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February 2, 2017

The Corporate Relationship Dept.
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The Manager, Listing Dept.
The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Dear Sirs,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to the Regulation 30 of the Listing Regulations, we enclose herewith the transcript of the tele conference call with the analysts held on February 1, 2017, to discuss the Company's financial performance for the third quarter and nine months ended December 31, 2016.

The aforesaid information will be displayed on the website of the Company in compliance with Regulation 46 of the Listing Regulations.

Please take the above on record.

Thanking you,

Yours truly,
For Pfizer Limited

Prajeet Nair
Company Secretary

Encl: A/a

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PFIZER LIMITED

EDITED TRANSCRIPT OF THIRD QUARTER RESULTS ENDED DECEMBER 31, 2016, ANALYSTS' TELECONFERENCE CALL

Event Date: February 1, 2017

Start Time: 4.00 pm IST

End Time : 4.52 pm IST

Pfizer Management Participant:

Mr. Ravi Prakash – Executive Director – Finance (Chief Financial Officer)

Moderator: Ladies and Gentlemen, Good Afternoon and Welcome to the Pfizer Third Quarter-ended December 31, 2016, Financial Results Analyst Teleconference. We have with us today, Mr. Ravi Prakash – Executive Director (Finance) and Chief Financial Officer. As a reminder, all participant lines are in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. In case you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. I now hand the conference over to Mr. Ravi Prakash. Thank you and over to you, Sir.

Ravi Prakash: Thank you. Good afternoon, everybody. Thank you very much for joining Company's Third Quarter Results Call. I realize it must be a busy day for you now with the budget coming out, despite that you guys have made the time. Thank you very much. Today, Sridhar is traveling on business, so he will not be able to join the call, I will try and address your questions.

So with that, let us get into the Results. I hope all of you have seen our published results. I want to start with a few brief comments about the quarter and let us get into a little more detail. This quarter was quite eventful both from an internal and an external perspective. Externally, I am sure we have all been through the impact of demonetization. The Pharma sector was no exception; we noticed different kinds of impacts. What we found was that because of demonetization, the acute therapies actually got hit whereas the chronic therapy drugs initially got a small phase bump.

But overall, in the month of November, we did see a slowdown in the sales and that has reflected even in the growth rate of the Indian Pharma Market (IPM) industry. IPM growth which was always trending at a double-digit level in this quarter actually came down to 5.7% and that is something that we can primarily attribute to demonetization. So that was an unexpected external development. It had an impact on our numbers as well. We believe that our revenue has been impacted to the extent of about Rs. 15 crores in the month of November because of the demonetization. So that is one big external change.

Now, when we come to internal challenges, as we read the results of Company this quarter, you have to keep in mind that this is the first quarter where the sales of Corex are significantly lower and number of brands which we had divested and we talked about in the earlier call, as well as some brands which were transitioning to Abbott India Limited, you see the impact this quarter. That are the two structural changes and I will walk you through the impact which we need to now start factoring in as we read our results.

The last point is something which we have been discussing since the beginning of the year which is the impact of pricing and that continues. So the revenue numbers that you see about Rs.503 crores of revenue from sales, needs to be kind of read in the context of these four developments. When you look at the P&L, you will see revenue decline of 3% versus the same period last year. So that Rs. 503 crores I would break it up in a couple of steps – if you adjust those numbers for Corex and for transition products, that is about Rs. 70 crores of revenue which we need to kind of take out.

So I would kind of come to what I call the "Continuing Business" those brands which we are continuing to market through next year as well. That is about Rs. 433 crores. So that business grew at 4%. So the headline number of (-3%) needs to be read in this context.

So the Continuing Business grew at 4%. Now, I would then further breakup the continuing business into two parts – One is products which were under price control and those products which were not under price control. Approximately 15-16% of the Continuing Business consists of products which are under price control and the remaining was not under price control. So the products which were not under price control, we had a pretty good quarter, we grew the business at 13%. The brands which did well – Prevenar did well, high double digit growth; Magnex did well, Minipress did well and so did Corex DX and a couple of other brands. Overall once again the brands which were not under price control grew at 13%. Obviously, the brands which are under price control because we had a significant drop in prices ranging all the way from 15 to 16% to sometimes 45 to 50%, obviously that number does not look that great. So when you look at our revenue numbers, I think it is important to kind of keep these multiple factors in play and even when you forecast this is what I would say that we should take into account. Once we get to revenue, the rest of the P&L, you will notice that our gross margin is more or less constant versus a year ago which basically means that we have been able to manage a mix and despite the price drop we have been able to figure out a way of managing the mix so that the margin remains constant. There is actually a one-time provision of about Rs.13 crores which is sitting in the material cost because of the discontinuation that we announced for manufacture of Corex.

So including that, the gross margin is at about 60% which is not very different from what we had same period last year.

When you come to the expense line, what you will notice is that overall expenses on an absolute basis are not very different from what we had in the last year. But then obviously because of the significant decline in revenue run rate, the expenses as a percentage to revenue has gone up. So if you summarize all these, this has resulted in profit from operations dropping 30% mainly attributed to the decline in the revenue of Corex, the divested brands as well as the pricing impact. It has been offset to an extent by the increase in other income mainly because of interest income from bank deposits and exceptional items where we had the sale of a few flats and therefore profit after tax despite the challenges of revenue, we have been able to grow it at about 4% versus the same period last year.

EBITDA margins are obviously under a little bit of pressure. I will attribute it to the challenges that we face on the top line. So that is a brief kind of narrative as to what the way we see our P&L.

From a business perspective, after the demonetization impact, we expect that the revenue should start recovering gradually over the next couple of months. It is difficult to predict how long it would take but we hope that in the next few months' things should slowly start getting back to normal. Even today we see that in some interior parts, things have not 100% returned to normal, the cities are obviously in much better shape and so are some of the major towns, but some interior parts in the North and East, we still find an impact on our regular run rate. So that is something that we have to watch carefully going forward. So that is on demonetization.

Other than that, there is nothing else significant that I would like to add. You would have seen that on Corex we have made an announcement to the stock exchange that we have discontinued the manufacture of the brand. After we announced the Delhi High Court did rule in our favor. We feel good about that ruling because it validates our stand that Corex was being marketed with all due licenses in place. Independent of that we have had a very comprehensive review of respiratory portfolio and we believe that the company's long-term is better served by us focusing on new products in a much broader range of respiratory indications.

So these are some of the key developments. I will pause here and would take your questions.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin with the Question-and-Answer Session. The first question is from the line of Nikhil Upadhyay from Securities Investment Management. Please go ahead.

Nikhil Upadhyay: Sir, my first question is like have you shared the revenue numbers for the Continuing Business for the nine months? what would that be if you can just give an idea?

Ravi Prakash: I would say it is about Rs. 1340 crores approximately.

Nikhil Upadhyay: Sir, over a period, we have seen that in the last year and prior years, Corex was actually pulling our growth rates down. So for this Continuing Business, ex-Corex and rest of the brands for the nine months, how have we grown if you can just share the numbers and growth rates of some of the brands for the nine months?

Ravi Prakash: In my opening remarks, I mentioned that brands which were not under price control grew 13% for the quarter. On a year-to-date basis, these same brands grew at 10%.

Nikhil Upadhyay: Sir, this Meronem filing which we have done in Stock Exchanges, what would be the approximate number for the sales of that product? Secondly, would it be equivalent in terms of profitability contribution to what the company is achieving as of now?

Ravi Prakash: I would be able to answer your question only partly, because we are still in the process of working out the transition formalities for Meronem. If you look at AstraZeneca Pharma India Limited's annual report, the number seems to be around approximately Rs.100 crores in terms of the revenue but at the moment we are not able to make an official comment as to what the profitability is and when we would be able to start recognizing revenue in Pfizer Limited.

Nikhil Upadhyay: With Corex going off basically because it was pulling our growth rates down historically also and Meronem getting added which has been growing better, how do you see our growth over FY'18-19, do you think that we can grow by the reported growth can be in the range of 10-12% or how are you looking at growth for the overall portfolio?

Ravi Prakash: Without committing a number we are certainly very optimistic because you rightly point out Meronem is a great brand to have and I also like the fact that you are talking about FY '18 and '19 because look, FY '17 the impact of Corex will be felt but once we rebase our numbers we are in a much better position to kind of grow the rest of the portfolio, we will have also be passed the one year impact of the price control. So, our objective is to do as good as the market if not better, but if you take FY '18 and '19, I am optimistic.

Nikhil Upadhyay: In the employee cost, like last quarter we had some impact of the gratuity, the increase in the employee cost because of the falling interest rates which we would have to take in employee cost numbers, is there any impact in this quarter also and if you can share for the nine months what would be the impact of gratuity in the overall employee cost?

Ravi Prakash: The way IndAS works, that is taken in other comprehensive income. So that is not impacting employee cost.

Nikhil Upadhyay: Why is our employee cost increased, like it is almost Rs.87 crores which was in the range of Rs.70-75 crores earlier, any addition of the team for the new products which are coming in or?

Ravi Prakash: A couple of things; one is that you have to factor in the annual increments. Employee costs are going up close to double digits. So that is something that you got to factor in. That is the main explanation. The others are incentives, bonuses and all keep going up and down but this is the big one.

Moderator: Thank you. The next question is from the line of Dheeresh Pathak from Goldman Sachs Asset Management. Please go ahead.

Dheeresh Pathak: Just to understand better, the reported sales of Rs. 503 crores from which you subtracted Rs. 70 crores, which is a combination of Corex as well as divested brands, right?

Ravi Prakash: That is correct; Rs. 58 crores is Corex.

Dheeresh Pathak: This is like the full quarter impact, that means Corex is part of the December quarter but will not be part of the March quarter or for some part of the quarter it was there and it will not be?

Ravi Prakash: For the December quarter, Corex was part of it though it was in a declining trajectory, right. The comparative number for the same period if you compare Q3 of 2016 was Rs. 58 Crores versus Q3 of 2015 which was about Rs. 77 crores approximately.

Dheeresh Pathak: In March 2017, this Rs. 58 crores of Corex would become zero?

Ravi Prakash: More or less, it would be very little because we have discontinued manufacturing, maybe a small amount of spillover inventory may be there in January but otherwise it would be zero.

Dheeresh Pathak: Gross margins on this would be comparable to company average which is 60%?

Ravi Prakash: Higher than company average.

Moderator: Thank you. The next question is from the line of Ranjit Kapadia from Centrum Broking. Please go ahead.

Ranjit Kapadia: My first question refers to the price control products. You said that 15-16% revenues come from price control product. You said that is declining. What was the growth rate of this during the quarter?

Ravi Prakash: It was a significant decline because the price drop in many products was in the range of between 15% to sometimes 45%. So as you can imagine, without getting into exact numbers, that was a significant decline in terms of the revenues.

Ranjit Kapadia: My second question refers to Corex. We said that we have several line extensions which are aligned up for launching. So have we launched any product or are we in the process of launching and how many products are there in the line extension?

Ravi Prakash: Ranjit, we have launched Corex T, it is a very soft launch, we have just started invoicing Corex T and then of course as we go along, you will see other products but this is the first one and is in very early stages at this stage.

Ranjit Kapadia: What it contains?

Ravi Prakash: This is a new combination of Codeine Phosphate and Triprolidine Hydrochloride

Ranjit Kapadia: Codeine is also there?

Ravi Prakash: Yes, it is a Codeine-based product available only through medical prescriptions.

Ranjit Kapadia: We have said that we have written off 133 million in the material cost because of the Codeine. So this is separate Codeine or this is the same Codeine which are going to…?

Ravi Prakash: This is our best estimate of what we need to write off after taking into account all the stuff that we think we can salvage.

Ranjit Kapadia: The stock which you are holding, that part will be used for manufacture of Corex T, is it the right assumption?

Ravi Prakash: But the provision is net of all such. So when we took the provision, we already estimated what we think we could use for Corex T and then took the provision.

Ranjit Kapadia: Sir, regarding Meronem, you said that it is Rs. 100 crores revenue. What is the growth rate you have reported?

Ravi Prakash: Unfortunately, I cannot comment now, Ranjit, because like I said, it is still in transition, in fact, I picked up the number from AstraZeneca Pharma India Limited's published balance sheet.

Ranjit Kapadia: This Meronem, will we have separate field force?

Ravi Prakash: Because it is an anti-infective, right, we already have a strong critical care field force, so that will go into that team.

Ranjit Kapadia: It will go along with Magnex?

Ravi Prakash: Yes.

Moderator: Thank you. The next question is from the line of Ravi Purohit from Securities Investment Private Ltd. Please go ahead.

Ravi Purohit: One is on Meronem. Do we have to pay any compensation to acquire this brand?

Ravi Prakash: Not in India, it is a global deal.

Ravi Purohit: So suffice to say that there is no cash outflow envisioned from Pfizer India?

Ravi Prakash: At the moment, nothing. The reason I am not giving you an absolute yes or no is because we are still in the process of working out the transition, but I do not anticipate any significant cash outflow at the moment.

Ravi Purohit: How is Corex DX been doing?

Ravi Prakash: Doing very well, Ravi; it has been a high double digit growth.

Ravi Purohit: If you could guide us on the run rate which it is running now, in the sense let us say just like you mentioned Rs. 58 crores was Corex which we did in December quarter?

Ravi Prakash: So Corex Dx at the moment on an annual basis we are running at about I would say Rs. 50 crores, this is approximate, I am forecasting, so please keep that in mind.

Ravi Purohit: Corex T is the new product that we have just launched?

Ravi Prakash: Yes.

Ravi Purohit: We have a few more line extensions planned along the Corex platform or how does it work?

Ravi Prakash: We will leverage the Corex brand name as much as we can, given the heritage. Now, in terms of the composition and stuff like that, I think as we get closer to the launch, that is when we will be able to give you more details.

Ravi Purohit: Will this T qualify as a prescription-based or will it be OTC?

Ravi Prakash: Corex T will be a prescription-based drug.

Ravi Purohit: Because of Codeine content?

Ravi Prakash: It is not because of Codeine content, but it is a prescription drug.

Ravi Purohit: But will it be as strictly in terms of compliance as Corex was in terms of you need hand written stamp from the local chemist shop, doctor's prescription, all those tight regulations those apply to Corex T?

Ravi Prakash: It will because it is a Codeine based formulations, because it is part of what they call the Schedule H1 drug, it would be tightly controlled.

Ravi Purohit: So the only change really speaking is that one chemical that we have changed in this which is what making it a combination drug earlier and now it is not or it is more like an acceptable combination drug, is that the right understanding?

Ravi Prakash: I would not use the word acceptable or not acceptable.

Ravi Purohit: I am saying from regulators point of view because they dragged us to the…

Ravi Prakash: Keeping aside the regulators point of view, it is actually a great treatment protocol for dry cough, , however we have seen some resistance from certain states. So now with this new drug, we can probably go into states where we have not been able to do in the past. That is our expectation.

Ravi Purohit: Any new products that were up aside of Corex line that we have soft launched or?

Ravi Prakash: Nothing in this quarter.

Ravi Purohit: Most of our investors ask every quarter is, our capital allocation, we keep accumulating truck loads of cash on the balance sheet, we keep generating cash, there is no plan in the near-term or does not look like that we are going to have any acquisition or anything. So any thoughts that you can share with investors about what the company plans to do with the huge pile of cash?

Ravi Prakash: Last quarter also this question came up. What Sridhar and I had responded was that look, we are aware of this and we are open to any opportunity that might arise in the market. I do not have anything firm to kind of share with you yet, but we are open.

Ravi Purohit: So let me change my question slightly; when you say this is what you all had mentioned in the last call as well, when you say that we are open to opportunities, are we allowed as an independent entity or subsidiary of an MNC to look for opportunities or is it typically driven by Pfizer Inc. and therefore since they are open, we are also open?

Ravi Prakash: I have spent about 20-years of my life in multinational company. So here something that I would like to say to all the investors on the call. It is not a question of parent allowing you. Typically, the interest and commitment that you get from a parent entity is dependent on the quality of the business plan that the local entity puts up. So Pfizer Inc. sees India as a great opportunity. Because after the acquisition of Hospira, India is probably one of the largest manufacturing bases of Pfizer Inc. anywhere in the world and definitely in Asia. It sees huge commercial opportunities in the market. We are a market which is growing at double digit consistently across therapy areas. In fact, the challenge to local management is what can you do to accelerate our growth here.

So the question of whether it is a listed entity, independent entity, honestly in a business plan discussion, that is the last of the thing that comes up. What really comes up is it a good business opportunity, can we make something out of it?

Ravi Purohit: We are investors in Pfizer Limited for a few years now and that is the question that bothers us also as investors for quite some time, right. Pfizer has been one of the biggest underperformers when you look at systems growth of the overall domestic pharma industry versus what Pfizer Limited has been able to deliver when we compare with other companies like Sanofi Limited or we compare other companies like Abbott India Limited, they have all been growing at a very-very healthy rate, they have been more agile and dynamic than what we have been able to achieve. So when you say that parent is more serious now, are there signs that we should look for those kinds of things are changing and we are actually anticipating or looking for much higher growth trajectory?

Ravi Prakash: So let me offer one correction and one comment; I did not say parent is more serious now, I said Pfizer Inc. sees India as a great opportunity, so I did not make a comment about what it was in the past. Pfizer Inc., this is just to kind of set the record straight. You will notice that in the last call, Sridhar talked about his strategy, the way we have organized ourselves, our chairman was here last year and we have had a pretty comprehensive review of our portfolio of our organization structure and the opportunities ahead of us and based on that we have organized ourselves in ways which we think can kind of set ourselves up for good performance in the future. So the intent is definitely there. The management is moving to do whatever is necessary to kind of accelerate our growth.

The expectations from the parent are absolutely clear; they would like us to actually deliver equal to market or greater than market growth. Now, it is I think up to us in India to deliver.

Ravi Purohit: If you could guide investors both existing and prospective to what exactly should they be looking for, what indicators they look at and they say, Wow!, now there is significant change that is in terms of either new product launches, new businesses, whatever, because the only thing that we have really heard in the last one, two years is maybe a few line extensions, not really any new product launches or anything dramatic in that sense to change the force?

Ravi Prakash: I think there was a gentleman at the beginning of the call who asked me this question and I have given him an answer of how I expect things to pan out and then let us leave it at that.

Moderator: Thank you. The next question is from the line of Cindrella Karvalo from Dolat Capital. Please go ahead.

Cindrella Karvalo: Any color on the Prevenar growth?

Ravi Prakash: Prevenar is high double digit, Cindrella, it had a good quarter.

Cindrella Karvalo: So I know enough has been discussed about the strategy and going ahead. Still I had some doubt in my mind, that was like we are saying that we are optimistic about '18-19 going ahead, we have this continued Corex and we will be concentrating on the line extensions but till the time we get those line extensions in, of course, we are planning to get the AstraZeneca Pharma India Limited new products but by when we can see it in our numbers, any estimate that we are guiding towards it?

Ravi Prakash: At the moment, this is in transition, I am not able to give an exact timeline yet, because once we agree the final details, we probably have to notify the stock exchanges and then share the detail, but it should be in the near future.

Cindrella Karvalo: Just a little color on like as this new product will take some time, we are going on the line extensions. What I want to understand is till the time we get these line extensions on the core and how we will try and get the margin support till then, so are there any newer products, we have not indicated anything in the past from the parent side or is there any other thing that we would be aiming to do so as we can retain our margin at the current level?

Ravi Prakash: In '17-18 we will have to get ourselves prepared for a bit of pressure on the margins because the top line knock that we have taken on account of pricing and Corex is pretty significant. Now, look, I will be repeating myself when I keep saying that, we have looked at a portfolio quite seriously, yes, in the case of Corex, we are saying that we are going to be doing line extensions which should come in. We know that Meronem is coming in and that is not all, there are things that we are working on but that I think as we get closer to launch, that is when we will probably be in a better position to share. So I guess that is all I can say at the moment.

Moderator: Thank you. The next question is from the line of Mayank Hyanki from Axis Mutual Fund. Please go ahead.

Mayank Hyanki: Sir, just one clarification; Meronem is now a matter of when than will, right, it is definitely in the bang, it is just a matter of time now, is that certain?

Ravi Prakash: Yes.

Mayank Hyanki: Probably we will have to pay something for it, right, when it comes?

Ravi Prakash: No, I had just clarified that at the moment, I do not except any significant cash outflow from the local entity.

Mayank Hyanki: In terms of our selling capabilities, there are synergies in the current teams which are there which could sell Meronem as well or we will have to set up a team for that?

Ravi Prakash: We have the capability.

Mayank Hyanki: On price control impact, did December quarter have incremental impact over the September quarter or did the September quarter completely reflect all the price control impact in terms of the new prices changes and the WPI related price cuts which were there?

Ravi Prakash: More or less it reflected everything. Sequentially there is not the huge change.

Mayank Hyanki: September and December?

Ravi Prakash: Very similar.

Mayank Hyanki: The write-off is in which line item?

Ravi Prakash: Material cost.

Moderator: Thank you. The next question is from the line of Ravi Purohit from Securities Investment Private Limited. Please go ahead.

Ravi Purohit: A small follow-up question; if Meronem is the only product that comes to our portfolio or are there a few other smaller not so small products that come?

Ravi Prakash: The global deal with AstraZeneca includes number of products in the Anti-infective portfolio. At the moment, the immediate benefit in India is Meronem.

Ravi Purohit: But there could be more?

Ravi Prakash: There could be.

Ravi Purohit: Anything that we will get in terms of benefits of this Hospira India's presence and Hospira being acquired globally by Pfizer, any development there or it is unlikely?

Ravi Prakash: Hospira at the moment does not have a commercial presence in India, but we are looking at their portfolio as well. They are in the same space because they are a sterile injectable company. We are looking to their portfolio to see if there is anything that we can bring into India. We will kind of talk about it as we get closer if there is something that comes along.

Ravi Purohit: Last question on Prevenar. There have been on and off these news articles in media about it is being two companies who are selling this the pneumococcal vaccine in the market and both are very expensive products in terms of affordabilities. At least this article seems to suggest for lower priced variants or bringing these under price control or actually controlling prices of some of these vaccines and there have also been news articles which said we were looking at launching lower price items or vials.

If you could just throw in some color on what our thinking in this product? Product is definitely expensive in terms of affordability. For a bulk of the population it is not affordable.

Ravi Prakash: I am not familiar with the news articles that you are referring to especially on the price related stuff. So I would probably not be able to comment on that. With respect to the strategy, with respect to the brand, that stays consistent. Prevenar is priced at about Rs.3800 per course of vaccine. Yes, maybe it is not affordable by everybody. Having said that, for a large population it is also not out of reach, let me put it that way. So I think I would leave it at that. I would not want to comment on the news articles because I am not familiar with what you are referring to.

Ravi Purohit: I will e-mail you the articles, you can probably can take a look at it. Any plans of us launching lower priced versions of these or are there any plans of reducing prices or some such to make it more affordable and basically widen your own market because if the price were reduced significantly the market opportunity is very-very large?

Ravi Prakash: I think at the moment the strategy of Prevenar stays the same, right. There is nothing else that I can share with you.

Moderator: Thank you. The next question is from the line of Dheeresh Pathak from Goldman Sachs Asset Management. Please go ahead.

Dheeresh Pathak: Sir, did you give the revenue of Meronem?

Ravi Prakash: I said based on AstraZeneca Pharma India Limited's balance sheet, you will probably arrive at a number around Rs. 100 crores annually approximately.

Dheeresh Pathak: This would be imported by you from the parent and that is how you will adjust for it in transfer pricing, if you are not paying anything for it?

Ravi Prakash: I think the details of that when we get into the actual sales then we will get into that right now.

Dheeresh Pathak: Just to understand up till FY16 depreciation, amortization was higher because you were amortizing erstwhile Wyeth Limited intangibles. Now in the new IndAS, how is the policy change as I see depreciation has reduced meaningfully half from what these used to be in the FY'16 quarterly numbers?

Ravi Prakash: Yes, in the IndAS, you do not amortize goodwill anymore and the amortization of trademarks continues, and that is the reason the depreciation has reduced.

Dheeresh Pathak: Can you just split for the understanding, the how much is depreciation and how much is of the intangible amortization?

Ravi Prakash: About Rs. 44 crores annually is the intangible amortization, i.e., Rs. 11 crores a quarter.

Dheeresh Pathak: Which used to be earlier Rs. 25 crores a quarter?

Ravi Prakash: It is Rs. 27 crores a quarter.

Dheeresh Pathak: Obviously, Meronem will come in and that will help this thing, but till that time will there be meaningful cost cutting that will happen because you lose lot of sales and being higher margin you lose lot of profits which was supporting the fixed cost structure, so is there scope for cost rationalization or you will wait for products like Meronem to come and support that lost gross profits?

Ravi Prakash: Look, this is not a one or two quarter plan that we are looking at. We are always conscious of keeping an eye on ineffective cost, the cost that do not really drive benefits and we always take a very hard stance for them. If you look at it from a productivity perspective, our numbers probably stack up quite well in terms of productivity, for the kind of size of the company that we are talking about. So we will certainly pursue any opportunities to kind of drive out waste, but our primary focus remains the growth of the business because you cannot save your way to prosperity; Rs.250 crores of Corex you cannot save to manage the profit on that. I think we believe the best way to is actually take advantage of the growth opportunities that are there in the market.

Dheeresh Pathak: So the field force related to Corex because it will not be very specific to products?

Ravi Prakash: Corex was 12% of the revenue but 88% of the revenue is still around and that is growing, the field force needs to stay for that revenue.

Dheeresh Pathak: In the AstraZeneca deal, are there other products which are commercialized because you are only talking about one product right now, so other products in discovery phase or your other products commercialized globally but you are just right now highlighting on only one product?

Ravi Prakash: I am talking about the one that is already in the market in India. Now, others can come along as and when commercially we are able to make a case for that. Obviously, the global deal is for a portfolio, but I am not talking about the one thing which is most relevant to India.

Dheeresh Pathak: So is it possible maybe later or some other way you can highlight or if that document is easily available of what products because although it might not be going to introduce immediately in India but there is an option value of that can be introduced in India sooner or later, so we will at least know that there is this pipeline that you are sitting on which you can introduce, so can you share more details around that maybe later in the next conference call?

Ravi Prakash: I think as and when we get closer to our launch, that is when we will share details.

Dheeresh Pathak: Corex nine months' number if you can share?

Ravi Prakash: Rs. 179 crores.

Moderator: Thank you. The next question is from the line of Chirag Dagli from HDFC Mutual Fund. Please go ahead.

Chirag Dagli: Where is Meronem for our supplies being manufactured – is this at Hospira Chennai or is this globally?

Ravi Prakash: I can answer that it in the next call probably, when we get closer to the transition into Pfizer Limited. At the moment, we are working through the details.

Chirag Dagli: Where was AstraZeneca Pharma India Limited making it – they were making it in Bengaluru?

Ravi Prakash: Honestly, I would not be able to answer that question right now.

Chirag Dagli: You talked about some of the transition products discontinued. I am actually not aware. What was this exactly sir this Rs.12 crores that happened in the third quarter?

Ravi Prakash: Because if you see in the second quarter, we had recognized almost Rs. 110 crores of income when we sold off four products to Piramal and there are certain other products where Pfizer Limited had licensed them from Abbott India Limited a long time ago and that license is expiring. So these are the two sets of products that I am talking about.

Chirag Dagli: So what is the sale from these products on a full year basis or can we extrapolate this Rs.12 crores that happened in the third quarter as being the annualized sale of Rs.50 crores that kind of …?

Ravi Prakash: No, it is higher than that. If you take the 2015-16 numbers where we had a full year of these numbers, then they would have probably contributed upward approximately Rs.100 crores.

Chirag Dagli: On the Hospira product extension, as on today this is yet on the drawing board, there is nothing which has been finalized yet?

Ravi Prakash: As we get closer to anything, we will be able to share details. We are looking at all possible opportunities..

Chirag Dagli: So this is currently under evaluation is what I am saying?

Ravi Prakash: Yes.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I would now like to hand over to Mr. Ravi Prakash for closing comments. Thank you and over to you, sir.

Ravi Prakash: Thank you, everybody for joining the call and for your questions. I must say that your questions were as tough as our operating management when we are reviewing strategies, but it was a good discussion. Thank you very much. I just want to kind of conclude by saying that look, last quarter there were multiple events which were driving the numbers that you see in front of you; there were the external challenges with respect to demonetization, there were the internal structural changes that we were making, whether it is Corex or the transition products. So again, the numbers have to be read in that context. Like Sridhar had mentioned in the last call, we have kind of looked at our strategy and our future plans, we have taken a very hard look at them and whether it is portfolio or the way we organize ourselves, I think we believe we set ourselves up well to manage through the next couple of years. The long-term objective is that we would like to grow equal to or better than the market and that is what our parent expects from us and that is what we are shooting for. With that I thank you once again and look forward to interacting with you in the next call.

Moderator: Thank you very much members of the management. Ladies and gentlemen, we now conclude the Pfizer Third Quarter-ended December 31, 2016 Financial Result Analyst Teleconference. Thank you for using Chorus Call Conferencing Services. You may now disconnect your lines.

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