

Novartis India Limited

Regd. off: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018

PART I

in ₹ million

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE 2013

Particulars	3 months ended 30.6.2013	3 months ended 31.3.2013	3 months ended 30.6.2012	Year ended 31.3.2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from Operations				
(a) Net Sales/Income from Operations (Net of Excise Duty)	2,190.3	2,082.1	2,153.0	8,861.0
(b) Other Operating Income	40.7	46.4	42.4	172.6
Total Income from Operations (Net)	2,231.0	2,128.5	2,195.4	9,033.6
2. Expenses				
(a) Cost of Materials Consumed	121.1	127.2	68.9	403.6
(b) Purchases of Stock-in-Trade	802.4	913.1	817.4	3,579.3
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	81.8	(163.8)	(26.2)	(266.4)
(d) Employee Benefits Expense	459.0	424.1	411.1	1,623.0
(e) Depreciation and Amortisation Expense	9.3	10.1	7.6	35.9
(f) Other Expenses	740.0	742.7	731.6	2,793.7
Total Expenses	2,213.6	2,053.4	2,010.4	8,169.1
3. Profit from Operations before Other Income and Finance Costs	17.4	75.1	185.0	864.5
4. Other Income	205.5	223.0	212.0	831.9
5. Profit from Ordinary Activities before Finance Costs	222.9	298.1	397.0	1,696.4
6. Finance Costs	0.7	0.5	0.8	2.2
7. Profit from Ordinary Activities before Tax	222.2	297.6	396.2	1,694.2
8. Tax Expense (including Deferred Tax)	83.5	53.5	126.4	496.9
9. Net Profit for the period	138.7	244.1	269.8	1,197.3
10. Paid-up Equity Share Capital (Face Value ₹ 5 each)	159.8	159.8	159.8	159.8
11. Reserves excluding Revaluation Reserves (as per last audited Balance Sheet)				8,842.3
12. Earnings Per Share - (of ₹ 5 each) (not annualised) Basic and Diluted (₹)	4.34	7.64	8.44	37.46

PART II
SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE 2013

Particulars	3 months ended 30.6.2013	3 months ended 31.3.2013	3 months ended 30.6.2012	Year ended 31.3.2013
A PARTICULARS OF SHAREHOLDING				
1. Public Shareholding				
- Number of Shares	7,990,200	7,535,995	7,535,995	7,535,995
- Percentage of Shareholding	25.00	23.58	23.58	23.58
2. Promoter and Promoter Group Shareholding				
(a) Pledged / Encumbered				
- Number of Shares	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-
- Percentage of Shares (as a % of the total Share Capital of the company)	-	-	-	-
(b) Non-Encumbered				
- Number of Shares	23,970,597	24,424,802	24,424,802	24,424,802
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	100.0	100.0	100.0	100.00
- Percentage of Shares (as a % of the total Share Capital of the company)	75.00	76.42	76.42	76.42

Particulars	3 months ended 30.6.2013
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	-
Disposed of during the quarter	-
Remaining unsolved at the end of the quarter	-

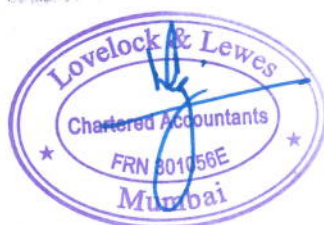


SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED

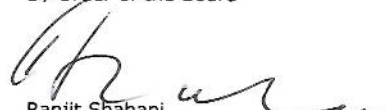
Sr. No.	Particulars	in ₹ million			
		3 months ended 30.6.2013 (Unaudited)	3 months ended 31.3.2013 (Unaudited)	3 months ended 30.6.2012 (Unaudited)	Year ended 31.3.2013 (Audited)
1.	Segment Revenue				
	(a) Pharmaceuticals	1,627.8	1,425.0	1,619.9	6,348.5
	(b) Generics	149.2	162.4	157.3	625.2
	(c) OTC	198.5	299.2	198.7	1,104.6
	(d) Animal Health	255.5	241.9	219.5	955.3
	Total Income from Operations (Net)	2,231.0	2,128.5	2,195.4	9,033.6
2.	Segment Results				
	(a) Pharmaceuticals	110.3	51.6	206.5	737.8
	(b) Generics	18.8	45.7	56.9	220.8
	(c) OTC	(23.2)	55.5	(2.0)	162.5
	(d) Animal Health	(1.5)	13.6	6.8	40.2
	Total	104.4	166.4	268.2	1,161.3
	Add/(Less):				
	(a) Finance Costs	(0.7)	3.6	(0.8)	(2.2)
	(b) Other Unallocable Expenditure	(77.4)	(89.4)	(82.9)	(290.9)
	(c) Other Unallocable Income	195.9	217.0	211.7	826.0
	Profit from Ordinary Activities before Tax	222.2	297.6	396.2	1,694.2
3.	Capital Employed (Segment Assets less Segment Liabilities)				
	(a) Pharmaceuticals	206.0	258.7	280.5	258.7
	(b) Generics	157.2	103.5	81.6	103.5
	(c) OTC	1.0	(53.8)	53.1	(53.8)
	(d) Animal Health	339.7	326.5	302.6	326.5
	Total	703.9	634.9	717.8	634.9
	Add: Unallocable Corporate Assets less Unallocable Corporate Liabilities	8,436.9	8,367.2	7,730.7	8,367.2
	Total Capital Employed	9,140.8	9,002.1	8,448.5	9,002.1

Notes:

- On 30th May 2013, Novartis AG reduced its promoter shareholding in the company to 75% enabling the company to comply with the minimum 25% public shareholding requirements as set out in Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.
- The figures for the quarter ended 31st March 2013 are the balancing figures between the audited financial results for the year ended 31st March 2013 and the published unaudited financial results for the nine months ended 31st December 2012.
- The above results were reviewed by the Audit Committee at its meeting held on 24th July 2013 and approved at the meeting of the Board of Directors held on that date.
- The results for the quarter ended 30th June 2013 have been subjected to limited review by the statutory auditors of the company.
- Figures for the prior periods have been regrouped where necessary.



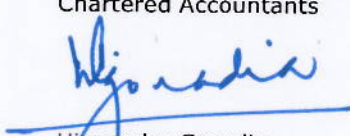
By Order of the Board


 Ranjit Shahani
 Vice Chairman and Managing Director
 Mumbai, 24th July 2013

The Board of Directors
Novartis India Limited
Sandoz House
Shivsagar Estate
Dr. Annie Besant Road
Worli, Mumbai – 400 018

1. We have reviewed the results of Novartis India Limited (the 'company') for the quarter ended 30th June, 2013 which are included in the accompanying 'Statement of Standalone Unaudited Results for the quarter ended 30th June, 2013' (the 'Statement'), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management but have neither been reviewed nor been audited by us. The Statement has been prepared by the company pursuant to Clause 41 of the Listing Agreement with a Stock Exchange in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants


Himanshu Goradia
Partner
Membership No. 45668

Mumbai, 24th July, 2013

MEDIA RELEASE • MEDIA RELEASE • MEDIA RELEASE**Novartis India Announces Results for 1st Quarter ended 30 June 2013**

At a meeting held in Mumbai today, the Board of Novartis India Limited approved results for the quarter ended 30 June 2013. During the period under review, Total Income from Operations of Rs 223.1 crore registered a growth of 1.6% over the corresponding quarter of the previous year.

During the quarter under review, our core business, Pharmaceuticals recorded Total Income from Operations of Rs 162.8 crore (Rs 162.0 crore); the Generics business registered Total Income from Operations of Rs 15.0 crore (Rs 15.7 crore). The Animal Health business registered Total Income from Operations of Rs 25.6 crore (Rs 21.9 crore). The OTC business recorded Total Income from Operations of Rs 19.9 crore (Rs 19.9 crore).

Profit before tax was Rs 22.2 crore (Rs 39.6 crore). After providing for tax of Rs 8.4 crore (Rs 12.6 crore), profit after tax stood at Rs 13.9 crore (Rs 27.0 crore).

Financial results for the quarter were adversely impacted by significant rupee depreciation and slowdown in sales due to reduction in trade stocks after notification of the new Drug Price Control Order in May 2013.

The expanded scope of drug price control is likely to have a significant impact on both revenue and profitability of the company. Necessary steps are being taken to reduce the adverse impact.

Disclaimer

This media release contains certain forward looking statements such as “likely”, “significant” “reduce” or similar expressions, within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

Note: All figures in brackets refer to prior corresponding quarter.

Issued by Corporate Communications on 24 July 2013

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