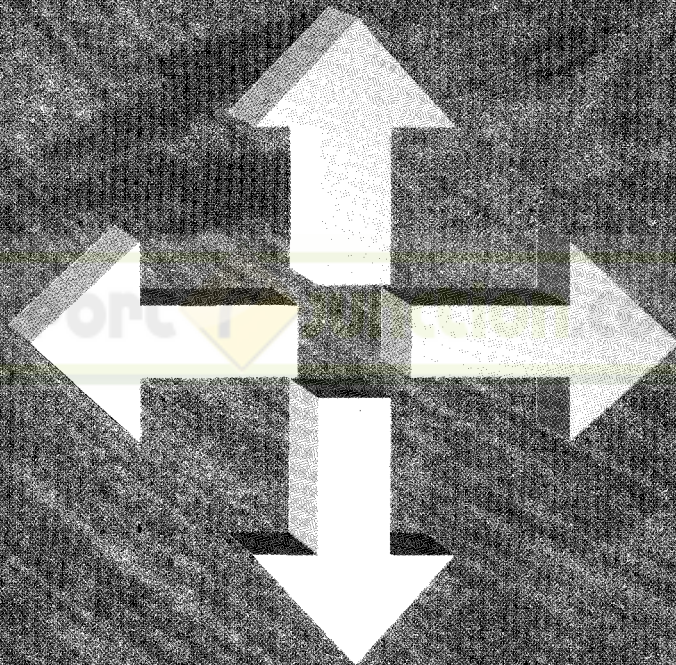


What the mind can conceive, the mind can achieve...

ANNUAL REPORT 2004 - 2005



Pfizer expands the horizons of excellence.



Moving in the direction
of becoming
a truly 'high science' company.

*Life is our life's work*

Redefining excellence.

Pfizer India has achieved 100% of sales targets in the year 2005. With a singular vision and determination to be the best, a focus on the business plan, and an excellent synergy across functions, we have truly raised the bar for performance.

Improved sales trends across key brands. Exciting product launches. A great talent pool. A strong product pipeline. Processes that are among the best in the industry. And a wonderful track record of performance. All have contributed towards strengthening Pfizer India, and making us one of the best pharmaceutical companies in the country.

2005 can only be a springboard for greater performance. Greater integration. Greater altitudes.

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BOARD OF DIRECTORS

R. A. Shah	Chairman
Kewal Handa	Managing Director
Pradip P. Shah	Director
Dr. Bomi M. Gagrath	Executive Director, Technical Operations

Kewal Handa	Managing Director
K. G. Ananthakrishnan	Pharmaceuticals
Dr. Bomi M. Gagrath	Technical Operations
Gundu Rao	Finance
Sunil Madhok	Animal Health
Dr. Shoibal Mukherjee	Medical Research Division
Dipali Talwar	Legal
Yugesh Goutam	Human Resources

COMPANY SECRETARY
K. Subharaman

AUDITORS
BSR & Co.

REGISTERED OFFICE :
Pfizer Center, 5, Patel Estate, Off S.V. Road, Jogeshwari (W),
Mumbai 400 102. Tel.: 022 5693 2000, Fax.: 022 5693 2377, Email: contactus.india@pfizer.com

REGISTRARS & TRANSFER AGENTS:
Karvy Computershare Pvt. Ltd., 7, Andheri Industrial Estate
Off Veera Desai Road, Andheri (W), Mumbai 400 053, Tel.: 022 26730799, 26730152,
Email: ksreddy@karvy.com, rknaair@karvy.com

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Pfizer Limited: Ten Year Financial Summary

Amount - Rupees in Lakhs

	1997	1997#	1998	1999	2000	2001	2002*	2003	2004*	2005
Sources of Funds										
Shareholders' Funds										
Share Capital	1172	1172	1172	1172	2344*	2344	2344	2880	2880	2984
Share Capital Suspense A/C							536		104	-
Reserves and Surplus	5925	6694	7104	9541	11167	14645	27923	27960	31292	34672
Total Shareholders' Funds	7097	7866	8276	10713	13511	16989	30803	30840	34276	37656
Borrowed Funds										
Secured Loans	397	84	156	-	-	-	-	-	-	-
Unsecured Loans	629	2002	1	1	-	-	-	-	1200	-
Total	8123	9952	8433	10714	13511	16989	30803	30840	35476	37656
Application of Funds										
Net Fixed Assets	3085	3885	3678	3502	3728	4210	5696	6110	7564	7770
Investments	25	324	346	324	324	324	529	324	324	-
Deferred Tax Asset (Net)	-	-	-	-	310	503	790	989	636	903
Current Assets, Loans and Advances:										
Inventories	3596	3286	4018	4486	5780	5644	8484	8658	7389	8983
Sundry Debtors	2155	2462	2317	3810	3918	5421	12341	5883	7174	8282
Cash and Bank Balances (including amounts held on deposit accounts with banks)	49	234	820	2329	4609	5763	6840	8908	16110	20993
Other Current Assets	-	-	-	-	-	-	-	-	137	214
Loan & Advances	3234	4572	3923	3839	3529	4289	7260	8330	6840	6693
Total Current Assets, Loans and Advances	9034	10554	11078	14464	17836	21117	34925	31824	37650	45165
Less: Current Liabilities and Provisions										
Current Liabilities	3484	3857	5375	5439	6771	6312	11112	9619	11284	13404
Provisions	1574	1690	2047	2376	2366	2853	5244	4192	5421	6448
Net Current Assets	3976	5007	3656	6649	8699	11952	18569	18013	20945	25313
Misc. Expenditure (Deferred Revenue Expenditure)										
Voluntary Retirement Scheme	1037	736	753	239	-	-	5219	5404	6007	3670
Commercial Rights	-	-	-	-	450	-	-	-	-	-
Total Net Assets	8123	9952	8433	10714	13511	16989	30803	30840	35476	37656
Income										
Gross Sales	26290	14160	23343	28733	32719	36207	65127	55896	65966	69750
Less: Excise Duty	-	-	-	-	-	3796	5719	3954	4884	5416
Less: Sales Tax	-	-	-	-	-	2643	5165	4478	5304	4482
Net Sales						29768	54243	47464	55778	59852
Services	1105	2321	3036	4275	4237	4826	4366	2944	2517	2666
Interest Income	111	204	279	331	376	668	634	364	749	832
Dividend Income	2	3	3	-	-	-	-	-	-	-
Other Income	880	279	426	501	549	653	1007	743	658	605
Total	28388	16967	27087	33840	37881	35915	60250	51515	59702	63955
Costs and Expenses										
(Increase)/Decrease in Stock of Finished Goods, Work in process and Own Manufactured Bulk Drugs	307	119	(607)	216	(691)	(531)	284	790	2312	(3408)
Materials Consumed	8931	4293	7604	8614	10757	11267	21694	18947	20058	23882
Personnel Costs	4333	3072	5712	4865	5056	5580	8784	7942	8255	10014
Excise Duty	3105	1618	2806	3414	3940	-	-	-	-	-
Sales Tax	1627	933	1548	1968	2394	-	-	-	-	-
Depreciation	437	319	967	768	676	717	1064	1083	1026	1385
Interest Expense	358	160	211	54	37	26	76	39	81	15
Other Expenses	5768	4124	6504	8192	8875	10908	17088	16087	18048	18299
Royalty and Technical Know-How Fees	555	270	455	526	565	246	95	322	516	507
Total Costs and Expenses	25421	14908	25200	28617	31609	28213	49085	45210	50296	50694
Profit before Taxation & Exceptional Items	2967	2059	1887	5223	6272	7702	11165	6305	9406	13261
Exceptional items - (Expenses)/Income	-	-	-	-	-	-	1518	(1673)	(1922)	(2337)
Profit before Taxation	2967	2059	1887	5223	6272	7702	12683	4632	7484	10924
Taxation	1067	681	629	2130	2518	2953	5089	1881	2932	4112
Profit after Taxation	1900	1378	1258	3093	3754	4749	7594	2751	4552	6812
Tax Provision as % of PBT	36.0	33.1	33.3	40.8	40.1	38.3	40.1	40.6	39.2	37.6
Net Profit as % of Sales	7.2	9.7	5.4	10.8	11.5	13.1	11.7	4.9	6.9	9.8
Earnings per share (Rs.)	16.21	11.76	10.73	26.39	16.02@	20.26	26.37	9.55	15.25	22.83
Equity Dividend per share (Rs.)	4.00	3.00	4.00	5.00	4.00	5.00	7.50+	7.50	-	10.00
Total Dividend Amount (Rs. in Lakhs)	469	352	469	586	938	1172	2160	2160	2984	2984
Book Value per share (Rs.)	60.55	67.12	70.61	91.41	57.64@	72.48	106.95	107.08	114.86	126.19

8 months period ended 30th November, 1997

* Increase due to issue of Bonus Shares in the ratio 1:1

@ Diluted due to issue of Bonus Shares in the ratio of 1:1

+ Proposed dividend for the year ended 30th November, 2002 (includes special dividend @ Rs. 2.50 per share)

‡ Includes results of erstwhile Parke-Davis (India) Ltd. on its amalgamation with the Company

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

Moving in pace with change.

Report Junction.com

A major stride for Sanofi-Sintelabo in 2005 was the restructuring of the Field Force and Bottom Up Budgeting - a strategic move that enabled the Company to effectively meet the challenges of a rapidly changing and evolving pharmaceutical industry.

Notice

Notice is hereby given that the 55th Annual General Meeting of Pfizer Limited will be held at the Yeshwantrao Chavan Pratishthan Auditorium, General Jaganath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai- 400 021 on April 21, 2006 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 year ended November 30, 2005, the Audited Balance Sheet as at that date and the Reports of the Board of Directors and Auditors.
2. To declare Dividend for the year ended November 30, 2005.
3. To appoint a Director in place of Mr. Pradip Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Special Business

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

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") consent of the Company be and is hereby accorded to the appointment of Mr. Kewal Handa as the Managing Director of the Company for a period of five years with effect from April 28, 2005, and to his receiving remuneration, payment, perquisites and amenities from that date as given below:

A. Salary and Fixed allowances:

The aggregate of Salary and fixed allowances payable to Mr. Handa shall be subject to a maximum limit of **Rs. 85,00,000/- (Rupees Eighty Five Lakhs) per annum.**

B. Perquisites:

In addition to the above mentioned salary and fixed allowance, Mr. Handa shall also be entitled to perquisites like furnished accommodation, gas, electricity, water and use of Company Car for official duties. These perquisites shall be reimbursed for actual expenses incurred on furnishing of the bills thereof. In case Company owned/ leased accommodation is not provided, Mr. Handa shall be entitled for House Rent Allowance subject to the maximum limit of Rs. 50,00,000/- (Rupees Fifty Lakhs) per annum.

Mr. Handa shall also be entitled to the following perquisites and benefits, which are not covered in the aforesaid limits in A & B above:

a). Telephone/Facsimile/Computer:

Provision for use of telephone (including payment of local and long distance official calls), facsimile and computer facility at residence.

b). Contribution to Provident Fund, Superannuation Fund, etc.:

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the above ceiling to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961. Gratuity payable as per the Company's Scheme and encashment of leave at the end of the tenure.

c). Medical Expenses:

Reimbursement of all medical expenses incurred for Mr. Handa, his wife and dependent children (family).

d). Leave and Leave Passage:

Leave as per the Rules of the Company. Leave Travel Concession for Mr. Handa and family once in a year to any destination in India.

e). Club Membership:

Entrance fees and monthly subscription fees of not more than two clubs.

f). Entertainment Expenses:

Mr. Handa will also be entitled to reimbursement of entertainment expenses incurred by him for the purposes of the business of the Company.

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.

The Board of Directors may, in its discretion, pay to Mr. Handa lower remuneration than the maximum remuneration hereinbefore

stipulated and revise the same from time to time, within the maximum limits stipulated. The terms of remuneration payable to Mr. Handa shall be in compliance with the provisions of Sections 198, 269, 309 and 310 of the Act, read with Schedule XIII of the Act.

C. Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year, during the tenure of Mr. Handa as Managing Director of the Company, he shall be entitled to receive a total remuneration including perquisites, etc. not exceeding the ceiling limits as approved by the Central Government as minimum remuneration.

D. Period:

Subject to the provisions of Section 317 of the Companies Act, 1956, Mr. Handa shall continue in office as Managing Director for a period of 5 years commencing April 28, 2005 subject to earlier termination of his service by either the Board of Directors on instructions given by Pfizer Corporation or by Mr. Handa giving to the other 60 days notice in writing."

Notes :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of item 5 of Special Business 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.

The Proxy duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

3. Re-appointment of Director retiring by rotation:

Mr. Pradip Shah is liable to retire by rotation at the 55th Annual General Meeting and being eligible, has offered himself for re-appointment. The information required to be furnished under the Code of Corporate Governance is given hereunder:

The Board of Directors has appointed Mr. Pradip Shah as a Director of the Company with effect from December 7, 1999. He was appointed as a Director liable to retire by rotation by the shareholders at the 53rd AGM held on April 29, 2004.

Mr. Shah is 53 years old. He is a qualified Chartered Accountant as well as a Cost Accountant. Mr. Shah is a Director on the Boards of several reputed Companies. He is also a member of various prestigious committees/commissions. Mr. Shah was instrumental in setting up CRISIL, the largest Credit Rating Agency. He is the Chairman/ Director of the following public limited Companies and Chairman/ Member of following Committees:

Name of Company	Designation	Chairmanship or Membership of Audit Committee of Board
Asset Reconstruction Company (India) Limited	Director	-
BASF India Limited	Director	Member
Bombay Stock Exchange Limited	Director	-
Godrej & Boyce Mfg. Co. Limited	Director	-
Gokuldas Exports Limited	Director	-
Panasonic Battery India Co. Limited	Director	Member
Prudential ICICI Asset Management Limited	Director	Chairman
Patni Computer Systems Limited	Director	Member
Shah Foods Limited	Chairman	-
Sonata Software Limited	Director	Member
The Shipping Corporation of India Limited	Director	-
Wartsila India Limited	Director	Chairman

Mr. Shah does not hold any shares in the Company either in his name or for other persons on a beneficial basis.

4. Members (Beneficiaries) holding shares in dematerialized mode are requested to note that the bank details furnished by them to their respective Depository Participants will be printed on their Dividend Warrants, if not opted for Electronic Clearing Service (ECS). This is pursuant to the SEBI directive vide Circular No. D&CC/FITC/CIR-4/2001 dated 13.11.2001.

5. In compliance with Sections 205A & 205C of the Companies Act, 1956, unclaimed dividend for the year ended 1998 has been transferred to the "Investor Education and Protection Fund" established by the Central Government. Members shall not be able to register their claim in respect of their unencashed Dividend with regard to the said dividend. Unclaimed dividend for all the subsequent years will be transferred to the "Investor Education and Protection Fund" according to the statutory stipulations. Members are requested to contact the Company's Registrars and Transfer Agents, in respect of their outstanding dividends for the succeeding years.

By order of the Board of Directors

Mumbai, February 27, 2006

Registered Office:

Pfizer Centre, Patel Estate, Off S. V. Road,
Jogeshwari (West), Mumbai – 400102.

K SUBHARAMAN
Company Secretary

Explanatory statement pursuant to section 173 of the companies act, 1956.

Item No.5

Pursuant to Article 119 Pfizer Corporation had nominated Mr. Kewal Handa as a Director on the Board. The Board of Directors at its meeting held on April 28, 2005 appointed Mr. Handa as the Managing Director of the Company. The appointment was also subject to the approval of the shareholders at the Annual General Meeting of the Company. The remuneration payable to Mr. Kewal Handa is set out in the resolution at Item No. 5 of the Notice.

Mr. Handa is 53 years old and is a Member of the Institute of Cost and Works Accountants of India and also a Member of the Institute of Company Secretaries of India. He holds a Masters Degree in Commerce. He joined the Company in June 1990 as Controller in MIS- Taxation and was promoted as Financial Controller in August, 1991. Further, he moved to head the Animal Health Division in December, 1994.

Mr. Handa held the position of Executive Director of the Company heading the Finance Division from December 16, 1996 till his appointment as the Managing Director of the Company. Mr. Handa is also a Member of the Shareholders' Grievance Committee of Pfizer Limited.

Mr. Handa is a visiting faculty member at the Narsee Monjee Institute of Management Studies and also an International Trainer of the Indian Junior Chamber. He is also a regular speaker in various forums and is the President of the Bombay Management Association. He is the Chairman of the Pricing Committee of the Organisation of Pharmaceutical Producers of India (OPPI). He is also a Committee Member in the Confederation of Indian Industry and Bombay Chambers of Commerce. He has completed the Pfizer Leadership Development Programme from Harvard University. He has also completed a course on Marketing Strategy from Columbia Business School and the Senior Management Development Programme from IIM Ahmedabad.

Mr. Handa was awarded the "India CFO 2004- Excellence in Finance in MNC" by the International Market- Assessment Group.

Mr. Handa is the Chairman/Director of the following public limited companies and Chairman/ Member of following Committees:

Name of Company	Designation	Chairmanship or Membership of Audit Committee of Board
Alfa Laval (India) Limited	Director	Member
OPPI	Director	-

The Board recommends this Resolution for the approval of the members.

The given particulars of his appointment and remuneration as stated in Item No. 5 above, may be treated as an Abstract pursuant to Section 302 of the Act.

Mr. Handa is deemed to be interested in this Resolution as it concerns him. No other Directors is concerned or interested in the passing of this resolution.

By order of the Board of Directors

Mumbai, February 27, 2006

Registered Office:

Pfizer Centre, Patel Estate, Off S. V. Road,
Jogeshwari (West), Mumbai – 400102.

K SUBHARAMAN
Company Secretary