

77th Annual General Meeting of Novartis India Limited

Thursday, July 31, 2025 at 11:00 am IST through Video Conferencing Mode.

- Management:**
- Mr. Christopher Snook – Chairman & Chairperson of Stakeholders Relationship and Corporate Social Responsibility Committee & Member of Audit and Nomination and Remuneration Committee – Novartis India Limited.
- Ms. Shilpa Joshi – Whole-Time Director & Chief Financial Officer and member of Stakeholder Relationship Committee, Corporate Social Responsibility and Risk Management Committee - Novartis India Limited
- Ms. Sandra Martyres – Independent Director & Chairperson of Nomination and Remuneration Committee & Member of Corporate Social Responsibility and Audit Committee – Novartis India Limited.
- Mr. Sanker Parameswaran – Independent Director & Chairperson Risk Management Committee & Member of Audit Committee and Stakeholders Relationship Committee – Novartis India Limited.
- Ms. Gira Sardesai – Independent Director – Chairperson Audit Committee & Member of Nomination and Remuneration Committee & Risk Management Committee – Novartis India Limited.
- Mr. Falin Majmudar – Whole-Time Director Member of Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee – Novartis India Limited.
- Ms. Chandni Maru – Company Secretary – Novartis India Limited

Chandni Maru: A very good morning, ladies and gentlemen. It is 11:09 a.m. IST, I Chandni Maru, Company Secretary of the company extend a warm welcome to all of you to 77th Annual General Meeting of Novartis India Limited. Before we commence the proceedings, I would like to highlight a few important points for your attention. As with the previous year, today's AGM is being conducted through virtual means in compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. To facilitate the maximum participation of the shareholders, we have enabled the facility to update email IDs and contact details through our registrar and share transfer agent, as well as through NSDL and CDSL. The company provided remote e-Voting facilities, which were open from 9:00 a.m. IST on Monday, July 28, 2025 to 5:00 p.m. IST on Wednesday, July 30, 2025. Detailed instructions for logging in and casting votes were shared through email and are also available in the notice of the AGM. The cut-off date for determining the eligibility of members to vote on the resolutions was Thursday, July 24, 2025. Members who have not yet voted during the remote e-Voting period may do so today, once the e-Voting window opens during the meeting. To ensure a smooth experience, all participants have been placed on mute by default to avoid any background disturbances. Registered speaker shareholders will be unmuted when their names are announced during the Q&A session. For better audio quality, we recommend using earphones, minimizing background noise, and ensuring a stable internet connection. Should any member face technical difficulties during the meeting, we request you to contact the helpline number provided in the AGM notice. Thank you for your attention. I now hand over the proceedings to the Chairman.

Christopher Snook: Thank you Chandni. Good morning, ladies and gentlemen. On behalf of the Board of Directors of Novartis India Limited, I extend a very warm welcome to each one of you to at the 77th Annual General Meeting of the company. This meeting is being held through video conferencing and other audio-visual modes which is in compliance with the circulars issued by the Ministry of Corporate Affairs, and the Securities and Exchange Board of

India. The company has taken all possible steps to ensure that the shareholders are provided with a seamless opportunity to participate in this Annual General Meeting and to cast their vote electronically. We are truly pleased to have your virtual presence today. As the requisite quorum is present, I hereby declare this meeting as open. The register of directors and key managerial personnel along with their shareholding is available and will remain accessible electronically for inspection by members should they wish to do so. I am Christopher Snook, Chairperson of the Board, Chairperson of the Stakeholders Relationship and Corporate Social Responsibility Committees and Member of the Audit Committee and Nomination and Remuneration Committees. I am participating in this meeting from the registered office of the company located in BKC, Mumbai. I look forward to engaging with you during the course of this meeting. I would now request my fellow Directors to kindly introduce themselves and I hand over to Ms. Shilpa Joshi to begin the introductions.

Shilpa Joshi:

Thank you, Mr. Snook. A very good morning to all shareholders, fellow Directors and participants. I hope each of one of you is keeping safe and staying healthy. I am Shilpa Joshi, Whole-Time Director and Chief Financial Officer of the company and I am participating in this 77th Annual General Meeting from the registered office of the company located in BKC, Mumbai. I am also a Member of Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee of the Board. I look forward to interacting with you all today. Thank you and I request Sandra, the Independent Director of the company, to introduce herself.

Sandra Martyres:

Good morning, everyone. I am Sandra Martyres, Independent Director of the company. I am participating in this Annual General Meeting from the registered office of the company located in BKC, Mumbai. I am the Chairperson of the Nomination and Remuneration Committee and a Member of the Audit and Corporate Social Responsibility Committees of the Board. Thank you and I request Mr. Sanker to introduce himself.

Sanker Parameswaran: Good morning, everyone. I am Sanker Parameswaran, Independent Director of the company. I am participating in this Annual General Meeting from the registered office of the company located in BKC, Mumbai. I am Chairperson of the Risk Management Committee and a Member of Audit Committee and Stakeholders Relationship Committee of the Board. I thank you and request Ms. Gira to introduce herself.

Gira Sardesai: Good morning, everyone. I am Gira Sardesai, Independent Director of the company. I am participating in this Annual General Meeting from the registered office of the company located in BKC, Mumbai. I am the Chairperson of the Audit Committee with effect from May 09, 2025, and a member of the Nomination and Remuneration Committee and Risk Management Committee. Thank you and now I request Mr. Falin to introduce himself.

Falin Majmudar: Good Morning everyone. I am Falin Majmudar, Whole-Time Director of the company. I am participating in this Annual General Meeting from the registered office of the company located in BKC, Mumbai. I am the Member of Corporate Social Responsibility Committee, Stakeholder Relationship Committee and Risk Management Committee.

Christopher Snook: Thank you to all of the Directors. I wish to confirm that Ms. Chandni Maru, Company Secretary, and the representatives of the statutory auditors and the secretarial auditors are also attending this virtual meeting. I would request all members to extend their full support and cooperation for smooth and systematic conduct of the proceedings of this virtual meeting today. The notice of this meeting has been with you and with your permission, I take this as read. The auditor's report on the financial statements for the F.Y 2024–2025 does not contain any qualifications, reservations, adverse remarks, observations, or comments. And again, with your permission, I also take the auditor's report as read.

Christopher Snook: Dear shareholders, once again thank you for being here today. I would like to take a few minutes to brief the members on the key highlights and events that shaped our journey during last year's financial year. India's economy has demonstrated remarkable resilience and growth. The International Monetary Fund projects a real GDP growth of 6.2% for the year 2025. This economic momentum is mirrored in the healthcare sector, which is undergoing transformative changes driven by technological innovation, increased insurance penetration, and a focus on patient-centric care. The government's allocation of 99,858 Crores to the healthcare sector in the union budget 2025 is an increase of nearly 10% from the previous year and this reflects this commitment. Programmes like Ayushman Bharat and the Digital Health Mission are helping more people access the care they need, while support for local manufacturing is creating jobs and boosting the economy. Spending on healthcare is growing at an annual rate of 13%, and investment in biotech research has more than doubled. These are all positive signs but to truly improve healthcare for everyone, we must focus not just on numbers, but on building a system that encourages innovation, ensures access for all, and is resilient for the long term. In this context, I would like to highlight three key trends shaping the future of healthcare in India. First of all, AI and digital health are no longer optional, they are foundational. Artificial intelligence is now deeply embedded across the healthcare value chain from molecule discovery to personalized patient care. India's AI healthcare market is expected to reach \$17 billion by the year 2027. At Novartis India Limited, we are integrating AI into our processes to accelerate access to medicines. All our employees are trained to use AI-enabled tools to improve efficiency in everyday work. Second, healthcare access is expanding through insurance and innovation. Over 50 Crores people in India are now covered under some form of health insurance, a nearly fivefold increase over the past decade. This enhanced affordability, aided by government schemes and digital onboarding is enabling more Indians to seek advanced treatment. For Novartis India Limited, this has meant deeper partnerships with peers and providers to widen access to our innovative portfolio. Third, organ transplants and chronic disease management are redefining quality of life. India saw over

15,000 organ transplants in 2024, which is up 20% from the previous year. Survival rates are improving due to better therapies and post-transplant care. We are proud to be at the forefront of this transformation. Our innovations in transplant immunology are enabling patients not just to survive, but to thrive. We continue to support transplant centres across India with medical education and digital tools for post-transplant care. Beyond our operational priorities, Novartis India Limited remains steadfast in its commitment to social responsibility. In collaboration with The Leprosy Mission Trust of India, we provide vocational training and quality skilling to individuals affected by leprosy. Many of these individuals are now earning five times more than before, working with reputed employers and fighting the stigma of leprosy every day. This initiative received the Special Commendation Award in Corporate Social Responsibility 2024 by the CSR Journal. Our achievements would not be possible without the dedication and hard work of our employees. Their commitment to excellence, innovation, and patient-centricity drives our success. We are deeply grateful for their contributions and resilience.

As we move forward, Novartis India Limited is poised to leverage the confluence of economic growth, technological advancements, and policy support to further our mission of reimagining medicine. We remain committed to delivering healthcare solutions, expanding access, and improving patient outcomes across the country. On behalf of the Board of Directors, I am pleased to reiterate our commitment to delivering shareholder value. Therefore, the company's Board of Directors propose Rs.25 per equity share of Rs.5 face value at this Annual General Meeting, which is of course subject to your approval. Thank you for your continued confidence in our company. I look forward to your support in the years ahead. Before I proceed to the question-and-answer session, I request Ms. Shilpa Joshi to address the shareholders and to share her thoughts.

Shilpa Joshi:

Thank you, Mr. Snook. A very good morning to our esteemed shareholders. It is a privilege to welcome you to the 77th Annual General Meeting of Novartis India Limited. Your continued trust and support have been instrumental in our journey and we deeply value the confidence you

place in us. We look forward to your continued partnership in the years ahead. At this juncture, I would like to take the opportunity to walk you through a brief presentation offering a perspective on the Indian pharmaceutical market, a snapshot of Novartis India Limited and our performance as we move forward. This presentation is intended for general informational purposes only. It should not be interpreted as containing forward-looking statements or commitments on behalf of Novartis India Limited. The views expressed reflect current management perspectives and are not to be considered as promises, assurances or strategic declarations. We encourage you to read full disclaimer for a complete understanding of its scope and intent.

Indian pharmaceutical market overview. As of May 2025, the Indian pharmaceutical market has reached Rs.2,400 billion, growing at a strong 9% compound annual growth rate since 2021. Looking ahead, it is projected to grow at around 8% annually, reaching Rs.3,529 billion by 2029. This growth is being shaped by several important policy shifts. In March 2024, the Department of Pharmaceuticals formed a multi-stakeholder committee to review drug and device pricing, aiming to balance affordability with innovation. Around same time, a new Uniform Code for Pharmaceutical Marketing Practices was introduced, strengthening oversight and accountability in promotional activities. Patent rules have also been simplified to speed up application and review processes. Additionally, India signed a trade agreement with EFTA countries, linking tariff reductions to investment commitments. On the healthcare access front, the Ayushman Bharat scheme has expanded to cover senior citizens and informal workers, with increased budget allocation. Clinical trials involving Indian sites are on the rise, though challenges remain around trial site requirements and commercialization commitments. Finally, the industry is embracing digital transformation with AI and digital health tools improving diagnostics, patient engagement, and operational efficiency. The Indian pharmaceutical market remains fundamentally strong with Indian companies commanding around 84% of total market revenue.

This dominance is driven by their deep market presence, strong brands, and wide distribution. However, MNCs are growing at par, with Indian firms posting 8% year-on-year growth, reflecting a healthy, competitive environment. In terms of therapy areas, cardiac leads at Rs.306.3 billion with 11.3% growth followed by anti-infectives at Rs.254.4 billion and gastro-intestinal at Rs.253.5 billion. These remain the backbone of the market, supported by high disease burden and evolving treatment protocols. Retail dominates the revenue mix with 84% of sales, while hospitals and doctors contribute 10% and 6% respectively. Acute therapies still lead at 61% of the market, but chronic therapies, now at 39%, are growing faster at 9% annually, driven by rising lifestyle diseases and better diagnosis. Together, these trends reflect a resilient and evolving market shaped by both domestic strength and global collaboration. India is undergoing a significant economic transformation and this momentum is closely intertwined with evolving demographic trends that are shaping the future of the pharmaceutical industry. The country's GDP is currently estimated at \$4 trillion is projected to more than double by 2030, reflecting the scale of opportunity and investment potential across sectors. A critical factor driving healthcare demand is the aging population around 9% of India's 1.4 billion citizens are now above the age of 60. This demographic shift underscores the urgent need for a robust and inclusive healthcare infrastructure that can cater to the growing burden of chronic and age-related conditions. Simultaneously, rising affluence is expanding access to quality healthcare. The number of elite households with higher disposable incomes is expected to grow from 10 million in 2020 to 23 million by 2030. This increase in purchasing power is translating into greater affordability and willingness to invest in modern medical treatments and preventive care. Moreover, the financial burden on individuals is easing. Out-of-pocket healthcare expenditure has declined significantly, from 63% in 2014-2015 to 39% in 2021-2022. This improvement reflects the combined impact of expanded public health coverage, increased insurance penetration, and targeted government initiatives aimed at making healthcare more accessible and equitable. India's public health investment is accelerating with government allocation to healthcare sector is projected

to rise from \$10 billion in 2025 to \$11.5 billion by 2026. This marks a significant shift from earlier years, when public health spending was just 29% in 2014–2015. A cornerstone of this transformation is the approval of 22 new AIIMS institutions, of which six are already operational. These institutions are not only expanding access to tertiary care but also serving as hubs for medical education and research. What is particularly noteworthy is the geographic shift in healthcare demand. By 2030, tier two and tier three cities are expected to account for over 50% of incremental healthcare demand. This signals a decentralization of healthcare access and a growing need for scalable, affordable solutions in semi-urban and rural India. On the financing front, the insurance sector has seen sweeping liberalization with 100% FDI now permitted. This has catalyzed innovation and competition, leading to broader coverage and product diversity. Today, 250 million Indians are covered under private health insurance and this number is growing at a compound annual growth rate of 12%, indicating rising awareness and affordability. These developments are not isolated, they are interconnected.

Increased government spending is enabling infrastructure growth, which in turn is being complemented by private sector participation and insurance penetration. Together, they are expanding access to quality healthcare across the country, especially in regions that were previously underserved. We have made significant strides in bone & pain management through our unique business model with Dr. Reddy's Laboratories. This partnership has led to a fourfold increase in our field force strength and two and half times improvement in all-India healthcare professional coverage. We are strengthening Voveran's position in a highly competitive generics market, maximizing access to our entire portfolio across geographies, and driving awareness around pain management to ensure better outcomes for patients. India saw over 15,000 organ transplants in 2024, up 20% from the previous year, with survival rates improving due to better immunosuppressive therapies and post-transplant care. As lifespan increase, so do expectations around quality of life. We are proud to be at the forefront of this transformation. Your company is proudly celebrating 30 years of shaping

the future of transplantation in India with our innovative medicines and continues helping thousands of patients lead a healthy life post-transplant for three decades. We continue to strengthen our leadership in induction therapy with Simulect, encouraging physicians to Start Safe, Start Right. In maintenance therapy, our campaigns “My Trust in Myfortic” and “Start Early Certican for long-term graft survival” have built confidence among healthcare professionals. In 2024 alone, around 4,000 patients benefited from maintenance therapy and 1800 from induction therapy. Over the past five years, our financial journey has been one of resilience, recovery, and sustained growth. FY 2024–2025 stands out as a milestone year, with a profit before tax of Rs.1,304 million representing 36.7% of sales. Our earnings per share reached Rs.40.87 and return on shareholders’ funds was 12.9%. These numbers reflect more than just financial strength. They highlight our ability to adapt, optimize, and deliver consistent value to our shareholders. From the challenges of FY 2021–2022 to the strong momentum we have built today, this four year trajectory underscores our commitment to long-term performance and disciplined execution. In FY 2024–2025, we delivered strong year-on-year growth. Sales increased by Rs. 219 million and operating profit rose by Rs.266 million, reflecting improved margins and disciplined cost control. Our earnings per share grew by Rs.6.37 driven by core business strength and tax efficiencies. This performance highlights our operational agility and strategic focus. Despite lower other income, our fundamentals remained robust. These results reaffirm our commitment to delivering consistent value to shareholders while maintaining financial discipline. In Q1 FY 2025-2026, we achieved sales of Rs. 868 million and operating profit margin of 38% and EPS of Rs.11.2. These early indicators position us well for continued growth and success in the year ahead. In conclusion, we are optimistic about the future. With a strong foundation, strategic partnerships, and a commitment to innovation, Novartis India Limited is well-positioned to deliver sustainable value. Thank you for your continued trust and support. Now I would like to handover to Mr. Chairman for further proceedings.

Christopher Snook: Thank you very much Ms. Shilpa. Before I invite speakers to share their views and to ask any questions they may have, I would like to announce a few important procedural points. Only those speakers who have registered in advance with the company would be allowed to speak. The name of each speaker in the order of sequence, will be announced by the moderator. Once the moderator announces the name of the speaker, he or she may kindly unmute their mic and switch on their camera while speaking. In the interest of time, I would kindly request each speaker to limit their speech to a maximum of three minutes and to raise only those queries which have not already been raised by other fellow shareholders. If for any technical reason, the speaker is unable to communicate, the next speaker will be invited to speak. As soon as the technical issue has been rectified, the earlier speaker would be given their opportunity and his or her name would be announced by the moderator. Questions of the speakers as well as those raised in the chat box will be answered after all speakers have had the opportunity to speak. May I now request the moderator to announce the first speaker shareholder?

Moderator: We are moving to speaker shareholder Sharadkumar Shah, so please unmute your audio, switch on the camera and proceed with your question.

Sharadkumar Shah: Chairman Sir good morning and I am very happy with Novartis because what policy they have followed for last three years is in benefit of the company and benefit of the shareholders. If you just see the last page of the annual report, last 10 years what has happened is that the revenue now is coming down and in the last three years what we have seen is the profit increasing. This is a good policy having a single segment pharmaceutical and single customer, one customer only. This is making good business, good profit to shareholders and the company also. I think such policy you can definitely continue further also. What I found Sir the employment cost is reduced in this 2024-2025 and since the employer are confident that this cost can be still reduced in future also with all other methods. If you see are overall expenses are lower and company do compress their expenses in the net profit and somehow, I do not know why this practice are lower and so profit of tax and the fees is higher compared to previous year. The

current 2024-2025 is weak; clearly whether we are having borrowing for earlier nine years, please clarify that. And equity ratio is 0.02, whether for performance reasons or whether you can reduce it to nil. Sir what I said that we are doing very well. The face value of the share is increased whether we can reduce dividend by reducing the share capital but if you see this type of share capital is not utilized then I think personally we will bleed. Because like gold rate they have done and they are really separate tools. If you do not require share capital more please try to reduce it and I am very happy that you have given the opportunity for me to speak. I support all the resolutions. Thank you very much Sir.

Moderator:

I now invite speaker shareholder Santosh Kumar Saraf to please unmute your audio, switch on the camera and proceed with your question.

Santosh Kumar Saraf:

Respected Chairman and other officers, I am Santosh Kumar Saraf welcoming you all. I hope that you will be in good health.

I also thank secretary Madam for helping me to join the meeting. Sir you said a lot in the presentation. We do not have anything to ask. If you are so transparent what points do we ask. Even then I will ask Sir the new technologies which you are using what is the outcome of that please tell about that. What is the programme diversify. What is the plan for capex expansion? What is the ESG rate of our company, please tell us about that. If ESG rating then it will benefit our company. What steps have you taken for carbon emission please tell us about that. Last year how much carbon emission you reduced and when you will make the target of zero carbon emission. I would like to ask more but I would not ask much. I wish all our Directors, all our brothers and sisters for FY2025-2026 and pray to God that FY2025-2026 bring happiness in your help. I also thank you for the coming festival. I thank my brothers and sisters for Raksha Bandhan and may Raksha Bandhan bring joy to your life and with this I wish you for your personal festival. Jai Hind. Jai Bharat. Ram, Ram.

Moderator:

I now invite speaker shareholder Abhishek Kalra to please unmute yourself and proceed with your question.

Abhishek Kalra: First of all I congratulate the management on the eve of Annual General Body meeting General Body Meeting. I trust all is well with you and your family. In this challenging situation, our company deserves much more respect than the current market cap after completing more than a decade of successful operations in profitability and becoming one of the strongest brands in the respective segment. Sir as of date how many employees are there in the company? What are the steps being taken by the management to reduce the other expenses, legal professional charges and the audit fee? Sir myself and my team are running a legal firm in the name and style of Seven Wells Associates in Chennai. Sir I would request the management to kindly enroll the firm in the empanelment of the company and we will be glad to extend our services. The company is doing really good and you have given a very handsome dividend to the shareholders. We are really thankful to the entire Board of Directors for their sincere efforts to lead the company this particular extent and rewarding the minority shareholders in large numbers. I would request the management to kindly arrange for a plant visit for the investor fraternity and kindly plan for a bonus issue for the investor fraternity and this we have been asking for the past two to three years. I request the management to consider for bonus issues in the years to come. Sir kindly give job opportunity to the shareholders or their family members or their children who are really eligible and they meet the credentials or the criteria, they may be given an opportunity. They may be given an opportunity to kindly look into. I shall also forward resume of some of my colleagues to the Company Secretary so that the management some consideration on that part if they make the criteria of the company. Sir nothing much to ask. What are the proactive steps are being taken by the management to take over some small companies. We can see many companies are moving into NLCT. If we have an opportunity to take over in our organization we can see that Murugappa Group also acquired CG Power from Crompton Greaves and we can see that the company is growing in flying colours today. There are some small companies with units which will be helpful for our company our company can take certain proactive steps to acquire companies in that way and nothing to much ask Sir. I will send my questions also. I will not repeat the same question.

Again in the interest of time I wish the company and the Board of Directors a great success and prosperity in the coming future. And thank you for giving the opportunity. I hope to see you in the hybrid AGM next year. Thank you very much Sir.

Moderator: I now invite speaker shareholder Kaushik Shahukar to please unmute yourself and proceed with your question.

Kaushik Shahukar: Good morning to respected Chairman, Directors and key management personnel. It gives me immense pleasure to interact with you once again this year. I am also deeply grateful for the Company Secretary for granting me the opportunity. Coming to the agenda of the meeting. I would like to seek some clarification. What is our solution towards becoming a pure play innovate addition company and research diversity in generic and consumer health. How is Novartis India Limited aligning its India operation with the strategy especially in terms of R&D, localization, biologic, introduction and digital therapeutics for the Indian market. Could you elaborate of any India specific innovation or partnership being explored to address our company's unit healthcare challenges and regulatory ecosystem? I would like to share a thought that reflects the spirit and the energy of our company. In a world where health is true wealth Novartis stands a beacon proving that science when driven by purpose has the power to rewrite destinies and restore hope. Thank you. Novartis is so innovative. I am personally committed to putting my best efforts but with organization support the journey becomes even more meaningful. In that spirit I once again request a kind consideration and association in the area of certification audit. I sincerely hope the management will make an opportunity that enables me to remain professional and not offer real verbal assurances by prolonged silence. I wish Chairman Sir, our MD, and CFO and our team and consider specification audit including all payments Form 15 CB. Lastly I humbly request the management to consider organizing site visit or CSR initiatives for speaker shareholders. This would allow us to witness firsthand the impactful work of our company is doing at grass root level and celebrate the personal change being created through CSR initiative. Additional I suggest conducting virtual mode of meeting actually

utilized for shareholder's welfare that is by disturbing a memento and we can connect shareholders with the company. Thank you all for your time, patience and continued support. I am looking forward to engaging with you in the next year and I personally feel Shilpa Joshi and Christopher will consider my feeling and will not allow me to repeat this again and again. Thank you so much.

Moderator: I now invite Ankur Chanda to please unmute your audio, switch on your camera and proceed with your question. We have sent you the request please accept. Please go ahead.

Ankur Chanda: Sir I want to tell that we have been listed but we have not been able to grow, sometimes we are loss sometime 20 Crores, 50 Crores and sometimes we get 100 Crores profit.

The company who were with us have gone in 2000 to 3000 Crores profit wise. We are not getting appreciation in the share price in the normal way we get in companies. Why is this happening? Why is the management not doing anything that the shareholders grow and your profit also grows. So much time has happened and we are not able to grow.

Moderator: Thank you Sir. I now invite Manjit Singh, please unmute your audio, switch on the camera and proceed with your question.

Manjit Singh: I welcome the company's management team, secretarial team and my co shareholders. Company is very old; it is nearly 75 to 80 year old. Shareholder have also trust in you. The column is empty of bonus so did you have a talk in the Board meeting. June quarter results of us was not good so what are the plans for the coming three quarters. What is the total income in research and development. Do we have any plans to buy HealthChem lab. What is the news about that, please tell us about this so shareholders can be updated. Secretarial department have done their work and it is because of them we are able to join you. Our company is listed in BSE, NSE 500672 which is the BSE code and I respect our symbol. We held the AGM in four months in spite of the six months order from

government and we have done the balance sheet. Our company should progress further we pray to God. Thank you for the management team. Thank you for the secretarial team.

Moderator: Thank you Sir. I now invite Goutam Nandy, please unmute your audio, switch on the camera and proceed with your question.

Gautam Nandy: Good morning respected Chairperson, Board of Directors, my online fellow shareholders, myself Goutam Nandy from Calcutta, very old equity shareholder of your company. First I would like to give thanks to your secretarial department for sending me annual report along with notice and necessary joining link well in advance. I also received the hard copy of your annual report as I requested from them, so special thanks to all Company Secretary and Shanti Madam and the whole team of the secretarial department for rendering good services to minority shareholders. Madam you are organizing your Annual General Meeting through video conference and it is a grand success like the previous year. Madam I am very pleased to receive your wonderful annual report which is very, very attractive and also very informative so thanks again. Madam I find very good performance in every segment even in this challenging year. Your CSR is also very good so please keep it up. I would like to know what is your road map for the next three to four years. Madam do you have any expansion programme or any diversification programme in the near future. Madam the face value of your stock is Rs.5 each, is there any plan to split up your stock from Rs.5 into Rs.2 or Rs.1 please answer. Definitely you have adopted latest AI technology in your company, now I would like to know how this new technology is helping our company for further modernization. Madam what are the safety measures taken by our company in different factory and your other premises. Madam as I remember you last issued bonus share in the year 1990 at the ratio of one is two basis so many years has been lapsed, now may I request or may I know is there any plan to issue bonus share in future. Your beautiful speech is very, very encouraging. Thank you so much Madam. I am very proud to be a share holder of your company. I have full trust in the strong management. I wholeheartedly support all resolutions which I have already

caused through e-Voting. Madam looking forward with the positive outlook towards our company with higher profit margin, handsome dividend, one is to one bonus. May god bless you? Stay safe, stay healthy. Thank you Madam. Thank you very much.

Moderator: We are moving to the next speaker shareholder O. P. Kejriwal to please unmute your audio, switch on the camera and proceed with your question.

O. P. Kejriwal: Good morning Sir and good morning everybody attending this AGM myself Om Prakash Kejriwal a equity shareholder from Kolkata. Thank you Sir for providing me the platform to speak to something before you. Thanks to the secretarial department for helping in my registration as a speaker shareholder. Sir this is my third AGM only due to virtual though I am your very old shareholder, so if possible please follow this virtual AGM the next year so that more and more investors from different parts of the world could join our AGM and express they views and company could benefit from their views. What a good performance. Very good performance. Sir we have grown to 3:56 Crores previously it was 335 Crores and net profit as grown to Rs.101 Crores, previous year it was Rs.5 Crores and so EPS as grown on face value of Rs.5, previous year it was Rs.34.50. Thank you Sir for maintaining a dividend of Rs.25 per share. Sir your first quarter that is June quarter result is also good. This quarter the EPS has grown to Rs.11.19 on face value of Rs.5 compared to Rs.10.42 in the previous corresponding quarter. Thank you Sir for such excellent results. Sir what is your expectation for the remaining three quarters especially in Trump tariff. He announced 25% tariff on India yesterday and war like situation everywhere. India has done free trade agreement with UK, will this agreement be beneficial to our company, please express your views. I have some physical shares in three folios jointly with my wife. I sent for Demat in January 2024 but they rejected. KYC was done in all the three folios. I need your CS help because I am fed up of the service of your registrar. I also did not get so many dividends since financial year 2015-2016 so please appoint someone to sort out my problem. Sir it is my humble request. I am really fed up. There was a media report that our foreign promoter Novartis AG wants to exit India, is it right Sir, please

express your views. At last Sir maintain your smile and be cheerful. We are always with you as a long time investor. Thank you Sir.

Moderator: I now invite the next speaker shareholder Yash Pal Chopra to please unmute your audio, switch on the camera and proceed with your question.

Yash Pal Chopra: Myself an old shareholder of the company for around three decades. I do not remember when I got the share, such a long, long time but this is a very blue chip company so that is why I am sticking along with this.

Regarding the performance of the company, I must congratulate our CMD and his team along with them that the performance of the last year was excellent. There was all round growth in revenue, PBT, PAT, ROCE and investor friendly dividend. this is a matter of pride for us. Sir I just tell you that the future of our company is excellent because of that demographic expansion of the country and because of the bad habits of the people of smoking, alcohol, and foodie and all that so our company has got a big scope because people cannot leave their habits and you are there to serve them through job opportunities and all that. This is a very big thing that you are doing a great service. I am proud of the team and the company for their grand product and all that in that way our future is definitely strong. Most of my queries were asked by my predecessors. My only query is that what is the attrition ratio in the company, how many employees are going for other jobs and leaving our organization. I want to find out the gender ratio among the women employees. This is also an important question because PM Modi told that there should be maximum for women empowerment. Finally I will ask that corporate action and bonus because we have been waiting long, long for that. I can speak a lot but I will not try to take your time and the time of other people. Before I wind up, I must thank our Company Secretary and the team and the moderator for giving me a chance to speak. I pray to God from the positivity for the company from the Chairman to the last member in the organization because positivity means strength of the company and strength of the company means strength of the investment but before I go I will just say that AGM is the festival of the shareholders which comes just once and no festival is

complete without a return gift for the participant, so MD and CMD must see that all the participants are just investing their time and energy and they should be rewarded in one way or the other that is why I appeal to the management. Wishing you happy, happy times ahead because so many festivals are coming. I wish the company and the employees everybody a very, very happy time. Thank you.

Moderator: I now invite the next speaker shareholder Lekha Shah to please unmute your audio, switch on the camera and proceed with your question.

Lekha Shah: Respected Chairman Sir, Board of Directors, and my fellow members, good afternoon and regards to everyone myself, Lekha Shah from Mumbai. First of all, I would like to thank our Company Secretary Chandni Madam especially Sahil bhai for giving me this opportunity and for smooth process where I am able to talk in front of you all in AGM. I found the AGM notice and I am delighted to say it is so beautiful, full of colours, and facts in figures in place. Madam you opening remarks was so insightful and comprehensive that you already addressed everything I had in mind. May all your upcoming festivals be filled with joy? I am proud to be shareholder of this company. I would like to ask you few questions. My first question is how much PAT on the current financial year will affect because of the trade war. My second question is what is the total number of employees. How many women employees are working in our company. What is the road map for the next two years.

Sir I hope the company will continue video conference meeting in the future. Sir I would like to say I strongly and whole heartedly support all the resolutions for today's meeting. Please arrange factory visit for the members present in the meeting. Thank you Sir.

Moderator: We are moving to the next speaker shareholder Bharat Vyas, please unmute your audio, switch on your camera and proceed with your question Sir.

Bharat Vyas: Good morning, Director on the dais, my request is Novartis India name should be changed to Generic Novartis India because it is the only MNC pharma which has only got generic medicine in the balance sheet. There is not a single copyright medicine in the balance sheet like Pfizer has got Eliquis, Merk has got Januvia. You do not have single copyright medicine. Novartis Healthcare has a sale of 6000 Crores while listed Generic Novartis India has a sale of only 450 Crores on what idea you are putting all copyright medicine in that unlisted nowadays. I am asking you have only given Rs.25 dividend while Abbott has given 475 dividend.

Moderator: Moving to the next speaker shareholder Mitra Bakshi, please unmute your audio, switch on your camera and proceed with your question.

Jaydip Bakshi: Good noon - Chairman I am Jaydip Bakshi joint holder with Mitra Bakshi for my holding. Good noon chairman and other members present in today's video conference myself Jaydip Bakshi first of all I convey my thanks to our Company Secretary Chandni Madam for giving me in opportunity and presenting a detailed and informative annual report and also to the entire secretarial team for timely follow-up of and regular catching up with the shareholders because there are so many meetings lined up today. Sir your initial speech was very much and congratulation once again the revenue for operation which has grown 6.3% and also for the dividend you have passed on. Many questions have been asked so I just want to clarify on year on year growth policy and profitability and future projections which we have for our company and any update on the new products in the pipeline through our RND and as you mentioned in your annual report note and also in your speech we are leveraging AI and digital platform through RND, how are we progressing in this regard and also for software management kindly clarify. Any thoughts regarding acquisition for father growth and Voveran is also a common ointment for the household and everyone is using it. Any value edition regarding our product and CSR activity is always great. As requested by earlier speaker also kindly arrange for a plant visit and also like Lekha Madam requested please continue with this VC in future also that we can get connected from different parts of the country. Thank you Sir. Thank you Madam for giving me an opportunity.

Moderator: Thank you. I now invite speaker shareholder Smita Shah to please unmute your audio, switch on your camera and proceed with your question.

Smita Shah: Chairman Sir Bharat Shah is not available. I am his wife. My number is after him so I am talking from his device. Respected Chairperson Christopher and all Directors greetings from Smita Shah. First I want to thank Ms. Chandni and her entire secretarial team. Balance sheet was very attractive, informative with full information, colourful, good product. Thank you for sending me the link and giving me the opportunity to speak. I thank Chandni and her entire secretarial team. We got a call from the Company Secretary and secretarial team are very hard-working and with their hard work they connect all the shareholders. I praise the entire secretarial team for their hard work and good work. Comparing last 10 years your profits are less but compared to last year it is bigger and profit after tax is also good. Reserve plus is good. Return on sales is also good. Everything is going to increase so it is a good thing. Chairman Sir our company and Dr. Reddy's partnership is a good thing and I am happy to hear. Our company is very old, the 75th year is completed. With hard work you moved the company forward. Always Sir our support is with you and we are also seeing your hard work. You have done very good projects. Very well done Sir and dividend per share you have given Rs.25 so thanks a lot and for two years our dividend is equal. I wish that company's profit also grow and company's work also moves forward and may our dividend increase year by year. My heartily congratulations with you that your future will be good and you be healthy, wealthy and take the company forward. Always our support is there. When it was physical we supported and as usual I support all your resolutions. Chairman Sir, Bharat Shah had asked when you have given the last bonus and when are you thinking about giving the next bonus. He has told about the plant visit so please think about the visit. He has also wishes with his heart for your excellent work and for excellent future. He also supports all the resolutions. Bye from Smita Shah and Bharat Shah. Thank you for giving the opportunity.

Moderator: We are moving to the next speaker shareholder Santosh Chopra to please unmute your audio, switch on your camera and proceed with your question.

Santosh Chopra: Sir what is going on Bharat Shah, Lekha Shah. What they are talking . You just have a recorded line with them and play it for your own pleasure. They do not talk about business. Let me set the record clear, the company has delivered a poor sales growth of -4 over the last few 5 years where every next pharma company has grown up. You must tell your Board about the global thing. I was just going through your actual numbers. Last 10 years you were not able to perform in India. On page number 163 you do a purchase of Rs. 82 Crores from Novartis AG for what purpose, you give a commission to Novartis Healthcare, you gave sale of property plant and equipment only to Novartis Healthcare, why there is no other party in the market who can buy them. What is the rationality that you sold the plant and equipment to this thing? You need a new HR person on the global front. You just see your actual press release. You are saying we will grow in H2 at double digit growth in your whole annual report there is no mention of the future growth. You are just a trading company, no trademarks are coming in the company. What are you doing for a 10 year old shareholder who put the trust on you. I am talking about sensible things so do not talk about sense, people have spoken here just to appreciate you because you have got a balance sheet or annual report which is colorful,

Moderator: Thank you. We have called all the registered speaker shareholder. I now hand over the proceedings to Chairman Sir. Thank you and over to you Sir.

Christopher Snook: Thank you very much to all participants this morning for your contribution, comments, and questions. The Whole-Time Director together with key managerial personnel and myself will now proceed to address your questions. May I invite Ms. Shilpa to please start?

Shilpa Joshi: Thank you all for your valuable comments and suggestions. We truly appreciate your engagement. We will make every effort to address the questions raised to the best of abilities. We have carefully noted and wrote

these questions to ensure structured response, some of the following we have already covered in the earlier presentation so in the interest of time and to avoid repetition, I will focus on answering the remaining questions. So I will go to the questions raised by Mr. Sharadkumar Shah and Mr. Abhishek Kalra in which they have asked in 2024-2025 utilization cost is reduced and if it is also possible to reduce it in the future, so just to highlight that our employee cost has reduced from last year's 230 million towards around 6.9% to the current year which is 7 million and this decline in employee cost as a percentage of revenue, this is a result of deliberate and sustainable structural changes that have been undertaken by the company. From year 2021-2022 regarding policy Novartis has adopted a signified sensible distribution model leading towards a leaner organizational structure and optimized post deployment. We also conduct independent regular benchmarking for compensation grievance, aligned with the industry standards so it is determined based on role, experience, qualification, and performance and supportive cost structure that is efficient and aligned with the long term business objectives. Then there was a question of why tax is lower compared to previous year and also PAT EPS are higher compared to previous year, so we have higher profitability with improved operational efficiency, current tax expenses for 2024-2025 includes positive tax adjustments for earlier years of Rs.42.5 million for year 2023-2024 includes negative tax adjustments for the earlier years resulting into the lower tax expenses. All this had led to increase in PAT and EPS, also our borrowings in 2024-2025 are nil because we have sufficient cash so there is no need of borrowing asset. You may refer to note 9A and 9B on page 143 of annual report for cash and bank balance details. Moving to another question, what are the management effort to reduce other expenses, legal professional charges, and audit fees so at Novartis India Limited we remain committed to our operational excellence and cost management while ensuring uninterrupted access of our medicine to the patient's. Our operating margins has improved significantly over the past few years and this is mainly because of the key initiative what we have taken. We have revamped our sales and distribution model for the portfolio enabling by efficient access and greater

efficiency, Secondly we have reduced product cost by onboarding new contract manufacturers for key products like Voveran injection. We have also rationalized our logistics network bringing down the number of carrying and forwarding agents from 28 to just four which has helped us to reduce our freight and forwarding cost significantly. We have also increased digital marketing which brought down our advertisement and promotional spend and finally we have also streamlined administrative and support functions for occupying chat service across group companies resulting in lower employee and lower head cost, so just to summarize these actions are not just one time ages they reflect sustainable shift in how we operate and the position is to swell for the long time value creation. There was one more question on the new product or technology introduced during the year by the company, so I would just like to highlight that Novartis India Limited primarily operates in established medicines segment where the product life shelf is longer and the medicine is implemented. While the contribution from the new product launches over the past few years has been modest, we continue to evaluate opportunities to introduce sustainable and relevant therapies be it our therapeutic areas. Our strategic emphasis remains on maximizing the age and impact to our resisting portfolio particularly for bone and pain, transplant, and neuroscience by ensuring operational efficiency and long term value creation for our shareholders. Then there was also question around the future technology depending on AI and what steps we have taken to use that into productivity, profitability and cyber security of the company. So here just I would like to highlight that this is also mentioned by Mr. Chairman in his speech that we are integrating AI processes to accelerate and access to medicines for operations in India, all our employees are also trained in these AI enabled tools to improve efficiency in everyday work. In addition to it be a continuing to embrace digital platform to strengthen individual healthcare professionals and reach scientific accuracy. We remain committed to leveraging digital tools to differentiate our brands with transparency and to ensure scientific messages reach the physicians effectively in today's environment. There was also one question around management views on energy consumption and fire and safety on plant,

factory office. For the energy consumption and fire and safety of plant, factory, office for that I request you to refer page 104-108 principle six related Novartis able to protect and restore environment for details on electricity, water green house, vaccinations, waste management, pollution control. Please also refer to page 85 under section seven transparency and disclosure compliances. Also there was one question around ESG rating by reputed company and if it is then what number we have received the rating and what are the steps we have taken further in this regard, so I would like to inform that for the year 2024-2025 the ESG assurance is mandatory for top 250 companies by market cap and therefore this is not yet applicable to Novartis India limited.

Christopher Snook: That was one question address to the Company Secretary so I would like to invite Ms. Chandni to please answer that question.

Chandni Maru: There was one question addressed by Mr. Om Prakash Kejriwal regarding the physical share holding to be converted into Demat. Sir I am sorry for the problem that you are facing. I will assure you that we will connect with you personally and try to resolve your query. Thank you so much.

Christopher Snook: A number of questions was raised this morning by a few shareholder with a very similar theme and that was concerning new product introductions and road map or business development as we move forward and specifically one shareholder asked the question on what criteria or copyright or patented medicines considered for either NHPL or NIL and to answer that question and for others, the last question similarly. I cannot say that all new products which are developed by Novartis AG are considered on a case by case basis as far as which entity would represent the most appropriate entity through which to market those products in India, so considered on case by case basis, we look at whether or not any new products coming out Novartis AG or indeed those are acquired Novartis AG would be complementary to the current portfolios of NHPL and or NIL. And specifically looking at the areas of therapeutic expertise within both companies that would best suit those new products and also of course an important consideration would be whether or not there is a good

strategic of any new products with the company and its areas of focus. As I said a number of shareholders asked those questions. We were also asked whether or not there were any opportunity and the consideration for NIL as far as new product introductions concerned or indeed acquisitions, it would be true to say that we constantly look at potential opportunities which might represent a good fit as far as NIL is concerned but we also are mindful of looking at opportunities which are consistent with our current areas of focus and that would be bone and pain, transplant, and neurosciences but not the exclusion of all the others but it would be important to consider whether or not there was an operational or strategic fit, that answers a few. I think there was another question from Mr. Kaushik on the global shift of Novartis's move towards a pure play innovative medicines company and again we have commented on that as far as new product opportunities are concerned but also it would be important to reiterate NIL's focus which is on differentiated business models in terms of access and operational efficiency, it would be very fair to say that the partnership with Dr. Reddy's has had a positive impact on both reach and profitability and in fact our operator margins have risen from just short of 19% in the year 2023-2024 up to 25% in the year ended 2025. Looking ahead we have addressed a number of those questions. I think that covers the new product introduction and business planning questions which were raised this morning. Can I pass back to Ms. Shilpa to answer a few more questions from your side?

Shilpa Joshi:

There was one question on related party on the sale of fixed asset to NHPL so I would like to answer here this was as a part of routine asset optimization and infrastructure alignment within the Novartis group, Novartis India Limited has transferred certain surplus office equipment to Novartis Healthcare Private Limited. Please note that this transaction was carried out at arm's length and in full compliance with applicable provision of Companies Act 2013, such transfers are part of our ongoing efforts to ensure efficient use of resources across group entities without impacting the operations or financial integrity of Novartis India Limited. There was a question, why company is not having any manufacturing unit so we

leverage principal to principal with high standards and facilities which allows delivery of quality products at reasonable cost so 56% of our total sales are manufactured at nine CMO sites. Then there was a question also about future growth plan but I am sorry as we mentioned earlier we do not make any forward looking statement. Also there was a question around why Novartis is not rising on underperforming. At Novartis our mission is to improve and extend people's life, as part of this vision we aim to deliver our medicines to as many people as possible. Stock prices and moments are determined by market forces and we as a company cannot comment on the evaluations. Then there was multiple questions around gender issue in the company and also number of female employees, so we have a total headcount of 56 number out of which 48 are male employees and eight are female employees and out of the Board of Directors three Directors are female and three Directors are male Directors. Then there was one question around what will be the impact of profit because of the trade war which is going on or the impact of geopolitical development which is happening across globe. I would like to answer here that we are actually monitoring all global development and have put key strategies in to mitigate the maximum possible risk. That is all from me Chris.

Christopher Snook: I have one further question, an important question and this was whether or not Novartis AG as any intention or would like to exit India. It would be far to say that and as we have previously informed our shareholders Novartis has been conducting a strategic review in India looking at its strategic options and I can inform of those meeting that there is no information nor is there any indication of Novartis AG or Novartis existing India, nothing has been so far communicated nor is there any plan to do so before the Board for its consideration. So I hope that we have satisfactorily addressed many questions that were raised this morning.

I would like to thank Ms. Shilpa and her team for answering today's questions and thank our shareholders for your patience and support. Should you have any further questions after today's meeting or if you would like any further clarification, please do write to the investor email ID of the company and our team will respond to you accordingly. We will now

proceed with the resolutions. We have four (4) resolutions for approval at this Annual General Meeting, as per the Notice of the Annual General Meeting dated May 09, 2025 which was sent to all shareholders on July 4, 2025. I would like to invite members to cast their vote on all four (4) resolutions. Members may please note that those who have not cast their vote earlier may do so and cast their vote now. The NSDL e-Voting platform will be open for another 15 minutes. Mr. S. N. Viswanathan or failing him or Ms. Ashwini Vartak of S. N. Ananthasubramanian & Company, the Company Secretaries have been appointed as scrutinizers to scrutinize the e-Voting during e-Voting period as well as during the e-Voting at today's Annual General Meeting and to ensure that the process is conducted in a fair and transparent manner. The results of the voting will be announced not later than two (2) working days from the conclusion of this Annual General Meeting and the same will be placed on the websites of the company, the Bombay Stock Exchange Limited and NSDL e-Voting. I would like to sincerely thank once again each shareholder for all of your comments, support and patience in successfully conducting this virtual Annual General Meeting of the company. I wish you all a very safe and healthy rest of the year! I also like to thank each of Novartis Limited Director's for their active participation and support during the year. Finally, I would like to thank each member of the organizing team for ensuring a successful virtual meeting! With that and with your permission of all the Directors and I will now log out. The company secretarial team will be online for some more time until the e-Voting is concluded. There being no other business, the meeting shall be deemed as concluded with the last vote. Thank you once again everyone.