

Pfizer Limited

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NOTE ON THE SCHEME

1. The Scheme of Amalgamation provides for the amalgamation of Wyeth Limited (“Wyeth” or “Transferor Company”) with Pfizer Limited (“Pfizer” or “Transferee Company”), pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. The Hon’ble Bombay High Court by way of an Order dated October 31, 2014 has approved the Scheme. The companies have also received the final approval from FIPB, SEBI and stock exchanges to the Scheme. The Appointed Date of the amalgamation is April 1, 2013 and the Scheme has been effective on and from December 1, 2014 by filing E-Form INC – 28 with the Registrar of Companies, Maharashtra, Mumbai.
2. The Board of Directors of the Company has fixed Thursday, December 11, 2014 as the Record Date to determine the name of equity shareholders of Wyeth Limited who shall be entitled to receive shares of the Company pursuant to the approved Scheme.
3. Pfizer is a public limited company and is *inter alia* engaged in manufacturing, marketing, trading and export of pharmaceutical products. The equity shares of Pfizer are listed on BSE Limited and National Stock Exchange of India Limited.
4. Wyeth is a public limited company and is *inter alia* engaged in the business of manufacturing, marketing, trading and export of pharmaceuticals and consumer healthcare products. The equity shares of Wyeth are listed on BSE Limited and National Stock Exchange of India Limited.
5. The financial highlights of Pfizer and Wyeth, as per the last audited accounts for the year ending March 31, 2014 are as under:

Rs in lakhs

Particulars	Pfizer Ltd	Wyeth Ltd
Revenues	100427.2	67043.17
Profit after tax	22085.71	8791.99
Net Worth	65841.25	26928.90



6. **Rationale and Purpose of the Scheme:** On October 15, 2009, Wyeth Inc. (Wyeth USA) merged with Wagner Acquisition Corp., a direct wholly-owned subsidiary of Pfizer Inc., through a scheme of merger effected pursuant to and as per the prevailing laws of the United States of America. As a result of the merger, Pfizer Inc. became the ultimate parent of Wyeth. Pursuant to this, certain operational synergies have been achieved by both Wyeth and Pfizer. Therefore, it was intended that Wyeth should merge into Pfizer to consolidate the pharmaceutical businesses in a single entity which will attain efficiencies and create a unified platform for growth.

The rationale for the amalgamation of Wyeth with Pfizer is *inter alia* as follows:

- i) Increase in the long-term value for the shareholders of Pfizer and Wyeth;
 - ii) Creation of a single "Go to market" strategy and single company brand image leading to stronger market presence and higher confidence levels with all stakeholders;
 - iii) Increased share in therapeutic areas while de-risking business profile;
 - iv) More focused operational efforts, realizing operational synergies in terms of compliance and governance costs;
 - v) Greater financial strength; and
 - vi) Attracting best talent, increased employee confidence and morale under a single global Pfizer brand in India.
7. The salient features of the Scheme are, *inter alia*, as under:

- (a) With effect from April 1, 2013 and upon the Scheme becoming effective, the Undertaking (as defined in the Scheme) of the Transferor Company shall, pursuant to the sanction of the Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme, more particularly provided in Clause 4 of the Scheme.



- (b) The Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified in Section 2(1B) and other relevant provisions of the Income Tax Act, 1961.
- (c) Pursuant to the Scheme coming into effect and upon the Undertaking being transferred to and vested in the Transferee Company, and without any further application, act or deed, the Transferee Company shall issue and allot 7 equity shares of Rs. 10 each fully paid up in its capital in respect of every 10 equity shares of Rs. 10 each fully paid up in the equity share capital of the Transferor Company to the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company and whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date, as provided in Clause 6 of the Scheme. Fractional entitlement of shares, if any, will be rounded off to the nearest integer.
- (d) The new Equity Shares allotted and issued pursuant to Sub Clause 6.1 of the Scheme shall be listed and/or admitted to trading on the relevant Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading as on the Effective Date (as defined under the Scheme); subject to the Transferee Company obtaining the requisite approvals from all the relevant regulatory authorities pertaining to their listing.
- (e) The new Equity Shares to be issued and allotted pursuant to Sub Clause 6.1 of the Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu in all respects with the equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- (f) All suits, appeals, petitions, complaints, applications or other legal proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme, as provided under Clause 8 of the Scheme.



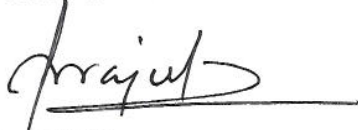
- (g) All memoranda of understanding, contracts, deeds, bonds, agreements, arrangements, incentives, engagements registrations schemes, assurances, licences (including but not limited to statutory licenses and factory related licenses), insurance policies, guarantees, and other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto, as provided in Clause 9 of the Scheme.
- (h) The Transferor Company shall conduct its business and activities for and on account of and in trust for the Transferee Company with effect from April 1, 2013 till the Effective Date of the Scheme, in terms of Clause 11 of the Scheme.
- (i) Upon the Scheme coming into effect, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, Maharashtra, Mumbai by the authorised share capital of Transferor Company amounting to Rs. 23,00,00,000/- comprising of 2,30,00,000 equity shares of Rs. 10/- each and the Memorandum of Association and Articles of Association of Petitioner Company shall accordingly stand altered, modified and amended, as provided in Clause 13 of the Scheme.
- (j) All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall on the Effective Date become and be engaged as the permanent employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of retirement benefits and other entitlements dependent on the period of service. For the purpose of payment any retrenchment compensation, if any, such past



services with the Transferor Company shall also be taken into account, in terms of Clause 14 of the Scheme.

- (k) Upon the Scheme coming into effect, the Transferor Company shall be dissolved without being wound up.
- (l) The Scheme is conditional upon and subject to the approvals and/or sanctions laid down in Clause 19 of the Scheme. All the approvals and/or sanctions mentioned in the said Clause have been obtained and the Scheme has become effective from December 1, 2014.

For Pfizer Limited



Prajeet Nair
Company Secretary

