



Ranjit Shahani,
Vice Chairman and Managing Director,
Novartis India Limited
Sandoz House, Shivsagar Estate
Dr. Annie Besant Road, Worli,
Mumbai 400 018

Sent via email: ranjit.shahani@novartis.com

27 March, 2013

Dear Sir,

Sub: Proposed sale of equity shares of Novartis India Limited (“Company”) by its promoter, Novartis AG (“Seller”), through the stock exchange mechanism

We understand that under the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Clause 40A of the equity listing agreements (“Listing Agreement”) entered into by the Company with the stock exchanges on which its equity shares are listed, the Company is required to maintain a minimum public shareholding of 25% of its equity share capital. Clause 40A of the Listing Agreement also prescribes the permissible methods by way of which the public shareholding in the Company is to be increased to 25% of its equity share capital.

This is to inform you that, subject to the receipt of relevant regulatory approvals, as may be applicable, and appropriate market conditions, we, the Seller, intend to reduce our shareholding in the Company, in accordance with and pursuant to Clause 40A of the Listing Agreement, by way of sale of equity shares through stock exchange mechanism in order to enable the Company to comply with the minimum public shareholding threshold prescribed under the SCRR, within the time period prescribed thereunder. We understand that the public shareholding of the Company, as at the quarter ending December 2012, is 23.58%.

Yours Sincerely,

On behalf of the Seller

A handwritten signature in blue ink, appearing to read 'F. Senn', written over a horizontal line.

Felix Senn
Authorized Signatory

Felix Eichhorn
Authorized Signatory