

**Novartis India Limited**

Regd. off: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2011**

Rupees Million						
Sr. No.	Particulars	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 30.09.2010 (Unaudited)	Half Year ended 30.09.2011 (Unaudited)	Half Year ended 30.09.2010 (Unaudited)	Year ended 31.03.2011 (Audited)
1.	(a) Net Sales	2,067.6	1,849.1	3,948.1	3,531.9	7,086.4
	(b) Other Operating Income	83.1	111.3	180.4	200.2	374.0
2.	Income from Operations	2,150.7	1,960.4	4,128.5	3,732.1	7,460.4
3.	Expenditure					
	(a) (Increase)/Decrease in stock-in-trade and work-in-progress	36.1	19.2	(55.2)	36.6	(28.4)
	(b) Consumption of raw materials	54.3	50.6	126.5	83.6	203.2
	(c) Purchases of traded goods	680.3	619.6	1,425.7	1,217.0	2,524.9
	(d) Employees cost	336.1	261.7	650.7	568.7	1,063.8
	(e) Depreciation	7.2	5.3	11.5	10.0	23.8
	(f) Advertisement and sales promotion	141.7	159.4	247.1	266.4	524.5
	(g) Other expenditure	426.2	403.8	860.7	754.3	1,588.6
	Sub-total	1,681.9	1,519.6	3,267.0	2,936.6	5,900.4
4.	Profit from operations before Other Income and Interest	468.8	440.8	861.5	795.5	1,560.0
5.	Other Income	183.0	155.6	350.4	276.4	631.9
6.	Profit before Interest	651.8	596.4	1,211.9	1,071.9	2,191.9
7.	Interest	1.8	0.6	2.6	1.2	2.8
8.	Profit from ordinary activities before Taxation	650.0	595.8	1,209.3	1,070.7	2,189.1
9.	Tax Expense					
	- Current tax	228.0	194.1	415.0	356.1	725.1
	- Deferred tax	(9.8)	(3.9)	(13.2)	(6.3)	(2.7)
10.	Net profit	431.8	405.6	807.5	720.9	1,466.7
11.	Paid-up equity share capital (face value Rs. 5 each)	159.8	159.8	159.8	159.8	159.8
12.	Reserves and surplus (excluding revaluation reserves)					6,870.1
13.	Earnings Per Share - Basic and Diluted (Rs.) (not annualised)	13.51	12.69	25.27	22.56	45.89
14.	Public Shareholding					
	- Number of shares	7,535,995	7,535,995	7,535,995	7,535,995	7,535,995
	- Percentage of shareholding	23.58	23.58	23.58	23.58	23.58
15.	Promoter and promoter group shareholding					
	(a) Pledged / Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	(b) Non-encumbered					
	- Number of shares	24,424,802	24,424,802	24,424,802	24,424,802	24,424,802
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.0	100.0	100.0	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	76.42	76.42	76.42	76.42	76.42



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#### SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED

Rupees Million

Sr. No.	Particulars	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 30.09.2010 (Unaudited)	Half Year ended 30.09.2011 (Unaudited)	Half Year ended 30.09.2010 (Unaudited)	Year ended 31.03.2011 (Audited)
<b>1.</b>	<b>Segment revenue</b>					
	(a) Pharmaceuticals	1,400.9	1,290.3	2,746.3	2,512.2	4,897.8
	(b) Generics	131.6	113.6	261.2	225.6	473.4
	(c) OTC	324.2	264.6	533.3	464.0	1,008.6
	(d) Animal Health	210.9	180.6	407.3	330.1	706.6
	Net Sales	2,067.6	1,849.1	3,948.1	3,531.9	7,086.4
<b>2.</b>	<b>Segment results before interest and tax</b>					
	(a) Pharmaceuticals	422.3	391.9	772.5	751.0	1,425.6
	(b) Generics	38.8	44.0	97.5	88.9	210.4
	(c) OTC	56.7	22.5	75.9	11.9	54.0
	(d) Animal Health	19.9	16.8	40.4	30.1	56.9
	Total	537.7	475.2	986.3	881.9	1,746.9
	Add/(Less):					
	(a) Interest	(1.8)	(0.6)	(2.6)	(1.2)	(2.8)
	(b) Other unallocable expenditure	(72.8)	(41.7)	(132.0)	(96.1)	(200.6)
	(c) Other unallocable income	186.9	162.9	357.6	286.1	645.6
	Total Profit before Taxation	650.0	595.8	1,209.3	1,070.7	2,189.1
<b>3.</b>	<b>Capital employed (Segment assets less segment liabilities)</b>					
	(a) Pharmaceuticals	374.9	111.7	374.9	111.7	223.2
	(b) Generics	40.5	23.7	40.5	23.7	79.5
	(c) OTC	0.3	7.1	0.3	7.1	(26.0)
	(d) Animal Health	242.3	144.0	242.3	144.0	173.2
	Total	658.0	286.5	658.0	286.5	449.9
	Add: Unallocable corporate assets less unallocable corporate liabilities	7,179.4	6,369.0	7,179.4	6,369.0	6,580.0
	Total capital employed	7,837.4	6,655.5	7,837.4	6,655.5	7,029.9

**Notes:**

1. The Statement of Assets and Liabilities as required under clause 41(V)(h) of Listing Agreement is as under :

Particulars	Rupees Million	
	As at	
	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)
Shareholders' Funds		
(a) Capital	159.8	159.8
(b) Reserves and Surplus	7,677.6	6,495.7
Loan Funds - Unsecured Loans	1.5	2.5
Total	7,838.9	6,658.0
Fixed Assets	103.2	81.8
Investments	30.5	50.8
Deferred Taxation	170.8	161.3
Current Assets, Loans and Advances		
(a) Inventories	607.3	491.4
(b) Sundry Debtors	748.4	668.0
(c) Cash and Bank Balances	118.3	377.2
(d) Loans and Advances	7,520.1	6,326.9
Less: Current Liabilities and Provisions		
(a) Liabilities	1,112.4	1,069.1
(b) Provisions	347.3	430.3
Total	7,838.9	6,658.0

2. The above results were reviewed by the Audit Committee at its meeting held on 31st October 2011 and approved at the meeting of the Board of Directors held on that date.
3. The results for the quarter ended 30th September 2011 have been subjected to limited review by the statutory auditors of the company.
4. Provision for Taxation - Current tax includes:  
 (a) charge for earlier year of Rs. 7.0 million for the quarter ended 30th September 2011 (2010: Nil) and Rs. 7.0 million for the half year ended 30th September 2011 (2010: Nil) and  
 (b) write back of provision for earlier year - Nil for the quarter ended 30th September 2011 (2010: Rs. 5.9 million) and Nil for the half year ended 30th September 2011 (2010: Rs. 5.9 million).
5. During the quarter, 4 investor complaints were received and resolved. No complaints were pending either at the beginning or at the end of the quarter.
6. Figures for the prior periods have been regrouped where necessary.

By Order of the Board



R. Shahani  
 Vice Chairman and Managing Director  
 Mumbai, 31st October 2011