



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

February 11, 2022

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

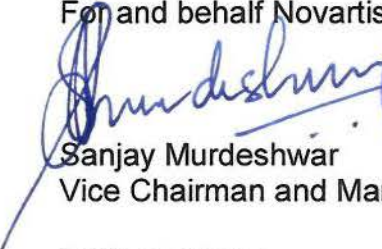
Dear Sirs,

Please find enclosed herewith the following:

- (a) Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Media Report

Thanking you

For and behalf Novartis India Limited


Sanjay Murdeshwar
Vice Chairman and Managing Director



Encl: as above



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Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

Kindly note that the Board of Directors of the Novartis India Limited (“NIL”) in a meeting held today i.e., on Friday, February 11, 2022 has approved a business transaction.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have to inform you that, NIL is entering into an exclusive sales and distribution agreement with Dr. Reddy’s Laboratories Limited of its Established Medicines including Voveran range, the calcium range and Methergine, which is part of its Established Medicine Division (“EMD”) and account for approximately 50% of its 2020-2021 product sales.

This arrangement aims to further broaden access of these medicines beyond the current geographies to benefit many more patients, more efficiently, will significantly extend the reach of healthcare professionals, enhancing access of these medicines to more patients.

This strategic business decision is leading to the separation of approximately 400 associates of NIL, due to role surplus and redundancies. The Company preliminary estimates approximately, an amount of Rs 75 crore as outgo in the current financial year towards such costs and ex-gratia compensation under NIL Employee Separation Scheme (“ESS”). In addition to above compensation, NIL will extend outplacement services to impacted associates.

Kindly take note of the above in your records.

Thanking you

For and behalf Novartis India Limited


Sanjay Murdeshwar
Vice Chairman and Managing Director



MEDIA RELEASE

Novartis India Limited extends access to its medicines in India by signing exclusive sales and distribution agreement with Dr. Reddy's Laboratories

- *In keeping with its commitment to improve and extend people's lives by reimagining access, Novartis India Limited enters into an exclusive sales and distribution agreement with Dr. Reddy's Laboratories for a few of its Established Medicines which includes the Voveran® range, the Calcium range and Methergine®.*
- *This arrangement aims to further broaden access of these medicines beyond the current geographies to benefit many more patients, more efficiently, by significantly extending the reach of healthcare professionals through an expanded field force.*
- *The arrangement brings together the manufacturing and development synergies of Novartis India Limited with the sales and distribution strengths of Dr. Reddy's Laboratories.*
- *This strategic business decision is leading to the separation of approximately 400 employees of Novartis India Limited due to role redundancies. We understand the implications of this difficult decision on those impacted and their loved ones and we are extending a severance package along with outplacement services.*

Mumbai, February 11, 2022 — Novartis India Limited (NIL) today announced an exclusive sales and distribution agreement with Dr. Reddy's Laboratories (Dr. Reddy's) for a few of its Established Medicines which includes the Voveran range, the Calcium range and Methergine.

This arrangement aims to further broaden access of these medicines beyond the current geographies to benefit many more patients, more efficiently, by significantly extending the reach of healthcare professionals through an expanded field force.

This brings together the manufacturing and development synergies of NIL with the sales and distribution strengths of Dr. Reddy's.

Barring unforeseen circumstances, this has the potential to drive value for shareholders of NIL. Novartis AG will retain Trademark ownership of these medicines.

This strategic business decision is leading to the separation of approximately 400 employees of NIL due to role redundancies. We understand the implications of this difficult decision on those impacted and their loved ones and we are extending a severance package along with outplacement services.

Sanjay Murdeshwar, Country President and Managing Director, Novartis in India, said, "Today, on one hand, keeping the patient interest at the center, we have entered this strategic business arrangement with Dr. Reddy's Laboratories to extend access to our Established Medicines to benefit more patients in India efficiently. On the other hand, we understand the implication on the roles of our colleagues in Novartis India Limited and are doing our best to support them."

Both organisations will remain fully committed to patients and will continue to focus on providing uninterrupted supply of medicines.

About Novartis' philosophy of collaborating with stakeholders in the healthcare ecosystem, Sanjay says, "We are committed to working with organizations that resonate with our purpose of improving and extending people's lives. To that end, we collaborate with entities such as the government, patient organizations, start-ups, industry associations, healthcare providers, pharmaceutical companies amongst others, who are working towards reducing barriers in the journey of a patient ranging from awareness, diagnosis, access and adherence."

Novartis has a large footprint in India with over 10,000 full time employees. Since January 2020, Novartis has hired more than 1,600 employees across the Novartis divisions and companies in India are planning to continue this hiring program in 2022.

Over the last five years, Novartis has spent over USD 300 million in creating an R&D support center and services in India. Novartis is also in the process of expanding further by setting up an additional manufacturing plant at Kalwe, with an investment of approximately USD 49 million. This plant would manufacture oral cancer medicines for the global market.

About Novartis in India

Since 1947, Novartis has had a significant footprint in India - committed to drug development, manufacturing, commercial and social business services. We have three legal entities namely, Novartis Healthcare Private Limited, Novartis India Limited and Sandoz Private Limited employing more than 10,000 people. We have a rich portfolio of both innovative and established medicines addressing various therapeutic needs: cardiovascular, eye care, immunology and dermatology, metabolics, neuroscience, oncology, respiratory and organ transplant, to meet the medical needs of patients in India. Our social business – Arogya Parivar – is expanding access to community education, improved infrastructure and affordable healthcare products for underserved populations in rural India. Find out more at <https://www.novartis.in>.

Novartis India is on Twitter. Sign up to follow @NovartisIndia at <https://twitter.com/NovartisIndia>

About Novartis

Novartis is reimagining medicine to improve and extend people's lives. As a leading global medicines company, we use innovative science and digital technologies to create transformative treatments in areas of great medical need. In our quest to find new medicines, we consistently rank among the world's top companies investing in research and development. Novartis medicines reach nearly 800 million people globally and we are finding innovative ways to expand access to our latest treatments. About 110,000 people of more than 140 nationalities work at Novartis around the world. Find out more at <https://www.novartis.com>.

Novartis is on Twitter. Sign up to follow @Novartis at <https://twitter.com/novartisnews>

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For questions about the site or required registration, please contact media.relations@novartis.com

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