

**Novartis India Limited**

 Regd. off: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018.  
 www.novartis.in, CIN:L24200MH1947PLC006104

(₹ in million)

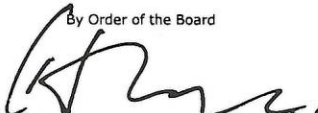
**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2017**

| Sr. No. | Particulars  | 3 months ended | 3 months ended | 3 months ended | 9 months ended | 9 months ended | Year ended     |
|---------|--|----------------|----------------|----------------|----------------|----------------|----------------|
|         |  | 31.12.2017     | 30.09.2017     | 31.12.2016     | 31.12.2017     | 31.12.2016     | 31.03.2017     |
|         |  | (Unaudited)    | (Unaudited)    | (Unaudited)    | (Unaudited)    | (Unaudited)    | (Audited)      |
| 1.      | Revenue from Operations  | 1,561.0        | 1,676.5        | 1,643.8        | 4,385.7        | 5,107.5        | 6,562.3        |
|         | Other Income (Refer note 5)  | 144.5          | 251.0          | 150.8          | 622.3          | 554.5          | 701.5          |
|         | <b>Total Income</b>  | <b>1,705.5</b> | <b>1,927.5</b> | <b>1,794.6</b> | <b>5,008.0</b> | <b>5,662.0</b> | <b>7,263.8</b> |
| 2.      | Expenses   |                |                |                |                |                |                |
| (a)     | Cost of Materials Consumed   | -              | -              | 0.7            | -              | 0.9            | 1.2            |
| (b)     | Purchases of Stock-in-Trade  | 474.2          | 561.0          | 584.9          | 1,542.9        | 2,386.2        | 3,212.1        |
| (c)     | Changes in Inventories of Finished Goods and Stock-in-Trade                  | 163.5          | 153.1          | 122.5          | 341.4          | (38.4)         | (152.1)        |
| (d)     | Excise duty  | -              | -              | 0.1            | 0.1            | 0.1            | 0.1            |
| (e)     | Employee Benefits Expense  | 389.1          | 355.1          | 371.5          | 1,076.4        | 1,040.8        | 1,393.0        |
| (f)     | Finance Costs  | 3.2            | 0.5            | 2.5            | 3.9            | 3.3            | 7.2            |
| (g)     | Depreciation and Amortisation Expense  | 5.4            | 6.4            | 8.0            | 18.9           | 22.5           | 35.9           |
| (h)     | Other Expenses   | 416.0          | 448.0          | 494.5          | 1,268.4        | 1,400.9        | 1,849.1        |
|         | <b>Total Expenses</b>  | <b>1,451.4</b> | <b>1,524.1</b> | <b>1,584.7</b> | <b>4,252.0</b> | <b>4,816.3</b> | <b>6,346.5</b> |
| 3.      | Profit before tax  | 254.1          | 403.4          | 209.9          | 756.0          | 845.7          | 917.3          |
| 4.      | Tax Expense  |                |                |                |                |                |                |
|         | Current Tax (Refer note 6)   | 86.6           | 138.8          | 91.6           | 253.4          | 317.6          | 364.1          |
|         | Deferred Tax   | (19.9)         | 3.4            | (12.0)         | (16.3)         | (15.0)         | (19.0)         |
|         | <b>Total Tax Expense</b>   | <b>66.7</b>    | <b>142.2</b>   | <b>79.6</b>    | <b>237.1</b>   | <b>302.6</b>   | <b>345.1</b>   |
| 5.      | Profit for the period / year   | 187.4          | 261.2          | 130.3          | 518.9          | 543.1          | 572.2          |
| 6.      | Other Comprehensive Income   | (18.0)         | -              | (15.1)         | (18.0)         | (15.1)         | 5.0            |
|         | - Items that will not be reclassified to profit or loss                      |                |                |                |                |                |                |
|         | Actuarial Gain/(Loss) on Remeasurements of post-employment obligations       | (27.5)         | -              | (23.1)         | (27.5)         | (23.1)         | 7.6            |
|         | Income tax relating to items that will not be reclassified to profit or loss | 9.5            | -              | 8.0            | 9.5            | 8.0            | (2.6)          |
| 7.      | Total Comprehensive Income for the period / year                             | 169.4          | 261.2          | 115.2          | 500.9          | 528.0          | 577.2          |
| 8.      | Paid-up Equity Share Capital (Face Value ₹ 5 each)                           | 140.7          | 140.7          | 140.7          | 140.7          | 140.7          | 140.7          |
| 9.      | Other Equity (as per last audited Balance Sheet)                             |                |                |                |                |                | 9,055.7        |
| 10.     | Earnings Per Share (Basic & Diluted)- (of ₹ 5 each) (*not annualised)        | 6.66*          | 9.28*          | 4.77*          | 18.44*         | 17.77*         | 19.10          |

**Notes:**

- This Statement has been reviewed by the Audit Committee at its meeting held on January 29, 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.
- The Company has a single business segment namely 'Pharmaceuticals Business'.
- Due to implementation of the Goods And Services Tax (GST), effective July 01, 2017, the revenue from operations for the nine months ended 31.12.2017 is not comparable with corresponding previous period. Further the quarter ended 30.09.2017 includes a significant recovery of the trade down stocking that took place in the quarter ended 30.06.2017 in anticipation of GST implementation.
- Other Income includes for the quarter ended 30.09.2017 ₹ 112.7 million and for the nine months ended 31.12.2017 ₹ 198.8 million being profit on disposal of certain assets out of "Assets classified as held for sale".
- Current tax for the quarter and nine months ended 31.12.2017 includes prior years' write back of ₹ 32.6 million and ₹ 41.6 million respectively.
- On September 25, 2017, the Board of Directors approved buyback by the Company of up to 3.45 million fully paid up equity shares of face value ₹ 5 each (representing 12.26% of total paid-up equity capital) from the shareholders / beneficial owners of equity shares of the Company on a proportionate basis, through the Tender Offer route at a price of ₹ 670 per equity share for an aggregate amount not exceeding ₹ 2,311.5 million in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, subject to the approval of members by postal ballot and such other approvals, permission and sanction as may be necessary. The buyback proposal was approved by the members through postal ballot, the results of which were declared on November 22, 2017. The Company has published a Post Buyback public announcement on January 26, 2018 for the attention of its equity shareholders intimating various details of buyback as per Regulation 19(7) of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, which includes pre-buyback, post-buyback capital structure and shareholding pattern of the Company and other allied details thereto.
- The results for the quarter and nine months ended 31.12.2017 have been subjected to limited review by the statutory auditors of the Company on which an unmodified conclusion has been issued.
- Figures for the prior periods / year have been regrouped where necessary.

By Order of the Board


 Ranjit Shahani  
 Vice Chairman and Managing Director  
 DIN: 00103845  
 Mumbai, January 29, 2018
