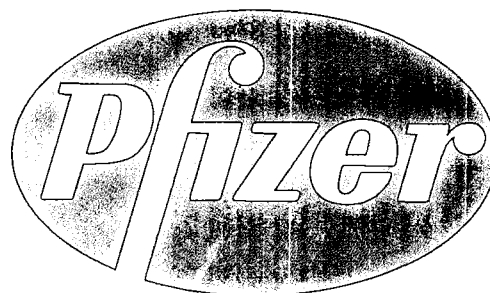


P F I Z E R L I M I T E D



MD	/	BKC	/
CS	/	DPY	/
RO	/	DIV	/
TRA	/	AC	/
AGM	/	SHI	/
YE	/		/



ANNUAL REPORT APRIL-NOVEMBER 1997



View of the amlodipine crystal under an electron microscope taken with polarized light.

Pfizer is consolidating its position in the large and rapidly growing cardiovascular market with the launch of its worldwide bestseller product - AMLOGARD (amlodipine). AMLOGARD is an original research product from Pfizer and is indicated in the treatment of hypertension or angina (chest pain). The potential for the brand in India can be judged from the fact that within just 7 years of launch, it has become the World's No. 1 Cardiovascular medicine with sales of over \$2.3 billion in 1997.

AMLOGARD brings with it extensive international experience. Currently AMLOGARD is being used by over 55 lakh patients in over 80 countries across the world. It is supported by an extensive clinical database of over 650 clinical trials involving over 3.25 lakh patients worldwide. This large database developed by Pfizer covers the use of AMLOGARD in various areas of cardiovascular disease, such as hypertension, myocardial ischemia and congestive heart failure, and clearly establishes its versatility, efficacy and safety. It has been the chosen drug for several large scale trials such as TOMHS, CAPE and PRAISE which have been regarded as LANDMARK TRIALS in defining therapy for various cardiovascular conditions.

Work on AMLOGARD is continuing even today. In the year 1997, Pfizer Inc. has spent over Rs. 750 crores on research in new frontiers on amlodipine therapy, which will fuel the growth of AMLOGARD well into the next millennium.



BOARD OF DIRECTORS

S. V. PILLAI
Chairman

R. A. SHAH
Vice Chairman

IAN R. YOUNG
Managing Director

C. P. ALDENHOVEN

K. F. BUNSHAH — Alternate : **A. K. BARUA**

M. W. HODIN (Dr.) — Alternate : **A. K. NEHRU**

P. J. SANTORIELLA — Alternate : **K. HANDA**

M. J. WOLRIDGE — Alternate : **B. BHATTACHARYA**

R. W. NORTON

A. B. THAKKAR

PIERRE G. ETIENNE (Dr.)

ANNUAL REPORT APRIL-NOVEMBER 1997

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MANAGEMENT COMMITTEE

IAN R. YOUNG

Managing Director

A. K. BARUA

Personnel

B. BHATTACHARYA

Pharmaceuticals

RICHA CHANDRA (Dr.)

Clinical Research

B. M. GAGRAT (Dr.)

Animal Health

K. HANDA

Finance

SECRETARY

S. MUKHERJEE (Dr.)

Medical Affairs

A. ANJENEYAN

A. K. NEHRU

Manufacturing

S. RAMAKRISHNA

Corporate Affairs

REGISTERED OFFICE

Pfizer Centre, Patel Estate,
Patel Estate Road,
Off. S. V. Road,
Jogeshwari (West),
Mumbai - 400 102.
Tel. : 678 5511
Fax : 678 1766

BANKERS

Central Bank of India, Mumbai
Citibank, N.A., Mumbai
Deutsche Bank, Mumbai
Societe Generale, Mumbai
Banque Nationale De Paris, Mumbai
ANZ Grindlays Bank Ltd., Mumbai

ANNUAL GENERAL MEETING

Thursday, April 23, 1998
at 3 p.m.
at Birla Matushri Sabhagar
19 Sir Vithaldas Thackersey Marg
Mumbai - 400 020.

PLANTS AT

Mumbai, Chandigarh &
Ankleshwar

OFFICES AT

Ahmedabad, Mumbai,
Bangalore, Calcutta, Cochin,
Delhi, Indore, Ludhiana, Lucknow,
Chennai, Patna, Secunderabad,
Pune, Varanasi & Guwahati

AUDITORS

A. F. Ferguson & Co., Mumbai

SOLICITORS

Crawford Bayley & Co., Mumbai

REGISTRARS & TRANSFER AGENTS

Tata Consultancy Services
6, Lotus House,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.
Tel. : 203 9136
Fax : 201 6689



NOTICE

Notice is hereby given that the **47th Annual General Meeting** of Pfizer Limited will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on **Thursday, April 23, 1998 at 3:00 p.m.** to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the period ended 30th November 1997, the Audited Balance Sheet as at that date and the Reports of the Board of Directors and Auditors.
2. To declare Dividend for the period ended 30th November, 1997.
3. To appoint a Director in place of Mr. A.B. Thakkar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. S.V. Pillai, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Mr. B. Valentini as a Director retiring by rotation in place of Mr. M.J. Wolridge, who retires by rotation and has not offered himself for reappointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

7. To consider and if thought fit to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION :

RESOLVED that pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to the appointment of Mr. Bhaskar Bhattacharya as whole-time Director of the Company on his appointment as Alternate Director to Mr. B. Valentini ("Original Director"), to act for Mr. B. Valentini during his absence from the State of Maharashtra, being the State in which meetings of the Board of Directors are ordinarily held, with effect from April 23, 1998 and to his receiving remuneration, payment, perquisites, benefits and amenities as a whole-time Director of the Company from that date as given below :

- a) The aggregate of the salary and performance linked incentives, and/or bonus payable to Mr. B. Bhattacharya shall be subject to a maximum of Rs.15,00,000/- per annum.
- b) In addition to the above mentioned salary and performance linked incentives and/or bonus, Mr. B. Bhattacharya shall also be entitled to perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement, leave travel concession for self and family, club fees, medical insurance etc. and/or such other perquisites as may be determined by the Board of Directors from time to time, the aggregate value of such perquisites being subject to a maximum limit of Rs.7,50,000/- per annum. The limit for perquisites shall be in addition to the limit of Rs.15,00,000/- for salary, performance linked incentives and/or bonus mentioned above.
- c) If Company owned/leased accommodation is not provided, to Mr. Bhattacharya, besides House Rent Allowance, Mr. Bhattacharya shall be entitled to reimbursement of expenditure towards repairs, renovation, fittings etc. of such sum as may be

determined by the Board of Directors from time to time upto a maximum limit of Rs.3,00,000/- per annum. The amount so reimbursed shall not be included in the limit of Rs.15,00,000/- in respect of salary, performance-linked incentives and/or bonus and the limit of Rs.7,50,000 in respect of perquisites mentioned above.

- d) Provision for use of company car for official duties and telephone at residence (including payment for local calls and long distance calls) but excluding long distance personal calls shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- e) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave accumulated but not availed either during or at the end of the tenure shall not be included in the limit of Rs.7,50,000 for perquisites.
- f) Mr. Bhattacharya will also be entitled to such other benefits, amenities and perquisites as are available to other senior executives of the Company and also as determined by the Board from time to time.
- g) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.
- h) In the absence or inadequacy of profits in any year, the remuneration payable as may be determined by the Board of Directors from time to time shall remain unchanged, subject to the approval of Central Government, if required.
- i) The Board of Directors may, in its discretion, pay to Mr. Bhattacharya lower remuneration than the maximum remuneration hereinbefore stipulated and revise the same from time to time, within the maximum limits stipulated by this Resolution.

RESOLVED FURTHER that :

- i) if Mr. B. Valentini returns to the State, Mr. B. Bhattacharya shall be automatically reappointed as Alternate to Mr. B. Valentini, immediately upon Mr. B. Valentini leaving the said State, and
- ii) Mr. B. Bhattacharya shall also be deemed to be automatically reappointed as a whole-time Director of the Company and shall continue as whole-time Director of the Company, receiving his remuneration, perquisites, benefits and amenities as the Board may determine from time to time, but not exceeding the limits specified above;
- iii) the Board of Directors of the Company be and is hereby authorised from time to time to amend, alter or otherwise vary the terms and conditions of the appointment of the whole-time Director including remuneration provided that such remuneration shall not exceed the maximum limits for payment of remuneration as may be admissible within the overall limits specified in the Companies Act, 1956, as existing or as amended, modified or re-enacted from time to time by the Government of India, as the Board may deem fit;
- iv) the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters



and things, as in its absolute discretion, it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise considered by it to be in the best interests of the Company.

8. To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

RESOLVED that pursuant to Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such other approvals/permissions as may be required, consent be and is hereby given to the Board of Directors of the Company (the "Board") to transfer by way of sale or disposal or in any other manner whatsoever, the undertaking of the Company situated at Ankleshwar, as a going concern.

RESOLVED FURTHER that the Board of Directors of the Company or any Committee constituted by the Board of Directors, as the case may be, be and is hereby authorised to negotiate and finalise the terms and conditions for sale of the undertaking of the Company at Ankleshwar, Gujarat and make any variations to the terms and conditions and to do all such acts, deeds, matters and things, and to execute all such documents and writings as in its absolute discretion it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution and to resolve any issues or doubts which may arise in relation thereto in the best interest of the Company.

9. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that Dr. Pierre G. Etienne be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation".

4. The dividend, when declared at the Annual General Meeting will be paid on and from May 8, 1998 to those members whose names appear on the Company's Register of Members as on April 23, 1998.
5. Members are requested to intimate to the Company or its Registrars and Transfer Agents, Tata Consultancy Services the changes, if any, of their registered addresses along with the pin code.
6. Members desirous of consolidating their folios and Share Certificates in market lots are requested to send all the relevant share certificates to the Company or its Registrars and Transfer Agents, Tata Consultancy Services.
7. The Company has transferred on October 23, 1997 the unclaimed dividend pertaining to the financial year ended 31st March, 1994 which was declared at the Annual General Meeting held on 31.08.1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules 1978.

The unclaimed dividends that are due for transfer to the Central Government are as follows :

Dividend No.	Date of Declaration	For the Financial Year	Due for transfer on
61st	08-09-1995	1994-95	26-10-1998
62nd (Interim)	05-09-1996	1995-96	23-10-1999
63rd (Final)			
64th	19-09-1997	1996-97	06-11-2000

The Registrars have posted duplicate re-validated dividend warrants in respect of 61st, 62nd & 63rd dividends to those shareholders who have not yet encashed their original warrants despatched to them.

NOTES:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of item 5 of ordinary business and in respect of Special Business mentioned in Items No.7,8 & 9 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from April 11, 1998 to April 23, 1998 (both days inclusive).

By Order of the Board of Directors

A. ANJENEYAN
Secretary

Mumbai, March 18, 1998

Registered Office :
Pfizer Centre
Patel Estate, Patel Estate Road
Off. S.V. Road
Jogeshwari (West)
MUMBAI 400 102.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 5

Mr. M.J. Wolridge who retires by rotation at this meeting has not offered himself for re-appointment consequent to his retirement from Pfizer Inc. It is proposed to appoint Mr. B. Valentini as a Director retiring by rotation in his place. Mr. B. Valentini is Director, Financial Operations-Asia, Canada, Eastern Europe, USSR, Pfizer Pharmaceuticals Group - New York and has been with Pfizer Inc. for the last several years.

None of the Directors of the Company are concerned or interested in the Resolution.

Item No. 7

Mr. B. Bhattacharya - Director, Pharmaceuticals - was appointed as the alternate director to Mr. Wolridge and thereby as a Whole - time Director in January 1995. Consequent to the appointment of Mr. B. Valentini as the director in place of Mr. Wolridge on the latter's retirement, Mr. B. Bhattacharya is appointed as Mr. Valentini's Alternate Director. Mr. B. Bhattacharya being a full time employee of the Company is also appointed as a Whole-time Director on the same terms and conditions as was approved by the Shareholders at the last Annual General Meeting held on 19th September, 1997.

Mr. Bhattacharya joined Pfizer in 1984 as Product Manager and is currently appointed as Director Pharmaceuticals. He will be entitled to remuneration within the limits laid down in the Ordinary Resolution at item number 7.

Other than Mr. B. Bhattacharya, no other director may be deemed to be concerned or interested in this Resolution.

Item No. 8.

The Company's Ankleshwar Plant was commissioned in 1992. Due to stoppage of production of Becosules, the capacity utilisation of this Plant was considerably reduced. It is proposed to sell the Ankleshwar plant along with the residential premises built at Bharuch for housing the officers employed at that Plant. The divestment of the Plant is aimed at meeting the challenges of today's business environment. This will also lead to optimisation of the Company's manufacturing resources at Thane Plant.

The Company has appointed Arthur Andersen and BNP as joint consultants to assist and advice on the sale of this plant.

The Directors commend this Resolution to the Shareholders. No Director is concerned or interested in this item.

Item No. 9

Dr. Pierre G. Etienne was appointed as a Director in the casual vacancy arising due to resignation of Dr. Dilip Mehta. He holds office till the date of this meeting.

Dr. Etienne is an Executive Director of the International Clinical Research Group of Pfizer Inc. USA. He has been with Pfizer Central Research for the last several years.

The notice under Section 257 of the Companies Act has been received along with the deposit of Rs. 500 proposing the appointment of Dr. Pierre G. Etienne as a Director.

None of the Directors of the Company are concerned or interested in the Resolution.

DOCUMENTS FOR INSPECTION

The documents referred to in the Notice and Explanatory Statement in item numbers 7, 8 and 9 above are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12 noon on all working days until the date of the Annual General Meeting.

By Order of the Board of Directors

A. ANJENEYAN
Secretary

Mumbai, March 18, 1998.

Registered Office :
Pfizer Centre
Patel Estate, Patel Estate Road
Off. S.V. Road
Jogeshwari (West)
MUMBAI 400 101.



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present this 47th Annual Report and the audited accounts of the Company for the eight month period ended 30th November, 1997. The Report reviews the Company's diversified operations covering Pharmaceuticals, Nutritional and Healthcare Products and Animal Health Products.

FINANCIAL RESULTS

Rupees in Lakhs

	Eight months period ended 30th November, 1997	Year ended 31st March, 1997
Profit after tax	1378	1900
Add :		
• Transfer from Investment Allowance Reserve Account	22	25
• Transfer from Export Incentive Reserve Account	—	11
• Transfer from Capital Reserve	—	19
• Balance of profit from prior years	3902	2654
Surplus available for appropriation	5302	4609
Appropriations		
• Transfer to General Reserve	140	191
• Proposed Dividend	352	469
• Balance carried to Balance Sheet	4775	3902
• Additional Income-tax on proposed Dividend	35	47
	5302	4609

CORPORATE

The financial year ending has been changed to November 30th commencing from April 1, 1997 to November 30, 1997. This is in line with other international affiliates of Pfizer Inc.

The sales for the eight months period ended November 30, 1997 is Rs.142 crores. From an overall point of view, after adding the turnover of the wholly owned subsidiary, Duchem Laboratories Limited, aggregating Rs.84 crores, the total sales at Rs.226 crores reflect a growth of 6.5% on an annualised basis.

The profit after tax for this period was Rs.13.78 crores.

The results for the current period are for eight months and therefore are not comparable with the figures of the previous year.

DIVIDEND

Your Directors recommend that a Dividend at the rate of Rs.3/- per share be declared for the eight month period ended 30th November, 1997. The dividend will be paid after it is approved at the forthcoming Annual General Meeting.

REVIEW OF OPERATIONS

GENERAL

1997 witnessed a major slowdown in the pharmaceutical market with growth significantly lower than in recent years. While the pharmaceutical industry has been thought to be to a degree recession proof, there appears

to be a correlation with the present recession in the economy in general. The market weakness has continued into 1998 with the likelihood that only single digit market growth will be achieved for the year.

The continuing absence of meaningful patent protection for pharmaceuticals is very much to the disadvantage of a research and innovative company such as Pfizer. We look forward to positive moves towards the early adoption of pharmaceutical patent protection.

The pharmaceutical market in India is highly competitive and as a consequence market mechanisms exert a strong control on prices. With this in mind, and as part of the general liberalisation process, there has in recent years been gradual decontrol of pharmaceutical prices. In 1997, the strategy of the market mechanism was apparent in that pharmaceutical price inflation, as per ORG statistics, was only 3% as compared to the 5% inflation which prevailed in the economy in general. Recent actions by the National Pharmaceutical Pricing Authority (NPPA) is of concern in that it puts into question the liberalisation policy as it applies to the pharmaceutical industry. We look forward to a pricing policy which rewards pharmaceutical innovation and creativity and high quality manufacturing, which in turn will contribute to the advancement of health-care.

PHARMACEUTICALS

For the year 1997, Pfizer retained the No.5 position in the industry despite discontinuing production of Combantrin, Diabinese and two Terramycin dosage forms.



Minipress XL, which was launched in December 1996, achieved, at the year end, a market share of 2% in the total anti-hypertensive market, which makes Minipress XL the most successful launch ever in the anti-hypertensive market. Major products such as Dolonex, Corex and Terramycin continue to hold their leadership positions in their respective market segments.

We commenced the year 1998 with the launch of the anti-hypertensive Amlogard. The launch was very carefully planned and we are hopeful that in due course this product will contribute substantially to the revenues of Pfizer India, as it has to Pfizer worldwide. However, unlike the patent protected position which the product enjoys in other countries, here in India the presence of over 20 generic brands poses a particular challenge. Planning is in progress for further launches in 1998 and into the future.

ANIMAL HEALTH

Pfizer Animal Health has maintained its number one leadership status in the Industry as well as in the key segments in which it operates, with an overall market share of 11.6% as audited by 'ORG' for the full year 1997.

Better market penetration both in Poultry as well as Large Animal markets has provided the improved market growth in most of the key segments. Coxistac, a leading anti-coccidial feed supplement, enjoyed a 50% market share. Stafac - a growth promoter - showed a sales growth of 55% over the previous year. The future business will be reinforced with Pfizer research products in the Anticoccidial, Long-Acting endectocides, antibiotics and biological segments. A new long-acting endectocide which has been successfully launched worldwide will be shortly introduced in India.

PRODUCTION OPERATIONS

In continuation of our plans for restructuring manufacturing operations, a decision has been taken to consolidate production at our Thane Plant and sell the Ankleshwar Plant. The fermentation plant at Chandigarh continues to produce Oxytetracycline, Salinomycin and export Chlorpropamide.

PFIZER INC.

In Fortune Magazine's recent global survey, Pfizer was ranked first among pharmaceutical and health care companies worldwide. This survey based its findings on the same criteria that Fortune uses to compile its list of America's most admired companies: innovativeness, overall quality of management, value as a long-term investment, responsibility to the community and the environment, ability to attract and keep talented people, quality of products or services, financial soundness, and wise use of corporate assets. Another criterion added for this first-ever worldwide survey was effectiveness in doing business globally. Pfizer Inc. continues to record strong growth led by its pharmaceutical operations. Pfizer now has an opportunity to advance to the top of the worldwide pharmaceutical industry fueled by the launch of significant new products while substantial growth and longevity remain from current product lines.

DEPOSITORY SYSTEM

To keep pace with the emerging market trends, your Company has entered into an Agreement with National Depository Services Limited (NSDL) for admission of its equity shares into the Depository System. This, in turn, will facilitate the Members of the Company to convert their shareholdings to keep it in electronic format.

The salient features of this System is that the shareholder's exposure to risk is negligible. In addition, the needless paper work is not required, thus saving time. Besides, there is a considerable saving in the stamp duty for the investor.

NSDL had made arrangements with the Stock Exchange, Mumbai for the electronic trading of our stocks, and it is expected that this will commence soon.

DIRECTORS

Dr. Dilip Mehta has resigned from the Board of Directors from February 27, 1998 consequent to his retirement from Pfizer Inc. Your Board places on record its appreciation of the services rendered by Dr. Dilip Mehta during his tenure with your Company. Dr. Pierre Etienne, Executive Director, International Clinical Research Group, Pfizer Inc. USA, was appointed in the casual vacancy arising due to the resignation of Dr. Dilip Mehta.

Mr. A.B. Thakkar and Mr. S.V. Pillai retire by rotation and offer themselves for reappointment.

Mr. M.W. Wolridge who retires by rotation at this meeting has not offered himself for reappointment consequent to his retirement from Pfizer Inc. It is proposed to appoint Mr. B. Valentini as a Director retiring by rotation in place of Mr. M.J. Wolridge. Mr. B. Valentini is Director, Financial Operations-Asia, Canada, Eastern Europe, USSR, Pfizer Pharmaceuticals Group - New York and has been with Pfizer Inc. for the last several years.

DUCHAM LABORATORIES LIMITED

The turnover of Duchem Laboratories Limited increased to Rs.84 crores from Rs.55 crores for the previous year. The operations reflect a profit of Rs.60 lakhs. The accumulated loss of prior years has been wiped out.

AUDITORS

M/s. A. F. Ferguson & Co., the Company's Auditors will retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to continue to act as Auditors of the Company for the current year, if reappointed. Members are requested to re-appoint them and fix their remuneration.

On behalf of the Board of Directors

R. A. SHAH
Vice Chairman

IAN YOUNG
Managing Director

Mumbai: 27th February, 1998



ANNEXURE I TO DIRECTORS' REPORT - PFIZER LIMITED

PARTICULARS PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT.

I. CONSERVATION OF ENERGY :

- a) Energy Conservation Measures taken :
Energy Conservation continues to receive top priority in the Company. Energy audits are carried out, consumption monitored, maintenance systems improved and distribution losses are reduced.
Specific Energy Conservation Measures are :
i) Reduction in cooling water pumping power by employing efficient pumping system.
ii) Fuel Magnetisers and Fuel additives for Furnace Oil.
iii) Installation of additional Capacitors to optimise power factor.
iv) Optimisation of air consumption to reduce running of air compressors
v) Close manual control of HVAC high side through continuous monitoring of load and ambient conditions.
vi) Installation of Combi air conditioner for empty capsule storage room.
- b) Additional proposal or activities, if any
i) Replacement of conventional type cooling tower fans by FRP fans.
ii) Replacement of existing chillers by vapour absorption chillers.
iii) Use of soft starting devices on motors to save energy.
- c) Impact of measures taken:
Energy conservation measures stated above have resulted in gradual savings.

Total energy consumption and energy conservation per unit of production :

As per Form A :

FORM A: FORM FOR DISCLOSURE OF PARTICULARS WITH REGARD TO CONSUMPTION OF ENERGY

A. Power and Fuel consumption :

		Current Year 1-4-97 to 30-11-97	Previous Year 1-4-96 to 31-3-97
1. Electricity :			
a) Purchased Unit (000's)	KWH	14113	19529
Total Amount (000's)	Rs.	42032	53406
Rate/Unit		2.98	2.73
b) Own Generation			
i) Through Diesel Generator	KWH	759	1106
Units/Litre of LDO	KWH	3.14	3.06
Marginal Cost/ Unit (considering only LDO price)	Rs.	2.98	2.68
ii) Through Steam Turbine Generator		—	—
2. Coal			
3. a) Furnace Oil & LSHS			
Quantity	KL	1562	2298
Total Amount(000's)	Rs.	11342	15846
Avg. Rate per KL	Rs.	7261	6896
b) Natural Gas			
Quantity	Cu.M.	129392	170902
Total Amount(000's)	Rs.	896	1163
Avg. Rate per Cu.M.	Rs.	6.92	6.81
4. Others/Internal Generation			
Quantity		... Nil	... Nil
Total Cost		... Nil	... Nil
Rate/Unit		... Nil	... Nil

B. Consumption per Unit of production :

	Standard	Current Year	Previous Year
Electricity (Units) }	There is no specific standard as the consumption per unit depends on the product mix of basic drugs (from chemical and biochemical processes) and formulations (capsules, tablets, ointments, liquids and injectibles)		
Furnace Oil (Litres)}			
Coal	... Nil		

II. TECHNOLOGY ABSORPTION :

Efforts made in technology absorption :

As per Form B given below :

FORM B : FORM FOR DISCLOSURE OF PARTICULARS WITH REGARD TO RESEARCH AND DEVELOPMENT (R & D) ABSORPTION

- Specific areas in which R&D is carried out by the Company.
R&D is carried out in Chemical, Pharmaceutical, Clinical, Analytical and Engineering Development areas.
- Benefits derived as a result of the above R&D.

- Product improvements, process development, import substitution, standardization of quality control of bulk drugs and formulations.
- New application for drugs researched abroad, better dosage recommendations and improvements.

3. Future plan of action :

- Import substitution and resolving process problems encountered in basic chemical and fermentation manufacturing for quality and productivity.
- Optimization of process parameters with emphasis on cost control and rationalization.
- Studying feasibility of using new manufacturing technology in existing dosage forms.
- Development of new dosage formulations, pharmaceutical and animal health.

4. Expenditure on R&D

	Rs. in Lakhs
(i) Capital	37.59
(ii) Recurring	410.94
(iii) Total	448.53
(iv) Total R & D expenditure as percentage of total turnover	3.16

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1. Efforts in brief made towards technology absorption, adaptation and innovation.

- The Company is allowed to use the patents and technical know-how of Pfizer Inc. U.S.A. Continuous adaptive research and development of products and processes with the objective of import substitution and cost containment in an inflationary environment is carried out.
- Clinical research to introduce new products researched abroad and to find their new applications, better dosage recommendations and improvements under Indian conditions is carried out.
- Development of ancillary technology for packaging materials and machinery is undertaken.

2. Benefits derived as a result of the above efforts :

Product improvement, cost reduction, import substitution, standardized analytical methods which are reflected in the productivity of resources and better quality and stability of products.

3. Technology imported during the last 5 years reckoned from the beginning of the financial year is given below :

Technology Imported	Year of Import	Has technology been fully absorbed
Salinomycin 350 technology of basic manufacture and formulation	1992	Yes
Injectible & Topical Piroxicam	1992	Yes
Tablet formulation of Amlodipine Besylate	1993	Yes
Import of high productive strains for Oxytetracycline fermentation	1994	Yes
Capsule formulation of Azithromycin dihydrate	1994	Yes
Manufacture of the active Substance Amlodipine Besylate	1997	Being absorbed
Manufacture of the active Substance — Arthromycin Dihydrate	1997-98	Being absorbed

FOREIGN EXCHANGE EARNINGS AND OUTGO :

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

The Company is at present exporting bulk drugs and formulations in bulk pack to Hongkong, Belgium and food supplement to Sri Lanka. The Company is continuously exploring possibilities of exporting more of its products to different markets.

2. During the period under review :

- the foreign exchange earnings by the Company was Rs.746 lakhs.
- the foreign exchange expenditure (which includes import of raw materials, spares and remittance of dividends etc.) was Rs.1186 lakhs.

On behalf of the Board of Directors

R. A. SHAH
VICE CHAIRMAN
IAN R. YOUNG
MANAGING DIRECTOR

Mumbai: 27th February, 1998.

**ANNEXURE II****PFIZER LIMITED**

STATEMENT REQUIRED U/S 217(2A) OF THE COMPANIES ACT, 1956 REFERRED TO IN THE DIRECTORS' REPORT FOR THE YEAR ENDED NOVEMBER 30, 1997 AND FORMING PART THEREOF, SHOWING NAMES AND OTHER PARTICULARS OF THE EMPLOYEES OF THE COMPANY WHO WERE :

A. Employed throughout the 8-months period ended 30th November 1997 and were in receipt of remuneration for that period, in the aggregate of not less than Rs. 200000.

Name	Designation and Nature of Duties	Qualifications	Date of Employment	Experience (Years)	Gross Rem./ Net Rem.	Age	Last Employment
1. Mr C M Agarwal	District Manager, Pharma Sales	B.V.Sc. & A.H.	5/8/1968	31	229860	54	Veterinary Asst., Surgeon, Dept. of Animal Husbandry.
2. Mr A R Aiyar	Manager, Engineering Services	Inter Science	2/10/1968	29	262101	57	Senior Erector, Voltas Ltd.
3. Mr B K Anderson	Controller, Purchase	B.Sc.M.M.S.	1/7/1987	24	485028	47	Materials Manager, Boots (I) Co. Ltd.
4. Mr A Anjeneyan	Company Secretary	B.Com., F.C.S., C.A.I.I.B	1/10/1992	13	456786	41	Company Secretary, Hindustan Dyestuff Inds. Ltd.
5. Dr A C Arora	Distribution Manager	B.V.Sc. & A.H.	21/1/1963	37	470170	59	Vet. Asst. Surgeon, Delhi Administration
6. Dr S P Arora	Commercial Manager, Poultry Team	B.V.Sc. & A.H.	10/9/1964	36	365919	58	Veterinary Officer, U.P. Govt.
7. Mr A Bagchi	Regional Field Training Manager, Pharma Sales	B.Sc.	4/12/1967	30	227441	52	Medical Rep., Franco Indian P. Ltd.
8. Mr D S Bailoor	Manager, Data Processing	B.Sc.(Hons.)	1/5/1967	35	379321	59	Programmer, IBM World Trade Corporation
9. Mr Jamsheed P Banaji	Group Product Manager	B.Sc., M.M.S	14/11/1994	7	304283	31	Product Manager, Boots Pharmaceuticals
10. Mr Kulabir Banerjee	District Manager, Pharma Sales	B.Sc.	20/3/1967	30	226437	53	Sales Rep., Alembic Distributors Ltd.
11. Mr Uday B Banerjee	District Manager, Pharma Sales	B.Sc.	13/9/1982	15	211278	37	—
12. Mr Mahendra S Bangar	Manager - Personnel & Indl. Relations	B.A. MLW & IR L.L.B.	2/6/1993	20	374288	44	Manager Personnel, Cable Corporation Of India Ltd.
13. Mr A K Barua	Personnel Director	B.A., Dip. in Social Service Admn.	30/8/1985	37	960519	59	Corporate Personnel Manager, Atlas Copco (India)
14. Mr S Basu	Regional Business Manager, Pharma Sales	B.Sc.	29/4/1966	31	330092	52	—
15. Mr N G Baxi	Dy. Manager, Personnel	H.Sc.	24/12/1962	35	229883	58	Asst. Time Keeper, Shree Shakti Mills
16. Mr Dilip V Bhatt	Manager, Operations	B.Sc. Computer Progg.	1/6/1995	20	275176	45	Operation Manager, Roche Products Ltd.
17. Mr Bhaskar Bhattacharya	Director, Pharmaceuticals	M.Sc., P.G.D.M.	2/7/1984	18	896521	42	Product Executive, Sandoz (I) Ltd.
18. Mr R P Bhattacharya	District Manager Pharma Sales	B.Com., C.Mass Commun.	19/11/1965	32	209996	52	Sales Executive, Oriental Travel Service
19. Mr Ashok Kumar Chadha	Dy. Manager, Engg. Services.	B.E.(Elect.)	1/6/1992	25	252018	51	Chief Engineer, Sukhna Paper Mills
20. Mr I Chakrabarty	Regional Business Manager, Pharma Sales	B.Sc. (Hons), P.G.D.M	6/9/1983	14	262971	36	—
21. Mr T K Chakrabarty	Regional Business Manager, Pharma Sales	M.Sc.	11/10/1971	26	346332	49	—
22. Mr Barun Chakraborty	Training Manager	B.Pharm.	2/10/1979	18	281751	40	—
23. Dr Richa S Chandra	General Manager, Clinical Research Division	M.B.B.S., M.D.	1/7/1994	9	281254	34	Medical Advisor, Roussel (India) Ltd.
24. Mr P C Chatterji	District Manager, Pharma Sales	B.Sc.,	3/10/1961	33	210133	58	Medical Representative, Geoffrey Manners & Ltd.
25. Mr S S Chawla	Regional Business Manager, Pharma Sales	B.Sc.	4/12/1967	31	313018	51	—
26. Mr N K Das	District Manager, Pharma Sales	B.Sc., B.Pharm	13/7/1962	31	221084	57	—
27. Mr. V N Deshpande	Manager, Information Systems	B.E. (Mech.)	11/10/1995	19	409828	42	Vice President-Software Services Division, Rolta India Ltd.
28. Capt A K Dhingra	G.M., Howmedica	B.Sc.	18/12/1978	29	433002	48	Professional Service Representative, Fulford (I) Pvt. Ltd.
29. Mr Deepak Dutta	Plant Accountant	B.Com. (Hons) C.A., I.C.W.A	28/9/1992	14	250171	40	Plant Accountant, Remington Rand (India) Ltd.
30. Mr Shashi Kiran Dutta	Regional Field Training Manager	B.Sc.	5/9/1966	31	215016	55	Medical Rep. Alembic Chemicals.