

Novartis India Limited

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2010

		Rupees Million				
Sr. No.	Particulars	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine months ended 31.12.2010 (Unaudited)	Nine months ended 31.12.2009 (Unaudited)	Year ended 31.03.2010 (Audited)
1.	(a) Net Sales	1,840.4	1,604.6	5,372.3	4,751.8	6,241.0
	(b) Other Operating Income	79.5	108.9	279.7	264.4	341.3
2.	Income from Operations	1,919.9	1,713.5	5,652.0	5,016.2	6,582.3
3.	Expenditure					
	(a) (Increase)/Decrease in stock-in-trade and work-in-progress	(22.6)	61.0	14.0	32.8	(4.6)
	(b) Consumption of raw materials	54.1	47.5	137.7	134.5	172.6
	(c) Purchases of traded goods	668.0	564.2	1,885.0	1,731.2	2,311.0
	(d) Employees cost	265.4	244.7	834.1	645.2	851.0
	(e) Depreciation	6.8	5.6	16.8	16.8	22.5
	(f) Other Expenditure	526.4	528.9	1,547.1	1,400.9	1,866.9
	Sub-total	1,498.1	1,451.9	4,434.7	3,961.4	5,219.4
4.	Profit from operations before Other Income and Interest	421.8	261.6	1,217.3	1,054.8	1,362.9
5.	Other Income	181.1	108.5	457.5	323.5	438.3
6.	Profit before Interest	602.9	370.1	1,674.8	1,378.3	1,801.2
7.	Interest	0.6	0.7	1.8	1.9	3.2
8.	Profit from ordinary activities before Taxation	602.3	369.4	1,673.0	1,376.4	1,798.0
9.	Tax Expense					
	- Current tax	201.8	149.9	557.9	513.4	654.2
	- Deferred tax	(4.5)	(12.0)	(10.8)	(18.7)	(16.1)
10.	Net profit	405.0	231.5	1,125.9	881.7	1,159.9
11.	Paid-up equity share capital (face value Rs. 5 each)	159.8	159.8	159.8	159.8	159.8
12.	Reserves and surplus (excluding revaluation reserves)					5,774.8
13.	Earnings Per Share - Basic and Diluted (Rs.) (not annualised)	12.67	7.24	35.23	27.59	36.29
14.	Public Shareholding					
	- Number of shares	7,535,995	7,535,995	7,535,995	7,535,995	7,535,995
	- Percentage of shareholding	23.58	23.58	23.58	23.58	23.58
15.	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	24,424,802	24,424,802	24,424,802	24,424,802	24,424,802
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	76.42	76.42	76.42	76.42	76.42

Novartis India Limited

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

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED

Rupees Million

Sr. No.	Particulars	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine months ended 31.12.2010 (Unaudited)	Nine months ended 31.12.2009 (Unaudited)	Year ended 31.03.2010 (Audited)
1.	Segment revenue					
	(a) Pharmaceuticals	1,249.3	1,098.1	3,761.5	3,359.3	4,373.0
	(b) Generics	118.5	97.6	344.1	305.2	399.1
	(c) OTC	284.6	250.3	748.6	626.8	859.7
	(d) Animal Health	188.0	158.6	518.1	460.5	609.2
	Net sales	1,840.4	1,604.6	5,372.3	4,751.8	6,241.0
2.	Segment results before interest and tax					
	(a) Pharmaceuticals	384.1	244.8	1,135.1	1,027.4	1,294.9
	(b) Generics	58.9	22.3	147.8	85.5	111.1
	(c) OTC	35.2	20.0	47.1	13.6	33.6
	(d) Animal Health	5.4	5.7	35.5	49.9	82.2
	Total	483.6	292.8	1,365.5	1,176.4	1,521.8
	Add/(Less):					
	(a) Interest	(0.6)	(0.7)	(1.8)	(1.9)	(3.2)
	(b) Other unallocable expenditure	(61.8)	(35.4)	(157.9)	(133.2)	(176.7)
	(c) Other unallocable income	181.1	112.7	467.2	335.1	456.1
	Total profit before tax	602.3	369.4	1,673.0	1,376.4	1,798.0
3.	Capital employed					
	(Segment assets less segment liabilities)					
	(a) Pharmaceuticals	200.3	432.5	200.3	432.5	444.4
	(b) Generics	21.1	(3.2)	21.1	(3.2)	18.0
	(c) OTC	(31.6)	42.2	(31.6)	42.2	56.4
	(d) Animal Health	132.2	149.1	132.2	149.1	175.5
	Total	322.0	620.6	322.0	620.6	694.3
	Add: Unallocable corporate assets less unallocable corporate liabilities	6,738.5	5,408.5	6,738.5	5,408.5	5,240.3
	Total capital employed	7,060.5	6,029.1	7,060.5	6,029.1	5,934.6

Notes:

1. The above results were reviewed by the Audit Committee at its meeting held on 31st January 2011 and approved at the meeting of the Board of Directors held on that date.
2. The results for the quarter ended 31st December 2010 have been subjected to limited review by the statutory auditors of the company.
3. Consequent to the amendment to the provisions of sub-section (3) of Section 4 of the Payment of Gratuity Act, 1972 revising the ceiling limit of gratuity payable to employees from rupees three lakhs fifty thousand to rupees ten lakhs, during the nine months ended 31st December 2010, the company has made a further provision of Rs. 46.5 million, towards the past service cost, on the basis of valuation carried out by independent actuary. Of the above, provision for the quarter ended 31st December 2010 is Nil.
4. Provision for taxation - current tax is net of write back of provision of Rs. 5.7 million (2009 : NIL) and includes charge of Rs. 1.5 million (2009 : Rs. 24.0 million) pertaining to earlier years, for the quarter ended 31st December 2010, the corresponding amounts for the nine months ended 31st December 2010 are Rs. 11.6 million (2009 : NIL) and Rs. 1.5 million (2009 : Rs. 32.4 million) respectively.
5. During the quarter, 10 investor complaints were received and resolved. No complaints were pending either at the beginning or at the end of the quarter.
6. Figures for the prior periods have been regrouped where necessary.

By Order of the Board

R. Shahani
Vice Chairman and Managing Director
Mumbai, 31st January 2011