

Annexure-H

CORPORATE GOVERNANCE REPORT

I. PFIZER'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance at Pfizer is not just adherence to mandatory rules and guidelines. It lies in observing the spirit behind the letter. Your Company has responsibly, critically and collegially worked through all major decisions. It has helped create a credible reputation amongst all stakeholders and regulators. We are guided by the 9 Core Values of our Parent Company, Pfizer Inc., USA in our day-to-day decision-making which reflects the enduring character of Pfizer and its people. Your Company constantly strives to maintain high governance standards and is focused on the goal of making Pfizer the premier, innovative bio-pharmaceutical company. This approach has helped the Company earn the trust of all its stakeholders over its long history.

II. BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Company is fully compliant with the Corporate Governance norms in respect of constitution of the Board of Directors ("the Board"). The Board at Pfizer represents an optimum mix of professionalism, knowledge, gender and experience. Presently, the Board comprises of 4 Non-Executive Independent Directors and 3 Executive Directors including one Woman Director. Mr. R. A. Shah, Mr. Pradip Shah, Mr. Uday Khanna and Mr. Sunil Lalbhai are Non-Executive Independent Directors on the Board. Mr. S. Sridhar, Mr. Vivek Dhariwal and Dr. Anurita Majumdar (Woman Director) are Executive Directors on the Board. The Chairman of the Board is a Non-Executive Independent Director. None of the Director is related to other Directors.

(b) Board Meetings

The Board meets at least once every quarter to review the quarterly results and other items of the Agenda and if necessary, additional meetings are held. The gap between two Board Meetings does not exceed 120 days. The Board is apprised and informed of all the important information relating to the business of the Company including those listed in Part A of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Chairman of the Board, the Managing Director and the Company Secretary discuss the items to be included in the Agenda and the Agenda is sent in advance to the Directors along with the draft of the relevant documents and explanatory notes wherever required, to enable the Board to discharge its responsibilities effectively and take informed decisions. The Company is in compliance with the provisions of the Secretarial Standards on the Meetings of the Board of Directors.

Five Board Meetings were held during the financial year under review. These Meetings were held on May 6, 2017, July 29, 2017, November 10, 2017, January 24, 2018 and March 1, 2018. The details of composition of the Board, number of Board Meetings held, attendance thereat and at the last Annual General Meeting ("AGM"), and the number of other Directorships, Memberships and/or Chairmanships held by each Director of the Board as on March 31, 2018, are set out below:

| Name | Category of Directorship* | No. of Board Meetings held | No. of Board Meetings Attended | Attendance at the Last AGM | No. of other Directorships held | No. of other Committees of which Member/Chairman |
|--------------------------------|---------------------------|----------------------------|--------------------------------|----------------------------|---------------------------------|--|
| Mr. R. A. Shah (Chairman) | NED (I) | 5 | 5 | Yes | 9 | 4/4 |
| Mr. S. Sridhar | MD | 5 | 5 | Yes | Nil | N.A. |
| Mr. Pradip Shah | NED (I) | 5 | 4^ | Yes | 8 | 6/1 |
| Mr. Uday Khanna | NED (I) | 5 | 3^ | Yes | 4 | 3/2 |
| Mr. Sunil Lalbhai | NED (I) | 5 | 5 | Yes | 5 | 2/Nil |
| Mr. Vivek Dhariwal | WTD | 5 | 4 | Yes | Nil | N.A. |
| Dr. Anurita Majumdar | WTD | 5 | 5 | Yes | Nil | N.A. |
| Mr. Ravi Prakash Bhagavathula# | WTD | 4 | 4 | Yes | Nil | N.A. |

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

^ Leave of absence was granted

Mr. Ravi Prakash Bhagavathula ceased to be the Executive Director - Finance effective close of business on February 28, 2018.

Notes:

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

III. BOARD COMMITTEES

During the financial year under review, the Board had five Committees viz., Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Board Administrative & Share Transfer Committee. The Board decides the terms of reference of these Committees and the assignment of its Members thereof.

AUDIT COMMITTEE

Presently, the Audit Committee comprises of Mr. R. A. Shah as Chairman, Mr. Pradip Shah, Mr. Uday Khanna and Mr. S. Sridhar as its Members.

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

Four Audit Committee Meetings were held during the financial year under review and the gap between two Meetings did not exceed 120 days. These Meetings were held on May 6, 2017, July 29, 2017, November 10, 2017 and January 24, 2018. The details of the composition of the Audit Committee and the attendance of the Members at the

Audit Committee Meetings are as under:

| Name | Category* | Number of Meetings held | Number of Meetings Attended |
|---------------------------|-----------|-------------------------|-----------------------------|
| Mr. R. A. Shah (Chairman) | NED(I) | 4 | 4 |
| Mr. Pradip Shah | NED(I) | 4 | 4 |
| Mr. Uday Khanna | NED(I) | 4 | 3^ |
| Mr. S. Sridhar | MD | 4 | 4 |

*MD - Managing Director, NED (I) - Non-Executive Director, Independent ^ Leave of absence was granted

The terms of reference of the Audit Committee includes the matters specified under Part C of Schedule II to the Listing Regulations as well as Section 177 of the Companies Act, 2013. The Chief Financial Officer, Internal Auditor and Statutory Auditors are permanent invitees to the Meeting. The Chairman of the Audit Committee was present at the 66th Annual General Meeting held on August 30, 2017. The Minutes of the Audit Committee Meetings were noted at the Board Meetings.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Presently, the Stakeholders' Relationship Committee comprises of Mr. Uday Khanna as its Chairman, Mr. Sunil Lalbhai and Mr. Vivek Dhariwal as its Members. Mr. Prajeet Nair, Company Secretary, acts as the Secretary to the Committee and as the Compliance Officer. The details of the composition of the Stakeholders' Relationship Committee and the attendance of the Members at the Meeting held on January 24, 2018 are as under:

| Name | Designation | Category* | Attendance at the Meeting held on January 24, 2018 |
|----------------------------|-------------|-----------|--|
| Mr. Uday Khanna (Chairman) | Chairman | NED(I) | Yes |
| Mr. Sunil Lalbhai | Member | NED(I) | Yes |
| Mr. Vivek Dhariwal | Member | WTD | Yes |

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

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

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

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

| | As on April 1, 2017 | Received during the financial year | Cleared/ attended during the financial year | Pending as on March 31, 2018 |
|---|---------------------|------------------------------------|---|------------------------------|
| Non-receipt of dividend warrants | Nil | 71 | 71 | Nil |
| Non-receipt of share certificates after transfer, deletion of name, transmission, transposition, consolidation of folios & share certificates, correction of name, etc. | Nil | 09 | 09 | Nil |
| Non-receipt of Annual Report | Nil | Nil | Nil | Nil |
| Letters from SEBI, Stock Exchanges and Ministry of Corporate Affairs | Nil | 29 | 27 | Nil |
| Total | Nil | 109 | 107 | Nil |

During the financial year under review, 109 complaints were received and 107 complaints have been redressed/ answered to the satisfaction of the shareholders. The pending 2 complaints were resolved post the financial year end. There are no complaints pending as on date. No investor grievance remained unattended/pending for resolution for more than 30 days and no request for share transfers and dematerialization received for the financial year under review was pending for more than the time limit prescribed under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Two Corporate Social Responsibility Committee meetings were held during the financial year under review. These Meetings were held on May 6, 2017 and July 29, 2017. The details of composition of the Corporate Social Responsibility Committee and attendance of the Members at the Corporate Social Responsibility Meetings are as under:

| Name | Category* | Number of Meetings held | Number of Meetings attended |
|----------------------------|-----------|-------------------------|-----------------------------|
| Mr. Pradip Shah (Chairman) | NED(I) | 2 | 2 |
| Mr. S. Sridhar | MD | 2 | 2 |
| Mr. Vivek Dhariwal | WTD | 2 | 2 |

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

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

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

NOMINATION AND REMUNERATION COMMITTEE

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

The details of composition of the Nomination and Remuneration Committee and the attendance of the Members at the Meeting held on May 6, 2017 are as under:

| Name | Designation | Category | Attendance at the Meeting held on May 6, 2017 |
|----------------------------|-------------|----------|---|
| Mr. Pradip Shah (Chairman) | Chairman | NED(I) | Yes |
| Mr. R. A. Shah | Member | NED(I) | Yes |
| Mr. Uday Khanna | Member | NED(I) | Yes |

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

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

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have formulated and adopted Nomination and Remuneration Policy in February 2015 and the same is given as 'Annexure - B' to the Board's Report. The Minutes of the Nomination and Remuneration Committee Meetings were noted at the Board Meetings.

BOARD ADMINISTRATIVE & SHARE TRANSFER COMMITTEE

Presently, the Board Administrative & Share Transfer Committee comprises of Mr. S. Sridhar, Managing Director, Mr. Vivek Dhariwal, Whole-time Director and Dr. Anurita Majumdar, Whole-time Director. Mr. Prajeet Nair, Company Secretary, acts as the Secretary to the Committee. The details of composition of the Board Administrative & Share Transfer Committee and attendance of the Members thereat are as under:

(a) Executive Directors

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

| Name | Salary | Benefits and Perquisites* | Performance Linked Incentives | (Amount in ₹) |
|------------------------------------|-------------|---------------------------|-------------------------------|---------------|
| | | | | Total |
| Mr. S. Sridhar - Managing Director | 2,35,80,192 | 21,40,591 | 85,43,200 | 3,42,63,983 |
| Mr. Vivek Dhariwal | 1,21,09,356 | 35,53,791 | 35,50,900 | 1,92,14,047 |
| Dr. Anurita Majumdar | 1,30,56,528 | 1,98,872 | 41,31,000 | 1,73,86,400 |
| Mr. Ravi Prakash Bhagavathula# | 1,59,31,311 | 9,19,413 | 42,17,675 | 2,10,68,399 |

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

Mr. Ravi Prakash Bhagavathula ceased to be the Executive Director - Finance effective close of business on February 28, 2018.

(i) Service Contracts, Severance Fees and Notice Period

The appointment of the Managing Director and Whole-time Director(s) is governed by the Articles of Association of the Company and the Resolutions passed by the Board of Directors and the Members of the Company. These cover the terms and conditions of such appointment read with the service rules of the Company.

| Name | Category* | Number of Meetings held | Number of Meetings attended |
|--------------------------------|-----------|-------------------------|-----------------------------|
| Mr. S. Sridhar | MD | 47 | 45 |
| Mr. Vivek Dhariwal | WTD | 47 | 46 |
| Dr. Anurita Majumdar | WTD | 47 | 47 |
| Mr. Ravi Prakash Bhagavathula# | WTD | 44 | 42 |

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

Mr. Ravi Prakash Bhagavathula ceased to be the Executive Director - Finance with effect from close of business on February 28, 2018.

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

REMUNERATION TO DIRECTORS

There has been no materially significant related party transactions, pecuniary relationships or transactions between Pfizer Limited and its Directors for the financial year under review that may have a potential conflict with the interest of the Company at large. The criteria for payment of remuneration to Directors is given in the Nomination and Remuneration Policy of the Company - 'Annexure B' to the Board's Report.

The appointment of Managing Director/ Whole-time Director(s) are by way of Board Resolution and service/employment contracts. These contracts are terminable by either party by serving notice of three months. There is no separate provision for payment of severance fee under the resolutions/contracts governing the appointment of Managing Director and Whole-time Director(s).

(ii) Employee Stock Option Scheme

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

(iii) Performance Linked Incentive criteria

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

(iv) Mr. S. Sridhar, Mr. Vivek Dhariwal, Dr. Anurita Majumdar and Mr. Ravi Prakash Bhagavathula do not hold any equity shares of the Company.

(b) Non-Executive Directors

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

(₹ in Lakhs)

| Name | Sitting Fees | Commission | Total | Number of shares held |
|-------------------|--------------|--------------|--------------|-----------------------|
| Mr. R.A. Shah | 5.10 | 12.50 | 17.60 | 3,540 |
| Mr. Pradip Shah | 5.20 | 12.50 | 17.70 | Nil |
| Mr. Uday Khanna | 3.90 | 12.50 | 16.40 | Nil |
| Mr. Sunil Lalbhai | 3.10 | 12.50 | 15.60 | 2,477 |
| Total | 17.30 | 50.00 | 67.30 | |

(1) The Commission payable to the Resident Non-Executive Directors is decided by the Board of Directors of the Company within the limits stipulated by the Special Resolution passed at the 62nd Annual General Meeting held on September 6, 2013. The amount of Commission payable to each of the Resident Non-Executive Director is decided by the Board on the basis of

the role and responsibility as Chairman/Member of the Board and of the Board Committee(s) and overall financial performance of the Company.

(2) Mr. R. A. Shah is a senior partner of M/s. Crawford Bayley & Co., Solicitors & Advocates, who have a professional relationship with the Company. The fees earned by M/s. Crawford Bayley & Co. from Pfizer Limited constitutes less than 1% of the total revenue of M/s. Crawford Bayley & Co. in each year during the last three financial years. As per the view of the Board of Directors and also as per the legal opinion sought on the subject of Independence of Mr. R. A. Shah, the legal firm, M/s. Crawford Bayley & Co. does not have a material association with the Company. The professional fees of ₹ 1.67 Crore that was paid to them during the financial year under review is not considered material enough to impinge on the independence of Mr. R. A. Shah.

(3) Besides payment of commission and sitting fees, and dividend on equity shares held, if any, by the Directors, no other payments have been made or transactions of a pecuniary nature entered into by the Company with the Directors.

IV. CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under regulation 17 (8) of the listing Regulations, the Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended March 31, 2018, duly signed by Mr. S. Sridhar, Managing Director (CEO) was placed before the Board of Directors at its Meeting held on May 7, 2018.

Mr. Ravi Prakash Bhagavathula ceased to be the Chief Financial Officer of the Company effective close of business on March 31, 2018 and accordingly the said certificate is signed by the Managing Director (CEO).

V. GENERAL BODY MEETINGS

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

| AGM | Financial Year | Date and Time | Venue of the AGM |
|------------------|----------------|------------------------------|--|
| 66 th | 2016-2017 | August 30, 2017 at 3.00 p.m. | Yashwantrao Chavan Pratishthan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021. |
| 65 th | 2015-2016 | July 5, 2016 at 3.00 p.m. | |
| 64 th | 2014-2015 | July 13, 2015 at 3.00 p.m. | |

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

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

A Special Resolution was passed at the 64th Annual General Meeting of the Company held on July 13, 2015, for adoption of the revised Articles of Association of the Company to align it with the provisions of the Companies Act, 2013 including Rules framed thereunder and Table 'F' to Schedule I to the Companies Act, 2013.

(c) Passing of Special Resolutions by Postal Ballot

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

The Resolution with respect to continuation of the remaining term up to November 9, 2019, for Mr. R. A. Shah (DIN: 00009851) as an Independent Director is proposed to be passed by Special Resolution at the ensuing Annual General Meeting.

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

VI. OTHER DISCLOSURES**(a) Related party transactions**

The Company has not entered into any materially significant related party transactions with its Promoters, Directors, or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The Company has disclosed details of material transactions with related parties to the BSE Limited and the National Stock Exchange of India Limited along with the compliance report on corporate governance.

The Company has formulated and adopted a policy on dealing with related party transactions and same is displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com'. The weblink for the Policy is <http://www.pfizerindia.com/eNewsWebsite/investor/pdf/Revised%20Related%20Party%20Transaction%20Policy%20-%20Pfizer%20website.pdf>

The Company has received disclosures from the senior managerial personnel confirming that they have not entered into any material, financial and commercial transactions in which they or their relatives may have a personal interest.

Transactions with the related parties as per requirements of Indian Accounting Standard 24 are disclosed in Note 40 to the financial statements in the Annual Report

and they are not in conflict with the interest of the Company at large. The Audit Committee has reviewed the related party transactions as mandatorily required under relevant provisions of the Listing Regulations. The said transactions are in the ordinary course of business and at arm's length basis. The Company had taken omnibus approvals for indicative transactions proposed during the financial year ended March 31, 2018.

(b) Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

(c) Code of Conduct

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. This commitment stands evidenced by the Model Code of Conduct adopted by the Board of Directors at their meeting held on December 30, 2004 which is applicable to each member of the Board of Directors and Senior Management of the Company.

The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the said Code for the financial year under review. A certificate from Mr. S. Sridhar, Managing Director to this effect forms part of this Report. The said Code is also displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com'.

(d) Whistle Blower / Vigil Mechanism

The Company has established a Whistle Blower / Vigil Mechanism through which its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviours, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said Mechanism provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors. No person has been denied access to the Audit Committee.

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

(e) Risk Management framework

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework. The Company has formulated and adopted Risk Management Policy to prescribe risk assessment, management, reporting and disclosure requirements of the Company.

(f) Management Discussion and Analysis

The Management Discussion and Analysis forms a part of the Board's Report. All matters pertaining to industry structure and developments, opportunities and threats, segment-wise/team-wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance and material developments in human resources are discussed in the said Report.

(g) Adherence to Indian Accounting Standards

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

(h) Board Diversity

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

(i) Familiarization Program for Independent Directors

The Company has in place a Familiarization Program for Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company's success. The Executive

Directors / Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The Company also circulates news and articles related to the industry and provides specific regulatory updates to the Independent Directors on a regular basis. The Company has devised and adopted a policy on Familiarization Program for Independent Directors and has uploaded the same on the Company's website 'www.pfizerindia.com'. The weblink for the Policy and details of the Familiarization Programmes imparted to the Independent Directors during the financial year under review is <http://www.pfizerindia.com/eNewsWebsite/investor/pdf/Familiarization%20program%20for%20IDs%20-%20Pfizer.pdf>

(j) Performance Evaluation Criteria for Independent Directors

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

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

The details in respect of the transfer of shares to the MCA's IEPF Account pursuant to Section 124 of the Companies Act, 2013 and ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("the Rules") and other applicable provisions of the Act, if any, are provided in Note No. 8 to the Notice of the 67th Annual General Meeting of the Company.

(l) Transfer of shares to Unclaimed Suspense Account

The details in respect of the shares held by the Company in its unclaimed suspense account are provided in Note No. 10 to the Notice of the 67th Annual General Meeting of the Company.

(m) Dividend Distribution Policy

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

(n) Policy on criteria for determining materiality of events

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

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

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

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

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

(q) Archival Policy for website content

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

(r) Mandatory Requirements

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

- (s)** The Company does not deal in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

VII. MEANS OF COMMUNICATION**Financial Results**

The quarterly, half-yearly and annual financial results are generally published in 'Business Standard' and 'Sakal'. The results are displayed under the Investor Relations section on the Company's website 'www.pfizerindia.com' shortly after its submission to the Stock Exchanges. Further the Press Release issued by the Company are uploaded on the Company's website 'www.pfizerindia.com'.

Presentation to Institutional Investors / Analysts

One tele-conference was held with Institutional Investors / Analysts on May 18, 2017. The transcript of the same is posted on the Company's website 'www.pfizerindia.com'. The official news releases are also displayed under the Investor Relations section on the website of the Company.

VIII. GENERAL SHAREHOLDER INFORMATION

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

| | | |
|-------|---|---|
| Date | : | September 6, 2018 |
| Day | : | Thursday |
| Time | : | 3.00 p.m. |
| Venue | : | Rama Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400020. |

Financial Year

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

| | |
|-----------------------------------|-------------------|
| First Quarter Results | August 2, 2018 |
| Second Quarter Results | November 14, 2018 |
| Third Quarter Results | February 9, 2019 |
| Fourth Quarter and Annual Results | May 7, 2019 |

Date of Book Closure

August 31, 2018 (Friday) to September 6, 2018 (Thursday) {both days inclusive}

Dividend Payment Date

The Board of Directors at its meeting held on May 7, 2018, has recommended a dividend of ₹20.00/- (200%) per equity share for the financial year ended March 31, 2018. Dividend for the financial year ended March 31, 2018, as recommended by the Board of Directors of the Company, if approved at the Annual General Meeting, will be paid to the Members on September 11, 2018 as under:

- To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Thursday, August 30, 2018;
- To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Thursday, August 30, 2018.



Listing on Stock Exchanges

The Company is listed on the following

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

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

Stock Code

BSE Limited - 500680

The National Stock Exchange of India Limited - PFIZER EQ

Registrar and Share Transfer Agent Address

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

Share Transfer System

The Board has authorized Board Administrative & Share Transfer Committee to approve / authorize matters relating to share transfers / transmission, issue of duplicate shares, etc. At each Board Meeting, the Directors are apprised of the details of transfer / transmission / issue of duplicate shares authorized by the Board Administrative & Share Transfer Committee. The Company's Registrars, Karvy Computershare Private Limited has adequate infrastructure to process the share transfers. The share transfers received are processed

International Securities Identification Number (ISIN)

The Company's scrip form part of the SEBI's Compulsory Demat Segment bearing ISIN INE182A01018.

Corporate Identity Number (CIN)

The Company's CIN, allotted by the Ministry of Corporate Affairs, Government of India, is L24231MH1950PLC008311. The Company is registered at Mumbai in the State of Maharashtra, India.

Address for Correspondence

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

Registered Office Address

Pfizer Limited
The Capital, 1802/1901, Plot No. C-70, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
Contact person: Mr. Prajeet Nair, Company Secretary
Tel: +91 22 6693 2000; Fax: +91 22 2654 0274
Email ID: prajeet.nair@pfizer.com; contactus.india@pfizer.com
Website: www.pfizerindia.com
CIN: L24231MH1950PLC008311

within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects along with the requisite documents.

Dematerialization requests are processed within 21 days from the date of receipt, to give credit of the shares through the Depositories. In compliance with the Listing Agreement with the Stock Exchanges and the Listing Regulations, every six months, a Practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued.

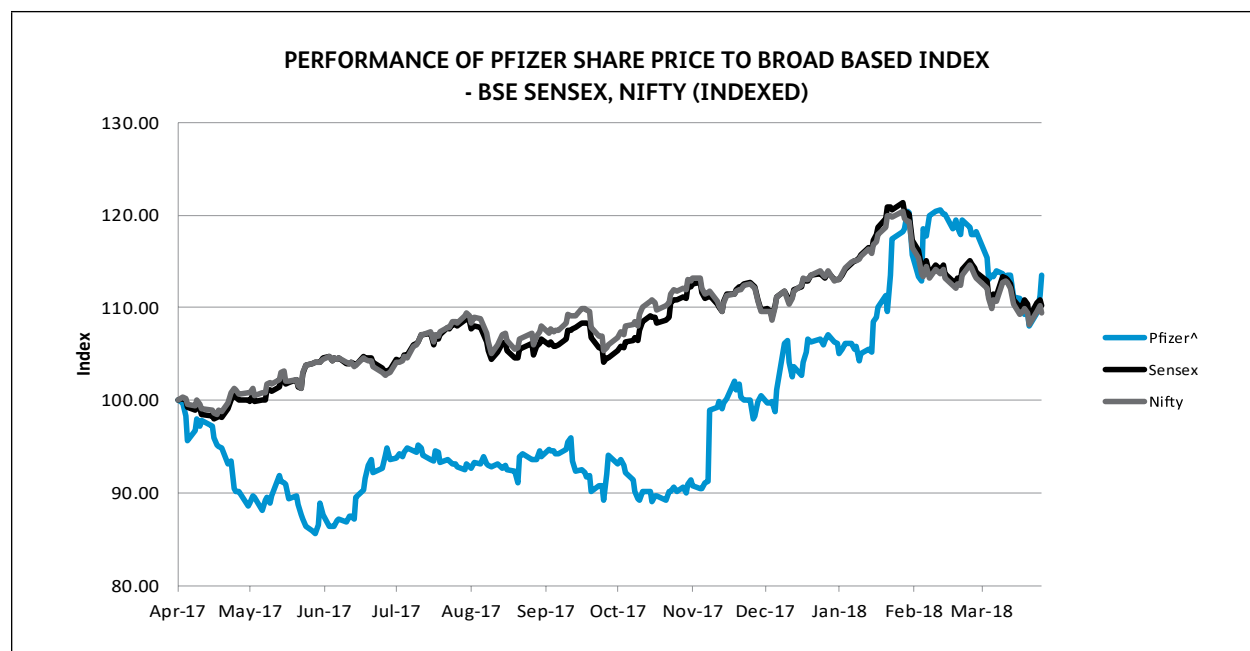
***MARKET PRICE DATA**

The High and Low prices of the Company's share (of the face value of ₹10/- each) for the financial year under review are as below:

| Month and Year | BSE Limited | | The National Stock of India Limited | |
|----------------|----------------|----------------|-------------------------------------|----------------|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| April 2017 | 1953.75 | 1711.65 | 1956.20 | 1721.30 |
| May 2017 | 1784.40 | 1641.00 | 1787.95 | 1642.00 |
| June 2017 | 1832.00 | 1625.00 | 1837.00 | 1650.00 |
| July 2017 | 1863.80 | 1736.05 | 1899.00 | 1732.50 |
| August 2017 | 1875.00 | 1749.00 | 1840.00 | 1752.85 |
| September 2017 | 1877.00 | 1709.70 | 1859.00 | 1711.90 |
| October 2017 | 1816.95 | 1701.00 | 1830.00 | 1681.00 |
| November 2017 | 2003.05 | 1723.10 | 1999.00 | 1732.80 |
| December 2017 | 2100.00 | 1890.00 | 2095.00 | 1895.00 |
| January 2018 | 2347.95 | 2000.00 | 2349.00 | 2001.00 |
| February 2018 | 2365.00 | 2095.00 | 2369.80 | 2075.00 |
| March 2018 | 2317.50 | 2050.60 | 2319.05 | 2050.05 |

* Source: BSE and NSE Websites.

^ Pfizer share price on BSE





DISTRIBUTION OF SHAREHOLDING

(a) Shareholding Pattern as on March 31, 2018:

| Category of Shareholder | Number of Shares | Percentage of Shareholding |
|-------------------------------------|------------------|----------------------------|
| Promoters | | |
| Pfizer East India B.V., Netherlands | 18186334 | 39.75 |
| Wyeth LLC, USA | 5617707 | 12.28 |
| Wyeth Holdings Corporation, USA | 1630164 | 3.56 |
| Warner-Lambert Company LLC, USA | 1187163 | 2.60 |
| Parke, Davis & Company LLC, USA | 955733 | 2.09 |
| John Wyeth & Brother Ltd, UK | 882000 | 1.93 |
| Pharmacia Corporation, USA | 783941 | 1.71 |
| Sub-Total | 29243042 | 63.92 |
| Non-Promoters | | |
| Mutual Funds/UTI | 3934931 | 8.60 |
| Financial Institutions/Banks | 218147 | 0.47 |
| Insurance Companies | 1295420 | 2.83 |
| Foreign Institutional Investors | 1376381 | 3.01 |
| Bodies Corporate | 2626193 | 5.74 |
| Individuals | 6533665 | 14.28 |
| Directors & Relatives | 6017 | 0.01 |
| Trusts | 2842 | 0.01 |
| Foreign Bodies Corporate | 835 | 0.00 |
| Non-resident Indians | 208261 | 0.45 |
| Clearing Members | 20622 | 0.05 |
| NBFC | 2069 | 0.01 |
| MCA IEPF Account | 281376 | 0.62 |
| Sub-Total | 16504690 | 36.08 |
| Total | 45747732 | 100.00 |

(b) Class-wise Distribution of Equity Shares as on March 31, 2018:

| Number of Equity Share Holding | Number of Shareholders | Percentage of Shareholders | Number of Shares | Percentage of Shareholding |
|--------------------------------|------------------------|----------------------------|------------------|----------------------------|
| 1-50 | 49703 | 65.52 | 1026671 | 2.24 |
| 51-100 | 11496 | 15.16 | 910966 | 1.99 |
| 101-500 | 12859 | 16.95 | 2524118 | 5.52 |
| 501-1000 | 1053 | 1.39 | 743193 | 1.62 |
| 1001-5000 | 607 | 0.80 | 1164366 | 2.55 |
| 5001-10000 | 41 | 0.05 | 292373 | 0.64 |
| 10001 & Above | 95 | 0.13 | 39086045 | 85.44 |
| Total | 75854 | 100.00 | 45747732 | 100.00 |

Dematerialization of Shares and Liquidity

The shares of the Company form part of the Compulsory Demat Segment. The Company has established connectivity with both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrars & Share Transfer Agents, Karvy Computershare Private Limited.

As on March 31, 2018, the number of shares held in dematerialized and physical mode are as under:

| Number of Equity Share Holding | Number of Shares | Percentage to total capital issued | Number of Shareholders | Percentage to total number of shareholders |
|--|------------------|------------------------------------|------------------------|--|
| Held in dematerialized mode in NSDL | 43701797 | 95.53 | 47665 | 62.84 |
| Held in dematerialized mode in CDSL | 1252646 | 2.74 | 15170 | 20.00 |
| Sub-Total (dematerialized mode) | 44954443 | 98.27 | 62835 | 82.84 |
| Physical mode | 793289 | 1.73 | 13019 | 17.16 |
| Total | 45747732 | 100.00 | 75854 | 100.00 |

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

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

Foreign exchange risk and hedging activities

The Company has foreign exchange exposure; however no hedging is done for the same.

Plant Location

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

* During the financial year ended March 31, 2016, the Company had entered into a Business Transfer Agreement for sale of Thane plant.

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

IX. NON-MANDATORY REQUIREMENTS Shareholders' Rights

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

Modified opinion(s) in Audit Report

The Company has its financial statements for the financial year ended March 31, 2018 with unqualified audit report.

Separate posts of Chairperson and Chief Executive Officer

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

Reporting of Internal Auditor

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

For and on behalf of the Board of Directors

Mumbai, July 2, 2018

R.. A . Shah
Chairman
DIN: 00009851