



Novartis India Limited
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CIN No. L24200MH1947PLC006104
Website: www.novartis.in

July 27, 2022

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Scrip Code: 500672

Dear Sir/ Madam,

Sub.: Outcome of the Meeting of the Board of Directors of Novartis India Limited (“the Company”) held today i.e. Wednesday, July 27, 2022

In continuation to our letter dated June 30, 2022 and pursuant to Regulations 30 (read with Para A of Part A of Schedule III) and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”); and SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, we hereby inform that, as recommended by the Audit Committee of the Company, the Board of Directors of the Company at its meeting held today, *inter alia*, have considered and approved the Unaudited Financial Results of the Company for the quarter ended on June 30, 2022.

The said Meeting commenced at 1:40 p.m. and concluded at 3:41 p.m.

In terms of Regulation 33 of SEBI Listing Regulations, please find enclosed herewith:

- a. the Unaudited Financial Results for the quarter ended on June 30, 2022; and
- b. Limited Review Report dated July 27, 2022, issued by the Statutory Auditors of the Company with respect to the Unaudited Financial Results and taken on record by the Board of the Company.

The above is for your information and the same is also available on the Company's website i.e. www.novartis.in

Thanking you

Yours Sincerely,

For **Novartis India Limited**



Nikhil Malpani
Company Secretary and Compliance Officer

(₹ in million)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2022

Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	Year ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Unaudited)	(Unaudited) [Refer Note 7 below]	(Unaudited)	(Audited)
1.	Revenue from Operations	1,209.2	983.2	981.1	3,998.7
	Other Income [Refer note 4]	265.2	143.1	64.6	331.9
	Total Income	1,474.4	1,126.3	1,045.7	4,330.6
2.	Expenses				
	(a) Purchases of Stock-in-Trade	428.5	719.3	452.3	1,872.6
	(b) Changes in Inventories of Stock-in-Trade	146.0	(225.3)	(53.1)	(91.3)
	(c) Employee Benefits Expense	91.6	206.0	281.3	1,018.9
	(d) Finance Costs	5.0	3.3	15.4	48.3
	(e) Depreciation and Amortisation Expense	13.0	13.1	29.1	96.5
	(f) Other Expenses	225.1	227.0	222.2	927.4
	Total Expenses	909.2	943.4	947.2	3,872.4
3.	Profit before exceptional items and tax	565.2	182.9	98.5	458.2
4.	Exceptional item (Refer Note 5)	-	496.4	-	496.4
5.	Profit/(Loss) before tax	565.2	(313.5)	98.5	(38.2)
6.	Tax Expense				
	Current Tax	90.0	(96.4)	41.8	-
	Deferred Tax	57.0	21.0	(6.1)	3.4
	Tax adjustment for earlier years	(105.6)	(4.4)	-	(4.4)
	Total Tax Expense	41.4	(79.8)	35.7	(1.0)
7.	Profit/(Loss) for the period / year	523.8	(233.7)	62.8	(37.2)
8.	Other Comprehensive Income				
	- Items that will not be reclassified to profit or loss	-	20.8	-	81.9
	Remeasurements of the defined benefit plans	-	27.8	-	109.5
	Income tax relating to these items	-	(7.0)	-	(27.6)
9.	Total Comprehensive Income/(loss) for the period / year	523.8	(212.9)	62.8	44.7
10.	Paid-up Equity Share Capital (Face Value ₹ 5 each)	123.4	123.4	123.4	123.4
11.	Other Equity				6,793.6
12.	Earnings Per Share (in ₹) (Basic & Diluted)- (of ₹ 5 each) (*not annualised)	21.21 *	(9.47)*	2.55 *	(1.51)

Notes:

- This Statement has been reviewed by the Audit Committee at its meeting held on 27.07.2022 and approved at the meeting of the Board of Directors held on that date and has been subjected to limited review by the statutory auditors of the Company.
- This Statement has been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (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'.
- Other income includes interest on income tax refund aggregating to ₹215.8 million for the quarter ended 30.06.2022 and ₹ 46.3 million for the quarter ended 31.03.2022.
- The Company has entered into an exclusive sales and distribution agreement with Dr. Reddy's Laboratories Limited of its Established Medicines Division ("EMD"). This strategic business decision has led to an exceptional expense of ₹ 496.4 million (net of re-evaluation of retirement obligations) in the quarter and year ended 31.03.2022 towards its erstwhile associates of EMD in this year under employee separation scheme.
- In assessing possible effects that may result from the pandemic relating to COVID-19, the Company has considered internal and external sources of information, available as at the date of approval of these financial results. Based on the assessment, the Company is of the view that the carrying amounts of the assets will be realized. The impact of pandemic on the Company's financial results may be different from that estimated as at the date of approval of these financial results.
- The figures for the quarter ended 31.03.2022 are the balancing figures between the audited figures in respect of full financial year ended 31.03.2022 and published year to date figures upto the third quarter ended 31.12.2021 of the relevant financial year which were subjected to limited review by the statutory auditors.

By Order of the Board

 Sanjay Murdeshwar
 Vice Chairman and Managing Director
 CIN:01481811
 Mumbai, 27th July, 2022



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

TO THE BOARD OF DIRECTORS OF NOVARTIS INDIA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of NOVARTIS INDIA LIMITED ("the Company"), for the quarter ended June 30, 2022 ("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 amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 express a conclusion on the Statement based on our review.
3. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted (and procedures performed) as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 amended, 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

Rakesh Sharma

Partner

Membership No.102042

UDIN: 22102042ANRUFM3046

Place: Mumbai

Date: July 27, 2022