monitored the impact of COVID-19 on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgements and estimates, recoverability of receivables, assessment for impairment of goodwill, intangible assets, inventory based on the information available as on date, while preparing the financial results as of and for the year ended 31 March 2020.

In view of the continued uncertainties and its inability to predict the extend and duration of COVID-19 situation, the Company currently is unable to predict any future impact on its business operations. The Company will continue to ensure supply of essential medicines and take steps to mitigate any risks associated with COVID-19 pandemic.

45 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures except dividend as disclosed below in the financial statements as on the reporting date.

Dividend not recognized at the end of reporting period ₹ 1,509.68 crore. Board of directors have declared a special(interim) dividend of ₹ 320 per fully paid share for the year ended 31 March 2020. In addition to the above, the Board of directors have recommended final dividend of ₹ 10 per fully paid equity share for the year ended 31 March 2020. This proposed dividend is subject to the approval of the shareholders in the annual general meeting.

46 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, ("the Act") a Company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas for CSR activities are education of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

The gross amount required to be spent by the Company during the year is ₹ 12.17 crore. The details of the amounts spent during the year on CSR activities are as follows

Particulars	Currency: ₹ in crore		
	Year ended 31 March 2020		Total
	In cash	Yet to be paid in cash	
i) Construction / acquisition of any asset	-	-	-
	(-)	(-)	(-)
ii) On purposes other than (i) above	7.54	-	7.54
	(10.48)	(-)	(10.48)

* figures in bracket is of 31 March 2019

As per our report of even date attached.
For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of Pfizer Limited
CIN: L24231MH1950PLC008311

R. A. Shah
Chairman
DIN: 00009851

S. Sridhar
Managing Director
DIN: 05162648

Milind Patil
Chief Financial Officer and
Wholtime Director
DIN: 02546815

Ashish Gupta
Partner
Membership No. 504662

Prajeet Nair
Company Secretary
Membership No: A19267

New Delhi
15 June 2020

Mumbai
15 June 2020



Pfizer Limited
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07/08/2020