

Novartis India Limited

Regd. off: Inspire - BKC, Part of 601 and 701, Bandra Kurla Complex, Bandra East, Mumbai 400051.

www.novartis.in, CIN:L24200MH1947PLC006104

(₹ in millio								
	STATEMENT OF UNAUDITED FINANCIAL RESULTS	3 months ended 30.09.2018	3 months ended 30.06.2018	3 months ended 30.09.2017	6 months ended 30.09.2018	6 months ended 30.09.2017	Year ended 31.03.201	
Sr. No.		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1.	Revenue from Operations [Refer Note 6 and 7]	1,065.8	1,381.0	1,676.5	2,446.8	2,824.7	5,638.	
	Other Income [Refer Note 5 (a) and 5 (b)]	310.8	222.8	251.0	533.6	477.8	1,718.	
	Total Income	1,376.6	1,603.8	1,927.5	2,980.4	3,302.5	7,357.	
2.	Expenses  (a) Purchases of Stock-in-Trade  (b) Changes in Inventories of Finished Goods and Stock-in-Trade	641.0	460.7	561.0	1,101.7	1,068.7	2,145.	
	[Refer Note 7]	(143.3)	136.7	153.1	(6.6)	177.9	309.	
	(c) Excise duty	-	-	-	- 1	0.1	0.	
	(d) Employee Benefits Expense	311.1	385.7	355.1	696.8	687.3	1,445.	
	(e) Finance Costs [Refer Note 5 (a) and 8]	0.3	15.3	0.5	15.6	0.7	55.	
	(f) Depreciation and Amortisation Expense	6.6	6.6	6.4	13.2	13.5	25.	
	(g) Other Expenses	432.8	432.9	448.0	865.7	852.4	1,800.	
	Total Expenses	1,248.5	1,437.9	1,524.1	2,686.4	2,800.6	5,782.	
3. 4.	Profit before tax Tax Expense	128.1	165.9	403.4	294.0	501.9	1,575.	
	Current Tax [Refer Note 9]	48.3	65.3	138.8	113.6	166.8	796.	
	Deferred Tax	(13.9)	0.6	3.4	(13.3)	3.6	(4.	
	Total Tax Expense	34.4	65.9	142.2	100.3	170.4	791.	
5.	Profit for the period / year	93.7	100.0	261.2	193.7	331.5	783.	
6.	Other Comprehensive Income - Items that will not be reclassified to profit or loss		-				12.	
	Remeasurements of post-employment obligations Income tax relating to these items				-	-	18.	
7			-				(6.	
7.	Total Comprehensive Income for the period / year	93.7	100.0	261.2	193.7	331.5	795.	
9.	Paid-up Equity Share Capital (Face Value ₹ 5 each) Other Equity (as per last audited Balance Sheet)	123.4	123.4	140.7	123.4	140.7	123.	
10.	Earnings Per Share (in ₹) (Basic & Diluted)- (of ₹ 5 each) (*not annualised)	3.80*	4.05*	0.20*	7.05+	44 700	7,213.	
-0.	(or ( 5 each) ( Thot annualised)	3.80*	4.05*	9.28*	7.85*	11.78*	28.4	







Notes:
1. Statement of Assest and Liabilites

Particulars   30.09.2018   31.03.20     A Assets   (Unauditied)   (Audited)   (Audited)     Non-Current Assets	-			(₹ in million)		
A Assets Non-Current Assets Property, Pinet and Equipment Prinancial Assets (1) Loans (1) Loans (1) Loans (2) Loans (3) Loans (4) Loans (4) Loans (4) Loans (5) Loans (6) Loans (7) Loans (7) Loans (8) Loans (9) Loans (9) Cher Financial Assets (10) Loans (10) Loan		Particulars		31.03.2018		
A Assets Non-Current Assets Property, Pinet and Equipment Financial Assets Property, Pinet and Equipment Financial Assets  (i) Other Financial Assets Deferred Tax Assets 1, 704.1 1, 57  Current Assets Income Tax Assets (Net) Other Non-Current Assets  1, 704.1 1, 57  Current Assets Inventories (Refer Note 7) Financial Assets (ii) Trade Receivables (iii) Cash and Cash Equipments (iii) Bank Ballances other than (ii) above (iv) Loans (iv) Other financial Assets (iv) Other financial Assets (iv) Other Financial Assets (iv) Compared to the Com				(Audited)		
Property, Pinst and Equipment Financial Assets () Loans (i) Under Financial Assets (ii) Cher Financial Assets (iii) Cher Financial Assets (iii) Cher Financial Assets (iii) Cher Financial Chabilities (iii) Cher Financial Liabilities (iii) Cash and Cash Equivalents (iii) Cash and Cash Eq	A	Assets		1		
Financial Assets (i) Coans (ii) Other Financial Assets (iii) Other Financial Assets Deferred Tax Assets Income Tax Assets (Net) Other Non-Current Assets Income Tax Assets (Net) Other Non-Current Assets  Inventories [Refer Note 7] Financial Assets Inventories [Refer Note 7] Financial Assets (ii) Cash and Cash Equivalents (iii) Bank Balances other than (ii) above (iv) Loans (iv) Other Financial Assets Other Current Assets  Assets held for sale  TOTAL ASSETS  B Equity and Liabilities Equity Equity Share Capital Other Equity Courrent Liabilities Financial Liabilities Fi		Non-Current Assets				
(i) Loans (ii) Other Financial Assets Deferred Tax Assets Income Tax Assets (Net) Other Non-Current Assets  Income Tax Assets Inventories (Refer Note 7) Financial Assets  (i) Trade Receivables (ii) Cash and Cash Equivalents (ii) Cash and Cash Equivalents (iii) Dank Balances other than (ii) above (iv) Other Financial Assets Other Current Assets  8		Property, Plant and Equipment	147.0	46.		
(ii) Other Financial Assets Deferred Tax Assets Income Tax Assets (Net) Other Non-Current Assets Income Tax Assets (Net) Other Non-Current Liabilities Financial Liabilities Financia Liabilities Fina		Financial Assets				
(ii) Other Financial Assets Deferred Tax Assets Income Tax Assets (Net) Other Mon-Current Assets Income Tax Assets (Net) Other Mon-Current Assets Income Tax Assets (Net) Other Mon-Current Assets Inventories (Refer Note 7) Financial Liabilities Financial Liabilitie		(i) Loans	27.5	55		
Deferred Tax Assets   243.8   243.8   295.5   395.8   995.8   995.8   995.8   995.8   995.8   995.8   995.5   305.8   995.8   995.5   305.8		(ii) Other Financial Assets		4		
Income Tax Assets (Net)				230		
Other Non-Current Assets   295.5   3.   1,704.1   1,57   1,57   1,704.1   1,704.1   1,7				918		
1,704.1   1,57				318		
Inventories (Refer Note 7)   Financial Assets				1,573		
Inventories (Refer Note 7)   Financial Assets		Current Assets				
Financial Assets   46.8.8   46.9.2   46.8.8   46.9.2   46.8.8   46.9.2   46.8.8   46.9.2   46.8.8   46.9.2   46.8.8   46.9.2   46.8.8   46.9.9   46.9.2			572.2	565		
(i) Trade Receivables (46.8 4.4 (ii) Cash and Cash Equivalents (ii) Cash and Cash Equivalents (iii) Bank Balances other than (ii) above (iv) Loans (v) Other Financial Assets (25.6 2.2 Other Current Liabilities (25.6 0.2 Other Financial Liabilities (25.6 0.2 Other Financi			372.2	303		
(ii) Cash and Cash Equivalents (iii) Bank Balances other than (ii) above (iv) Loans (v) Other Financial Assets Other Current Assets Other Current Assets  B Equity and Liabilities Equity Y Equity Share Capital Other Equity Current Liabilities Financial Liabilities (i) Other Financial Liabilities Financial Liabilities (i) Other Financial Liabilities (ii) Other Financial Liabilities Financial Liabilities (ii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Other Financial Liabilities (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iiii) Trade Payables (iiii) Trade Payables (iii) Trade Pay			460.0	420		
(iii) Bank Balances other than (ii) above (iv) Loans (v) Other Financial Assets 25.6 2						
(iv) Loans (v) Other Financial Assets Other Current Assets Other Current Assets Other Current Assets  Assets held for sale  TOTAL ASSETS  B Equity and Liabilities Equity Equity Share Capital Other Equity Current Liabilities (i) Other Financial Liabilities Financial Liabilities (i) Other Financial Liabilities (i) Other Financial Liabilities Financial Liabilities (i) Other Financial Liabilities (ii) Trade Payables (iii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Trade Payables (iii) Trade Payables (iii) Trade Payables (iii) Trade						
(v) Other Financial Assets Other Current Assets  Assets held for sale  TOTAL ASSETS  B Equity and Liabilities Equity Equity Share Capital Other Equity  T,135.7 7,21  Liabilities Non- Current Liabilities Financial Liabilities (i) Other Financial Liabilities (ii) Other Financial Liabilities Tinancial Liabilities (ii) Other Financial Liabilities Financial Liabilities Financial Liabilities (ii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Current Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Current Liabilities (iii) Trade Payables (iii) Other Financial Liabilities Current Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iii) Trade Payables (iii) T				7,374		
Other Current Assets						
Assets held for sale  TOTAL ASSETS  B. Equity and Liabilities Equity Equity Share Capital Other Equity  Courrent Liabilities Financial Liabilities (i) Other Financial Liabilities (i) Trade Payables (ii) Trade Payables (iii) Other Financial Liabilities Financial Liabilities (iii) Trade Payables (iii) Other Financial Liabilities (iii) Other Current Liabilities (iii) Other Financial Liabilities (iii) Other Liabilities (iii) Other Liabilities (Refer Note 5 (a)) (iii) Other Liabilities (Refer Note 5 (a)) (iii) Other Liabilities (Refer Note 5 (a)) (iii) Other Financial Liabilities (iii) Other Liabilities (Refer Note 5 (a)) (iii						
Assets held for sale  TOTAL ASSETS  B		other current rases				
TOTAL ASSETS  B			8,436.9	9,521		
Equity and Liabilities   Equity   Figure   Fig		Assets held for sale	10.2	10		
Equity       Equity Share Capital       123.4       12       123.6.7       7,236.7       7,236.7       7,236.7       7,236.1       7,33       7,260.1       7,33       7,260.1       7,33       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.9.0       41       1.9.0       41       1.9.0       41       4.0       41       9.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0 <td< td=""><td></td><td>TOTAL ASSETS</td><td>10,151.2</td><td>11,105</td></td<>		TOTAL ASSETS	10,151.2	11,105		
Equity       Equity Share Capital       123.4       12       123.6.7       7,236.7       7,236.7       7,236.7       7,236.1       7,33       7,260.1       7,33       7,260.1       7,33       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.8.0       1       1.9.0       41       1.9.0       41       1.9.0       41       4.0       41       9.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       41       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0       4.1       4.0 <td< td=""><td></td><td></td><td></td><td></td></td<>						
Equity Share Capital Other Equity   123.4   7,136.7   7,215.7   7,236.7	В					
Other Equity 7,136.7 7,21  Liabilities 7,260.1 7,33  Non- Current Liabilities Financial Liabilities 18.0 1 18.0 1 18.0 19.0 41 19.0 41 19.0 41 19.0 19.0 19.0 19.0 19.0 19.0 19.0 19.						
Current Liabilities			123.4	123		
Liabilities   Superior		Other Equity		7,213		
Financial Liabilities  (i) Other Financial Liabilities  Employee Benefit obligations Other Non-Current Liabilities  Current Liabilities  Financial Liabilities  (i) Trade Payables (ii) Trade Payables (iii) Other Financial Liabilities  Employee Benefit Obligations Other Current Liabilities  Employee Benefit Obligations Other Current Liabilities  Current Tax Liabilities (Net)  Liabilities (Net)  Current Tax Liabilities (Net)  Liabilities directly associated with assets classified as held for sale		Liabilities	7,260.1	7,336		
(i) Other Financial Liabilities Employee Benefit obligations Other Non-Current Liabilities  Current Liabilities Financial Liabilities Financial Liabilities (ii) Other Pinancial Liabilities (iii) Other Financial Liabilities Employee Benefit Obligations Other Current Liabilities [Refer Note 5 (a)] Provisions Current Tax Liabilities (Net)  Liabilities directly associated with assets classified as held for sale		Non- Current Liabilities				
Employee Benefit obligations Other Non-Current Liabilities  Current Liabilities Financial Liabilities (i) Trade Payables (ii) Other Financial Liabilities (ii) Other Financial Liabilities Employee Benefit Obligations Other Current Liabilities (semployee Benefit Obligations Other Current Liabilities [Refer Note 5 (a)] Provisions Current Tax Liabilities (Net)  Liabilities directly associated with assets classified as held for sale		Financial Liabilities				
Employee Benefit obligations 20.1 419.0 41 20.1 2 20.1 2 20.1 46 20.1		(i) Other Financial Liabilities	18.0	18		
Current Liabilities   20.1   2   457.1   46   457.1   46				417		
A57.1   46   Current Liabilities		Other Non-Current Liabilities		26		
Current Liabilities         Financial Liabilities       865.2       1,06         (ii) Other Financial Liabilities       897.6       1,38         Employee Benefit Obligations       310.1       20         Other Current Liabilities [Refer Note 5 (a)]       61.4       45         Provisions       232.8       13         Current Tax Liabilities (Net)       66.9       6         Liabilities directly associated with assets classified as held for sale       1						
Financial Liabilities		Command the business	137.2	402		
(i) Trade Payables       865.2       1,06         (ii) Other Financial Liabilities       897.6       1,38         Employee Benefit Obligations       310.1       20         Other Current Liabilities [Refer Note 5 (a)]       61.4       45         Provisions       232.8       13         Current Tax Liabilities (Net)       66.9       6         Liabilities directly associated with assets classified as held for sale       1						
(ii) Other Financial Liabilities       897.6       1,38         Employee Benefit Obligations       310.1       20         Other Current Liabilities [Refer Note 5 (a)]       61.4       45         Provisions       232.8       13         Current Tax Liabilities (Net)       66.9       6         Liabilities directly associated with assets classified as held for sale       2,434.0       3,291						
Employee Benefit Obligations 310.1 20 Other Current Liabilities [Refer Note 5 (a)] 61.4 45 Provisions Current Tax Liabilities (Net) 66.9 6  Liabilities directly associated with assets classified as held for sale 1  TOTAL FOUNTY AND LYANGE 1.58			865.2	1,061		
Other Current Liabilities [Refer Note 5 (a)] Provisions Current Tax Liabilities (Net)  Liabilities directly associated with assets classified as held for sale  TOTAL FOURTY AND LYANGEMENT   120   12			897.6	1,382		
Provisions 232.8 13 Current Tax Liabilities (Net) 66.9 6 2,434.0 3,29 Liabilities directly associated with assets classified as held for sale			310.1	202		
Current Tax Liabilities (Net)  232.8 66.9 6 66.9 2,434.0 3,290 Liabilities directly associated with assets classified as held for sale			61.4	452		
Current Tax Liabilities (Net)  66.9 6  2,434.0 3,29  Liabilities directly associated with assets classified as held for sale			232.8	131		
Liabilities directly associated with assets classified as held for sale		Current Tax Liabilities (Net)		66		
TOTAL FOULTY AND LYANY TYPE		Liabilities directly associated with assets classified as held for only	2,434.0			
TOTAL EQUITY AND LIABILITIES 10.151.2 11.10		LIADINITIES UNTECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS NEID for SALE		10		
		TOTAL EQUITY AND LIABILITIES	10.151.2	11,105		







## Notes:

- This Statement has been reviewed by the Audit Committee at its meeting held on November 13, 2018 and approved at the meeting of the Board of Directors held on that date.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies
  Act, 2013, and other recognised accounting practices and policies to the extent applicable.
- 4. The Company has a single business segment namely 'Pharmaceuticals Business'.
- 5. (a) During the year ended 31.03.2018, the Company received interest on refund of Income tax for AY 1995-96. Interest income of ₹ 981.3 million received on such income tax refund was recognized as income in the Statement based on the management estimate of the amount the Company was entitled to receive in accordance with the provisions of the Income Tax Act, 1961. The Company sought clarification with appropriate authorities for interest working. Pending receipt of clarification, balance amount of interest of ₹ 370.0 million received was included under "Other Current Liabilities" as at the year end. In the quarter ended 30.06.2018 Company paid ₹ 384.6 million being the demand for such excess interest on refund of Income Tax for AY 1995-96 and the differential interest paid of ₹ 14.6 million was recognised under finance costs.
  - (b) "Other income" includes ₹ 201.6 million for the quarter ended 30.09.2018, ₹ 103.5 million for the quarter ended 30.06.2018, ₹ 112.7 million for the quarter ended 30.09.2017, ₹ 305.1 million for the half year ended 30.09.2018, ₹ 198.8 million for half year ended 30.09.2017 and ₹ 198.8 million for the year ended 31.03.2018 being profit on disposal of certain assets out of "Assets held for sale".
- 6. Due to implementation of Goods And Services Tax (GST), effective July 01, 2017, the revenue from operations for the quarter ended 30.09.2017 included a significant recovery of the trade down stocking that took place in the quarter ended 30.06.2017 in anticipation of GST implementation.
- Consequent to notices during the quarter from Drugs Licensing Authority, Daman to the supplier of a product, the Company has suspended sale of the product. The
  supplier has contested the notices and the matter is sub judice. Further, the Company has made a provision of ₹ 163.4 million for expected accelerated sales returns and
  stocks, relating thereto. This has impacted results for the quarter and six months ended 30.09.2018.
- 8. Finance Costs for year ended 31.03.2018 includes ₹ 51.2 million being interest on income tax provision pertaining to prior years.
- 9. Current tax for the year ended 31.03.2018 includes prior years' provision of ₹ 191.7 million.
- The results for quarter and half year ended 30.09.2018 have been subjected to limited review by the statutory auditors of the Company on which an unmodified opinion has been issued.
- 11. Figures for the prior periods / year have been regrouped where necessary.

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By Order of the Board

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Milan Paleja Vice Chairman and Mariaging Director DIN:08127535 Mumbai, November 13, 2018

## Deloitte Haskins & Sells LLP

Chartered Accountants Indiabulls Finance Centre Tower 3, 27<sup>th</sup>-32<sup>rd</sup> Floor Senapati Bapat Marg Elphinstone Road (West) Mumbai - 400 013 Maharashtra. India

Tel: +91 22 6185 4000 Fax: +91 22 6185 4001

# INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

# TO THE BOARD OF DIRECTORS OF NOVARTIS INDIA LIMITED

 We have reviewed the accompanying Statement of Unaudited Financial Results of NOVARTIS INDIA LIMITED ("the Company"), for the Quarter and Half year ended 30.09.2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

- 2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Firm's Registration No. 117366W/W-100018)

> Uday M Neogi Partner

(Membership No. 30235)

MUMBAI, November 13, 2018

Regd. Office: Indiabulls Finance Centre, Tower 3, 27<sup>th</sup> - 32<sup>tot</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400 013, Maharashtra, India. (LLP Identification No. AAB-8737)