



Novartis India Limited
Registered Office:
Sandoz House
Shivsagar Estate
Dr. Annie Besant Road
Worli, Mumbai 400 018
India
Tel +91 22 2495 8400
Fax +91 22 2495 0221
Email: india.investors@novartis.com
CIN No. L24200MH1947PLC006104
Website: www.novartis.in

The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

February 3, 2017

Outcome of the Board Meeting

Dear Sirs,

We refer to our letter dated January 19, 2017, informing you of our Board Meeting that was scheduled for today. The meeting of the Board of Directors of the Company commenced at 12.00 noon and concluded at 3:45 p.m. The Board of Directors of the Company at this meeting approved the following:

- Appointment of Mr. Trivikram Guda as Company Secretary and Compliance Officer with effect from February 3, 2017. A brief profile of Mr. Trivikram Guda is enclosed.
- Financial results of the Company for the third quarter and nine months ended December 31, 2016. Copy of the financial results approved at this meeting along with the Limited Review Report provided by Lovelock & Lewes, Auditors of the Company and the related press release, is enclosed.

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

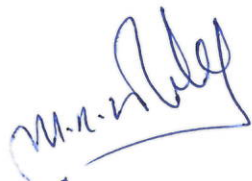
Thanking you

Yours sincerely,

For Novartis India Limited



Ranjit Shahani
Vice Chairman &
Managing Director



Monaz Noble
Whole Time Director &
Chief Financial Officer



Novartis India Limited

Regd. off: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018.
www.novartis.in, CIN:L24200MH1947PLC006104

₹ in million

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2016

Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Revenue from Operations					
	(a) Sales/Income from operations	1,543.5	1,625.6	1,824.2	4,755.3	6,122.9
	(b) Other operating income	100.2	125.0	98.5	352.1	269.0
	Total Income from Operations	1,643.7	1,750.6	1,922.7	5,107.4	6,391.9
2.	Expenses					
	(a) Cost of Materials Consumed	0.7	0.2	6.1	0.9	34.0
	(b) Purchases of Stock-in-Trade	584.9	886.3	806.7	2,386.2	2,765.9
	(c) Changes in Inventories of Finished Goods and Stock-in-Trade	122.5	(60.8)	71.6	(38.4)	(34.5)
	(d) Employee Benefits Expense	371.5	341.5	454.8	1,040.8	1,470.0
	(e) Depreciation and Amortisation Expense	8.0	7.1	8.0	22.5	25.6
	(f) Other Expenses	494.5	428.8	600.5	1,400.9	2,051.6
	Total Expenses	1,582.1	1,603.1	1,947.7	4,812.9	6,312.6
3.	Profit/(Loss) from operations before other income and finance costs	61.6	147.5	(25.0)	294.5	79.3
4.	Other Income*	150.8	191.5	815.9	554.5	2,313.1
5.	Profit before finance costs	212.4	339.0	790.9	849.0	2,392.4
6.	Finance Costs	2.5	0.4	0.5	3.3	1.7
7.	Profit before tax	209.9	338.6	790.4	845.7	2,390.7
8.	Tax Expense	79.6	116.5	206.1	302.6	636.1
9.	Net Profit for the period	130.3	222.1	584.3	543.1	1,754.6
10.	Other comprehensive income, net of income tax	(15.1)	-	15.7	(15.1)	15.7
11.	Total comprehensive income for the period	115.2	222.1	600.0	528.0	1,770.3
12.	Paid-up equity share capital (Face Value ₹ 5 each)	140.7	140.7	159.8	140.7	159.8
13.	Earnings Per Share - (of ₹ 5 each) (not annualised) Basic and Diluted (₹)	4.77	7.03	18.28	17.77	54.90

*Other Income for the quarter ended 31st December 2015 includes profit on divestment of Animal Health business of ₹ 604.9 million and Other Income for the nine months ended 31st December 2015 includes profit on divestment of OTC business and Animal Health business of ₹ 1,696.3 million.

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED

Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Segment Revenue					
	(a) Pharmaceuticals	1,643.7	1,750.6	1,675.6	5,107.4	5,236.9
	(b) OTC	-	-	-	-	387.7
	(c) Animal Health	-	-	247.1	-	767.3
	Total Income from Operations (Net)	1,643.7	1,750.6	1,922.7	5,107.4	6,391.9
2.	Segment Results					
	(a) Pharmaceuticals	119.2	192.0	69.0	458.3	403.5
	(b) OTC	-	-	-	-	(118.6)
	(c) Animal Health	-	-	(7.8)	-	22.7
	Total	119.2	192.0	61.2	458.3	307.6
	Add/(Less):					
	(a) Finance Costs	(2.5)	(0.4)	(0.5)	(3.3)	(1.7)
	(b) Other unallocable expenditure	(57.5)	(41.9)	(83.4)	(159.7)	(210.5)
	(c) Other unallocable income	150.7	188.9	813.1	550.4	2,295.3
	Profit before Tax	209.9	338.6	790.4	845.7	2,390.7
3.	Capital Employed (Segment Assets less Segment Liabilities)					
	(a) Pharmaceuticals	(6.3)	(225.6)	(69.1)	(6.3)	(69.1)
	Add: Unallocable Corporate Assets less Unallocable Corporate Liabilities	9,171.8	9,268.1	11,811.0	9,171.8	11,811.0
	Total Capital Employed	9,165.5	9,042.5	11,741.9	9,165.5	11,741.9



Notes:

1. This statement has been reviewed by the Audit Committee at its meeting held on 3rd February 2017 and approved at the meeting of the Board of Directors held on that date.
2. This statement has been prepared in accordance with the 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. Beginning 1st April 2016, the Company has for the first time adopted Ind AS with a transition date of 1st April 2015.
3. The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November 2015 has been modified to comply with the requirements of SEBI's circular dated 5th July 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.
4. The statement does not include Ind AS-compliant results for the previous year ended 31st March 2016 as the same are not mandatory as per SEBI's circular dated 5th July 2016.
5. The results for the quarter ended 31st December 2016 have been subjected to limited review by the statutory auditors of the Company.
6. Post divestment of OTC and Animal Healthcare businesses, the Chief Operating Decision Maker views erstwhile Pharmaceuticals and Generics divisions as a single operating segment, i.e. Pharmaceuticals Segment for the purpose of making decisions about allocating resources and assessing its performance.
7. The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	3 months ended 31.12.2015	9 months ended 31.12.2015
Net Profit for the period as per previous GAAP (IGAAP)	598.1	1,770.8
Impact of Expected Credit Loss on Trade Receivables	2.4	(1.0)
Impact of provision for Cash Discount (on estimated basis)	0.5	0.3
Others	(1.0)	0.2
Total Comprehensive Income for the period as per Ind AS	600.0	1,770.3

8. Previous year figures have been regrouped/restated where necessary. The figures for the quarter ended 31st December 2016 are not comparable to those of the corresponding quarter of the previous year on account of the sale of Animal Health business on 31st December 2015 and figures for the nine months ended 31st December 2016 are not comparable to those of the corresponding nine months of the previous year on account of the sale of OTC business on 30th September 2015 and sale of Animal Health business on 31st December 2015.



By Order of the Board



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

1. We have reviewed the unaudited financial results of Novartis India Limited (the “Company”) for the quarter ended 31st December, 2016 which are included in the accompanying ‘Statement of Standalone Unaudited Results for the quarter and nine months ended 31st December, 2016’ together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”) and SEBI Circular dated 5th July, 2016 and has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company’s opening unaudited Balance Sheet as at 1st April, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Engagement (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 Statement is 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. 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 Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from 1st April, 2016, and accordingly, the Statement has been prepared by the Company’s Management in compliance with Ind AS. Our conclusion is not qualified in respect of this matter.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Asha Ramanathan
Partner
Membership Number: 202660

Mumbai
Date: 3rd February, 2017

MEDIA RELEASE • MEDIA RELEASE • MEDIA RELEASE

Novartis India announces Q3 2016-17 Results

- *Total Income from Operations down by 14.5% :*
 - *Previous corresponding quarter includes income from the divested business Animal Health*
 - *Impact of price controls*

Mumbai, February 03, 2017 – The Board of Directors of Novartis India Limited (the “Board”) at its meeting today approved results for the quarter ended December 31, 2016. Post divestment of the OTC and Animal Health businesses, Novartis India Limited (the “Company”) operates in a single business segment which is Pharmaceuticals in India. Accordingly, no separate disclosures of segment information have been made.

During the period under review, the Company recorded Total Income from Operations of ₹ 164.4 crore as against ₹ 192.3 crore in the previous corresponding quarter. Total Income from Operations was down by 14.5% due to the impact of price controls as also the previous corresponding quarter includes income from the divested business of Animal Health.

During the quarter under review the Company recorded a Profit from Operations of ₹ 6.2 crore as compared to Loss from Operations of ₹ 2.5 crore during the corresponding period of the previous year. The Company registered Net Profit of ₹ 13.0 crore as against ₹ 58.4 crore in the previous corresponding period. Net profit is lower due to the impact of price controls as also the previous corresponding quarter includes profit on divestment of Animal Health business.

During the nine months ended December 31, 2017 Total Income from Operations stood at ₹ 510.7 crore in comparison to ₹ 639.2 crore recorded in the previous corresponding period. Total Income from Operations was down by 20.1% due to the impact of price controls as also the previous corresponding nine months includes income from the divested businesses of OTC and Animal Health.

During the nine months under review, profit from operations was ₹ 29.5 crore as against ₹ 7.9 crore in the previous corresponding period while Net Profit stood at ₹ 54.3 crore as against ₹ 175.5 crore in the previous corresponding period. Net profit is lower due to the impact of price controls as also the previous corresponding nine months includes income from the divested businesses of OTC and Animal Health.

Novartis India Media Relations

Svetlana Pinto
+91 22 2495 1074 (direct)
+91 98210 54884 (mobile)
svetlana.pinto@novartis.com

Liana Albuquerque
+91 22 2495 8805 (direct)
+91 98214 36458 (mobile)
liana.albuquerque@novartis.com