

July 01, 2025

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

Scrip Code: 500672

Sub.: Communication to Members of the Company - Intimation on tax deduction on dividend for the financial year 2024-25, if approved, at the ensuing Annual General Meeting to be held on Thursday, July 31, 2025.

Dear Sir/ Madam,

Pursuant to the Finance Act, 2020, with effect from April 1, 2020, Dividend Distribution Tax has been abolished, and dividend income is taxable in the hands of the Members.

In this regard, please find enclosed herewith specimen copy of an e-mail communication sent to all the members of the Company along with requisite links of enclosures whose e-mail IDs are registered with the Company / Depositories explaining the process on withholding tax from dividend to be paid to the members, if approved at the ensuing Annual General Meeting of the Company to be held on Thursday, July 31, 2025 at the prescribed rates.

This communication is also being made available on website of the Company at <https://www.novartis.com/in-en/>

This is for your information and records.

Thanking you

Yours Sincerely,

For **Novartis India Limited** **Maru Chandni**

Digitally signed by Maru Chandni
DN: dc=com, dc=novartis, ou=people,
ou=LE, serialNumber=3190945,
cn=Maru Chandni
Date: 2025.07.01 22:30:02 +05'30'

Chandni Maru
Company Secretary and Compliance Officer
ACS 60291

Encl: as above

From: novartisindia.update@in.mpms.mufig.com <novartisindia.update@in.mpms.mufig.com>

Sent: 30 June 2025 17:27

To: Balmani Nadar <Balmani.nadar@in.mpms.mufig.com>

Subject: Novartis India Limited - Communication on deduction of tax at source on Dividend



Novartis India Limited

CIN No. L24200MH1947PLC006104

Registered Office: Inspire BKC, 07th Floor, Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051 Maharashtra, India

Tel: +91 22 50243000

Email: india.investors@novartis.com; **Website:** www.novartis.in

Date: 30 June, 2025

Dear Member,

Subject: Communication on deduction of tax at source on Dividend for F.Y 2024-25

We are pleased to inform you that, the Board of Directors of Novartis India Limited ('the Company') at its meeting held on May 09, 2025, recommended payment of following dividend for the financial year ended March 31, 2025:

1) Final dividend of Rs. 25/- (INR Twenty-Five Only) per equity share of face value of Rs. 5/- (Rupees Five Only) each will be paid to the members of the Company after declaration of dividend at the Annual General Meeting (AGM') of the Company scheduled to be held on Thursday, July 31, 2025.

The Register of Members and Share Transfer Books will remain closed from **Thursday, July 24, 2025, to Thursday, July 31, 2025 (both days inclusive)** for determining the eligibility of members for payment of the above dividend.

The payment of dividend, if approved at the AGM, will be made to those members whose names will be on the Company's Register of Members as on the date of book closure and to those whose names will appear as Beneficial Owners as at the close of the business hours on **Wednesday, July 23, 2025** as per the details to be furnished by the Depositories, viz. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for this purpose.

Pursuant to the General Circular No. 20/2020 dated May 05, 2020, issued by the Ministry of Corporate Affairs, the dividend will be paid electronically in the Members bank accounts. The Company will keep on hold cheques/dividend warrants/demand drafts of the members who have not registered their bank details with the Company. The members holding shares in demat form are advised to keep the bank details updated with their depository participants. Member holding shares in certificate form and who have not updated their bank account details are requested to update bank details with the Company's Registrar and Share Transfer Agent ('RTA') after following the process available on link: https://web.in.mpms.mufig.com/EmailReg/Email_Register.html

In accordance with the provisions of the Income- tax Act, 1961 ('the Act') as amended by and read with the provisions of the Finance Act, 2020, with effect from April 01, 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Act, for various categories, including Resident or Non-Resident members.

For Resident Members:

1. No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the financial year 2025-26 does not exceed INR 10,000/- per annum.
2. Where, the Permanent Account Number (PAN) of the resident individual member is available and valid,
 - a. TDS shall be deducted at the rate of 10% on the amount of dividend payable
 - b. In cases where the resident individual member provides the duly signed Form 15G or Form 15H (as applicable) and provided that the eligibility conditions are being met, no TDS shall be deducted. The format of Form 15G and Form 15H are linked to **Enclosures 1 and 2** respectively below.
3. Where the PAN is either not available or is invalid or is made inoperative due to non-linking of Aadhar number with PAN as required under section 139AA(2), TDS shall be deducted at a rate of 20%.
4. In order to help the Company to comply with the relevant provisions of the Act, the following resident non-individual members are requested to provide a self-declaration as listed below:
 - i. **Insurance companies:** A declaration that they are beneficial owners of shares held
 - ii. **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self-attested)
 - iii. **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under Section 10(23FBA) of the Act, and they are established as Category I or Category II AIF under the SEBI Regulations along with copy of registration documents (self-attested)
 - iv. **Other Non-Individual shareholders:** Who are exempted from TDS under provisions of Section 194 of the Act and who are covered under section 196 of the Act are also not subject to withholding of any tax are required to submit an attested copy of the PAN along with the documentary evidence in relation to the same

For Non-Resident Members:

1. TDS shall be deducted/withheld at the rate of 20% (plus applicable surcharge and, health and education cess) on the amount of dividend payable.
2. Non-resident member may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the member, if such DTAA provisions are more beneficial to them, read with Multi Lateral Instrument (MLI). To avail the DTAA benefits, the non-resident member should furnish the following documents
 - a. Self-attested copy of Permanent Account Number (PAN) if allotted to you, by the Indian Income Tax Authorities. If PAN is not allotted to you, please provide your email address, contact number and address in the country of residence
 - b. Self-attested Tax Residency Certificate (TRC) issued by the competent authority or tax authority of the country of your residency, evidencing and certifying your tax residency status in the country of residency during the financial year 2025-26

c. Completed and duly signed Form 10F (mandatorily in electronic form generated from Indian income tax portal <https://www.incometax.gov.in/iec/foporta> I/) in the format linked to **Enclosure 3**

d. Self-declaration in the format linked to **Enclosure 4** below, certifying that

i) You are and continue to remain a tax resident of the country of your residency during the financial year 2025-26;

ii) You are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company read with the provisions of MLI;

iii) You have no reason to believe that your claim for the benefits of the DTAA is impaired in any manner;

iv) You are the ultimate beneficial owner of your shareholding in the Company and dividend receivable from the Company; and

v) You do not have a taxable presence or a permanent establishment in India during the financial year 2025-26

3. For Foreign Portfolio Investor's & Foreign Institutional Investors'

a) Section 196D (1) in case of Foreign Portfolio Investor's and Foreign Institutional Investors - @ 20% plus applicable surcharge and health and education cess

b) Section 196D (1A) in case of specified fund referred to in clause (c) of the Explanation to clause(4D) of Section 10 of the Act - @ 10% plus applicable surcharge and cess

4. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident member.

For all Members:

1. Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

2. Shareholders are requested to furnish appropriate declarations and documents by 11:59 p.m. (IST) on Friday, July 18, 2025 by email to novartisdivtax@in.mpms.mufg.com Alternatively, shareholder could use the link <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html> for submission of appropriate documents in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. No communication/ documents shall be considered post 12.00 a.m. IST on Saturday, July 19, 2025.

On clicking the above link, the user will be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)

2. Folio / DP-Client ID

3. PAN

4. Financial year (Dropdown)

5. Form selection

6. Document attachment – 1 (PAN)

7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Any documents received through any other methods like email or hand delivery will not be considered to determine and deduct appropriate TDS / withholding tax.

3. Members may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Act and claim an appropriate refund, if eligible.

[Click here](#) for Enclosure 1

[Click here](#) for Enclosure 2

[Click here](#) for Enclosure 3

[Click here](#) for Enclosure 4

4. Further, members who have not registered their email address are requested to register the same with our Registrar and Share Transfer Agent in case of physical shareholding and with Depository Participant ('DP') in case of demat holding:

a. In case equity shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA at rnt.helpdesk@in.mpms.mufg.com

b. In case equity shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to your DP or follow the procure as advised by respective DP.

General Instructions:

1. As per Central Board of Direct Taxes (CBDT) guidelines, the PAN allotted to a person shall become inoperative if it is not linked with Aadhaar by the date as specified by CBDT and shall be liable to all the consequences under the Income-tax Act, 1961 for not furnishing, intimating or quoting the PAN. The Securities and Exchange Board of India ('SEBI') vide PR No.05/2023 has recently mandated all existing investors to ensure linking of their PAN with Aadhaar number prior to specified date, for continual and smooth transactions in securities market and to avoid consequences of non-compliance with the said CBDT circular, as such accounts would be considered non-KYC compliant, and there could be restrictions on securities and other transactions until the PAN and Aadhaar are linked. On or after April 1, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s).

2. Important Notice to Physical Shareholders- Request to update KYC on or before 30th September 2023 to avoid freezing of folio:

In supersession of earlier circulars dated November 3, 2021 and December 14, 2021, Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, **effective April 1, 2023**, has mandated physical shareholders to submit their PAN, Nomination details, contact details, Bank account details and specimen signatures in prescribed forms (Form ISR-1, Form ISR-2, SH-13 etc.) by September 30, 2023. Non-availability of any one of the above documents/details with the Company/RTA **on or after October 1, 2023** will result in freezing of the physical shareholders' folios pursuant to the said SEBI Circular. We request you to submit / update your bank account details (i.e. Bank, Branch, Account No, IFSC Code etc.) with your Depository Participant, in case you are holding shares in the electronic form. Shareholders holding shares in physical form are advised to

update the details as mentioned above. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.novartis.com/in-en/investors/shareholders-information>

3. Updating of Bank Account:

In order to facilitate receipt of dividend directly in your bank account, members are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Company to make timely credit of dividend in their bank accounts.

Should you seek any further clarification, please write to rnt.helpdesk@in.mpms.mufg.com or india.investors@novartis.com

We request your co-operation in this regard.

Yours Sincerely,

For Novartis India Limited

Sd/-

Chandni Maru

Company Secretary and Compliance Officer

M No.- ACS-60291

Date: June 30, 2025

Place: Mumbai

Disclaimer: *This Communication is not to be treated as an advice from the Company or its affiliates or Link Intime India Private Limited. Members should obtain the tax advice related to their tax matters from a tax professional.*

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