



Novartis India Limited
Registered Office:
Inspire BKC
Part of 601 & 701
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051
Maharashtra, India
Tel +91 22 50243000
Fax +91 22 50243010
Email: india.investors@novartis.com
CIN No. L24200MH1947PLC006104
Website: www.novartis.in

May 23, 2019

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

Outcome of the Board Meeting

Dear Sirs,

We refer to our letter dated April 03, 2019, informing you of our Board Meeting that was scheduled for today. Please note that the Board of Directors of Novartis India Limited met today at 12.00 noon and the meeting concluded at 4:30 p.m.

Pursuant to the provisions of Regulation 30 (read with Part A of Schedule III) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at this meeting approved the following:

1. Audited Financial Results of the Company for the quarter and year ended March 31, 2019. Copy of the financial results approved at this meeting along with the Limited Review Report provided by Deloitte Haskins & Sells LLP, Auditors of the Company is enclosed as Annexure 1.

We have made arrangements for publishing an extract of the approved financial results as per the format prescribed under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, in the selected newspapers.

2. Recommendation of final dividend of Rs 10/- per equity share of Rs 5/- each for the year ended March 31, 2019;
3. Date for convening the 71st Annual General Meeting of shareholders of the Company is scheduled to be held on Friday, August 09, 2019 at 11.30 a.m.;
4. Closure of the Register of Members and Share Transfer books from Friday, August 2, 2019 to Friday, August 9, 2019, both days inclusive, for determining the eligibility of shareholders for payment of Dividend.
5. Consequent to the elevation of Ms. Monaz Noble, Whole time Director and Chief Financial Officer with Novartis Group, Ms. Noble would relinquish her executive responsibilities in the Company by the close of business hours on May 31, 2019. However, Ms. Noble would continue to be on the

Board of the Company in the capacity of a Non-Executive, Non-Independent Director effective June 1, 2019.

6. Appointment of Mr. Felix Doss as the Chief Financial Officer of the Company with effect from June 1, 2019. A brief profile of Mr. Felix Doss is enclosed as Annexure 2;
7. Appointment of Ms. Dimple Lalwani as the Internal Auditor of the Company with effect from July 1, 2019. A brief profile of Ms. Dimple Lalwani is enclosed as Annexure 3.

Please take the same on record.

Thanking you

Yours sincerely,

For Novartis India Limited



Trivikram Guda
Company Secretary &
Compliance Officer

Encl: As above

Novartis India Limited Regd. off: Inspire - BKC, Part of 601 and 701, Bandra Kurla Complex, Bandra East, Mumbai 400051. www.novartis.in, CIN:L24200MH1947PLC006104						
(₹ in million)						
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2019						
Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	Year ended	Year ended
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		(Audited) [Refer Note 9 below]	(Unaudited)	(Audited) [Refer Note 9 below]	(Audited)	(Audited)
1.	Revenue from Operations [Refer Note 6]	1,103.8	1,356.2	1,253.2	4,906.8	5,638.9
	Other Income [Refer Note 5 (a) and 5 (b)]	134.3	114.7	1,096.0	782.6	1,718.3
	Total Income	1,238.1	1,470.9	2,349.2	5,689.4	7,357.2
2.	Expenses					
	(a) Purchases of Stock-in-Trade	435.0	489.3	602.6	2,026.0	2,145.5
	(b) Changes in Inventories of Stock-in-Trade [Refer Note 6]	(118.2)	85.3	(31.8)	(39.5)	309.6
	(c) Employee Benefits Expense	205.1	269.2	368.9	1,171.1	1,445.3
	(d) Finance Costs [Refer Note 5 (a) and 7]	-	0.3	51.4	15.9	55.3
	(e) Depreciation and Amortisation Expense	9.1	9.5	6.4	31.8	25.3
	(f) Other Expenses	383.3	377.4	532.5	1,626.4	1,801.0
	Total Expenses	914.3	1,231.0	1,530.0	4,831.7	5,782.0
3.	Profit before tax	323.8	239.9	819.2	857.7	1,575.2
4.	Tax Expense					
	Current Tax [Refer Note 8]	111.9	107.2	542.9	332.7	796.3
	Deferred Tax	16.6	4.0	11.6	7.3	(4.7)
	Total Tax Expense	128.5	111.2	554.5	340.0	791.6
5.	Profit for the period / year	195.3	128.7	264.7	517.7	783.6
6.	Other Comprehensive Income	(7.2)	23.4	30.0	16.2	12.0
	- Items that will not be reclassified to profit or loss					
	Remeasurements of the defined benefit plans	(11.1)	36.0	45.9	24.9	18.4
	Income tax relating to these items	3.9	(12.6)	(15.9)	(8.7)	(6.4)
7.	Total Comprehensive Income for the period / year	188.1	152.1	294.7	533.9	795.6
8.	Paid-up Equity Share Capital (Face Value ₹ 5 each)	123.4	123.4	123.4	123.4	123.4
9.	Other Equity				7,468.5	7,213.0
10.	Earnings Per Share (in ₹) (Basic & Diluted)- (of ₹ 5 each) (*not annualised)	7.91*	5.21*	9.60*	20.97	28.43



Notes:
1. Statement of Assets and Liabilities

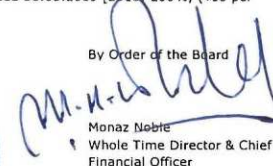
Particulars	As at	
	31.03.2019	31.03.2018
	(Audited)	(Audited)
(₹ in million)		
A Assets		
Non-Current Assets		
Property, Plant and Equipment	149.8	46.0
Financial Assets		
(i) Loans	6.4	3.6
(ii) Other Financial Assets	34.0	56.2
Deferred Tax Assets	214.4	230.5
Income Tax Assets (Net)	1,048.0	918.4
Other Non-Current Assets	307.1	318.7
	1,759.7	1,573.4
Current Assets		
Inventories [Refer Note 6]	605.1	565.6
Financial Assets		
(i) Trade Receivables	455.9	439.1
(ii) Cash and Cash Equivalents	877.6	376.3
(iii) Bank Balances other than (ii) above	5,242.6	7,374.5
(iv) Loans	0.6	4.6
(v) Other Financial Assets	328.1	261.8
Other Current Assets	544.6	499.6
	8,054.5	9,521.5
Assets held for sale	10.2	10.3
	8,064.7	9,531.8
TOTAL ASSETS	9,824.4	11,105.2
B Equity and Liabilities		
Equity		
Equity Share Capital	123.4	123.4
Other Equity	7,468.5	7,213.0
	7,591.9	7,336.4
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
(i) Other Financial Liabilities	18.7	18.2
Employee Benefit Obligations	350.3	417.3
Other Non-Current Liabilities	13.4	26.8
	382.4	462.3
Current Liabilities		
Financial Liabilities		
(i) Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	6.0	7.4
- total outstanding dues of creditors other than micro enterprises and small enterprises	908.0	1,053.7
(ii) Other Financial Liabilities	441.1	1,382.1
Employee Benefit Obligations	207.5	202.2
Other Current Liabilities [Refer Note 5 (a)]	78.7	452.6
Provisions [Refer Note 6]	121.4	131.1
Current Tax Liabilities (Net)	87.4	66.9
	1,850.1	3,296.0
Liabilities directly associated with assets classified as held for sale	-	10.5
	1,850.1	3,306.5
TOTAL EQUITY AND LIABILITIES	9,824.4	11,105.2

Notes:

- This Statement has been reviewed by the Audit Committee at its meeting held on May 23, 2019 and approved at the meeting of the Board of Directors held on that date.
- This Statement has been prepared in accordance with the recognition and measurement principles laid down in Companies (Indian Accounting Standards) Rules, 2015 (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'.
- (a) During the quarter and year ended 31.03.2018, the Company received interest on refund of Income tax for AY 1995-96. Interest income of ₹ 981.3 million received on such income tax refund was recognized as income in the Statement based on the management estimate of the amount the Company was entitled to receive in accordance with the provisions of the Income Tax Act, 1961. The Company sought clarification with appropriate authorities for interest working. Pending receipt of clarification, balance amount of interest of ₹ 370.0 million received was included under "Other Current Liabilities" as at the year end. During the year ended 31.03.2019, the Company paid ₹ 384.6 million based on rectification order received from the appropriate authorities on refund of Income Tax for AY 1995-96, and the differential interest paid of ₹ 14.6 million is recognised under finance costs.
(b) Other income includes ₹ 307.3 million for the year ended 31.03.2019 and ₹ 198.8 million for the year ended 31.03.2018 being profit on disposal of certain assets out of Assets held for sale.
- Consequent to the notices received during year from the Drugs Licensing Authority, Daman by the supplier of a product, the Company suspended the sale of the relevant product. The supplier has contested the notices and the matter is sub judice before Hon'ble Delhi High Court. The Company had made a provision of ₹ 163.4 million for expected accelerated sales returns and stocks relating thereto during the quarter ended on 30.09.2018. Subsequently the Company has, based on stock statements received from significant portion of its stockists, arrived at the stock position and accordingly revised the provision made during the year to ₹ 56.1 million.
- Finance Costs for the quarter and year ended 31.03.2018 includes ₹ 51.2 million being interest on income tax provision pertaining to prior years.
- Current tax for the quarter and year ended 31.03.2018 includes prior year's provision of ₹ 233.3 million and ₹ 191.7 million respectively.
- The figures of the quarter ended 31.03.2019 and quarter ended 31.03.2018 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the relevant financial year which were subjected to limited review by the auditors.
- The Board of Directors has recommended a dividend of 200 % (₹ 10 per equity share of ₹ 5 each) for the year ended 31.03.2019 [2018: 200%, (₹10 per equity share of ₹5 each)].



By Order of the Board



 Monaz Nobre
 Whole Time Director & Chief
 Financial Officer
 DIN: 03086192
 Mumbai, May 23, 2019



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DECLARATION

Unmodified opinion on Audit Report for year ended March 31, 2019

Pursuant to Regulation 33(3)(d) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Annual Audited Financial Results for the financial year ended March 31, 2019, have been approved by the Board of Directors of the Company at their meeting, held on May 23, 2019 and the Statutory Auditors have not expressed any modified opinion in their Audit Report dated May 23, 2019.

Please take the same on record.

For **Novartis India Limited**

A handwritten signature in blue ink, appearing to read "Monaz Noble", with a horizontal line underneath.

Monaz Noble
Whole Time Director &
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF NOVARTIS INDIA LIMITED

1. We have audited the accompanying Statement of Financial Results of **NOVARTIS INDIA LIMITED** ("the Company") for the year ended 31.03.2019 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

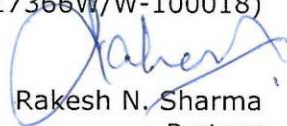
We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended 31.03.2019.

**Deloitte
Haskins & Sells LLP**

5. The Statement includes the results for the Quarter ended 31.03.2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Rakesh N. Sharma
Partner
(Membership No. 102042)

MUMBAI, May 23, 2019

PROFILE
FELIX DOSS

Felix Doss, a Chartered Accountant of 1994 batch with a Bachelor's degree in Commerce and extensive multi-industry experience of 25 years including software, apparel and healthcare of varied sizes. Commenced his career from small sized family run businesses to multinationals as leader of the finance and accounting function with increased responsibilities of people and industry specific complexities.

Felix led the internal audit function at Novartis India Limited since 2011 and was successful in implementing adequate process improvements and initiating adequate controls to foster adequate confidence to the Audit Committee. He has been instrumental as the Project Lead in achieving coherence across functions and was successful in the seamless transition of globally driven projects of Ophthalmology product rationalization in and out of Novartis, working with both global and local teams. Additionally, he was nominated as the Lead to work across functions for global Audit remediation and he has successfully and in the timely manner facilitated implementation and execution

Prior to joining Novartis in Mumbai, Felix was with Alcon Laboratories in Bangalore as Finance director since 2005 leading team of over 20 associates across multiple functions including IT, supply chain, legal and finance and was instrumental in integrating functions with core business for strategic alliance and stable growth. Implemented processes around efficiency improvements including automation and third party supply chain management.

His exploration into the multinational space in 1998 with Nike in India opening up apparel sourcing operations, managing Finance for the South West Asian countries, which included Sri Lanka and Bangladesh.

PROFILE
DIMPLE LALWANI

Ms. Dimple Lalwani is a qualified Chartered Accountant with a Bachelor's degree in Commerce with 15 years of post-qualification experience in various areas of finance of increasing responsibilities.

She joined Novartis in April 2011 and is currently the Head of Business Planning and Analysis and Strategic Planning at Novartis and is responsible for performance management of Pharma business to improve top-line as well as bottom line of the business. In her current role she reports into Country CFO.

Her key areas of achievement have been partnering with business for continuous improvement in profitability YOY, to identify opportunities of growth, developing short and long term plans, managing risk profile and working on various processes and plans to future proof the business.

Dimple developed a team of high performing individuals to ensure continuous business partnering with various units of business.

Her past experience includes working for companies like L'oreal, Monsanto and Castrol in various leadership roles of finance, audit, compliance, controller and business partnering. She is passionate about continuous learning and creating value.
