



IMMUNITY IS THE NEW

INTELLIGENCE.

IT'S TIME TO BUILD OUR

CORPORATE

IMMUNITY QUOTIENT.



Pfizer Limited
Annual Report 2019-20



India is getting back to work.

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

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

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

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

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MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

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

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

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

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

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

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

Responding to the COVID-19 challenge globally and in India

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



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

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

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

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

New healthcare in a post-COVID world

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

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

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

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

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

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

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

Yours Sincerely,

S. Sridhar

PFIZER AT A GLANCE



Purpose Blueprint

OUR PURPOSE

Breakthroughs that change patients’ lives

OUR BOLD MOVES



1. Unleash the power of our people



2. Deliver first-in-class science



3. Transform our go-to-market model



4. Win the digital race in pharma



5. Lead the conversation

OUR BIG IDEAS

- 1.1 Create room for meaningful work
- 1.2 Recognize both leadership and performance
- 1.3 Make Pfizer an amazing workplace for all

- 2.1 Source the best science in the world
- 2.2 Double our innovation success rate
- 2.3 Bring medicines to the world faster

- 3.1 Improve access through new payer partnerships
- 3.2 Address the patient affordability challenge
- 3.3 Transform the way we engage patients and physicians

- 4.1 Digitize drug discovery and development
- 4.2 Enhance health outcomes and patient experience
- 4.3 Make our work faster and easier

- 5.1 Be known as the most patient-centric company
- 5.2 Drive pro-innovation/pro-patient policies
- 5.3 Focus the narrative on the value of our science

OUR VALUES



Courage



Excellence



Equity



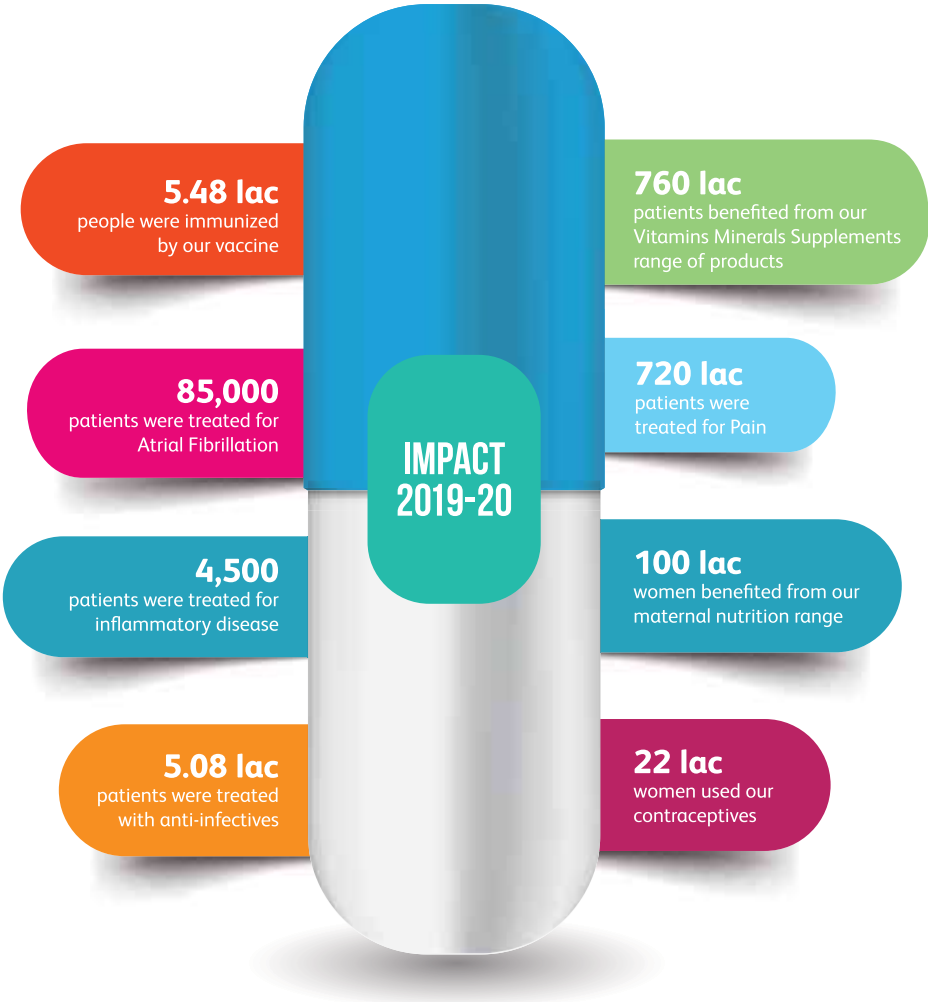
Joy



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



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



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

CORPORATE PROFILE

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

**REGISTRAR AND SHARE
TRANSFER AGENT**

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

SOLICITORS AND ADVOCATES

CRAWFORD BAYLEY & CO.
VERITAS LEGAL

BANKERS

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

COMPANY SECRETARY

PRAJEET NAIR

STATUTORY AUDITOR

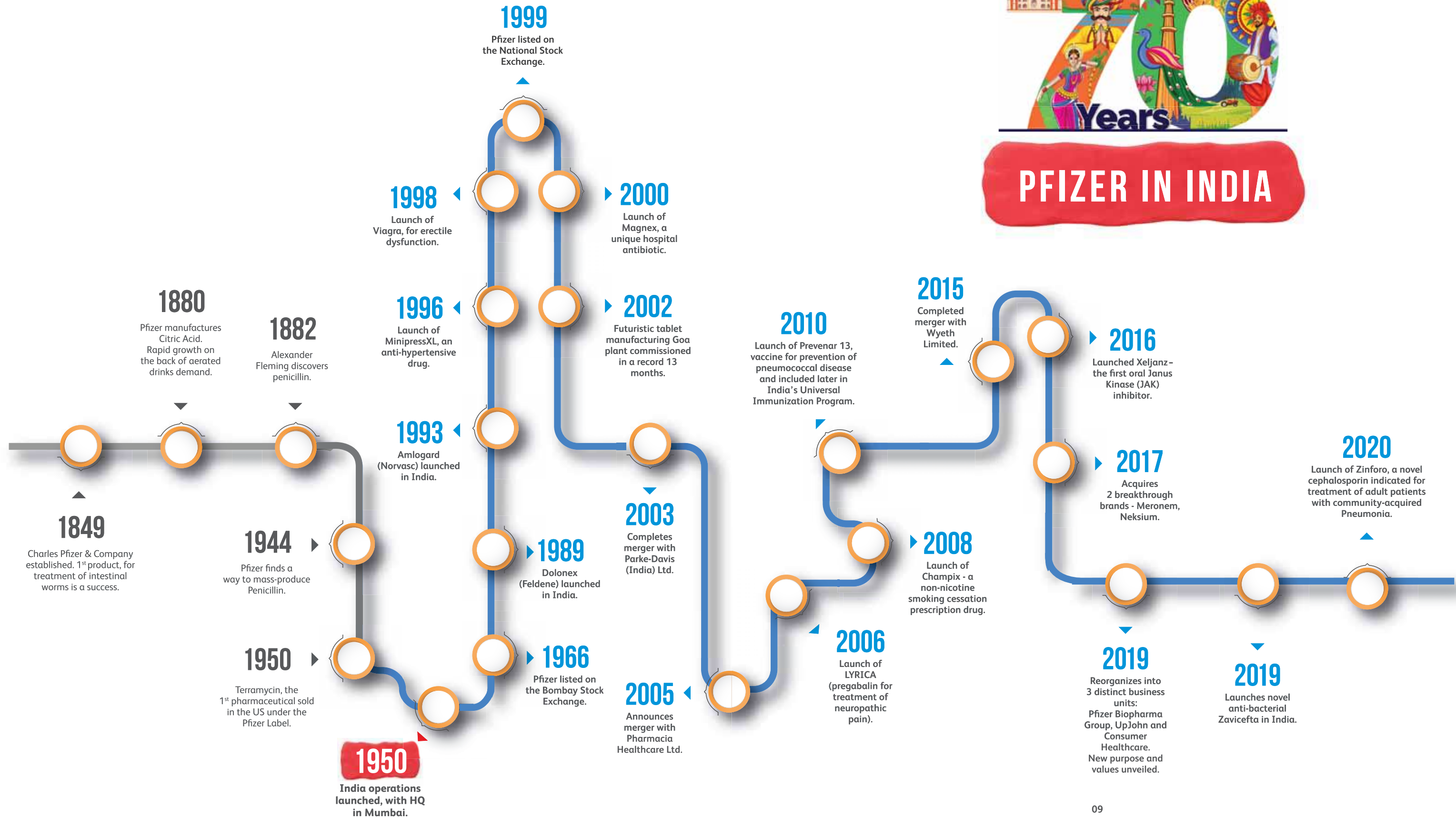
WALKER CHANDIOK & CO LLP

COST AUDITOR

RA & CO.

SECRETARIAL AUDITOR

SARAF & ASSOCIATES



KEY PRODUCTS



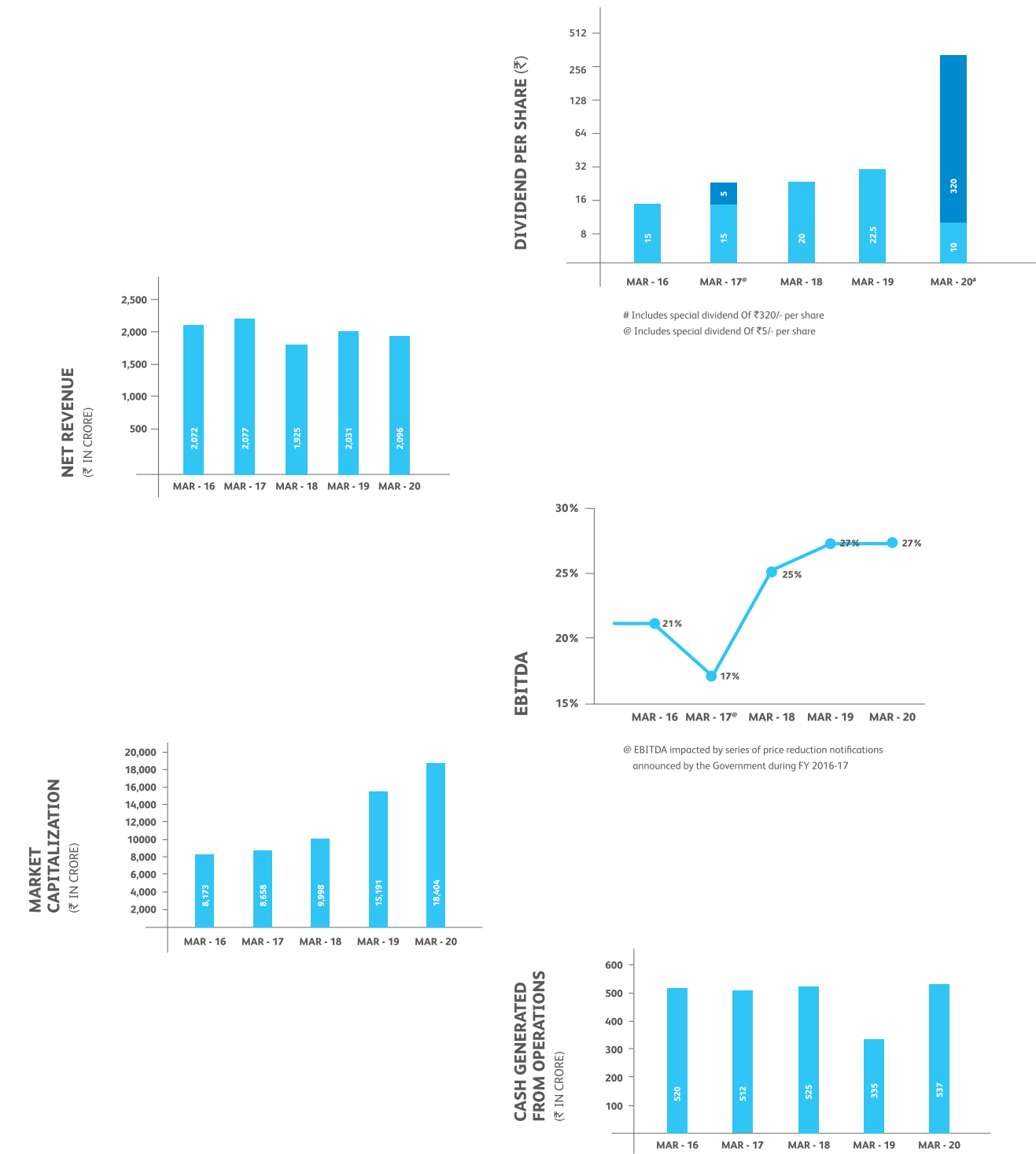
One dose of Prevenar13 from start to finish takes the work of 1700 employees, undergoes 678 quality tests & 2.5 years to manufacture.

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

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



KEY PERFORMANCE HIGHLIGHTS



FINANCIAL PERFORMANCE - 10 YEAR HIGHLIGHTS

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

	MAR 2011	MAR 2012	MAR 2013	MAR 2014	MAR 2015	MAR 2016	MAR 2017	MAR 2018	MAR 2019	MAR 2020
STATEMENT OF PROFIT AND LOSS	16 months		@		\$		**			
Net Sales	1,170	1,017	948	1,004	1,828	2,072	2,017	1,925	2,030	2,096
Other Income (including other operating income)	176	169	207	217	93	109	126	170	218	239
Total expenditure	998	908	871	882	1,602	1,720	1,757	1,547	1,589	1,693
Profit Before tax and exceptional items	348	278	280	340	318	461	386	548	660	642
Profit Before Taxation	345	278	694	340	238	470	517	548	660	642
Profit After Taxation ^^	226	185	503	221	100	305	337	360	429	509
Total dividend amount	49	37	97	1,074	57	691	921	921	1031	1,5101
BALANCE SHEET										
Fixed Assets	86	32	26	23	957	928	882	918	854	943
Cash and Bank balances	577	866	1,433	308	609	1,025	1,523	1,772	1,914	2,220
Net Deferred Tax (Net)	36	37	40	34	67	(28)	(18)	(15)	(2)	1
Net Other Assets	465	370	196	294	340	239	32	8	245	232
Share Capital	30	30	30	30	46	46	46	46	46	46
Reserves and Surplus	1,134	1,275	1,665	629	1,927	2,118	2,373	2,637	2,965	3,350
KEY RATIOS										
Profit before tax margin	26%	23%	60%	28%	12%	22%	24%	26%	29%	28%
Book value per share	390	437	568	221	431	473	529	587	658	742
Return on Net Worth	19%	14%	30%	34%	5%	14%	14%	13%	14%	15%
Earnings Per Share (EPS)	75.85	61.87	168.63	74.01	15.26	66.66	73.61	78.70	93.78	111.28
Dividend Per Share (DPS)	16.50	12.50	32.50	360.00	12.50	15.00 ¹	20.00 ¹	20.00 ¹	22.50 ¹	330.00 ¹

@ Includes gain on sale of the animal health business and sale of investment in the subsidiary.
\$ Includes results of erstwhile Wyeth Limited on its amalgamation with the Company.
^^ Profit for FY 2014-15 excludes Impact of Scheme of Amalgamation (₹31 Crore).
** Includes profit on sale of four brands and office premises.
¹Dividend recommended / declared by the Board of Directors for respective financial years.
The Company has transitioned from Previous GAAP to Ind AS effective April 1, 2015.
Profits are calculated on total income.

BOARD OF DIRECTORS



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

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

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



MR. S. SRIDHAR
MANAGING DIRECTOR



MR. PRADIP SHAH
INDEPENDENT DIRECTOR

Mr. Pradip Shah holds an MBA from the Harvard Business School. He is also a Chartered Accountant and a Cost Accountant and ranked first in India in the Chartered Accountancy examination. Mr. Shah is the ex-Managing Director of CRISIL, India's first and the largest credit rating agency. Prior to founding CRISIL, Mr. Shah assisted in founding the Housing Development Finance Corporation (HDFC) in 1977. Mr. Shah has also served as a consultant to USAID, the World Bank and the Asian Development Bank. Mr. Shah is presently the Chairman of IndAsia Fund Advisors Pvt. Ltd. He was first appointed to the Board on December 7, 1999.

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



MR. UDAY KHANNA
INDEPENDENT DIRECTOR



MS. MEENA GANESH
INDEPENDENT DIRECTOR

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

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



MR. SUNIL LALBHAI
INDEPENDENT DIRECTOR



MR. MILIND PATIL
EXECUTIVE DIRECTOR – FINANCE & CFO

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

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



MR. SAMIR KAZI
EXECUTIVE DIRECTOR - LEGAL



MR. PRAJEET NAIR, COMPANY SECRETARY

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

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

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

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

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

DR LALIT R. SANKHE,

ASSOCIATE PROFESSOR, DEPARTMENT OF COMMUNITY MEDICINE, GRANT MEDICAL COLLEGE &

SIR J J GROUP OF HOSPITALS, MUMBAI



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

DR. RAVINDRA MEHTA

CHIEF OF CRITICAL CARE, CONSULTANT PULMONOLOGIST/SLEEP MEDICINE SPECIALIST,

APOLLO HOSPITALS JAYANAGAR, BANGALORE



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

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