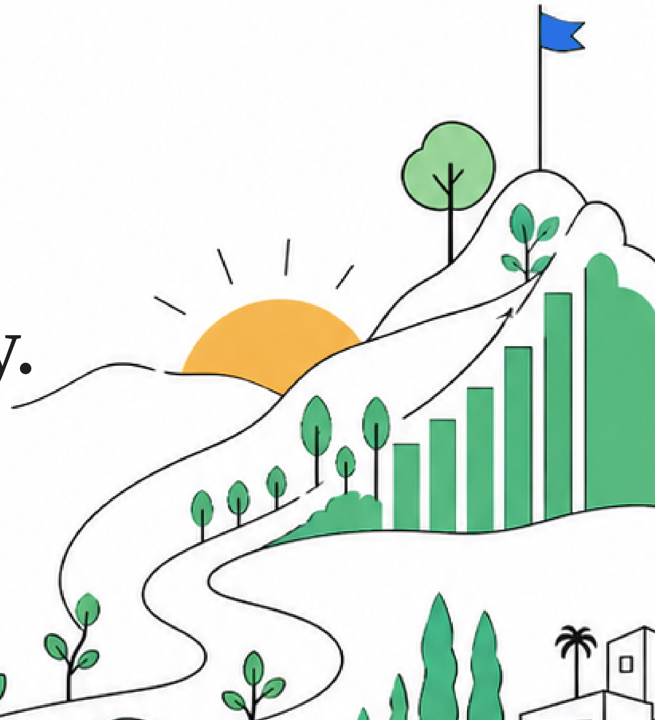
NOVARTIS INDIA LIMITED

Annual Report 2025-26



Building on Our Legacy. Shaping Our Future.

A Trusted Legacy in Healthcare

Innovating for Better Outcomes

Creating Value for Tomorrow

Contents

BOARD OF DIRECTORS

Mr. Ramesh Ramadurai
Chairperson and Non-executive Independent Director
(appointed w.e.f. July 29, 2026)

Dr. Vikas Gupta
Managing Director and Chief Executive Officer
(appointed w.e.f. July 29, 2026)

Mr. Shashank Sinha
Non-executive Independent Director
(appointed w.e.f. July 29, 2026)

Ms. Suchita Sharma
Non-executive Independent Director
(appointed w.e.f. July 29, 2026)

Mr. Ashok Bhatia
Non-executive and Non-Independent Director
(appointed w.e.f. July 29, 2026)

Mr. Kshitij Sheth
Non-executive and Non-Independent Director
(appointed w.e.f. July 29, 2026)

Dr. Jagriti Gupta
Non-executive and Non-Independent Director
(appointed w.e.f. July 29, 2026)

Mr. Christopher Snook
Chairperson (ceased w.e.f. July 29, 2026)

Ms. Gira Sardesai
Independent Director (ceased w.e.f. July 29, 2026)

Mr. Sanker Parameswaran
Independent Director (ceased w.e.f. July 29, 2026)

Ms. Sandra Martyres
Independent Director (ceased w.e.f. April 18, 2026)

Ms. Gowree Gokhale
Independent Director (ceased w.e.f. July 29, 2026)

Ms. Shilpa Joshi
Whole-Time Director and Chief Financial Officer
(ceased w.e.f. July 29, 2026)

Mr. Falin Majmudar
Whole-Time Director (ceased w.e.f. July 29, 2026)

KEY MANAGERIAL PERSONNEL

Mr. Bhagwat Singh Deora
Chief Financial Officer (appointed w.e.f. July 29, 2026)

Ms. Chandni Maru
Company Secretary and Compliance Officer

AUDITORS

M/s. B S R & Co., LLP
Statutory Auditors

M/s. M K Saraf & Associates
Secretarial Auditors

CORPORATE INFORMATION

CIN

L24200MH1947PLC006104

Registered Office

Inspire - BKC, 7th Floor, Bandra Kurla Complex,
Bandra East Mumbai 400 051

Telephone No.: +91 22 5024 3000
E-mail: investor.relations@nilpharma.co.in
Website: https://nilpharma.co.in/

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT (RTA)

MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited)

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai 400 083

Telephone No.: +91 22 4918 6000
Fax: +91 22 4918 6060
E-mail: rnt.helpdesk@in.mpms.mufg.com

ANNUAL GENERAL MEETING

11.00 A.M. Thursday, September 24, 2026

For detailed instructions to join the AGM through Video Conference (VC) / Other Audio-Visual Means (OAVM) and the procedure to raise questions / seek clarifications with respect to the Annual Report, please refer Note No. 5 and 6 on Page No. 28 of this Report.

Members are requested to join the virtual AGM by 10:45 A.M. Please keep a soft copy of the Annual Report handy during the meeting proceedings. Members who wish to speak at the AGM are requested to write to the Company in advance at

investor.relations@nilpharma.co.in

A new chapter, grounded in strength

We scale our commercial engagement, we remain equally committed to a culture of compliance in medico-marketing, because ethical engagement with healthcare professionals has always been the foundation of the trust this Company depends on.

Dear Shareholders,

It gives me great pleasure to write to you for the first time as Managing Director and Chief Executive Officer of Novartis India Limited (NIL), at an important inflection point in the Company's journey. NIL enters this new chapter with a strong foundation — a portfolio of trusted brands built over decades, deep relationships with healthcare professionals, an experienced organisation and a clear opportunity to shape the Company's next phase of growth.

This is a moment of transition, but not of disruption. While our visual brand and ownership structure evolve, our fundamental commitment to providing high-quality, trusted and affordable medicine across India remains completely unshakeable. What this new chapter brings is opportunity: the chance to grow faster, invest deeper in our therapy areas, and build a Company even better positioned to serve India's healthcare needs in the years ahead.

THE MARKET OPPORTUNITY

India's pharmaceutical market continues to expand on strong structural drivers: rising incidence of chronic and lifestyle-linked disease, expanding health insurance coverage, and improving healthcare access outside metro geographies. Branded generics continue to anchor this market, and prescriber relationships built over years remain the most durable source of competitive differentiation available to a company of our profile. This is the terrain our portfolio is built to compete in.

PORTFOLIO AND THERAPEUTIC LEADERSHIP

Our business today rests on five anchor therapy areas: pain management, wellness, women's health, neuroscience and transplant immunology, carried by brands that hold genuine leadership positions within their categories, including Voveran, Calcium Sandoz, Methergin, Tegrital, Myfortic and Simulect. These are franchises with decades of prescriber equity and protecting and extending that equity remains our starting point as we build new avenues for growth around it.

On distribution, our focus is on deepening last-mile reach into tier 2 and tier 3 markets, where our specialist franchises remain under-penetrated relative to their potential, a direct and available lever for volume growth.

We are already putting that intent into action. As part of this journey, we are consolidating full commercial control of four flagship brands — Voveran, Methergin, Macalvit and Calcium Sandoz, bringing them fully back under NIL. This strengthens our direct control over commercialisation, pricing and lifecycle decisions for franchises that have long been central to our identity, and marks an early, tangible step toward the stronger, more integrated Company we are building.

STRATEGIC PRIORITIES

Strength on its own is not a strategy; it is the starting point for one. Our plan for the years ahead rests on four connected priorities. At its core is strengthening our flagship brands, deepening specialist engagement and sharpening medical outreach on the franchises that have earned decades of prescriber loyalty. Alongside this, we will expand our portfolio through new launches and selective in-licensing of differentiated therapies. Beyond organic growth, we will pursue acquisitions and integration in a disciplined, therapy-aligned manner, drawing on a capital-light balance sheet that gives us real flexibility to act. And running through all of this is our commitment to operating with excellence: building independent, high-governance functions across finance, compliance, supply chain and technology as we stand up this Company on its own. As with any transition of this scale, the months ahead will call for discipline and readiness, and we bring both, together with genuine confidence in the growth this new chapter makes possible.

BUILDING THE ORGANISATION FOR THE FUTURE

None of this strategy delivers itself; it is built by people, systems and discipline working together. We are building a **structured talent management framework,** with clear career pathways and capability-building programs for our field and medical teams, because the people who carry our brand equity into the market are just as important as the brands themselves.

Alongside our people, we are **investing early in data and analytics** to guide decisions on field deployment, prescriber engagement and demand forecasting, and in automating the routine processes that once consumed disproportionate management time. As part of this effort, we will embed artificial intelligence into our everyday workflows across functions, commercial, supply chain and compliance alike, to sharpen decision-making and lift efficiency across the organisation.

On distribution, our focus is on **deepening last-mile reach** into tier 2 and tier 3 markets, where our specialist franchises remain under-penetrated relative to their potential, a direct and available lever for volume growth.

And as we scale our commercial engagement, we remain equally **committed to a culture of compliance** in medico-marketing, because ethical engagement with healthcare professionals has always been the foundation of the trust this Company depends on.

LOOKING AHEAD

None of this is possible without the people who make up this organisation, and I want to record my sincere gratitude to every employee of NIL for their steadiness through a period of considerable change. I am equally grateful to the healthcare professionals and patients whose continued trust in our brands is the true foundation of this business, and to you, our shareholders, for your confidence as we begin this new chapter together.

We take this forward from a position of genuine strength: durable brands, a capable organisation, and now, an ownership structure fully aligned to our long-term ambition. I look forward to sharing our progress with you in the years ahead.

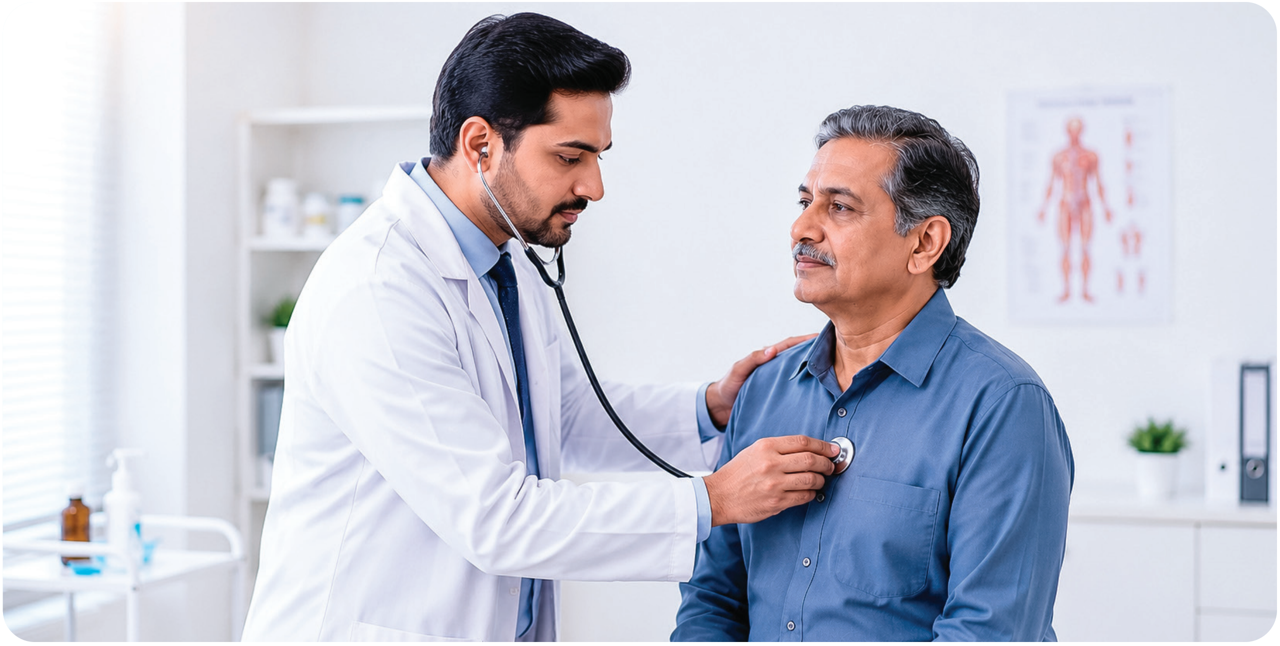
Strength on its own is not a strategy; it is the starting point for one.

With warm regards,

DR. VIKAS GUPTA

Managing Director and Chief Executive Officer

India's healthcare opportunity is expanding



Rising incidence of chronic and lifestyle-linked diseases

Changing lifestyles and an ageing population are driving an increasing burden of chronic conditions such as arthritis, diabetes, cardiovascular disease, neurological disorders and autoimmune conditions. This creates a sustained demand for long-term, reliable therapies and continuous care.

Expanding health insurance coverage

Greater insurance penetration and supportive government initiatives are improving affordability and driving therapy uptake across urban and rural India. More patients today have access to quality medicines and regular treatment, enabling better health outcomes.

Improving healthcare access outside metro geographies

Rapid expansion of healthcare infrastructure, growing presence of specialists and stronger last-mile distribution are widening access in Tier 2 and Tier 3 cities and beyond. This geographic expansion is unlocking new demand and deepening our potential to serve more patients.

A GROWING MARKET | EXPANDING ACCESS | TRUSTED BRANDS
OUR OPPORTUNITY IS TO CONNECT ALL THREE WITH DISCIPLINED EXECUTION.

Building from trusted franchises

Our business rests on five anchor therapy areas: pain management, wellness, women's health, neuroscience and transplant immunology. Established brands provide a strong foundation of prescriber equity and patient familiarity, while the next phase will focus on sharper commercial ownership, portfolio choices and lifecycle management.

STRENGTHENING FLAGSHIP BRANDS

Our established franchises, Voveran, Methergin, Macalvit and Calcium Sandoz are central to the FY 2026–27 transition. Bringing these brands fully under NIL's commercial control creates a greater ability to shape commercialisation, pricing, lifecycle decisions, and market development.

Voveran®

A long-established pain-management franchise with strong prescriber equity. The focus ahead is to reinforce scientific engagement, strengthen brand relevance across geographies and build on its established position.

Methergin®

A long-standing women's-health franchise supported by healthcare-professional trust. The next phase will focus on stronger direct commercial ownership and disciplined, consistent engagement.

Calcium-Sandoz®

An established calcium franchise with a long presence in India. The opportunity is to renew brand visibility, strengthen market execution and extend reach through a sharper commercial model.

Macalvit®

A trusted calcium-and-vitamin-D franchise that complements the wellness portfolio. Greater NIL commercial control creates more opportunity to shape lifecycle decisions and market development.

TRIOPTAL®

A well-established CNS brand based on oxcarbazepine, used in the management of epilepsy and seizures. The focus ahead is to strengthen patient and physician confidence through consistent quality and sharper commercial execution.

TEGRITAL®

A long-standing CNS franchise based on carbamazepine, used in the management of epilepsy and certain neuropathic pain conditions. Its strong recognition among healthcare professionals provides a platform for continued development.

Product visuals are illustrative AI packshot concepts for the design draft. Final annual-report artwork should use approved/current product images.

Strength today.
Growth tomorrow.

Our strategy converts the strength of the present into a stronger platform for the future. Four connected priorities will guide how NIL protects established equity, expands into new opportunities and builds the operating capabilities required for sustainable growth.

STRATEGIC PRIORITIES

Our plan for the years ahead is anchored on four strategic priorities, each designed to create sustainable value for patients, healthcare professionals and shareholders.

STRENGTHEN

Deepen specialist engagement across our flagship brands.

ACQUIRE

Pursue disciplined, therapy-aligned acquisitions.

EXPAND

Launch and in-license differentiated therapies in white spaces.

EXCEL

Build independent, high-governance functions as we scale

From a strong legacy to a stronger future

For decades, Novartis India Limited has stood for trusted medicines and deep relationships. Today, we stand at the beginning of an exciting new chapter.

STRONGER TODAY. HEALTHIER TOMORROW.

VALUES BAND

- WE PUT PATIENTS FIRST
- WE ACT WITH INTEGRITY
- WE STRIVE FOR EXCELLENCE
- WE COLLABORATE FOR IMPACT
- WE HAVE THE COURAGE TO LEAD

These values are what carry a strong legacy into sustained, disciplined growth for patients, healthcare professionals and shareholders alike.

BUILDING ON OUR LEGACY. SHAPING OUR FUTURE.

A stronger portfolio. A stronger organisation. A stronger platform for India's healthcare needs.

Disclaimer regarding Change in Control, Transition from Novartis Group and Related Consequential Changes and Updates

This 78th Annual Report of Novartis India Limited (the "Company") should be read in the context of the Share Purchase Agreement dated February 19, 2026 ("SPA") entered into by Novartis AG ("NAG"), the erstwhile promoter of the Company, for the sale of its stake in the Company, together with the acquisition contemplated thereunder (the "Transaction"). Pursuant to the SPA, Novartis AG agreed to sell 17,450,680 equity shares of the Company, representing 70.68% of the share capital, to WaveRise Investments Limited ("WaveRise" / "Acquirer 1"), ChrysCapital Fund X, the first scheme of ChrysCapital Trust I, a Category II alternative investment fund registered with the Securities and Exchange Board of India ("Fund X" / "Acquirer 2"), and Two Infinity Partners ("TIP" / "Acquirer 3", together with WaveRise and Fund X, the "Acquirers"). As a consequence of the proposed sale of shares under the SPA, the Acquirers, along with ChrysCapital X, LLC and OceanEdge Investments Limited as persons acting in concert ("PACs"), were required to make an open offer to the public shareholders of the Company in accordance with Regulations 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The open offer was for the acquisition of up to 64,19,608 fully paid-up equity shares of face value INR 5/- each, representing 26% of the voting share capital of the Company, from the public shareholders. During the open offer process, 40 fully paid-up equity shares were acquired from public shareholders. The Transaction closed on July 29, 2026, resulting in a change in control and promoter status of the Company with effect from that date.

Accordingly, references in this Annual Report to Novartis AG, Novartis Group, Novartis Global Group, or any Novartis group entity should be construed as references relevant only for the financial year 2025-26 and, where applicable, for the period up to July 29, 2026. With effect from July 29, 2026, Novartis AG ceased to be in control of the Company and ceased to be a promoter of the Company and was reclassified from the "promoter" category to the "public" category in accordance with applicable law. WaveRise and Fund X have acquired control of the Company and are the new promoters, and TIP forms part of the promoter group. Novartis India Limited is no longer a part of the Novartis Global Group.

Post completion of the change in control on July 29, 2026, the Company has launched a new corporate website www.nilpharma.co.in. Consequently, website references and links appearing in this Annual Report have been updated wherever necessary, and old links or references associated with the earlier Novartis group website have been removed or replaced, as applicable.

Notice

NOVARTIS INDIA LIMITED
CIN: L24200MH1947PLC006104
Regd. Office: Inspire BKC, 7th Floor, Bandra Kurla Complex,
Bandra East, Mumbai – 400051
Tel: +91 22–50243000;
Email: investor.relations@nilpharma.co.in; Website: www.nilpharma.co.in

NOTICE is hereby given that the 78th Annual General Meeting ('AGM') of **NOVARTIS INDIA LIMITED** (hereinafter referred to as 'the Company') is scheduled to be held on Thursday, September 24, 2026 at 11:00 A.M. (IST), through Video Conferencing/ Other Audio–Visual Means (hereinafter referred to as 'VC') without the physical presence of the Members at a common venue in conformity with the regulatory provisions and the circulars issued by Ministry of Corporate Affairs, Government of India to transact the businesses mentioned below.

The proceedings of the AGM shall be deemed to be conducted at **802 Ceejay House, Dr. Annie Besant Road, Worli, Mumbai, 400034, Maharashtra, India** which shall be the deemed venue of the AGM.

Ordinary Business

1. **To receive, consider and adopt the Audited Balance Sheet as on March 31, 2026 and the Statement of Profit and Loss for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT**, the Audited Financial Statement of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors and Auditors thereon, as circulated to the Members, along with the Notice of the 78th AGM be and are hereby received, considered and adopted."

Special Business

2. **To regularize the appointment of Mr. Ashok Bhatia (DIN: 02090239), Additional Non-Executive Director, by appointing him as a Non-Executive Director of the Company.**

   To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashok Bhatia (DIN: 02090239), who was appointed by the Board of Directors as an Additional Non-Executive Director of the Company w.e.f July 29, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013, and being eligible for appointment, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT any of the Board of Directors and or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard."

3. **To regularize the appointment of Mr. Kshitij Sheth (DIN: 00125058) Additional Non-Executive Director, by appointing him as a Non-Executive Director of the Company.**

   To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kshitij Sheth (DIN: 00125058), who was appointed by the Board of Directors as an Additional Non-Executive Director of the Company w.e.f July 29, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013, and being eligible for appointment, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard."

4. **To regularize the appointment of Dr. Jagriti Gupta (DIN: 11760159) Additional Non-Executive Director, by appointing her as a Non-Executive Director of the Company.**

   To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Jagriti Gupta (DIN: 11760159), who was appointed by the Board of Directors as an Additional Non-Executive Director of the Company w.e.f July 29, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013, and being eligible for appointment, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard."

5. **To regularize the appointment of Mr. Ramesh Ramadurai (DIN: 07109252), Additional Director (Independent Category), by appointing him as an Independent Director of the Company.**

   To consider and, if thought fit, to pass the following resolution as a Special Resolution: -

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ramesh Ramadurai (DIN: 07109252), who was appointed by the Board of Directors as an Additional Director under the category of Independent Director with effect from July 29, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Act, and who has submitted a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from July 29, 2026 up to July 28, 2031.

   RESOLVED FURTHER THAT the Board of Directors of the Company, based on the declaration received from Mr. Ramesh Ramadurai, has formed an opinion that he fulfils the conditions specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company.

   RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard.”

6. **To regularize the appointment of Mr. Shashank Sinha (DIN: 02544431), Additional Director (Independent Category), by appointing him as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution: -

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shashank Sinha (DIN: 02544431), and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Act, and who has submitted a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from July 29, 2026 up to July 28, 2031.

RESOLVED FURTHER THAT the Board of Directors of the Company, based on the declaration received from Mr. Shashank Sinha, has formed an opinion that he fulfils the conditions specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are severally authorised and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard.”

7. **To regularize the appointment of Ms. Suchita Sharma (DIN: 10656028), Additional Director (Independent Category), by appointing her as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution: -

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Suchita Sharma (DIN: 10656028), and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Act, and who has submitted a declaration that she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from July 29, 2026 up to July 28, 2031.

RESOLVED FURTHER THAT the Board of Directors of the Company, based on the declaration received from Ms. Suchita Sharma (DIN: 10656028), has formed an opinion that she fulfils the conditions specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient for giving effect to this Resolution and to comply with all applicable statutory and regulatory requirements in this regard."

8. **To regularize the appointment of Dr. Vikas Gupta (DIN: 10704329), Additional Director (Executive Category), by appointing him as a Director of the Company, liable to retire by rotation.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company, Dr. Vikas Gupta (DIN: 10704329), who was appointed by the Board of Directors as an Additional Director under the Executive category with effect from July 29, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Act, and being eligible for appointment, be and is hereby appointed as an Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this Resolution."

9. **To Approve the Employee Stock Option Scheme 2026 ("ESOP 2026")**

To consider and, if thought fit, to pass the following resolution as a Special Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), Section 179 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations), including any statutory modification(s), amendment(s), re-enactment(s) thereof for the time being in force, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the approvals of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such approvals, permissions and sanctions as may be required, the consent of the Members be and is hereby accorded for the adoption and implementation of the Employee Stock Option Scheme 2026 ('ESOP 2026') and for grant of stock options thereunder to such eligible employees and directors of the Company, as may be determined by the Board of Directors of the Company, on such terms and conditions as contained in ESOP 2026.

RESOLVED FURTHER THAT the aggregate number of equity shares that may be issued and allotted upon exercise of the stock options granted under ESOP 2026 shall not, in aggregate, exceed 16,67,000 (Sixteen Lakh Sixty-Seven Thousand) equity shares of face value ₹ 5/- each, representing 6.75% of the issued, subscribed and paid-up equity share capital of the Company, computed as on the paid-up equity share capital as at 31 March 2026, provided that the Board of Directors of the Company shall have the right to increase or reduce the aforesaid aggregate number of equity shares, as it may deem fit, subject to compliance with applicable laws.

RESOLVED FURTHER THAT the equity shares to be issued and allotted upon exercise of the stock options granted under ESOP 2026 shall rank pari passu in all respects with the existing equity shares of the Company, including entitlement to dividend and other shareholder rights, except as may be provided under the terms of issue and in accordance with applicable laws.

RESOLVED FURTHER THAT without prejudice to the generality of the above, but subject to applicable laws, the Board (which shall be deemed to include the Nomination and Remuneration Committee of the Company) is hereby authorised to formulate, evolve, decide upon and implement the ESOP 2026, determine the detailed terms and conditions of the aforementioned ESOP 2026 including but not limited to the quantum of the Options to be granted per Employee, the number of Options to be granted in each tranche, the terms or combination of terms subject to which the said Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse and to grant such number of Options, to such employees of the Company, at such price, at such time and on such terms and conditions as set out in the ESOP 2026 and as the Board or the Nomination and Remuneration Committee may in its absolute discretion think fit, subject to applicable law and approval received from shareholders, if any.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be designated as the Compensation Committee in accordance with Regulation 5(1) and Regulation 5(2) of the SBEB Regulations for the purposes of administration of ESOP 2026.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the ESOP 2026 at any stage including at the time of listing of the equity shares issued pursuant to the exercise of the Options.

RESOLVED FURTHER THAT any of the Directors and / or Company Secretary of the Company be and is hereby authorized to administer, implement and operate ESOP 2026, and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution."

10. **To consider and approve the appointment of Dr. Vikas Gupta (DIN: 10704329) as Managing Director and Chief Executive Officer of the Company and approval of his remuneration.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the Members be and is hereby accorded for the appointment of Dr. Vikas Gupta (DIN: 10704329) as the Managing Director & Chief Executive Officer of the Company for a period of five (5) years commencing from July 29, 2026 and ending on July 28, 2031, liable to retire by rotation upon such terms and conditions, including remuneration as mentioned below to be paid during the relevant financial year in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the 'Act') in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Mr. Vikas Gupta.

Remuneration:

a) **Annual Remuneration:** The annual remuneration for the services rendered by Mr. Vikas shall be as under:

(₹ In millions)

Sr. No.	Annual Compensation Component	2026-27	2027-28*	2028-29*	2029-30*	2030-31*
1.	Fixed CTC	65	70	75	80	80
2.	Basic Salary	32.5	35	37.5	40	40
3.	House Rent Allowance	16.25	17.5	18.75	20	20
4.	Conveyance	12.35	13.3	14.25	15.2	15.2
5.	Employer PF Contribution	3.9	4.2	4.5	4.8	4.8

* House Rent Allowance and Conveyance amounts may vary from time to time during the tenure of Mr. Vikas.

b) **Joining bonus:** one-time joining bonus of INR 60,00,000 (Indian Rupees Sixty Lakhs) within 30 days from the employment Agreement Date.

c) **Stock options:** 10,97,550 ESOPs convertible into 10,97,550 equity shares of the Company. The additional ESOPs of 136990 can be issued by the Board upon meeting specific shareholder value creation.

d) **Perquisite:** Car facility as per rules of the Company.

e) **Insurance:** Directors' and Officers' liability insurance policy.

RESOLVED FURTHER THAT any of Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution and to file the requisite forms, returns and documents with the Registrar of Companies and other authorities as may be required."

11. **To consider and approve the adoption of the altered Memorandum of Association of the Company in accordance with the provisions of the Companies Act, 2013.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and subject to such approvals, permissions, and sanctions as may be required from the appropriate authorities, the consent of the Members of the Company be and is hereby accorded for adoption of the altered Memorandum of Association of the Company in conformity with the provisions of the Companies Act, 2013 and Table A of Schedule I thereto, in substitution to the existing Memorandum of Association of the Company.

RESOLVED FURTHER THAT any of the Director and / or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things, and to execute all such documents, applications, forms as may be considered necessary, expedient, proper for giving effect to this Resolution, including filing the requisite forms and documents with the Registrar of Companies and such other authorities as may be required."

12. **To consider and approve the adoption of the altered Articles of Association of the Company in accordance with the provisions of the Companies Act, 2013.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and subject to such approvals, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to alter the existing Articles of Association of the Company and adopt a new set of Articles of Association in conformity with the provisions of the Companies Act, 2013 and Table F of Schedule I thereto, in substitution to the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any of the Director and / or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents, applications, forms as may be deemed necessary, proper or expedient for giving effect to this Resolution, including filing the requisite e-forms and other documents with the Registrar of Companies and other regulatory authorities."

13. **To consider and approve the change of name of the Company and the consequential alteration of the Memorandum of Association and Articles of Association of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Sections 4, 5, 13, 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and subject to the approval of the Registrar of Companies and/or such other statutory or regulatory authorities as may be required, consent of the Members of the Company be and is hereby accorded to change the name of the Company from '**Novartis India Limited**' to '**Evonile Pharma Limited**'.

RESOLVED FURTHER THAT upon issuance of a Fresh Certificate of Incorporation by the Registrar of Companies consequent upon such change of name, the existing Clause I of the Memorandum of Association of the Company be and is hereby substituted with the following:-

'The name of the Company is Evonile Pharma Limited.'

RESOLVED FURTHER THAT all references to the name 'Novartis India Limited' appearing in the Articles of Association of the Company and other constitutional documents of the Company be substituted with the name '**Evonile Pharma Limited**'.

RESOLVED FURTHER THAT any of the Director and / or the Company Secretary of the Company be and is hereby authorised of the Company to make such modifications as may be required by any statutory authority, and to do all such acts, deeds, matters and things, and execute all such documents, applications, forms and writings as may be necessary, desirable or expedient for giving effect to this Resolution, including filing the requisite forms with the Registrar of Companies and obtaining all necessary approvals."

14. **To consider and ratify the remuneration payable to M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), appointed as the Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013 and the rules made thereunder.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 1,50,000 (Rupees One Lakh and Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026 be and is hereby ratified and approved.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for giving effect to this resolution."

15. **To approve the payment of Commission (including sitting fees) to Independent Directors of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and the Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for payment of commission not exceeding ₹ 60,00,000 (Rupees Sixty Lakh Only) per annum to Independent Directors of the Company (including sitting fees of ₹ 50,000 (Rupees Fifty Thousand) each for attending the meetings of the Board and Committees thereof, in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the 'Act') in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Independent Directors.

RESOLVED FURTHER THAT any of the Director and / or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be considered necessary, desirable or expedient to give effect to this resolution."

16. **To Approve the Payment of remuneration to Mr. Ashok Bhatia, Non-Executive Director.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Articles of Association of the Company and the Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for payment of remuneration of ₹ 60,00,000 (Rupees Sixty Lakh Only) per annum together with Employee Stock Options (“ESOPs”) equivalent to 4,000 equity shares per financial year, during initial term of 5 (five) years in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the ‘Act’) in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Mr. Ashok Bhatia.

RESOLVED FURTHER THAT any of the Director and / or the Company Secretary of the Company be and is hereby authorised of the Company to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be considered necessary, desirable or expedient to give effect to this resolution.”

For Novartis India Limited
By Order of the Board of Directors

Vikas Gupta
Managing Director and Chief Executive Officer
DIN: 10704329

Registered Office
Novartis India Limited
Inspire BKC, 7th Floor,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400051

Date: August 27, 2026
Place: Mumbai

NOTES:

1. An Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013 in respect of special business of the Company is appended and forms part of the Notice.

2. Meeting through VC

   i. Ministry of Corporate Affairs ("MCA") vide its General Circulars No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023, Circular No. 09/2024, dated September 19, 2024 and the latest being 03/2025 dated 22nd September, 2025 ('MCA Circulars') dispensed the listed companies from dispatching of the hard copies of Annual Report due in the year 2025 (i.e. till September 30, 2025) to the members of the Company and allowed the companies to conduct their AGMs through Video Conferencing.

   ii. In compliance with the provisions of the Circulars, the 78th AGM of the Company is being held through VC. Since, the AGM will be held through VC, the route map is not annexed to this Notice.

   iii. Pursuant to the MCA Circular mentioned above, the Members will not be allowed to attend the AGM in person. Members logging–into the VC facility using the remote e–voting credentials will be reckoned for the purpose of quorum for the AGM under Section 103 of the Companies Act, 2013 ('the Act').

   iv. 802 Ceejay House, Dr. Annie Besant Road, Worli, Mumbai, 400034, Maharashtra, India shall be the deemed venue for the AGM. Shall be deemed to be the venue for the AGM.

   v. National Securities Depository Limited (NSDL) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the AGM through VC/OAVM is explained in subsequent paragraphs below. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-served basis.

3. Electronic copy of Annual Report along with the Notice of AGM

   i. Members may note that in compliance with the aforesaid Circulars, Notice of AGM along with the Annual Report for the financial year 2025-2026 are being sent only through electronic mode (by email) to those members whose email addresses/ email IDs are registered with the Company/Depositories.

   ii. Members may note that the Notice of AGM and Annual Report for the financial year 2025-2026 will also be available on the website of the Company at https://nilpharma.co.in/, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com; and on the e–voting website of National Securities Depository Limited ('NSDL') at https://www.evoting.nsdl.com

4. Register your e–mail IDs to receive communication electronically

   Members who have not registered their email address as a consequence of which the Annual Report, Notice of AGM and e–voting instructions could not be serviced or who have become members post sending of Notice of AGM may register the same in the following manner:

   i. Members holding equity share(s) in physical mode can register their email ID by sending request to the Registrar to Issue and Share Transfer Agent of the Company viz. MUFG Intime India Private Limited ('RTA') at rnt.helpdesk@in.mpms.mufg.com providing Form ISR–1 along with supporting documents. The said form is available on the website of the Company at https://nilpharma.co.in/, Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self–attested scanned copy of PAN card), AADHAAR (self–attested scanned copy of Aadhaar Card). Alternatively, shareholder could use the link https://web.in.mpms.mufg.com/EmailReg/Email_Register.html for updating their details online.

ii. Members holding equity share(s) in an electronic mode are requested to register/ update their email address with their respective Depository Participants (DPs') for receiving all communications from the Company electronically.

5. Proxy

Members may note that since the AGM is being held through VC, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members under Section 105 will not be available for the 78th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Authorised Representative

Institutional/Corporate shareholders (i.e. other than individuals/HUF/NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer by email to scrutinizer@snaco.net with a copy marked to evoting@nsdl.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e–voting" tab in their login.

7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the meeting through email on investor.relations@nilpharma.co.in Please note that members' question will be answered only if they continue to hold the shares as on cut–off date i.e. September 17, 2026.

8. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard on General Meetings ('Secretarial Standard – 2'), the details of Director seeking re–appointment at the AGM is enclosed in explanatory statement.

9. Information related to Investor Education and Protection Fund ('IEPF')

i. Pursuant to the provisions of Section 124(6) of the Act, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by members for seven consecutive years or more, in the Demat Account of IEPF Authority set up by the Central Government. Adhering to requirements set out in the said Rules, the Company has taken appropriate action and transferred the shares to the IEPF Authority on September 30, 2025 for the financial year 2017–18.

ii. The details of shareholders, whose shares have been transferred to IEPF, are placed on the website of the Company at https://nilpharma.co.in/

iii. Pursuant to the provisions of Sections 124 and 125 of the Act, dividends, which remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account, are required to be transferred to the IEPF authority established by the Central Government. The details of unpaid dividend are placed on the website of the Company at https://nilpharma.co.in/

iv. Concerned shareholders may note that, upon such transfer, both the unclaimed dividend and the shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed by making an online application to the IEPF Authority in e–Form IEPF– 5 available on www.iepf.gov.in

v. Members who have not encashed dividend warrant(s) for the financial year 2018–19 and onwards are requested to make their claims directly to the Company or to the Company's Registrar to Issue and Share Transfer Agent, MUFG Intime India Private Limited, at C–101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, without any delay.

vi. The Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service ("ECS"), NEFT, RTGS facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders account, elimination of loss of instruments in transit or fraudulent encashment, etc. Bank account details given by Members to their Depository Participant(s) (DPs) and passed on to the Company by such DPs would be printed on the demand drafts of the concerned Members. Members who hold shares in dematerialized form must, therefore, give instructions regarding their bank account details to their DPs. The Company will not act on any request received directly from Members for changes in their bank account details. Further, instructions, if any, given by Members for shares held in physical form will not be applicable to the dividend paid on shares held in electronic form.

vii. Following are the due dates for transfer of unclaimed dividends to the IEPF

Financial Year	Dividend Rate per share (in ₹)	Date of declaration	Due date for transfer to IEPF
2018–19	10	09.08.2019	15.09.2026
2019–20	10	07.08.2020	13.09.2027
2020–21	10	27.08.2021	02.10.2028
2021–22	10	29.07.2022	03.09.2029
2022–23	47.50	28.07.2023	02.09.2030
2023-24	25	31.07.2024	02.09.2031
2024-25	25	31.07.2025	02.09.2032
2025-26	Nil	Nil	Nil

10. SEBI vide circular nos. SEBI/HO/OIAE/OIAE_IAD– 1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD–1/P/CIR/2023/135 dated August 4, 2023 read with master circular no. SEBI/HO/OIAE/OIAE_IAD–1/P/CIR/2023/145 dated August 11, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Pursuant to above–mentioned circulars, post exhausting the option to resolve their grievance with the Company/its Registrar to Issue and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

11. Other information

i. Members holding equity shares in physical form, in identical order of names, in multiple folios are requested to send to the Company or RTA, details of such folios along with the share certificates for consolidating their holdings in one folio. A letter of confirmation will be issued to such member after making requisite changes.

ii. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar to Issue and Share Transfer Agent of the Company, in the prescribed Form SH–13 for this purpose. In case the shares are held by them in demat mode, the members are requested to submit the said details to their DP.

iii. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

iv. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM. All the documents referred to in Notice will also be available for electronic inspection [on all working days between 11.00 a.m. (IST) to 4.00 p.m. (IST)] without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 24, 2026. Members seeking to inspect such documents may send their request in writing in advance to the Company at investor.relations@nilpharma.co.in

v. In compliance with the provisions of General Circular No. 09/2024 dated September 19, 2024 and SEBI vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, the Company is dispensed with the printing and dispatch of hard copies of Annual Reports to shareholders. Hence, the Annual Report for the financial year 2025-26 shall be sent only through electronic mode to those members whose email IDs are available with the Company/Depositories/RTA. If any member is desirous of obtaining hard copy of the Annual Report/Notice of AGM for the said financial year, they may send request to the Company's e–mail ID at investor.relations@nilpharma.co.in mentioning Folio No./DP ID and Client ID. The Annual Report for the financial year 2025-26 shall also be available on the website of the Company at https://nilpharma.co.in/

12. Voting through electronic means

i. In compliance with the provisions of Section 108 of the Act and other applicable provisions of the Act, if any read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI Listing Regulations and applicable Circulars, the Company is providing its members the facility to cast their vote using a remote e–voting system before the AGM as well as during the AGM, through the e–voting services provided by NSDL, on all the Resolutions set forth in this Notice. The instructions for e–voting are given herein below.

Important dates for remote e–voting

Cut–off date for determining the members entitled to vote on the Resolutions set forth in the Notice of AGM	:	Thursday, September 17, 2026
Remote e–voting period Members of the Company as on the cut–off date may cast their vote by remote e–voting	:	Commences from 9.00 a.m. (IST) on Monday, September 21, 2026, and ends at 5.00 p.m. (IST) on Wednesday, September 23, 2026.
URL for remote e–voting	:	https://www.evoting.nsdl.com

ii. The Board of Directors has appointed Mr. S. N. Viswanathan as Scrutinizer (FCS: 13685/ COP No.: 24335) and failing him Ms. Malati Kumar as an alternate Scrutinizer (ACS: 15508 /COP No.: 10980) of S. N. ANANTHASUBRAMANIAN & Co., Company Secretaries, as the Scrutinizers to carry on e–voting process (during e–voting period and AGM) in a fair and transparent manner.

iii. The remote e–voting module shall be disabled for voting thereafter by NSDL. Once the vote on a Resolution is cast by the member, such member shall not be allowed to change it subsequently.

iv. Those Members, who will be present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e–voting and are otherwise not barred from doing so, shall be eligible to vote through the e–voting system during the AGM.

A person who is not a member as on the cut–off date (September 17, 2026) should treat this Notice for information purposes only. The voting rights of members shall be in proportion to their shares in the paid–up equity share capital of the Company as on the cut–off date (September 17, 2026).

v. Members who have cast their vote by remote e–voting prior to the AGM may also attend/participate in the AGM through VC but shall not be entitled to cast their vote again.

vi. Any person holding equity shares in physical form and non–individual shareholders, who acquires shares of the Company and becomes member of the Company after the Notice is sent through e–mail and holding shares as of the cut–off date i.e., September 17, 2026, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e–voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 4886 7000. In case of individual shareholders holding securities in demat mode who acquire shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut–off date i.e. September 17, 2026 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e–voting system".

vii. In terms of provisions of Section 107 of the Act, since the Company is providing the facility of remote e–voting to the members, there shall be no voting by show of hands at the AGM. If a Member cast votes by both modes i.e. remote e–voting and e–voting system at the AGM, then voting done through remote e–voting shall prevail and voting done through e–voting system at the AGM shall be treated as invalid.

Members desiring to vote through remote e–voting are requested to refer to the detailed procedure given hereinafter:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E–VOTING AND JOINING GENERAL MEETING ARE AS UNDER: –

The remote e–voting period begins from 9.00 a.m. (IST) on Monday, September 21, 2026, and ends at 5.00 p.m. (IST) on Wednesday, September 23, 2026.

The remote e–voting module shall be disabled by NSDL for voting thereafter.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut–off date) i.e. Thursday, September 17, 2026, may cast their vote electronically.

The voting right of shareholders shall be in proportion to their share in the paid–up equity share capital of the Company as on the cut–off date, being Thursday, September 17, 2026.

Voting electronically using NSDL e–voting system

Voting electronically on NSDL e–voting system consists of '**Two Steps**' which are as under:–

Step 1 – Access to NSDL e–voting system

A) Login Method for e–voting and joining virtual meetings for individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e–voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e–voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e–Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e–Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e–voting services under Value added services. Click on "**Access to e–voting**" under e–voting services and you will be able to see e–voting page. Click on company name or **e–voting service provider i.e. NSDL** and you will be re–directed to e–voting website of NSDL for casting your vote during the remote e–voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e–Services, option to register is available at https:// eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e–voting website of NSDL. Open web browser by typing the following https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e–voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e–voting page. Click on company name or **e–voting service provider i.e. NSDL** and you will be redirected to e–voting website of NSDL for casting your vote during the remote e–voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e–voting page without any further authentication. The users to login Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e–voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e–voting page of the e–voting service provider for casting your vote during the remote e–voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e–voting Service Providers, so that the user can visit the e–voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e–voting page by providing Demat Account Number and PAN No. from a e–voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e–voting option where the evoting is in progress and also able to directly access the system of all e–voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e–voting facility. upon logging in, you will be able to see e–voting option. Click on e–voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e–voting feature. Click on company name or e–voting service provider i.e. NSDL and you will be redirected to e–voting website of NSDL for casting your vote during the remote e–voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 – 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e–voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log–into NSDL e–voting website?

1. Visit the e–voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e–voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log–in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log–in to NSDL eservices after using your log–in credentials, click on e–voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e–voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e–voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e–voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e–voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e–voting system.

How to cast your vote electronically and join General Meeting on NSDL e–voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e–voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e–voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e–mail to scrutinizer@snaco.net with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e–voting” tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e–voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e–voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 – 4886 7000 or send a request to (Mr. Amit Vishal) at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e–voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self–attested scanned copy of Aadhar Card) by email rnt.helpdesk@in.mpms.mufg.com

2. In case shares are held in demat mode, please provide DPID–CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to rnt.helpdesk@in.mpms.mufg.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e–voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e–voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e–voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e–voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e–VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:

1. The procedure for e–voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e–voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e–voting and are otherwise not barred from doing so, shall be eligible to vote through e–voting system in the EGM/AGM.

3. Members who have voted through Remote e–voting will be eligible to attend the EGM/ AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e–voting on the day of the EGM/AGM shall be the same person mentioned for Remote e–voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e–voting system. Members may access by following the steps mentioned above for Access to NSDL e–voting system. After successful login, you can see link of "VC/ OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e–voting or have forgotten the User ID and Password may retrieve the same by following the remote e–voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi–Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor.relations@nilpharma.co.in. The same will be replied by the company suitably.

6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com / 022 – 4886 7000 or contact Mr. Amit Vishal, Deputy Vice President– NSDL at evoting@nsdl.com or call 022 – 2499 7000.

7. In case of any queries relating to e–voting, you may refer to the FAQs for shareholders and e–voting user manual for shareholders available in the download section of https://www.evoting.nsdl.com or send a request to evoting@nsdl.com

8. In case of any grievances connected with the facility for e–voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. Email: evoting@nsdl.com / Tel: 022 – 4886 7000.

9. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the event and count votes cast through remote e–voting and e–voting at the AGM and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

   The result declared along with the Scrutinizer's Report shall be placed on the Company's website at https://nilpharma.co.in/ and on the website of NSDL at https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

For Novartis India Limited
By Order of the Board of Directors

Vikas Gupta
Managing Director and Chief Executive Officer
DIN: 10704329

Registered Office
Novartis India Limited
Inspire BKC, 7th Floor,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400051

Date: August 27, 2026
Place: Mumbai

EXPLANATORY STATEMENT

(As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice)

Information pursuant to Secretarial Standard–2 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 2

To regularize the appointment of Mr. Ashok Bhatia (DIN: 02090239), Additional Non-Executive Director, by appointing him as a Non-Executive Director of the Company.

Profile and other details of Director seeking re–appointment.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ashok Bhatia (DIN: 02090239) as an Additional Non-Executive Director of the Company with effect from July 29, 2026 pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Mr. Ashok Bhatia holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive Director of the Company. Considering his rich experience, knowledge and expertise, the Board is of the view that his continued association would be beneficial to the Company.

Mr. Ashok Bhatia is a seasoned pharmaceutical executive with over 48 years of leadership experience across sales, marketing, business development, and M&A. He spent 37 years at Zydus Lifesciences, rising to President – Emerging Markets, overseeing 12 markets and 800+ professionals. He also served as Group CEO of Abacus Pharma (Carlyle Group). He holds a DBA, an MBA, and a B.Sc., and currently serves on the board of Shalby Ltd.

The Company has received all necessary disclosures and declarations from Mr. Ashok Bhatia as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 2 of the Notice for approval of the Members as Ordinary resolution.

Except Mr. Ashok Bhatia and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	Mr. Ashok Bhatia
Date of Birth	13/02/1954
Age	72 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Director w.e.f July 29, 2026 and he shall be liable to retire by rotation.
Qualification	B.Sc, MBA and DBA
Expertise in specific functional area	Sales, marketing, business development, and M&A

Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	500
List of the directorships held in other companies	1. Zim Laboratories Limited 2. Shalby Limited
Membership/Chairpersonship of Committees in Other Listed Companies	Member in Nomination and Remuneration Committee of Zim Laboratories Limited
Names of listed Companies from which he resigned in the past 3 years	NIL
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended during the Financial Year is Not Applicable.
Details of remuneration last drawn (FY)	NA
Details of remuneration sought to be paid	INR 60,00,000 (subject to the approval of the members at this Annual General Meeting)
Memberships/Chairmanships of committees in other companies	NIL

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

In terms of Section 152 of the Act, Mr. Ashok Bhatia (DIN: 02090239) Non-Executive Director, shall be liable to retire by rotation.

The Board recommends the resolution set out at Agenda No. 2 for the approval of the Members by way of an Ordinary Resolution.

Item No. 3

To regularize the appointment of Mr. Kshitij Sheth (DIN: 00125058) Additional Non-Executive Director, by appointing him as a Non-Executive Director of the Company.

Profile and other details of Director seeking re–appointment.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Kshitij Sheth (DIN: 00125058) as an Additional Non-Executive Director of the Company with effect from July 29, 2026, pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Mr. Kshitij Sheth holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive Director of the Company. Considering his rich experience, knowledge and expertise, the Board is of the view that his continued association would be beneficial to the Company.

Mr. Kshitij Sheth has been with ChrysCapital since 2011 and leads investments in New Economy and Pharmaceuticals. He was previously with Citigroup Global Capital Markets. He holds an MBA from IIM Bangalore and a BS in Economics from the Wharton School, University of Pennsylvania. He brings deep expertise in private equity and value creation across growth-stage businesses.

The Company has received all necessary disclosures and declarations from Mr. Kshitij Sheth as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 3 of the Notice for approval of the Members.

Except Mr. Kshitij Sheth and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Mr. Kshitij Sheth**
Date of Birth	18/09/1984
Age	41 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Director w.e.f July 29, 2026 and he shall be liable to retire by rotation.
Qualification	MBA, BS
Expertise in specific functional area	Expertise in private equity and value creation across growth-stage businesses.
Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	1. Globalbees Brands Private Limited 2. LA Renon Healthcare Private Limited
Membership/Chairpersonship of Committees in Other Listed Companies	NIL
Names of listed Companies from which he resigned in the past 3 years	1. Corona Remedies Limited
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended during the Financial Year is Not Applicable.
Details of remuneration last drawn (FY)	NA
Details of remuneration sought to be paid	NA
Memberships/Chairmanships of committees in other companies	NIL

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

In terms of Section 152 of the Act, Mr. Kshitij Sheth (DIN: 00125058) Non-Executive Director, shall be liable to retire by rotation.

The Board recommends the resolution set out at Agenda No. 3 for the approval of the Members by way of an Ordinary Resolution.

Item No. 4

To regularize the appointment of Dr. Jagriti Gupta (DIN: 11760159) Additional Non-Executive Director, by appointing her as a Non-Executive Director of the Company.

Profile and other details of Director seeking re–appointment.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Jagriti Gupta (DIN: 11760159) as an Additional Non-Executive Director of the Company with effect from July 29, 2026 pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Dr. Jagriti Gupta (DIN: 11760159) holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive Director of the Company. Considering her rich experience, knowledge and expertise, the Board is of the view that her continued association would be beneficial to the Company.

Dr. Jagriti Gupta has been with ChrysCapital since 2019 and was previously with Faering Capital and Avendus Capital, where she was part of the investment banking team. She holds an MBA from the Faculty of Management Studies, Delhi University and an MBBS from Dr B.R. Ambedkar University, Agra. She brings a distinctive blend of healthcare knowledge and financial acumen.

The Company has received all necessary disclosures and declarations from Dr. Jagriti Gupta as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 4 of the Notice for approval of the Members.

Except Dr. Jagriti Gupta (DIN: 11760159) and her relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Dr. Jagriti Gupta**
Date of Birth	04/03/1989
Age	37 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Director w.e.f July 29, 2026 and she shall be liable to retire by rotation.
Qualification	MBBS, MBA
Expertise in specific functional area	Distinctive blend of healthcare knowledge and financial acumen
Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	NIL
Membership/Chairpersonship of Committees in Other Listed Companies	NIL
Names of listed Companies from which he resigned in the past 3 years	NIL
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended during the financial year is not applicable.

Details of remuneration last drawn (FY	NA
Details of remuneration sought to be paid	NA
Memberships/Chairmanships of committees in other companies	NIL

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director are not mutually related to any other Director(s) of the Company.

In terms of Section 152 of the Act, Dr. Jagriti Gupta (DIN: 11760159) Non-Executive Director, shall be liable to retire by rotation.

The Board recommends the resolution set out at Agenda No. 4 for the approval of the Members by way of an Ordinary Resolution.

Item No. 5

To regularize the appointment of Mr. Ramesh Ramadurai (DIN: 07109252), Additional Director (Independent Category), by appointing him as an Independent Director of the Company.

Profile and other details of Director seeking re–appointment.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ramesh Ramadurai (DIN: 07109252), as an Additional Non-Executive and Independent Director of the Company with effect from July 29, 2026, pursuant to the provisions of Section 161 and 149 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Mr. Ramesh Ramadurai (DIN: 07109252), holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive and Independent Director of the Company. Considering his rich experience, knowledge and expertise, the Board is of the view that his continued association would be beneficial to the Company.

Mr. Ramesh Ramadurai brings over 35 years of global leadership experience at 3M, spanning across India, United States, Philippines and China most recently serving as Managing Director of 3M India. He holds a B.Tech from IIT Kanpur and an MBA from IIM Calcutta. He currently sits on the boards of Anthem Biosciences, Bosch Limited, and Centum Electronics.

The Company has received all necessary disclosures and declarations from Mr. Ramesh Ramadurai as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 5 of the Notice for approval of the Members.

Except Mr. Ramesh Ramadurai and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Mr. Ramesh Ramadurai**
Date of Birth	13/02/1962
Age	64 years
Nationality	Indian

Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Independent Director w.e.f July 29, 2026 and he shall not be liable to retire by rotation.
Qualification	B. Tech, MBA
Expertise in specific functional area	35 years of global leadership experience
Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	1. Anthem Biosciences Limited 2. Bosch Limited 3. Centum Electronics Limited 4. Synthite Industries Private Limited
Membership/Chairpersonship of Committees in Other Listed Companies	Chairman of Risk Management Committee and Member of Audit, Nomination and remuneration and Stakeholders Relationship Committee
Names of listed Companies from which he resigned in the past 3 years	1. 3M India Limited
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended in the Financial Year is not applicable.
Details of remuneration last drawn (FY)	NA
Details of remuneration sought to be paid	Being an Independent Director Mr. Ramesh Ramadurai is not eligible for remuneration. However, as per the applicable provisions of the Companies Act, 2013 he shall be paid a commission of INR 60 Lakhs (including sitting fees) for the relevant FY.
Memberships/Chairmanships of committees in other companies	NA

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

The Board recommends the resolution set out at Agenda No. 5 for the approval of the Members by way of a Special Resolution.

Item No. 6

To regularize the appointment of Mr. Shashank Sinha (DIN: 02544431), Additional Director (Independent Category), by appointing him as an Independent Director of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Mr. Shashank Sinha (DIN: 02544431)**, as an Additional Non-Executive and Independent Director of the Company with effect from July 29, 2026, pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Mr. Shashank Sinha (DIN: 02544431), holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive and Independent Director of the Company. Considering his rich experience, knowledge and expertise, the Board is of the view that his continued association would be beneficial to the Company.

Mr. Shashank Sinha is a distinguished business leader with over three decades of international leadership experience across the healthcare, pharmaceuticals, consumer products and packaging sectors. He is a Civil Engineering graduate from Sardar Patel University and holds a Post Graduate Diploma in Management from the Indian Institute of Management, Lucknow. He has held leadership positions with reputed multinational organisations, including serving as the Managing Director & Chief Executive Officer of Strides Pharma Science Limited, and currently serves as an Independent Director on the Boards of several companies.

The Company has received all necessary disclosures and declarations from Mr. Shashank Sinha as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 6 of the Notice for approval of the Members.

Except Mr. Shashank Sinha (DIN: 02544431), and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Mr. Shashank Sinha**
Date of Birth	12/09/1964
Age	62 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Independent Director w.e.f July 29, 2026 and he shall not be liable to retire by rotation.
Qualification	B.E, PGDM
Expertise in specific functional area	International experience across healthcare, pharmaceuticals, and consumer industries
Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	1. EPL Limited 2. Fullife Healthcare Private Limited 3. Strides Consumer Private Limited 4. Aragen Life Sciences Limited
Membership/Chairpersonship of Committees in Other Listed Companies	Chairman of NRC and Member of RMC and SRC at EPL Limited and Chairman of Audit Committee and Member of NRC Committee at Fullife Healthcare Private Limited
Names of listed Companies from which he resigned in the past 3 years	NIL
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended during the Financial Year is Not Applicable.
Details of remuneration last drawn (FY)	NA
Details of remuneration sought to be paid	Being an Independent Director Mr. Shashank Sinha is not eligible for remuneration. However, as per the applicable provisions of the Companies Act, 2013 he shall be paid a commission of INR 45 Lakhs (including sitting fees) for the relevant FY.
Memberships/Chairmanships of committees in other companies	NIL

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

The Board recommends the resolution set out at Agenda No. 6 for the approval of the Members by way of a Special Resolution.

Item No. 7

To regularize the appointment of Ms. Suchita Sharma (DIN: 10656028), Additional Director (Independent Category), by appointing her as an Independent Director of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Ms. Suchita Sharma (DIN: 10656028)**, as an Additional Non-Executive and Independent Director of the Company with effect from July 29, 2026, pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of the provisions of the Companies Act, 2013, Ms. Suchita Sharma (DIN: 10656028), holds office up to the date of this Annual General Meeting and is eligible for re-appointment as a Non-Executive and Independent Director of the Company. Considering her rich experience, knowledge and expertise, the Board is of the view that her continued association would be beneficial to the Company.

Ms. Suchita Sharma is a Fellow Chartered Accountant with nearly four decades of experience in accounting, finance and audit across diverse industries. She retired as an Audit Partner at Price Waterhouse, India, and has extensive expertise in assurance, risk management, governance, internal controls, ethics, leadership development and ESG. She also actively contributes to initiatives relating to education, sustainability and social impact.

The Company has received all necessary disclosures and declarations from Ms. Suchita Sharma (DIN: 10656028), as required under the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at Agenda No. 7 of the Notice for approval of the Members.

Except **Ms. Suchita Sharma (DIN: 10656028)**, and her relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Ms. Suchita Sharma**
Date of Birth	13/06/1963
Age	63 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Independent Director w.e.f July 29, 2026 and he shall not be liable to retire by rotation.
Qualification	Chartered Accountant
Expertise in specific functional area	40 years of experience in accounting, finance, and audit across diverse industries

Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	1. Sai Life sciences Limited 2. Roppen Transportation Services Private Limited
Membership/Chairpersonship of Committees in Other Listed Companies	Chairperson of Audit and CSR Committee and member of NRC at Sai Life Sciences Limited
Names of listed Companies from which he resigned in the past 3 years	NIL
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended are NIL.
Details of remuneration last drawn (FY)	Being an Independent Director Ms. Suchita Sharma is not eligible for remuneration. However, as per the applicable provisions of the Companies Act, 2013 she shall be paid a commission of INR 45 Lakhs (including sitting fees) for the relevant FY.
Details of remuneration sought to be paid	NA
Memberships/Chairmanships of committees in other companies	Member of Audit Committee in Roppen Transportation Services Private Limited

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

The Board recommends the resolution set out at Agenda No. 7 for the approval of the Members by way of a Special Resolution.

Item No. 8 (For agenda 8 and 10).

To regularize the appointment of Dr. Vikas Gupta (DIN: 10704329), Additional Director (Executive, Category), by appointing him as a Director of the Company, liable to retire by rotation.

and

To consider and approve the appointment of Dr. Vikas Gupta (DIN: 10704329) as Managing Director and Chief Executive Officer of the Company and approval of his remuneration.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Vikas Gupta (DIN: 10704329) as an Additional Director (Executive, Non-Independent Category) of the Company with effect from July 29, 2026.

In accordance with the provisions of Section 161 of the Act, Dr. Vikas Gupta holds office as an Additional Director up to the date of the ensuing Annual General Meeting and is eligible for appointment as a Director of the Company.

Further, considering his extensive experience, leadership capabilities, strategic vision and deep understanding of the pharmaceutical and healthcare industry, the Board of Directors, at its meeting held on July 29, 2026 approved, subject to the approval of the Members, the appointment of Dr. Vikas Gupta as the Managing Director and Chief Executive Officer ("MD & CEO") of the Company for a period of five (5) years commencing from July 29, 2026 upon the terms and conditions, including remuneration, as approved by the Nomination and Remuneration Committee and the Board.

Dr. Vikas Gupta is a distinguished professional with extensive experience in the pharmaceutical and healthcare industry. The Board is of the view that his rich experience, strategic insight, leadership capabilities and deep understanding of the industry will be immensely beneficial to the Company and will contribute significantly towards the Company's growth and long-term objectives.

The appointment and remuneration of Dr. Vikas Gupta are in conformity with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto.

Considering Mr. Vikas Gupta's experience, expertise, responsibilities and valuable contribution to the affairs of the Company, the Board of Directors vide resolution dated August 26, 2026 approved payment of remuneration to Mr. Vikas Gupta as mentioned below, in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the 'Act') in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Mr. Vikas Gupta.

The information as required to be disclosed under paragraph (iv) of the second proviso after Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 and Secretarial Standard-2 on General Meetings issued by ICSI is given in **"Annexure 2"** to this Notice.

a) **Annual Remuneration:** The annual remuneration for the services rendered by Mr. Vikas shall be as under:

(₹ In millions)

Sr. No	Annual Compensation Component	2026-27	2027-28*	2028-29*	2029-30*	2030-31*
1.	Fixed CTC	65	70	75	80	80
2.	Basic Salary	32.5	35	37.5	40	40
3.	House Rent Allowance	16.25	17.5	18.75	20	20
4.	Conveyance	12.35	13.3	14.25	15.2	15.2
5.	Employer PF Contribution	3.9	4.2	4.5	4.8	4.8

* House Rent Allowance and Conveyance amounts may vary from time to time during the tenure of Mr. Vikas Gupta.

b) **Joining bonus:** one-time joining bonus of INR 60,00,000 (Indian Rupees Sixty Lakhs) within 30 days from the employment Agreement Date.

c) **Stock options:** 10,97,550 ESOPs convertible into 10,97,550 equity shares of the Company. The additional ESOPs of 136990 can be issued by the Board upon meeting specific shareholder value creation.

d) **Perquisite:** Car facility as per rules of the Company.

e) I**nsurance:** Directors' and Officers' liability insurance policy.

The information required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings forms part of the Annexure to the Notice.

Except Dr. Vikas Gupta and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 and 10 of the Notice

The Board of Directors recommends the Ordinary and Special Resolution set out at Item No. 8 and 10 respectively of the Notice for approval of the Members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (SS-2).

Name of Director	**Mr. Vikas Gupta**
Date of Birth	01/08/1976
Age	50 years
Nationality	Indian
Date of First Appointment	July 29, 2026
Terms and Conditions of Appointment or reappointment	Appointment as a Non-Executive Director and MD & CEO w.e.f July 29, 2026 for a period of 5 years and he shall be liable to retire by rotation.
Qualification	MBBS
Expertise in specific functional area	Two decades of experience spanning commercial strategy, business transformation, and brand building across multiple therapeutic areas and geographies
Relationships between Directors and KMP inter-se	Not related to any of the Directors or KMP of the Company
Number of shares held in the Company	NIL
List of the directorships held in other companies	NIL
Membership/Chairpersonship of Committees in Other Listed Companies	NIL
Names of listed Companies from which he resigned in the past 3 years	1. Alixer Nexgen Threapeutics Limited 2. Enzene Biosciences Limited 3. Adroit Biomed Limited
Number of Board Meetings attended in FY	NA. The effective date of appointment was July 29, 2026 and therefore the number of Board Meetings attended during the Financial Year is Not Applicable.
Details of remuneration last drawn (FY)	NA
Details of remuneration sought to be paid	NA
Memberships/Chairmanships of committees in other companies	NIL

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The Director is not mutually related to any other Director(s) of the Company.

In terms of Section 152 of the Act, **Dr. Vikas Gupta (DIN: 10704329)**, Additional Director designated as Managing Director and Chief Executive Officer being eligible, offers himself for re–appointment as Director designated as Managing Director and Chief Executive Officer of the Company and liable to retire by rotation.

The Board of Directors recommends the Ordinary and Special Resolution set out at Agenda No. 8 and 10 respectively of the Notice for approval of the Members.

Item No. 9

To Approve of Employee Stock Option Scheme 2026 (“ESOP 2026”)

The Company recognizes that employee ownership is an effective tool for attracting, retaining and motivating talented employees and directors, and for aligning their interests with the long-term growth and success of the Company. In order to reward and incentivize eligible employees and directors and to encourage their continued association with the Company, the Board of Directors has proposed the introduction of the Employee Stock Option Scheme 2026 (“ESOP 2026”).

Keeping in line with the above, ‘Employee Stock Option Scheme 2026 (“ESOP 2026”) has been formulated by the Company and to be implemented by Board / Nomination & Remuneration Committee in terms of provisions of Companies Act, 2013 and rules made thereunder and in accordance with the requirements of SEBI (SBEB and Sweat Equity) Regulations issued by Securities and Exchange Board of India (SEBI) and other applicable laws. The Scheme has been approved by the Board of Directors at their meeting held on August 7, 2026, subject to the approval of the members.

The proposed ESOP 2026 will be administered by the Board of Directors and/or any committee authorized by the Board. The Board will have the authority to identify eligible employees and directors, determine the number of options to be granted, prescribe vesting conditions, exercise price, vesting period, exercise period and such other terms and conditions as may be considered appropriate in accordance with applicable laws.

The Board believes that the proposed ESOP 2026 will foster a sense of ownership among employees and directors, improve performance and productivity, and contribute to the sustainable growth of the Company.

In terms of Section 62(1)(b) of the Companies Act, 2013 and Rules made thereunder, read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”), the Company seeks your approval as regards implementation of the ESOPs Plan and grant of Options thereunder to the eligible employees of the Company, as decided from time to time, as per provisions of the Plan read with the provisions of SBEB & SE Regulations.

The main features of the Plan are as under:

Sr. No.	Particulars	Details
1.	**Brief Description of the Plan**	The Board of Directors of Novartis India Limited ("Company") has formulated the Employee Stock Option Plan 2026 ("ESOP 2026" / "Plan") with the primary objective of attracting, motivating and retaining talented employees who are critical to the Company's long-term success, while rewarding them for their contribution towards achieving the Company's strategic and business objectives. The Plan aims to enhance employee engagement, support succession planning for key and critical roles, and create a strong alignment between the interests of Employees and shareholders through long-term wealth creation opportunities. ESOP 2026 is also intended to foster an ownership mindset among Employees and reinforce a culture of performance, innovation, collaboration and accountability.
2.	**The total number of Options to be offered and granted**	The maximum number of Options that may be granted under ESOP 2026 shall not exceed 16,67,000 (Sixteen Lacs Sixty-Seven Thousand) Options, exercisable into an equal number of fully paid-up equity shares of face value of Rs. 5/- (Rupees Five Only) each, which shall not exceed 6.75% of the total paid-up equity share capital of the Company as on the date of this special resolution. Options that expire, lapse, or become un-exercisable for any reason shall be added back to the pool and become available for future Grants.

Sr. No.	Particulars	Details
3.	**Identification of classes of employees entitled to participate in the Plan**	The following classes of employees are entitled to participate in the Plan: (a) An employee as designated by the Company, who is exclusively working in India or outside India; or (b) A Director of the Company, whether a whole-time Director or not, including a non-executive Director, who is not a Promoter or member of the Promoter Group but excluding an Independent Director. The following persons are not eligible: (a) An employee who is a Promoter or belongs to the Promoter Group; or (b) A Director who, either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
4.	**Requirements of Vesting and period of Vesting**	The Vesting shall be subject to the following conditions: (a) Tenure-based Vesting: Options to Vest subject to continued employment with the Company. (b) Performance-based Vesting: Options to Vest subject to achievement of performance targets based on parameters including financial and value creation metrics (revenue, profitability, shareholder value creation, etc.), business/commercial/strategic objectives, and operational/regulatory/innovation milestones. (c) Exit-based Vesting: Options to Vest upon the occurrence of an Exit Event, subject to achievement of performance conditions as prescribed by the Committee. In case of death or Permanent Incapacity, the minimum Vesting Period shall not apply and all Unvested Options shall Vest immediately. In case of Retirement, Unvested Options shall continue to Vest per the original schedule. Upon a Change in Control, the Board/Committee may accelerate Vesting.
5.	**Exercise Price or pricing formula**	The Exercise Price per Option shall be INR 830 (Indian Rupees Eight Hundred and Thirty) or such other higher price (taking into account the prevailing Market Price) of the shares as on the Grant Date, as determined by the Nomination and Remuneration Committee ("Committee"). The Exercise Price shall in no case be less than the face value of the equity shares of the Company (i.e., Rs. 5/- per share).
6.	**Appraisal process for determining the eligibility of employees under the Plan**	The appraisal process shall be determined by the Committee from time to time. The broad criteria for review and selection may include designation, tenure with the Company, performance during previous years, future potential, and contribution or impact towards strategic growth. For new joiners, the criteria may include prior work experience, applicable skills, designated job role, or such other factors as determined by the Committee.
7.	**Maximum number of Options to be issued per employee and in aggregate**	(a) Per Employee: The aggregate number of Options granted to any single Employee shall not exceed 12,35,000 (Twelve Lacs Thirty Five Thousand) Options. (b) In Aggregate: The total number of Options under the Plan shall not exceed 16,67,000 (Sixteen Lacs Sixty Seven Thousand) Options.
8.	**Route of the Plan implementation**	The Plan shall be implemented through the direct route, i.e., by way of fresh issuance and allotment of equity shares by the Company to the Employees upon Exercise of Options.
9.	**Source of acquisition of shares under the Plan**	The shares shall be sourced through fresh issuance and allotment of equity shares by the Company upon Exercise of Options. The shares so allotted shall be listed on the Stock Exchange(s) on which the equity shares of the Company are listed.

Sr. No.	Particulars	Details
10.	**Accounting and Disclosure Policies**	The Company shall comply with the disclosure and accounting requirements under Ind AS 102 – Share-based Payments, and/or any other relevant accounting standards as may be prescribed by the Central Government under Section 133 of the Companies Act, 2013 or any other appropriate authority, from time to time, in compliance with Regulation 15 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations").
11.	**Method of Option valuation**	The fair value of Options shall be determined in accordance with Ind AS 102 – Share-based Payments, using an appropriate option pricing model (such as Black-Scholes or Binomial model). The method of valuation shall be consistently applied and appropriately disclosed in the financial statements.
12.	**The conditions under which Options vested in employees may lapse, e.g., in case of termination of employment for misconduct**	Vested Options shall lapse or be cancelled under the following circumstances: (a) Termination due to Misconduct: All Vested and Unvested Options shall stand cancelled immediately. (b) Non-Exercise within Exercise Period: Options not exercised within the maximum Exercise Period of 6 years from the date of Vesting shall lapse. (c) Competing Activity: Options shall lapse if the Option Grantee engages, directly or indirectly, in any Competing Activity, or engages in any activity causing disrepute or financial loss to the Company. (d) Breach of Confidentiality: All unexercised Options shall be cancelled if the Option Grantee breaches the confidentiality provisions of the Plan. (e) Dissolution/Liquidation: Vested Options outstanding at the time of dissolution or liquidation shall be cancelled if not exercised prior to such event. (f) Malus/Claw-back provisions as determined by the Committee shall also apply.
13.	**The specified time period within which the employee shall exercise the vested Options in the event of a proposed termination of employment or resignation of employee**	(a) Resignation/Termination (other than for Misconduct): Vested Options shall be exercisable within 3 (three) months from the last working day. All Unvested Options shall stand cancelled. (b) Termination due to Misconduct: All Vested and Unvested Options shall stand cancelled immediately with no exercise permitted. (c) Retirement: Vested Options shall be exercisable within 12 (twelve) months from the date of Retirement. Unvested Options shall continue to Vest per the original schedule and shall be exercisable within 12 months from each respective Vesting date. (d) Death: The nominee/legal heir(s) may exercise all Options (including accelerated Unvested Options) within 12 (twelve) months from the date of death. (e) Permanent Incapacity: All Options (including accelerated Unvested Options) may be exercised within 12 (twelve) months from the date of Permanent Incapacity.
14.	**Lock-in period**	The equity shares arising out of Exercise of Vested Options shall not be subject to any lock-in from the date of allotment. However, the shares shall remain subject to the restrictions under the Company's Code of Conduct for Prevention of Insider Trading framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as applicable from time to time.

None of the Directors, Key Managerial Personnel of the Company, or their relatives are concerned or interested in the resolution except to the extent that they may become eligible for the grant of stock options under ESOP 2026.

The Board of Directors recommends the Special Resolution set out for the Agenda No. 9 in the Notice for approval of the Members.

Item No. 10

To Adopt the Altered Memorandum of Association of the Company

The existing Memorandum of Association ("MOA") of the Company is based on the provisions of the erstwhile Companies Act, 1956 and 1913. Pursuant to the enactment of the Companies Act, 2013 and the rules framed thereunder, it is considered expedient and desirable to align the provisions of the existing Memorandum of Association with the requirements and structure prescribed under the Companies Act, 2013.

Accordingly, the Board of Directors of the Company, at its meeting held on August 17, 2026 approved the adoption of an altered Memorandum of Association in conformity with the format prescribed under Table A of Schedule I to the Companies Act, 2013. The proposed alterations are primarily intended to bring the existing MOA in line with the provisions of the Companies Act, 2013 and do not materially affect the existing rights of the members of the Company.

A copy of the proposed altered Memorandum of Association is available for inspection by the Members during business hours at the Registered Office of the Company and shall also be available for inspection at the Annual General Meeting.

In terms of the provisions of Section 13 of the Companies Act, 2013, the adoption of the altered Memorandum of Association requires the approval of the Members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution set out at Agenda No. 11 of the Notice for approval of the Members.

Item No. 11

To Adopt the Altered Articles of Association of the Company.

The existing Articles of Association ("AOA") of the Company are based on the provisions of the Companies Act, 1956 and contain references to certain provisions of the erstwhile Act which are no longer in force. With the enactment of the Companies Act, 2013 and various amendments thereto, it has become necessary and expedient to align the Articles of Association of the Company with the provisions of the Companies Act, 2013 and the rules made thereunder.

Accordingly, the Board of Directors, at its meeting held on August 07, 2026, approved the adoption of a new set of Articles of Association of the Company in conformity with the provisions of the Companies Act, 2013 and the model Articles prescribed in Table F of Schedule I to the Companies Act, 2013, in substitution for and to the entire exclusion of the existing Articles of Association.

The proposed new Articles of Association incorporate, inter alia, changes reflecting the current legal and regulatory framework and provide greater clarity, consistency and operational flexibility in the governance and administration of the Company.

In terms of Section 14 of the Companies Act, 2013, alteration of the Articles of Association of a company requires the approval of the Members by way of a Special Resolution.

A copy of the existing Articles of Association and the proposed new Articles of Association shall be available for inspection by the Members during business hours on all working days at the Registered Office of the Company and shall also be available electronically for inspection by the Members up to the date of the ensuing Annual General Meeting.

The Board recommends the Special Resolution as set out in Agenda No. 12 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company.

Item No. 12

To approve the Change of Name of the Company and Consequential Alteration of the Memorandum of Association and Articles of Association of the Company.

The Board of Directors, after considering the strategic direction, future business objectives and branding requirements of the Company, has proposed to change the name of the Company from “Novartis India Limited” to “Evonile Pharma Limited”, subject to the approval of the Members and such statutory and regulatory approvals as may be required.

The proposed new name is intended to provide the Company with a distinct corporate identity aligned with its present and future business vision. The proposed name is available and has been approved by the Central Registration Centre, Ministry of Corporate Affairs, subject to the requisite approvals and compliances under the Companies Act, 2013.

Further, the Company has received a name availability letter dated August 10, 2026, from the Registrar of Companies, informing the availability of the proposed name ‘Evonile Pharma Limited’ to the Company. In terms of the provisions of the Companies Act, 2013 and Rules made thereunder, the proposed change of name would be subject to the necessary regulatory approvals post receipt of approval of Members.

Pursuant to Sections 13 and 14 of the Companies Act, 2013, the change in the name of the Company requires approval of the Members by way of a Special Resolution and consequential amendments to Clause I of the Memorandum of Association and relevant provisions of the Articles of Association of the Company.

Upon receipt of the requisite approvals and issuance of a Fresh Certificate of Incorporation by the Registrar of Companies, the name of the Company shall stand changed to “Evonile Pharma Limited” and the Memorandum of Association and Articles of Association shall be amended accordingly.

The proposed change of name shall not affect any rights or obligations of the Company, nor shall it impact any existing contracts, agreements, licenses, approvals or legal proceedings involving the Company.

A certificate from a practicing Chartered Accountant, certifying compliance with conditions prescribed in Regulation 45 (1) of the Listing Regulations is enclosed herewith as **Annexure 1** to this Notice.

Copies of the existing and proposed Memorandum of Association and Articles of Association are available for inspection by the Members during business hours at the Registered Office of the Company and shall also be available for inspection at the Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends the Special Resolution set out at Agenda No. 13 of the Notice for approval of the Members.

Item No. 13

To Ratify the Remuneration Payable to Cost Auditors M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611).

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditors of the Company for conducting the audit of the cost records of the Company for the financial year ending March 31, 2026, at a remuneration of ₹ 1,50,000 (Rupees One Lakh and Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, the consent of the Members is sought for ratification of the remuneration payable to M/s. D. C. Dave & Co., Cost Accountants, for the financial year ending March 31, 2026.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Agenda No. 14 of the Notice for approval of the Members.

Item no. 14

To Approve the Payment of Commission (Inclusive of Sitting Fees) to Independent Directors of the Company

Pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Rules made thereunder, Schedule V to the Act, Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a company may remunerate its Non-Executive and Independent Directors by way of commission, subject to the limits prescribed under the Act and approval of the shareholders wherever applicable.

In view of increased role and responsibilities entrusted to the Independent Directors under the evolving corporate governance framework and in line with current trends and commensurate with the time devoted, contribution made and guidance/oversight provided by the Independent Directors, the Board of Directors via circular resolution dated August 26, 2026 recommended payment of commission to the Independent Directors of an amount not exceeding INR 60,00,000/- (Rupees Sixty Lakh) per annum each, in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the 'Act') in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Independent Directors.

The proposed remuneration is in accordance with the provisions of Section 149(9), Section 197 read with Section 198 of the Act, the applicable provisions of the SEBI Listing Regulations and the Remuneration Policy of the Company.

The Board of Directors recommends the Special resolution set out at Agenda No. 15 of the Notice for approval of the Members.

Except the Independent Directors of the Company and their relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Agenda No. 15 of the accompanying Notice.

Item No. 15

To approve the Payment of remuneration to Mr. Ashok Bhatia, Non-Executive Director

Pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), a company may remunerate its Non-Executive Directors by way of commission, subject to the limits prescribed under the Act and approval of the shareholders, wherever applicable.

Considering Mr. Ashok Bhatia’s experience, expertise, responsibilities and valuable contribution to the affairs of the Company, the Board of Directors via circular resolution dated August 26, 2026 approved payment of remuneration to the Mr. Ashok Bhatia of an amount not exceeding INR 60,00,000/- (Rupees Sixty Lakh) per annum, together with Employee Stock Options (“ESOPs”) equivalent to 4,000 equity shares per financial year, during initial term of 5 (five) years, in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (the ‘Act’) in case of profits / inadequacy of profits, with liberty to the board of directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Company and Mr. Ashok Bhatia.

The information as required to be disclosed under paragraph (iv) of the second proviso after Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 and Secretarial Standard-2 on General Meetings issued by ICSI is given in “Annexure 2” to this Notice.

Considering the provisions of Schedule V of the Companies Act, 2013 and Regulation 17(6)(ca) of the Listing Regulations, the Board recommends the Special Resolution set out at Item No. 16 of the Notice for approval of the members of the Company.

Except Mr. Ashok Bhatia and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Agenda No. 16 of the accompanying Notice.

Annexure 1

CERTIFICATE

This certificate is issued in response to the engagement letter dated 1 September 2026 received from the Company to issue Compliance Certificate under Regulation 45 of the Securities and Exchange Board of India (Listing ‘Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) in connection with the proposed change of name of the Company from “Novartis India Limited to Evonile Pharma Limited”

Managements’ responsibility for the Statement

The preparation of this statement is the responsibility of the Management of the Company. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the Company complies with the conditions of sub-regulation of Regulation 45 of the SEBI LODR Regulations.

Our Responsibility

1. It is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company has complied the conditions of sub-regulation (1) of Regulation 45 of the SEBI LODR Regulations and the statement is in agreement with the books and records of the Company.
2. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of ethics issued by the Institute of Chartered Accountants of India.
3. We have obtained all the necessary information and explanation from the Company, which in our opinion are necessary for the purpose of this certificate.
4. We have examined the books of account and other relevant records maintained by / produced to us for our verification by M/s. Novartis India Limited (Company).
5. We certify and confirm that the Company has complied with the conditions of sub regulation (1) of Regulation 45 of the SEBI LODR Regulations as set or the below:
   (a) a time period of at least one year has elapsed from the last name change. **Not Applicable***
   (b) at least 50% of the company’s total revenue in the preceding one-year period has been accounted from the new activity suggested by the new name: **Not Applicable***
   (c) the amount invested in the new activity/project is at least 50% of the assets of the company: **Not Applicable***

   The new name as proposed by the Company and reserved by the Registrar of Companies does not represent any change in the existing business activities of the Company and the name change is not proposed by the Company on account of change in business activities.

   *The change in name of Company is in pursuance to completion of the sale of 17,450,680 (One Crore Seventy Four Lakhs Fifty Thousand Six Hundred and Eighty) equity shares of the Company from Novartis AG (“NAG”) to WaveRise Investments Limited (“WaveRise”), ChrysCapital Fund X (“Fund X”) and Two Infinity Partners (“TIP”, and together with WaveRise and Fund X, “CC”) pursuant to the agreement for the sale and purchase of the Sale Shares in Novartis India Limited dated February 19, 2026 entered into between and amongst NAG and CC in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") ("Open Offer").

Pursuant to successful completion of the Open Offer the Company is proposing to change its name from "**Novartis India Limited"** to **"Evonile Pharma Limited**". This certificate is issued solely for the purpose of enabling the Company to comply with Regulations 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and for submission to Stock Exchanges and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For NGST & Associates
Chartered Accountants
Firm Reg. No. 135159W

Bhupenddra Kumaar Gandhhi
Partner
Mem. No. 122296
UDIN: 26122296JRDXUQ1442

Date: 1 September 2026
Place: Mumbai

Annexure 2

INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information about the Company

<table>
<tr><td>Nature Of Industry</td><td></td></tr>
<tr><td>Date Or Expected Date Of Commencement Of Commercial Production</td><td>The Company was incorporated on December 13, 1947. Since then, the Company commenced its business.</td></tr>
<tr><td>In Case Of New Companies, Expected Date Of Commencement Of Activities As Per Project Approved By Financial Institutions Appearing In The Prospectus</td><td>Not Applicable</td></tr>
<tr><td>Financial Performance Based On Given Indicators</td><td>(All amounts are in INR Millions)
<table>
<tr><th rowspan="2">Particulars</th><th colspan="2">Standalone</th></tr>
<tr><th>2025-26</th><th>2024-25</th></tr>
<tr><td>Total Revenue</td><td>3543. 3</td><td>3,562.7</td></tr>
<tr><td>Profit/(Loss) before tax</td><td>1,296.6</td><td>1,304.2</td></tr>
<tr><td>Profit/(Loss) after tax</td><td>931.8</td><td>1009.0</td></tr>
<tr><td>Total comprehensive Income/(Loss) for the year</td><td>14.2</td><td>9.7</td></tr>
<tr><td>Total Income</td><td>3,931.0</td><td>3,982.3</td></tr>
</table></td></tr>
<tr><td>Foreign investments or collaborations, if any.</td><td>As at March 31, 2026, foreign investment in the Company was 70.68% (held by erstwhile promotor Novartis AG)
The Company has not entered into any foreign collaboration in the financial year 2025-26.</td></tr>
</table>

II. Information about the appointee(s):

<table>
<tr><th>Particulars</th><th>Mr. Ramesh Ramadurai</th><th>Mr. Shashank Sinha</th><th>Ms. Suchita Sharma</th><th>Mr. Vikas Gupta</th><th>Mr. Ashok Bhatia</th></tr>
<tr><td>Background details, Job profile and his suitability, recognition or awards</td><td rowspan="3">Refer Explanatory Statement for Item 5 of the Notice</td><td rowspan="3">Refer Explanatory Statement for Item 6 of the Notice</td><td rowspan="3">Refer Explanatory Statement for Item 7 of the Notice</td><td rowspan="3">Refer Explanatory Statement for Item 8 of the Notice</td><td rowspan="3">Refer Explanatory Statement for Item 2 of the Notice</td></tr>
<tr><td>Past remuneration</td></tr>
<tr><td>Remuneration proposed</td></tr>
<tr><td>Comparative remuneration profile with respect to industry, size of the company, profile of the position and person</td><td colspan="5">Considering the size of the Company, the profile of the Directors, their responsibilities and the industry benchmarks, the remuneration is in line with remuneration drawn for similar positions in companies of similar scale and size.</td></tr>
<tr><td>Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any</td><td colspan="5">None of the aforesaid Directors have any pecuniary relationship directly or indirectly with the Company, other than remuneration / commission / sitting fees received from the Company.</td></tr>
</table>

III. Other Information

Reasons of loss or inadequate profits (with reference to Section 197 of the Act, read with Schedule V, for the determination of overall managerial remuneration)	The Company has generated sufficient profits; however, remuneration to managerial personnel is governed by the provisions of the Companies Act at the standalone company level, requiring compliance with Section 197 read with Schedule V for approval of remuneration in view of inadequate standalone profits.
Steps taken or proposed to be taken for improvement	The Company has undertaken and continues to implement multiple initiatives to strengthen its standalone performance, including comprehensive cost-optimization and expansion of revenue streams through enhancement of the existing portfolio, penetration into new markets, operational restructuring and digital transformation initiatives aimed at significantly enhancing overall productivity.
Expected increase in productivity and profits in measurable terms	Based on the measures currently underway, the Company anticipates the positive outcomes over the next 12–24 months on a standalone basis.

Board's Report

Dear Members,

Your Directors are pleased to present the 78th Annual Report along with the audited financial statement for the year ended March 31, 2026 ("year under review").

Summary of Financial Results

(₹ in million)

Particulars	2025–26	2024–25
Revenue from Operations	**3,543.3**	3,562.7
Total Income	**3,931.0**	3,982.3
Profit/(Loss) Before Tax	**1,296.6**	1,304.2
Profit/(Loss) After Tax	**931.8**	1009.0
Other Comprehensive Income for the year	**14.2**	9.7
Retained Earnings balance brought forward from previous year available for appropriation	**7,689.8**	7,288.4
The Directors have made the following appropriations:		
Dividend	**617.3**	617.3
Carry forward	**8,018.5**	7,689.8

Dividend

The Company has a strong track record of dividend payments, reflecting its commitment to shareholder value and prudent financial management. For FY 2025–26, while the Company remained financially sound, the Board considered the ongoing proposed share sale transaction between the promoter and the proposed acquirers, the obligations under the agreement signed by the Company on February 19, 2026, with the Promoter and Acquirers and the independent legal advice received by the Company on precedents and market practice for similar transactions.

Considering the above and the Company's Dividend Distribution Policy, the Board was of the view that it would be appropriate for no dividend to be recommended by the Board for FY 2025-26. This decision was taken as a prudent and balanced measure to ensure compliance with contractual obligations, preserve flexibility during the transaction period, and support the best interests of the Company and its stakeholders.

Upon completion of the proposed transaction, and with greater visibility on the Company's future strategic direction, investment plans, and financial requirements, the matter of dividend distribution could be appropriately reviewed to ensure optimal deployment of the Company's resources.

The Dividend Distribution Policy of the Company is available on the website of the Company at: https://nilpharma.co.in/corporate-polices/

Transfer to General Reserves

In accordance with the provisions of the Companies Act, 2013 ("the Act"), the Board of Directors do not propose to transfer any amount to the General Reserves for the year under review. The entire profit after tax shall be retained under 'Retained Earnings'.

Management Discussion and Analysis

For the financial year under review, the Company operated solely within the pharmaceuticals segment.

a. **Economy, Industry and Development**

India's macroeconomic and industry landscape from 2026 through 2030 is marked by robust economic growth, moderate inflation, proactive healthcare policies, and significant expansion in the pharmaceutical sector. In fiscal year 2026–2027, real gross domestic product GDP is forecast at 7.2%, down marginally from 7.4% in 2025–2026, with domestic demand, especially private consumption, public capital spending, and a revival in private investment, as the primary growth engine. GDP growth is forecast to slow to average 6.6% annually over 2027–2030.[1,8]

Consumer price inflation will accelerate to 3.5% in 2026, from 2.2% in 2025, driven primarily by a rebound in food prices. Services inflation, especially in healthcare, education and housing, is projected to remain elevated because of high demand and rising input costs, and inflation will accelerate further to 4.4% annually in 2027–2030. The rupee will remain under pressure in 2026, but strong growth prospects and modest inflation will keep it on a trend of gradual depreciation against the US dollar over 2027–2030, averaging ₹ 93.50 : US$1 in 2030.[8]

India's macroeconomic environment in 2026 is facing increasing pressure from geopolitical tensions, particularly in the Middle East, which are disrupting energy markets and supply chains. India imports nearly 85% of its fuel needs and relies on the Strait of Hormuz for a significant share of crude oil, liquefied natural gas, and liquefied petroleum gas supplies, making it vulnerable to supply disruptions. India also remains dependent on imports for key commodities such as crude petroleum, machinery, and electronics components, exposing the economy to external risks.[1,2]

Fuel prices remain a key transmission channel of these risks. Crude oil prices have stayed above US$ 100 per barrel amid geopolitical tensions and disruptions in global shipping routes. This has led to rising wholesale price pressures, with fuel and metal prices increasing sharply and contributing to higher producer–level inflation. While consumer price inflation has so far remained relatively contained due to limited pass–through, underlying cost pressures are building and could be passed on to consumers if elevated oil prices persist.[1,2]

In the pharmaceutical sector, rising energy prices and supply disruptions are driving increases in raw material costs. Prices of APIs, solvents, and intermediates have risen sharply, linked to higher oil prices, restricted vessel movement and tightening shipping capacity, which have raised freight costs and delayed sourcing. Given that a large share of pharmaceutical inputs are derived from petrochemicals and that India imports a significant proportion of APIs, these trends are directly affecting manufacturing costs and could lead to higher drug prices if sustained.[4,5]

The Indian Rupee has weakened to near–record lows against the US dollar in 2026, driven by higher oil import bills, a widening trade deficit, and capital outflows. Higher oil prices increase demand for US dollars for imports, adding pressure on the rupee and raising concerns about external balances.[3,6] While the rupee is expected to remain under pressure with gradual depreciation, most expert views do not indicate a base–case scenario of crossing ₹100 per US$, although volatility is expected to persist.[7]

Overall, the current environment reflects supply chain disruptions, rising input costs, and currency volatility. Even though India's economic fundamentals remain supported by domestic demand and policy measures, external shocks from geopolitical tensions are translating into practical risks for businesses through higher costs, supply uncertainty, and pressure on margins.[2,4,6]

Structurally, the industry remains highly fragmented, comprising over 10,000 manufacturers, with value concentrated among approximately 300 major players. Growth is increasingly led by chronic therapies, particularly anti–diabetics, cardiovascular, and emerging anti–obesity treatments. New product introductions, including innovative and differentiated therapies, are expected to be an important contributor to value growth over the forecast period.[8]

An updated version of the Uniform Code for Pharmaceutical Marketing Practices replaced the previous voluntary version in March 2024. The code emphasizes executive accountability, defines limits for promotional items and samples, and sets guidelines for engagement with medical practitioners. The updated code has begun to change the nature of pharmaceutical company engagement with physicians, shifting focus away from hospitality, free samples and gifts towards scientific and technical aspects of a product. In response, leading companies have strengthened compliance systems, and promotional activity has begun to move onto a more scientific level.[8]

References:

1. India's inflation in April rises for sixth straight month, but undershoots estimates (2026) CNBC. [cnbc.com]
2. The fuel price paradox: Why rising petrol rates may help the rupee but increase inflation (2026) @mathrubhumi. [english.ma...ubhumi.com]
3. What Lies ahead for indian rupee in higher oil price environment (2026) THINK.ING. [think.ing.com]
4. India's pharmaceutical sector grapples with rising costs [arcweb.com]
5. Oil crisis may push drug prices higher, supply chain pressure hits Paracetamol & APIs (2026) [freepressjournal.in]
6. Indian rupee falls against US dollar in 2026 as oil prices and outflows rise – goodreturns. [goodreturns.in]
7. Will the Rupee Cross 100 against the US$ in 2026? CFOs, economic experts weigh in (2026) ETCFO.com. [cfo.econom...atimes.com]
8. IQVIA (2026). Market Prognosis 2026–2030, India

b. Performance

Revenue from operations for the financial year ended March 31, 2026 was ₹ 3,543.3 million illustrating a decrease of 0.5 percent over the previous year.

The Profit before tax for the year stood at ₹ 1,296.6 million versus ₹ 1,304.2 million in the previous year.

India ranks third globally—after the United States and China—in the total number of transplants performed annually. However, a significant demand–supply gap persists. Of the approximately 180,000 annual cases of renal failure, only about 6,000 results in transplants, with an organ donation rate of under 1 per million population, as against an estimated requirement of around 65 per million.[1]

The 2023 revised guidelines of the Transplantation of Human Organs and Tissues Act, 1994 (amended in 2011) removed the 65–year upper age limit for registering to receive deceased donor organs and ended the state domicile requirement for such registrations.[1] The Union Health Ministry has directed States/Union Territories to allocate a unique NOTTO (National Organ & Tissue Transplant Organization) –ID for all organ transplants. It is mandatory for deceased donor's organ allocation and must be generated within 48 hours of a living donor transplant surgery.[1]

Continued rollout of digital national registry, under the National Organ Transplant Program (NOTP), donor pledge platforms, and structured organ transport networks[2] and push for increased awareness and better monitoring of brain stem deaths by NOTTO have led to three times more organ transplants than in the last decade.[3]

The incorporation of kidney, heart, lung, and liver transplants under PM–JAY Ayushman Bharat and Rashtriya Arogya Nidhi with financial support for BPL (Below Poverty Line) patients demonstrates a commitment to accessibility of Organ transplants in India.

Novartis continues to engage Physicians for high brand recall and for dissemination of key scientific messages. This is done through differentiated campaigns channelized through RTEs (Rep Triggered Emails) and CMEs (Continuing Medical Education).

We continue to create high differentiation for Novartis brands in the Transplant maintenance portfolio.

Throughout the financial year, the Transplant portfolio experienced a 5% growth driven by recovery of Simulect key accounts.

This growth was achieved despite a highly cluttered genericized market, by bringing in sharp focus on individual brands in Transplant Maintenance portfolio with high–pitch share of voice campaigns such as 'Myfortic – Coated with Care' and 'Start Early with Certican' campaigns.

The exclusive sales and distribution arrangement entered with Dr. Reddy's Laboratories (Dr. Reddy's) for the Established Medicines Brand, which includes the Voveran range, the Calcium range and Methergine enters the 4th year of operations. The arrangement aimed to broaden access of these medicines to larger geographies to benefit many more patients, more efficiently through an expanded field force.

The calcium range outperformed with robust 12% growth vs. FY 24–25. Higher market uptake of Calcium Sandoz and channel management lead to this achievement.

Within the pain portfolio, Voveran Emulgel has performed with a positive evolution index of 100% on MAT Mar'26 basis. The team worked towards leveraging the efficacy perception of Voveran among HCPs and focus on urban and rural markets with a high in–clinic share of voice drive with the 'Jab Pain Nachaye...bas Voveran kaam aaye' campaign.

There is an increase in the share of voice and Voveran orals are overall gaining prescription share among doctors in India, however softness was observed in other Voveran franchises. In–clinic activation of 5,000 HCPs on pledging to support patients with low back pain, hospital–focused initiatives and building reasons–to–believe with the HCPs have improved the efficacy perception of Voveran among HCPs.

Approximately 8.8 million Indians are living with dementia, with a prevalence rate of 7.4% among adults over 60[4]. Efforts are being made to improve awareness and early diagnosis through national health programs and partnerships with organizations like the Alzheimer's and Related Disorders Society of India (ARDSI)[5]. Exelon Patch, our innovative Alzheimer's medicine, offers convenience and safety, leading to increased patient acceptance and growth.

The following brands hold key positions in major therapeutic areas such as:

Therapeutic Area	**Therapeutic Area Product**
Bone and Pain	Voveran®
Transplantation Immunology	Simulect®, Certican®, Sandimmun®, Neoral®, Myfortic®
Neurosciences	Tegrital®, Exelon®

References:

1. https://www.drishtiias.com/daily–updates/daily–news–analysis/organ–transplantation–in–india. Accessed on 14 April 2026

2. https://notto.mohfw.gov.in/writereaddata/portal/news/791_1_guidelines_04_oct_2021__approved_.pdf. Accessed on 14 April 2026

3. https://www.theweek.in/wire–updates/national/2024/08/03/des43–organ–transplants–notto.html. Accessed on 14 April 2026

4. Lee J, et al. Prevalence of dementia in India: National and state estimates from a nationwide study. Alzheimers Dement. 2023 Jul;19(7):2898–2912. doi: 10.1002/alz.12928. Epub 2023 Jan 13. PMID: 36637034; PMCID: PMC10338640.

5. https://www.alz.org/in/dementia–alzheimers–en.asp. Accessed on 14 April 2026

c. **Key Financial Indicators**

Particulars	**2025–26**	2024–25
Operating profit margin (%)	**26.0**	25.0
Net profit margin (%)	**26.3**	28.3
Debtors' turnover ratio	**9.2**	8.7
Current ratio	**5.3**	5.3
Return on Equity (%)	**11.6**	13.2
Inventory turnover ratio	**7.4**	8.3
Debt service coverage ratio	**43.8**	43.2
Debt equity ratio	**0.00**	0.01
Return on capital employed (%)	**11.3**	11.4
Return on Investment	**5.7**	6.7

Reasons for change compared to the previous financial year in key financial ratios are as follows:

Operating profit margin

Operating profit margin is a profitability or performance ratio used to calculate the percentage of profit a company produces from its operations. It is calculated by dividing the operating earnings before interest and tax by turnover. Margins have improved because of operational efficiencies.

Net profit margin

The net profit margin is equal to how much net income or profit is generated as a percentage of revenue. It is calculated by dividing profit for the year by turnover. Net profit margin in the financial year 2025–26 has decreased due to increase in Tax expense. Current tax expense for the year ended March 31, 2026 and March 31, 2025 includes tax adjustments for earlier years of ₹ 26 million and (₹ 42.5 million) respectively.

Debtors' turnover ratio

It is calculated by dividing turnover by average trade receivables, to quantify a company's effectiveness in collecting its receivables. No major movement compared to previous year.

Current ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short–term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities. No major movement compared to previous year.

Return on Equity

Return on equity is a measure of profitability of a company expressed in percentage. It is calculated by dividing profit for the year by average shareholder's equity. Return on equity in the financial year 2025–26 has decreased due to increase in Tax expense to previous financial year 2024–25.

Inventory turnover ratio

Inventory turnover is the number of times a company sells and replaces its inventory during a period. It is calculated by dividing turnover by average inventory. The movement in the inventory turnover ratio is mainly on account of increase in inventory.

Debt service coverage ratio

The debt service coverage ratio measures how many times a company can cover its current interest payment with its available earnings. It is calculated by dividing earning available for debt service by lease payments. No major movement compared to previous year.

Debt equity ratio

The ratio is used to evaluate a company's financial leverage. It is a measure of the degree to which a company is financing its operations through debt versus wholly owned funds. It is calculated by dividing lease liabilities by shareholders equity. No major movement compared to previous year.

Return on Capital employed

Return on Capital employed is a measure of profitability of a company expressed in percentage. It is calculated by dividing profit before interest and tax for the year by capital employed. No major movement compared to previous year.

Return on Investment

Return on investment is defined as return earned on the investment done. It is calculated by dividing weighted average interest income on bank deposit by weighted average bank deposits. The decrease is mainly due to lower interest rates.

d. Risks, Threats, and Concerns

While branded generics account for the vast majority of India's pharmaceutical market by value, trade generics have grown rapidly in recent years. With maximum retail prices similar to branded generics, but free from costs associated with promotion to doctors, trade generics manufacturers have room to offer higher margins and discounts to stockists and retailers. Most leading Indian pharmaceutical companies, as well as some multinationals such as Abbott, have set up trade generic divisions.

The size of the trade generics market is difficult to assess as trade generics do not flow through the regular distribution system. However, IQVIA India estimates that it accounted for around 12% of the total market in value terms in 2025. Initially involving mainly acute therapies, trade generics of chronic therapies have also begun to appear, and further growth is expected, taking market share from branded generics and slowing overall market growth.[4]

The sector also faces risks from supply chain disruptions, rising energy and freight costs, currency volatility and dependence on imported inputs. Sustained increases in crude oil prices and continued rupee depreciation could increase manufacturing costs, pressure margins and, where pass–through is possible, result in higher drug prices.[1,2,3]

References:

1. India's inflation in April rises for sixth straight month but undershoots estimates (2026) CNBC. [cnbc.com]
2. The fuel price paradox: Why rising petrol rates may help the rupee but increase inflation (2026) mathrubhumi. [english.ma...ubhumi.com]
3. What Lies ahead for indian rupee in higher oil price environment (2026) THINK.ING. [think.ing.com]
4. IQVIA (2026). Market Prognosis 2026–2030, India.

e. Outlook

India's population is forecast to expand at an average annual rate of 0.8% over 2025-2030, adding 61.27 million to reach 1.53 billion in 2030. While the 0–14 years age group is forecast to contract at an average annual rate of (0.7%), the 15–64 years age group will grow at an average rate of 1.0%, adding 51.49 million over 2025. Growth in the 65+ cohort will be fastest, averaging 3.9% annually and adding 22.51 million over the forecast period. This cohort will account for 8.6% of the total population by 2030.[1]

Initiatives such as the Ayushman Bharat Health Infrastructure Mission, new regional medical hubs, and public–private partnerships in hospital development are projected to enhance service capacity, especially outside major cities. Digital health and telemedicine expansions, including eSanjeevani, the Ayushman Bharat Digital Mission and a formalized e–pharmacy regulatory framework once in place, are expected to integrate health services, improve telehealth access and make healthcare delivery more efficient nationwide.[1]

The forecast period will be marked by new high–impact drug launches anticipated to drive market value. The introduction of novel anti–obesity and diabetes treatments, such as Eli Lilly's Mounjaro and Novo Nordisk's Wegovy, in 2025 and beyond is expected to bolster sales, particularly in metabolic and cardiovascular therapy areas. These therapies address India's large and growing diabetic and overweight populations and are projected to achieve substantial uptake. The patent expiry of semaglutide in 2026 will likely lead to multiple Indian companies launching affordable generic or biosimilar versions, expanding patient access while sustaining market growth.[1]

Healthcare providers and pharmaceutical companies are expected to expand further into Tier 2 and Tier 3 cities, where demand is rising as awareness and access improve. The continuing rise of chronic diseases from lifestyle changes and aging will increase long–term demand for medications in areas such as diabetes, cardiovascular diseases and oncology. Companies are responding by enlarging sales forces and pursuing co–marketing alliances to penetrate these regions.[1]

The expansion of pharmacy retail chains and online pharmacies, with hybrid online–offline models, will modernize drug distribution and improve last–mile availability of medicines across India. In the hospital sector, private hospitals and clinics will continue attracting investment and expanding capacity, supported by insurance coverage and rising medical tourism interest in India's high–quality, cost–effective care offerings.[1]

References:

1. IQVIA (2026). Market Prognosis 2026–2030, India.

f. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorised use or disposal. Company policies, guidelines and procedures provide for adequate checks and balances and are intended to ensure that all transactions are authorised, recorded and reported correctly.

The Internal Auditor reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. The Audit Committee approves and reviews audit plans for the year based on internal risk assessment. Audits are conducted on an ongoing basis, and significant deviations are brought to the notice of the Audit Committee of the Board of Directors, following which corrective action is recommended for implementation. All these measures facilitate timely detection of any irregularities and early remedial steps.

During the year, the Company conducted a detailed review of its internal control systems, evaluated the internal financial control systems with the Audit Committee and discussed relevant issues with internal and statutory auditors. Based on the recommendations of the Audit Committee, the Board has stated in its responsibility statement that the Company followed proper internal financial controls and that such internal financial controls are adequate and were operating effectively.

Particulars of Employees

The Company regards its employees as a valuable asset and accords high priority to training and development of employees.

The number of employees in the Company as at March 31, 2026, was 57.

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 (‘the Act’), read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure A**.

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report. However, in terms of first provision of Section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. If any member is interested in obtaining a copy thereof, such members may write to the Company Secretary and Compliance Officer, whereupon a copy would be sent.

Share Capital

The equity shares issued by the Company during the year under review are listed at BSE Limited (BSE) as on the date of this report and the securities of the Company are not suspended from trading during the reporting period.

During the year under review, there was no change in the authorized, issued and paid–up share capital of the Company than that of the previous year ended March 31, 2025.

Share Purchase Agreement

The promoter of the Company i.e. Novartis AG has entered into the Agreement for the sale and purchase of the Sale Shares in Novartis India Limited (“SPA”) with WaveRise Investments Limited (“Acquirer 1”), ChrysCapital Fund X (“Acquirer 2”) and Two Infinity Partners (“Acquirer 3”) (Acquirer 1, Acquirer 2, and Acquirer 3, collectively referred to as the “Acquirers”) dated February 19, 2026 pursuant to which Novartis AG has agreed to sell to the Acquirers and the Acquirers have agreed to acquire from Novartis AG 1,74,50,680 (One Crore Seventy Four Lakhs Fifty Thousand Six Hundred and Eighty) fully paid–up equity shares of the Company representing 70.68% (seventy point six eight percent) of the equity share capital of the Company.

As a result of the above, the acquirers along with ChrysCapital X, LLC (“PAC 1”) and OceanEdge Investments Limited (“PAC 2”) (PAC 1 and PAC 2, collectively referred to as the “PACs”), in their capacity as persons acting in concert with the Acquirers for the purposes of the Open Offer, have announced an open offer for acquisition of up to 64,19,608 (sixty four lakhs nineteen thousand six hundred and eight) fully paid–up equity shares of face value of ₹ 5 each (“Equity Shares”) from the Public Shareholders of Novartis India Limited, representing 26% of the ‘total Voting Share Capital’ (as defined in the Public Announcement), at a price of ₹ 860.64 (Indian Rupees Eight Hundred Sixty Point Six Four) per Equity Share.

A Committee of Independent Directors (“IDC”) was formed in relation to the above and under Regulation 26(6) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (“SEBI SAST Regulations”) and a meeting of the IDC was convened on Thursday, June 04, 2026, wherein the IDC after careful review of the Detailed Public Statement, Letter of Offer, the Valuation Report/ Pricing data and other relevant documents placed before it, provided its reasoned recommendations in connection with the Open Offer. The recommendations in relation to the said Open Offer were published in Financial Express, Navshakti and Jansatta newspapers on June 06, 2026.

The tendering period in relation to the Open Offer was open from June 11, 2026, to June 24, 2026.

During the tendring period 182 shares were tendered by the public shareholders, out of which 40 shares were acquired.

Corporate Social Responsibility

The Company continues to support various initiatives in the areas of health. The CSR Policy adopted by the Board of Directors is available on the Company's website at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Corporate%20Social%20Responsibility%20Policy.pdf

Health: The Government of India announced its commitment to eradicate leprosy from the country by year 2030. Aligned with this vision, the Company reinforced its commitment to leprosy as part of its CSR work in India. The Company continued its support to a non–profit organization with projects based in Andhra Pradesh and Maharashtra. The project gives students and community members affected by leprosy (either directly or through their families) the ability to get jobs through vocational training and build a community of empowered young people who can further empower their families and communities.

The Annual Report on Corporate Social Responsibility Activities in terms of Section 135 of the Act and Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended by Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective January 22, 2021 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022, effective September 20, 2022 (hereinafter referred to as 'CSR Rules') is annexed herewith as an **Annexure B**.

Contracts or Arrangements with Related Parties

All contracts, arrangements and transactions entered by the Company during the year under review with Related Parties were in ordinary course of business and on arm's length basis, in accordance with the provisions of the Act.

Your Company has formulated a policy on Related Party Transactions which has been uploaded on the website of the Company at https://nilpharma.co.in/pdfs/investors/cp/NIL_Related%20Party%20Transaction%20(RPT)%20Policy.pdf

All transactions with related parties during the year were in accordance with the Policy on Related Party Transactions, formulated and adopted by the Company, and were reviewed and approved by the Independent Directors who are members of the Audit Committee, in accordance with the SEBI Listing Regulations. Prior omnibus approval of the Independent Directors who are members of the Audit Committee is obtained on a yearly basis for the transactions that are foreseen and of a repetitive nature. A statement giving details of all Related Party Transactions is placed before the Audit Committee for their review on a quarterly basis.

The details of the related party transactions as per Indian Accounting Standards (IND AS) – 24 are set out in Note No. 30 to the Financial Statements of the Company. The Company, in terms of Regulation 23 of the SEBI Listing Regulations, submits disclosures of all related party transactions to the stock exchanges within the time stipulated and in the format stipulated under the said SEBI Listing Regulations.

Particulars of contracts or arrangements with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are provided in **Annexure C** in Form AOC–2 and forms part of this report. The transactions disclosed in the said Annexure relate to material RPTs with Novartis Pharma AG for purchase and import of Pharmaceutical finished products on such terms and conditions as may be mutually agreed between the company and Novartis Pharma AG as approved by members by the way of Postal Ballot Resolution dated June 15, 2025.

Risk Management

Pursuant to Regulation 21 of the SEBI Listing Regulations, your Company has constituted a Risk Management Committee ('RMC') to identify elements of risk in different areas of operations and to develop a policy for actions associated to mitigate the risks.

The RMC is supported by the Internal Risk Steering Committee, risk champions, and on some occasions, by an external risk advisory firm. The teams undertake assessments of internal and external risks, adopt the risk mitigation plan, and regularly monitor them in a structured and controlled environment. The Committee provides updates on risk management to the Risk Committee of the Board of Directors of the Company on a regular basis. There are no risks which, in the opinion of the Board, threaten the existence of your Company.

Details of the composition of the RMC and the Risk Management Policy, adopted by the Board, are provided in the Report on Corporate Governance, which forms part of this Report.

Deposits

During the year under review, your Company neither accepted nor renewed any deposits from the public, in terms of the provisions of Section 73 of the Companies Act, 2013, read with Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

Insurance

The Company does not own any buildings and/ or plant and machinery, stores etc. hence there is no requirement of insurance. However, the stocks of the Company have been adequately insured against major risks.

Directors and Officers Insurance (D&O)

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has obtained Directors and Officers (D&O) Insurance for all its directors and members of senior management.

Particulars of Loans, Guarantees or Investments

As on March 31, 2026, there were no outstanding loans or guarantees covered under the provisions of Section 186 of the Act.

Loans from Directors

During the financial year under review, the Company has not borrowed any amount(s) from Directors.

Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), (including any statutory modification(s)/re–enactment(s)/ amendments(s) thereof for the time being in force), the dividend which remains unclaimed or unpaid for a period of seven (7) consecutive years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. As per the IEPF Rules, the corresponding shares in respect of which dividend has not been paid or claimed by the members for seven (7) consecutive years or more shall also be transferred to the dematerialised account created by the IEPF authority within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (such as bonus, etc.), if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen until the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPF Authority can be claimed back by the shareholder from IEPF authority by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

The said requirement does not apply to shares in respect of which there is a specific order of a court, tribunal or statutory authority, restraining any transfer of the shares.

During the year under review, the Company had transferred a sum of ₹ 16,78,730.00/– (Rupees Sixteen Lakh Seventy–Eight Thousand Seven Hundred Thirty Only) lying in the unpaid/ unclaimed dividend for the financial year 2017–18, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, in compliance with the provisions laid down in IEPF Rules, the Company sent individual notices and also advertised in the newspapers seeking action from the members who had not claimed their dividends for seven (7) consecutive years or more and transferred all corresponding shares and dividend amounts remaining unclaimed for a period of seven (7) consecutive years till 2017–18 to the Demat Account of the IEPF.

It may please be noted that no claim shall lie against the Company in respect of share(s) transferred to IEPF pursuant to the said Rules. Members or claimants whose shares, unclaimed dividends, have been transferred to the IEPF demat account of the fund, as the case may be, may claim the shares or apply for a refund by making an application to IEPF Authority in form IEPF–5 (available on www.iepf.gov.in). The statement containing details of name, address, folio number, demat account No. and number of shares transferred to IEPF demat account is made available on our website https://nilpharma.co.in/transfer-of-shares-to-iepf-demat-account/

The shareholders are encouraged to verify their records and claim their dividends for the preceding seven (7) years, if not claimed.

Board of Directors and Key Managerial Personnel

Appointment of Director

The Board of Directors of the Company at its meeting held on March 27, 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of **Ms. Gowree Gokhale (DIN: 09351661)** as an Additional Director designated as Non-executive and Independent Director of the Company for a period of five (5) years, with effect from April 01, 2026 up to March 31, 2031 and shall be not liable to retire by rotation. The said appointment was subject to the approval of the members of the Company.

The members approved the appointment of **Ms. Gowree Gokhale (DIN: 09351661)** as Non-executive and Independent Director for a period of five (5) years, with effect from April 01, 2026 up to March 31, 2031 vide a Special Resolution passed by the way of Postal Ballot on May 16, 2026.

Re–appointment of Director

Mr. Sanker Parameswaran (DIN:00008187) was appointed as Director designated as Non-Executive and Independent Director with effect from June 22, 2020 for a term of five (5) years i.e. up to June 21, 2025. The first tenure of Mr. Sanker Parameswaran (DIN:00008187) as the Independent Director of the Company ended on closing hours of business on June 21, 2025.

The Board of Directors of the Company in their meeting held on May 09, 2025 approved the re-appointment of Mr. Sanker Parameswaran (DIN:00008187) as a Non-Executive and Independent Director for a second term of five (5) years w.e.f. June 22, 2025, till June 21, 2030, subject to the approval of the members of the Company.

The members approved the re–appointment of Mr. Sanker Parameswaran (DIN:00008187) as Non–Executive and Independent Director for a second term of five (5) years w.e.f. June 22, 2025, till June 21, 2030 vide a Special Resolution passed by the way of Postal Ballot on June 15, 2025.

Cessation/ Resignation of Director

Ms. Sandra Martyres (DIN: 00798406), Independent Director of the Company, completed her second consecutive term of five (5) years on the Board and consequently ceased to be an Independent Director of the Company with effect from the close of business hours on April 18, 2026.

During her tenure, Ms. Martyres made significant contributions to the Board and its Committees through her rich experience, objective judgment, and valuable guidance. She consistently upheld the highest standards of corporate governance and provided strategic oversight that contributed meaningfully to the Company's performance and governance framework.

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by Ms. Martyres during her association with the Company and conveys its best wishes for her continued success in her future endeavors.

Declarations by Independent Directors

The Company has received the necessary declarations from all the Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149(6) of the Act, read with Regulations 25(8) and 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

They have further confirmed that they are not aware of any circumstance or situation which exists, or may reasonably be anticipated, that could impair or impact their ability to discharge their duties. Furthermore, the Independent Directors have submitted their declaration in compliance with the provisions of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, which mandate the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ('IICA') for a period of one year, or five years or lifetime till they continue to hold the office of an Independent Director.

Committees of Board; Meetings of the Board of Directors and Committees

The Board currently has five (5) Committees, namely: the Audit Committee, the Nomination and Remuneration Committee, the Corporate Social Responsibility Committee, the Stakeholders Relationship Committee, and the Risk Management Committee.

Further, in terms of Regulation 26(6) of the SEBI (Substantial Acquisition of Shares and Takeover Regulations) Regulations, 2011, a committee of Independent Directors has been formed called as Independent Directors Committee ("IDC") to provide reasoned recommendations on the Open Offer. All the Independent Directors of the Company form a part of the IDC.

During the year under review, the Board of Directors met Six (6) times to transact various affairs of the Company. A detailed update on the Board, its composition, including a synopsis of terms of reference of various Board Committees, number of Board and Committee meetings held during the financial year 2025–26, and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

Key Managerial Personnel (KMP)

In terms of the provisions of Section 203 of the Act, the following are the KMP of the Company as at the date hereof: –

Ms. Shilpa Joshi – Whole–Time Director and Chief Financial Officer

Mr. Falin Majmudar – Whole–Time Director

Ms. Chandni Maru – Company Secretary and Compliance Officer

The Company has in place a Nomination and Remuneration Policy ('Policy'), which provides guidance on selection and nomination of Directors to the Board of the Company; appointment of the Senior Management Personnel of the Company; and remuneration of Directors, KMP, and other employees. The said Policy is also provided in the Report on Corporate Governance, which forms part of this Report, and is available on the website of the Company and can be accessed at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Nomination%20&%20Remuneration%20Policy.pdf

Disclosure with respect to Remuneration drawn by Managing Director/ Whole–Time Director from Holding/ Subsidiary Company

The Whole–Time Directors of the Company do not draw any remuneration from its holding Company.

Further, the Company does not have a Subsidiary Company.

Performance Evaluation of Board

Pursuant to the provisions of Section 178 read with Schedule IV of the Act and Regulation 17, read with Part D of Schedule II to the SEBI Listing Regulations, the Board of Directors has carried out the annual performance evaluation of its own performance, that of the Directors individually as well as working of its Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management and Corporate Social Responsibility Committees.

A structured questionnaire was prepared for the Board evaluation process for the financial year 2025–26, covering various aspects of the Board's functioning, such as proper mix of competencies, sufficient diversity and review of the Company's business, financial performance, governance and compliance etc.

A separate exercise was carried out to evaluate the performance of individual Directors, who were assessed on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the stakeholders of the Company etc.

The Independent Directors of the Company met on April 09, 2026, without the presence of Non–Independent Directors and members of the management to review the performance of Non–Independent Directors and the Board of Directors as a whole; to review the performance of the Chairperson, and Whole–time Directors of the Company; and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors for the financial year 2025–26. The performance evaluation of the Independent Directors was carried out by the entire Board.

The final outcome of the Board evaluation process for the financial year 2025–26 was placed before the Board of Directors at its meeting held on May 12, 2026, and the Directors expressed their satisfaction with the evaluation process carried out.

Directors' Responsibility Statement

The audited financial statements of your Company for the year under review ('financial statement') are in conformity with the requirements of the Act, read with the Rules made thereunder ('Act'), and the applicable Accounting Standards. The financial statement fairly reflects the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Pursuant to Section 134(3)(c) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, if any;

(b) appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026, and of the profit of the Company for the year ended March 31, 2026;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) proper internal financial controls were laid down and followed by the Company and such internal financial controls are adequate and were operating effectively;

(f) proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Familiarization Programme for Independent Directors

The Company keeps its directors informed of the activities of the Company, its management and operations and provides an overall industry perspective on issues being faced by industry, including changes in regulatory landscape, in a proactive manner. Details of familiarization programme provided to the Directors of the Company are available on the website of the Company at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Board%20Familiarization%20Programme.pdf

Auditors and Auditors Report

(i) Statutory Auditors, Auditors Report and Statutory Audit Fees:

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/ W100022), were appointed as Statutory Auditors of the Company at the AGM held on July 29, 2022, for a term of five (5) years to hold office from the conclusion of the 74^{th} AGM till the conclusion of the 79^{th} AGM of the Company.

The Auditors' Report issued by M/s. B S R & Co. LLP to the shareholders on the Financial Statement of the Company for the year ended March 31, 2026, does not contain any qualification, reservation or adverse remark. The said Report for the financial year ended March 31, 2026, read with the explanatory notes therein are self–explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Act. The Auditors' Report is enclosed with the Financial Statement in this Annual Report.

During the financial year 2025–26, the total fees for the statutory audit rendered by the Statutory Auditors are given below:

Auditors' Remuneration (Excluding GST, where applicable)	**(₹ in million)**	
	2025–26 BSR & Co LLP	**2024–25 BSR & Co LLP**
Period	**April 25 – March 26**	**April 24 – March 25**
Audit Fees	8.4	7.1
Other Services*	0.3	–
Reimbursement of expenses	0.1	0.8
Total	8.8	7.9

* Fees paid to the Statutory Auditors for issuing a certificate for the Unhedged Foreign Currency Exposure (UFCE) for the financial year ending March 31, 2025.

(ii) Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M K Saraf & Associates LLP, Company Secretaries, (Firm Registration No. L2025MH018600 and Peer Review Certificate No. 6694/2025) to conduct Secretarial Audit of the Company for the financial year 2025–26. The Secretarial Audit Report is annexed herewith as an **Annexure D**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, as per the recent amendments in SEBI LODR Regulations, 2015, it is prescribed that the term for the appointment of Secretarial Auditor shall not exceed one term of five (5) consecutive years in case of an individual practicing Company Secretary, and for not more than two terms of five (5) consecutive years in case of a firm of Secretarial Auditors.

In this regard, M K Saraf & Associates LLP, Company Secretaries (Firm Registration No. L2025MH018600 and Peer Review Certificate No. 6694/2025) were appointed as the Secretarial Auditors of the Company for a period of five (5) consecutive years commencing from April 01, 2025, till March 31, 2030, at the Board Meeting held on May 09, 2025, and the same was approved by the shareholders at the 77th Annual General Meeting of the Company.

(iii) Cost records and Cost Audit:

The maintenance of cost records and the requirement of cost audit, as prescribed under Section 148(1) of the Companies Act, 2013, are applicable to the business activities carried out by the Company for the financial year 2025–26.

Accordingly, M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), Cost Accountants, were appointed as the Cost Auditors of the Company to conduct the cost audit for the said financial year.

The Cost Audit Report along with its annexures for the year ended March 31, 2026, issued by the Cost Auditors, was duly reviewed and approved by the Board of Directors at its meeting held on May 12, 2026.

(iv) Reporting of fraud by Statutory Auditors under Section 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee or the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

Compliance with Secretarial Standards

During the financial year 2025–26, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Annual Secretarial Compliance Report

The Company has conducted an examination of all applicable compliances as per SEBI Listing Regulations and the Circulars/Guidelines issued thereunder, for the financial year 2025–26.

The Annual Secretarial Compliance Report dated May 21, 2026, issued by M K Saraf & Associates LLP, Company Secretaries, has been submitted to Stock Exchanges within 60 days of the end of the financial year. The Report does not contain any qualification, reservation or adverse remark. The said report has been duly submitted to BSE Limited.

Energy, Technology Absorption and Foreign Exchange

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption, and foreign exchange earnings/outgo, is included in **Annexure E**, annexed herewith.

Corporate Governance

Your Company has consistently adhered to the corporate governance guidelines and best practices to boost long–term shareholder value and to uphold minority rights. The Company considers it an inherent responsibility to disclose in a timely and accurate manner all information regarding its operations and performance, as well as regarding leadership and governance within the Company.

Pursuant to Regulation 34 read with Schedule V of SEBI Listing Regulations, the Report on Corporate Governance for the year under review is presented in a separate section and forms a part of this Annual Report. A certificate from M K Saraf & Associates LLP, Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, also forms part of the Report on Corporate Governance.

Prohibition of Insider Trading

Pursuant to provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations"), the Company has adopted Insider Trading Code to regulate, monitor and report trading by insiders. This Code applies to Promoters, all Directors, Designated Persons and Connected Persons and their immediate relatives, who are likely to have access to Unpublished Price Sensitive Information ("UPSI") relating to the Company.

The Company has also formulated a 'Code of Practices and Procedures for Fair Disclosure of UPSI' in compliance with the PIT Regulations. The aforesaid Codes are available on the website of the Company at https://nilpharma.co.in/pdfs/investors/cp/NIL_Code%20of%20Practices%20%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf

Business Responsibility and Sustainability Reporting ('BRSR')

In terms of amendment to regulation 34(2)(f) of the SEBI Listing Regulations vide Gazette notification no. SEBI/LAD–NRO/GN/2021/22 dated May 05, 2021, the Business Responsibility and Sustainability Report ("BRSR") based on nine (9) ESG principles for the financial year 2025–26 is included as part of this Annual Report as **Annexure F.**

The members are informed that several sustainability initiatives undertaken by the Company are guided by the ESG principles and policies of its promoter, Novartis AG. Accordingly, the BRSR for the period ended March 31, 2026 has been prepared based on such principles and policies and therefore contains certain cross–references to the promoter.

Whistle Blower Policy: Vigil Mechanism

Pursuant to Section 177 of the Act, read with Regulation 22 of the SEBI Listing Regulations, it is mandatory for every listed entity to formulate Vigil Mechanism ('Whistle Blower Policy') to enable the Directors and employees to report genuine concerns. The Company has implemented a Vigil Mechanism and Whistleblower Policy that provides for (a) adequate safeguards against victimization of people who avail the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of the Company in appropriate or exceptional cases. Details of the Vigil Mechanism and Whistleblower Policy are made available on the website of the Company at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Vigil%20Mechanism_Whistleblower%20Policy.pdf

Prevention of Sexual Harassment Policy

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules framed thereunder. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All persons whether employed as permanent, contractual, temporary or trainees are covered under this Policy.

During the financial year 2025–26, no complaint was received by the Company related to sexual harassment. As on March 31, 2026 there are no complaints to be resolved.

Annual Return

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company for the financial year ended March 31, 2026, is available on the website of the Company at: https://nilpharma.co.in/annual-reports/

Significant and Material Orders passed by the Regulators or Court

There are no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Compliance regarding Maternity Benefit Act, 1961

The Company has complied with the Maternity Benefit Act, 1961, to the extent applicable.

Other Disclosures

- There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.
- The Company has not issued any shares with differential voting rights/sweat equity shares/under Employees Stock Option Scheme during the year under review.
- There was no revision in the Financial Statements.
- There has been no change in the nature of business of the Company as on the date of this Report.
- No instances of non–exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- No application has been made under the Insolvency and Bankruptcy Code; hence, the requirement to disclose the details of any application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.
- The requirement to disclose the details of difference between the amount of the valuation done at the time of one–time settlement and the valuation done while taking loans from the Banks or Financial Institutions, along with the reasons thereof, is not applicable; and
- The Company does not have any subsidiaries, associate companies and joint ventures for the year ended March 31, 2026.
- In accordance with the provisions of NFRA Circular dated January 07, 2026 – "Effective Communication Between Statutory Auditors and Those Charged with Governance", the Board has adopted a Policy that sets out the principles, governance structure, processes and documentation standards for effective, structured and timely two way communication between the Statutory Auditors and Those Charged with Governance (TCWG) of the Company. The Policy is intended to strengthen audit quality, financial reporting integrity, internal control oversight and investor confidence. The Policy has been adopted w.e.f. April 08, 2026.

Green Initiative

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and Company's ongoing commitment to a greener environment by consenting to receiving the Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ RTA.

Cautionary Note

The statements forming part of the Board's Report may contain certain forward–looking remarks within the meaning of applicable securities laws and regulations. Various factors could cause the actual results, performances, or achievements of the Company to materially differ from any future results, performances, or achievements expressed or implied by such forward–looking statements.

Acknowledgement

The Board expresses its appreciation and places on record the contributions made by all stakeholders, particularly employees, shareholders, customers, the medical fraternity, and all business partners, during the year under review. It also acknowledges the support received from the parent Company, Novartis AG.

On behalf of the Board of Directors

Christopher Snook
Chairman
DIN: 00369790

Date: June 29, 2026
Place: Mumbai

Annexure A to the Board's Report

Details pertaining to remuneration as under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) The percentage increase in remuneration of each Director and Company Secretary during the financial year 2025–26, as may be applicable, and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025–26 are as under:

Name and Designation of Directors and Key Managerial Personnel	% increase/ (decrease) in remuneration in the financial year 2025–2026 as compared to previous financial year 2024–25	Ratio of the remuneration to median remuneration of the employees (MRE)
Executive Directors and Key Managerial Personnel ('KMP')		
Ms. Shilpa Joshi Whole–Time Director and Chief Financial Officer	8.00%	1:6.7
Mr. Falin Majmudar Whole–Time Director	3.63%	1:5.7
Non–Executive and Non–Independent Directors		
Mr. Christopher Snook, Chairman	NA	NA
Non–Executive and Independent Directors[1]		
Ms. Sandra Martyres[2]	NA	NA
Mr. Sanker Parameswaran[3]	NA	NA
Ms. Gira Sardesai	NA	NA
Ms. Gowree Gokhale[4]	NA	NA
KMP		
Ms. Chandni Maru Company Secretary and Compliance Officer	20.38%	1:1.3

Notes:

1. Remuneration paid to Independent Directors consists of only sitting fees and commission in the financial year 2025–26 in accordance with Section 197 and other applicable provisions of the Act, details of which are provided in the Report on Corporate Governance forming part of this Annual Report. The percentage increase and ratio of remuneration of Independent Directors are therefore not considered for the above purpose.
2. Ms. Sandra Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.
3. Mr. Sanker Parameswaran was re–appointed as Non–Executive and Independent Director of the Company w.e.f. June 22, 2025.
4. Ms. Gowree Gokhale was appointed as Non–Executive and Independent Director of the Company w.e.f. April 01, 2026.

(B) The percentage increase in the median remuneration of employees in the financial year: 11.29%

(C) The number of permanent employees on the rolls of the Company as on the financial year end: 57

(D) The average percentile increase made in the salaries of employees other than the managerial personnel in the financial year was 11.82%, while the increase in the remuneration of managerial personnel was 10.67%. The increase in the salaries is basis the performance of the employees and the managerial personnels and is in line with Company's Remuneration Policy.

(E) Affirmation that the remuneration is as per Nomination and Remuneration Policy of the Company: Yes

Annexure B to the Board's Report

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025–26

1. **Brief outline on Corporate Social Responsibility (CSR) Policy of Novartis India Limited ("the Company"):**

   The CSR Policy of the Company provides guidance on the vision, principles and governance of its CSR initiatives. The focus areas of the Company's CSR program are mainly pertaining to health, education and environment. More details of the Company's Policy are available on the website at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Corporate%20Social%20Responsibility%20Policy.pdf

2. **Composition of the CSR Committee and number of meetings held/attended**

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Christopher Snook	Chairperson of the Committee; Non–Executive and Non-Independent Director	3	3
2	Ms. Sandra Martyres*	Member; Non–Executive and Independent Director	3	3
3	Ms. Shilpa Joshi	Member; Whole–Time Director and Chief Financial Officer	3	3
4	Mr. Falin Majmudar	Member; Whole Time Director	3	3
5	Ms. Gowree Gokhale	Member; Non-Executive and Independent Director	NA	NA

* Ms. Sandra Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026. Ms. Gowree Gokhale was appointed as Non–Executive and Independent Director of the Company w.e.f. April 01, 2026. Consequently, Ms. Gowree Gokhale has stepped in as Member of the CSR Committee w.e.f. April 18, 2026.

3. The Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are also disclosed on the website of the Company

   The web–links are as follows:

   a) Composition of CSR Committee – https://nilpharma.co.in/board-of-directors/

   b) CSR Policy; and CSR Projects – https://nilpharma.co.in/pdfs/investors/cp/NIL_Corporate%20Social%20Responsibility%20Policy.pdf

4. Provide the executive summary along with web–link(s) of Impact Assessment of CSR projects carried out in pursuance of sub–rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

   a) Average net profit of the company as per Section 135(5) of the Act: ₹ **1220.46 million**

   b) Two percent of average net profit of the Company as per Section 135(5): ₹ **24.41 million**

   c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**

   d) Amount required to be set off for the financial year, if any: **NIL**

5. Total CSR obligation for the financial year [4(b) + 4(c) – 4(d)]: ₹ **24.41 million**

   (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project): ₹ **24.29 million**

   (b) Amount spent on Administrative Overheads: **0.12 million**

   (c) Amount spent on Impact Assessment, if applicable: **Not applicable**

   (d) Total amount spent for the financial year [5(a)+5(b)+5(c)]: ₹ **24.41 million**

   (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in million)	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount	Date of Transfer
24.41	0	NA	NA	NIL	NA

   (f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (₹ in million)
(i)	Two percent of average net profit of the Company as per Section 135(5)	—
(ii)	Total amount spent for the financial year	—
(iii)	Excess amount spent for the financial year [(ii) – (i)]	—
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	—
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	—

6. Details of Unspent CSR amount for the preceding three financial years:

(₹ in million)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Balance amount unspent CSR Account under section 135(6)	Amount spent in the Financial Year	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency if any
					Amount (in ₹)	Date of transfer		
1	FY 2025–26	0	0	0	—	—	0	0
2	FY 2024–25	0	0	0.07	—	—	0	—
3	FY 2023–24	0.07	0	0	—	—	0	—
	Total	**0.07**	**0**	**0.07**	**—**	**—**	**0**	**—**

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: **NO**

8. Specify the reason(s), if the Company has failed to spend two per cent of the Average Net Profit as per Section 135(5): **Not Applicable**

On behalf of the Board of Directors

Shilpa Joshi	**Christopher Snook**
Member of the CSR Committee	**Chairman of the CSR Committee**
DIN: 09775615	**DIN: 00369790**

Date: June 29, 2026
Place: Mumbai

Annexure C to the Board's Report

FORM AOC–2

[Pursuant to Clause (h) of Sub–section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub–section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis during the financial year ended March 31, 2026

   None

2. Details of material contracts or arrangements or transactions at arm's length basis during the financial year ended March 31, 2026

Sr. No.	Particulars	Details
(a)	Name(s) of the related party & nature of relationship	Novartis Pharma AG, Basel, Switzerland Fellow subsidiary
(b)	Nature of contracts/ arrangements/ transactions	Contract(s) for purchase and import of Pharmaceutical finished products on such terms and conditions as may be mutually agreed between the Company and Novartis Pharma AG for the period from April 01, 2025 to March 31, 2030. The members approved such transactions up to a value not exceeding ₹ 3,000 million in each financial year provided that the said transactions shall be at arm's length basis and in the ordinary course of business. The said resolution was passed by the members of the Company vide Postal Ballot Resolution dated June 15, 2025.
(c)	Duration of the contracts/ arrangements/	Ongoing
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions under the contract are in the ordinary course of business and at arm's length. The total value of the transactions in the financial year was ₹ 1118.0 million.
(e)	Date of approval by the Board	Since these RPTs are in the ordinary course of business and are at arms' length basis, approval of the Board is not applicable. However, necessary approvals are granted by the Audit Committee in line with 'Policy for dealing with Related Party Transactions' adopted by the Board of Directors, as may be applicable, from time to time.
(f)	Amount paid as advances, if any	None

On behalf of the Board of Directors

Christopher Snook
Chairman of the Board
DIN: 00369790

Date: June 29, 2026
Place: Mumbai

Annexure D to the Board's Report

Form No. MR–3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
NOVARTIS INDIA LIMITED
L24200MH1947PLC006104
Inspire BKC, 7th Floor,
Bandra Kurla Complex, Bandra East,
Mumbai 400051.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NOVARTIS INDIA LIMITED (L24200MH1947PLC006104) (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board–processes and compliance–mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment (ODI).

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable during the period under review)**

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable during the period under review)**

   e) Securities and Exchange Board of India (Issue and Listing of Non–Convertible securities) Regulations, 2021; **(Not applicable during the period under review)**

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable during the period under review)**

h) The Securities and Exchange Board of India (Buy–back of Securities) Regulations, 2018; **(Not applicable during the period under review)**

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) The Company has further complied with below mentioned laws, which are specifically applicable to the Company as it is in the business of drugs and pharmaceuticals.

a) Drugs and Cosmetics Act, 1940

b) Drugs (Prices Control) Order, 2013

We have also examined compliance with the applicable clauses of the following

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS–1) and General Meetings (SS–2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. as mentioned above.

We further report that:

➢ The Board of the Company is duly constituted with a proper balance of Executive Directors, Non–Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

➢ Adequate notice is given to all directors to schedule the Board Meetings, the agenda and detailed notes on the agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

➢ All decisions were carried through unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

➢ Novartis AG ("Seller") entered into an agreement dated February 19, 2026 with WaveRise Investments Limited ("Acquirer 1"), ChrysCapital Fund X ("Acquirer 2") and Two Infinity Partners ("Acquirer 3") (collectively, the "Acquirers") for sale of 1,74,50,680 fully paid–up equity shares of the Company, representing 70.68% of the equity share capital of the Company, to the Acquirers.

- Pursuant to the aforesaid acquisition, the Acquirers along with ChrysCapital X, LLC and OceanEdge Investments Limited, acting as persons acting in concert, announced an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for acquisition of up to 64,19,608 fully paid–up equity shares of face value of ₹ 5 each representing 26% of the equity share capital of the Company from the public shareholders at a price of ₹ 860.64 per equity share, payable in cash.

For M K Saraf & Associates LLP
Company Secretaries

K. G. Saraf
Designated Partner
FCS: 1596 | CP: 642
ICSI UIN : L2025MH018600
PR. 6694/2025

Place : Mumbai
Date : 12.05.2026
UDIN : F001596H000337954

Note : This report is to be read with my letter of even date, which is annexed as **'ANNEXURE 1'** and forms an integral part of this report.

'ANNEXURE 1'

To,
The Members,
NOVARTIS INDIA LIMITED
L24200MH1947PLC006104
Inspire BKC, 7th Floor,
Bandra Kurla Complex, Bandra East,
Mumbai 400051.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as per the Auditing Standards issued by the Institute of Company Secretaries of India to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M K Saraf & Associates LLP
Company Secretaries

K. G. Saraf
Designated Partner
FCS: 1596 | CP: 642
ICSI UIN : L2025MH018600
PR. 6694/2025

Place : Mumbai
Date : 12.05.2026
UDIN : F001596H000337954

Annexure E to the Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

Particulars required by Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2026.

A. Conservation of Energy

Measures taken for conservation of energy.

The Company does not have a manufacturing unit in India.

The Company's Registered Office is situated in a multi–tenanted building, Inspire BKC, in Bandra (E) Mumbai, which is a "LEED Platinum Certified" by the U.S. Green Building Council and verified by Green Business Certification INC.

- Energy Efficient Lighting System consisting of LED Lighting installed on office floors. This has the potential to reduce energy consumption by up to 90% as against the traditional lighting.
- Occupancy and motion–based sensor LEDs are installed at all workstation areas and meeting rooms, for reduction of energy consumption when not in use.
- To reduce energy consumption through usage of lights, the office space is designed to provide ample natural light from the façade.
- Hydrogen sensors are installed in the UPS room and Quarterly PPM is done for the same.
- Rolled out hybrid working mode for employees with flexibility to work from office or home. The energy consumption in offices has dropped as the strength of employees on a given day at office has been reduced due to hybrid working mode.

B. Technology Absorption

Disclosure of particulars with respect to Technology Absorption:

- **Efforts in brief made towards technology absorption, adaptation and innovation:**

  Novartis AG, Switzerland continues to provide basic technology and technical know–how for introduction of new products and formulation development. These are adapted, wherever necessary, to local conditions.

- **Benefits derived as a result of the above efforts:**

  New product development, productivity and quality improvements, enhanced safety and environmental protection measures.

- **Technology Imported:**

  Novartis AG, Switzerland has provided technical know–how and technology as and when required, relating to products, quality, marketing and so on. This on–going process involves visits by employees of both companies to each other's office sites for discussions and training.

- **Expenditure on R&D:** Nil

C. Foreign Exchange Earnings and Outgo

During the financial year under review, no foreign exchange was earned in terms of actual inflows during the year and the foreign exchange outgo was ₹ 999.63 million in terms of actual outflows.

Report on Corporate Governance

[Pursuant to Regulation 34(3) read with Schedule V Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")]

Your Directors' present the Company's Report on Corporate Governance for the year ended March 31, 2026.

MANDATORY REQUIREMENTS

A. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Novartis India Limited (hereinafter referred to as 'the Company') strives to follow the best corporate governance practices, develop the best policies/guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. We have established processes to ensure our Board of Directors (hereinafter referred to as 'the Board') functions effectively, promoting efficient and balanced decision-making, to effectively fulfill its duties in the best interest of our shareholders, employees and all other stakeholders.

The Company is in compliance with the provisions of Corporate Governance specified under the Companies Act, 2013 (hereinafter referred to as 'the Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations').

The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Novartis Code of Conduct contains the fundamental principles and rules concerning ethical business conduct.

The Company has also adopted Code of Conduct/ Ethics for the Board of Directors and other Senior Level Management and Whistle Blower Policy to enable the employees and Directors to report their concerns directly to the Chairman of the Audit Committee.

B. BOARD OF DIRECTORS

Composition and category of directors:

The Company has a balanced and diverse Board of Directors ("Board"). The Company's Board has an optimum mix of Executive and Non-Executive Directors, to maintain independence and separate the functions of governance and management. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (the 'Act'). As on March 31, 2026, the Board consists of Six Directors comprising two Executive Directors, one Non-executive Chairman Director and three Non-Executive Independent Directors including two women Independent Directors.

Ms. Sandra Martyres (DIN: 00798406), Independent Director of the Company ceased to be the Director with effect from the closing of business hours on April 18, 2026, after completion of her 2nd (second) term as Independent Director on the Board of the Company.

Ms. Gowree Gokhale (DIN: 09351661) was appointed as an Independent Director on the Board of the Company with effect from April 01, 2026. The shareholders' approval for the appointment of Ms. Gokhale was received from the members by the way of Postal Ballot resolution dated May 16, 2026.

Except for the Non-Executive Chairman and Independent Directors of the Company, all other Directors are liable to retire by rotation.

Information placed before the Board:

The notice and the detailed agenda along with the relevant notes and other material information are sent to each Director well in advance. All major agenda items are backed by comprehensive background information to enable the Board to take well-informed decisions. Presentations are made to the Board on various functional and operational areas of the Company and other business development activities, financial highlights, etc.

Your Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations to the Board/Committees, to the extent it is applicable and relevant. Such information is either circulated in advance as part of the agenda papers of the respective meetings or is presented/discussed at the meetings.

Mode of meeting:

Video-conferencing facility is provided to enable the Directors travelling abroad or present at other locations to be able to participate in the meetings. The same is conducted in due compliance with the applicable laws.

With a view to leverage technology, save paper and support sustainability, the Company has adopted a Digital Board Book Application for conducting the Board/ Committee meetings digitally. All the documents relating to a meeting, including agenda, explanatory notes and any other document required to be placed at the meeting, are circulated to the Directors in electronic form through the application and the same can be accessed through digital devices. The application meets high standards of security and integrity required for storage and transmission of meeting related documents.

Number of Board Meetings:

Six Board Meetings were held during the financial year 2025-26 and the gap between two consecutive meetings did not exceed 120 days. The meetings were held on May 09, 2025, July 29, 2025, October 28, 2025, January 28, 2026, February 19, 2026 and March 27, 2026. The necessary quorum was present throughout all the meetings.

Composition, Status and Attendance at the Board Meetings and the last Annual General Meeting (AGM):

Name of the Director	Meetings of the Board for the Financial Year 2025–26							Attendance at the AGM
	No. of Meetings held during the tenure of the Director	Attendance of Directors						
		1	2	3	4	5	6	July 31, 2025
Mr. C. Snook	6	√	√	√	√	√	√	√
Ms. S. Martyres*	6	√	√	√	√	√	√	√
Mr. S. Parameswaran	6	√	√	√	√	√	√	√
Ms. G Sardesai	6	√	√	√	√	√	√	√
Ms. S. Joshi	6	√	√	√	√	√	√	√
Mr. F. Majmudar	6	√	√	√	√	√	√	√

* Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.

None of the independent directors have resigned before the expiry of their tenure during the reporting period. Hence, the disclosure on the reason for resigning and other material reasons are not provided.

As per disclosure received from the Directors,

- None of the Directors of the Company for the financial year ended on March 31, 2026, have been debarred or disqualified from being appointed or continuing as Directors of companies;
- None of the Directors hold directorships in more than seven listed companies;
- None of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director;
- None of the Directors of your Company are inter-se related to each other.

The Company has obtained a certificate from M/s. M K Saraf & Associates, LLP, Company Secretaries, in accordance with sub regulation (3) of Regulation 34 read with sub-clause (i) of Clause 10 of Para-C of Schedule V of SEBI Listing Regulations, that none of the Directors on the Board of the Company for the financial year ended on March 31, 2026, have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

The profile of all Directors of the Company is placed on the website of the Company at https://nilpharma.co.in/board-of-directors/

Number of other Companies or Committees the Director (being a Director as on the date of the Directors' Report) is a director or member / Chairman respectively:

Sr. No.	Name	Category	Date of joining	No. of Directorships/ Committee Membership/ Chairmanships (Including Novartis India Limited)				
				Directorships under Section 165[i]			Committee Memberships[ii]	Committee Chairman-ships[ii]
				Public Companies		Private Cos./ Section 8 Cos.		
				Listed	Unlisted			
1.	Mr. C. Snook	Non-Executive Chairman	01.08.2008	1	—	—	2	1
2.	Ms. G. Sardesai	Independent Director	31.03.2024	2	—	1	1	1
3.	Ms. S. Martyres#	Independent Director	19.04.2016	1	2	3*	1	0
4.	Mr. S. Parameswaran	Independent Director	22.06.2020	2	—	—	4	1
5.	Ms. G. Gokhale@	Independent Director	01.04.2026	1	1	—	1	0
6.	Ms. S. Joshi	Whole-Time Director & Chief Financial Officer	22.11.2022	1	—	1*	1	—
7.	Mr. F. Majmudar	Whole-Time Director	28.06.2024	1	—	—	1	—

i. Excluding Directorships outside India.

ii. Membership and Chairmanship in Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not, including Novartis India Limited. Further Committee Memberships include Chairmanships.

* The number of companies mentioned includes one Company under winding-up each.

\# Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.

@ Ms. G. Gokhale was appointed as a Non-Executive and Independent Director of the Company w.e.f. April 01, 2026.

Except for Mr. Falin Majmudar who holds 35 shares of the Company (acquired prior to becoming the Director of the Company), none of the Directors and their relatives hold shares in the Company as on March 31, 2026. Further, there is no relationship amongst the Directors of the Company.

Details of the Directorships as on March 31, 2026, in other listed entities are given below:

Sr. No.	Name	Name of the Listed Entity	Category of Directorship
1.	Mr. C. Snook	—	—
2.	Ms. S. Martyres*	—	—
3.	Ms. G. Sardesai	Vinyl Chemicals Limited	Independent Director
4.	Mr. S. Parameswaran	Shri Balaji Valve Components Limited	Independent Director
5.	Ms. G. Gokhale@	—	—
6.	Ms. S. Joshi	—	—
7.	Mr. F. Majmudar	—	—

*Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.

@Ms. G. Gokhale was appointed as a Non-Executive and Independent Director of the Company w.e.f. April 01, 2026.

During the year 2025-26, information as mentioned in Part A of Schedule II of SEBI Listing Regulations has been placed before the Board for its review.

Independent Directors:

All the Independent Directors on the Board of the Company are Non-Executive Directors pursuant to Regulation 16 of the SEBI Listing Regulations.

The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI Listing Regulations. There are no inter-se relationships between the Directors of the Company.

The Independent Directors have submitted a declaration of independence, as required pursuant to Section 149(7) of the Act and Regulation 25 of SEBI Listing Regulations stating that they meet the criteria of independence as provided in Section 149(6) and Regulation 16 of the SEBI Listing Regulations. They have complied with the Code of Conduct laid down under Schedule IV of the Act.

In compliance with the Regulation 17A of SEBI Listing Regulations, the Independent Directors of the Company do not serve as an Independent Director in more than seven (7) listed entities. The Independent Directors on the Board of the Company are experienced, competent and highly respected individuals in their respective fields, which bring an ideal mixture of expertise, professionalism, knowledge and experience to the table.

None of the Independent Directors are Promoters or related to Promoters or the Promoter Group. They do not have pecuniary relationships with the Company and further do not hold two percent (2%) or more of the total voting power of the Company. None of the Independent Directors of the Company are non-independent directors of another company on the board of which any non-independent director of the Company is an independent director.

Independent Director Databank Registration:

All Independent Directors have registered themselves with Independent Director's database maintained by the Indian Institute of Corporate Affairs.

Familiarization Program for Independent Directors:

It is the general practice of the Company to notify the changes in the applicable laws from time to time at regular Board Meetings. Formal familiarization programs are conducted regarding the amendments in the Act, Rules prescribed thereunder and SEBI Listing Regulations as and when necessary.

The details of familiarization programme provided to the Directors of the Company is available on the website of the Company at: https://nilpharma.co.in/pdfs/investors/cp/NIL_Board%20Familiarization%20Programme.pdf

Key Board Qualifications, expertise and attributes:

The Company recognizes and embraces the importance of a diverse Board in its success. The objectives of the skills matrix adopted by the Board are to:

- Identify the skills, knowledge, experience and capabilities that are considered to be desirable by the Board as a whole, in order for the Board to fulfill its role and in light of the Company's strategic direction;
- Ascertain the current skills, knowledge, experience and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and
- Identify any gaps in skills or competencies that can be addressed in future Director appointments.

The Board has identified the following skill set with reference to its business and industry which are available with the Board:

Skills and its description	Mr. C. Snook	Ms. S. Martyres*	Ms. G. Sardesai	Mr. S. Parmeswaran	Ms. S. Joshi	Mr. F. Majmudar	Ms. G Gokhale@
Vision Familiarity and commitment to Novartis / Company's culture and values	√	√	√	√	√	√	√
Strategic expertise Ability to understand, review and suggest appropriate strategies	√	√	√	√	√	√	√
Experience Leadership experience in managing people and achieving change	√	√	√	√	√	√	√
Industry Knowledge of pharma, healthcare, manufacturing, marketing, finance, banking, HR, legal and public affairs in which the Company operates	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)	√ (refer technical knowledge given below)
Technical Technical/professional skills to assist with ongoing aspects of the Company's Board's role	Governance, Strategy, Management	Banking, Finance, Risk Management, Planning and Audit	Accounting, Finance, Business Management	Legal advisor, Corporate Governance, Legal and Compliance	Finance, Governance, Cost Management, Risk Management	Supply Chain Management, External Supply Operations (ESO), Project Management	Intellectual property laws, data protection laws, cyber laws, litigation, arbitration, and corporate deals
Legal & Governance Knowledge and understanding of legal and regulatory landscape in which the Company operates	√	√	√	√	√	√	√
Behavioral Behavioral competencies such as collaborative and ability to work as a team member, seeking and giving feedback to/ from individual directors, be challenging but supportive in the Boardroom	√	√	√	√	√	√	√

Skills and its description	Mr. C. Snook	Ms. S. Martyres*	Ms. G. Sardesai	Mr. S. Par-meswaran	Ms. S. Joshi	Mr. F. Majmudar	Ms. G Gokhale@
Personal attributes Willingness and ability to devote adequate time and energy to fulfill Board and Committee responsibilities, strategic thinking, integrity with high ethical standards, trust, accountability and avoid situations leading to conflict of interest	√	√	√	√	√	√	√

* Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.

@ Ms. G. Gokhale was appointed as a Non-Executive and Independent Director of the Company w.e.f. April 01, 2026.

The current composition of your Company's Board includes directors with core industry experience and have the key skills and experience set out above.

None of the independent directors has resigned before the expiry of his or her tenure during the year under review and till the date of this report. However, Ms. Sandra Martyres completed her 2nd term as Independent Director on April 18, 2026 (closing of business hours) and consequently ceased to be the Director of the Company w.e.f. closing of business hours on April 18, 2026.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company https://nilpharma.co.in/board-of-directors/

The number of equity shares held by the Directors as on March 31, 2026, are given below:

Sl. No	Name of Director	Category	No. of shares
1.	Mr. C. Snook	Non-Executive Chairman	0
2.	Ms. S. Martyres*	Independent Director	0
3.	Ms. G. Sardesai	Independent Director	0
4.	Mr. S. Parameswaran	Independent Director	0
5.	Ms. G. Gokhale@	Independent Director	0
6.	Ms. S. Joshi	Whole-Time Director & Chief Financial Officer	0
7.	Mr. F. Majmudar	Whole-Time Director	35

* Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026.

@ Ms. G. Gokhale was appointed as a Non-Executive and Independent Director of the Company w.e.f. April 01, 2026.

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non- Executive Independent Directors during the year.

None of the Directors were issued ESOPs by the Company during the year.

Meeting of Independent Directors:

For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management.

Pursuant to Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors of your Company met once on April 10, 2025 in the absence of Non-Independent Directors and members of the management. At the meeting, the independent directors discussed the matters pertaining to review of performance of Non-Independent Directors and the Board as a whole and also that of the Chairman.

The evaluation of Independent Directors is done by the entire Board of Directors of the Company, which includes:

a. Performance of all directors; and

b. Fulfilment of the independence criteria and their independence from the management.

Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, governance and the evaluation was carried out based on responses received from the Directors. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

C. COMMITTEES OF THE BOARD

As on March 31, 2026, there are five (5) committees of the Board viz. Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee (NRC), Stakeholder's Relationship Committee (SRC) and Risk Management Committee (RMC).

1. Audit Committee

The Board has constituted a well-qualified independent Audit Committee which considers all matters specifically referred to it by the Board in addition to mandatory matters as per Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations. The Committee acts as a link between the management, external and internal auditors and the Board. All the members of the Committee are Independent Directors including the Chairperson, except Mr. Christopher Snook, who is non-executive, non-independent director. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc. The Committee, to carry out its responsibilities efficiently and transparently, relies on the Management's financial expertise and that of the internal and independent auditors.

During the year under review, the Committee met four (4) times i.e. on May 09, 2025; July 29, 2025; October 28, 2025; January 28, 2026. The gap between two (2) consecutive committee meetings did not exceed 120 days. The details of the composition of the Audit Committee and attendance of Members of the committee meetings are as follows:

Name of the Member	Category	Meetings of the Committee for the financial year 2025-26				
		No. of Meetings held during the tenure	1	2	3	4
Ms. G. Sardesai*	Chairperson of the Committee; Non-Executive and Independent Director	4	√	√	√	√
Ms. S. Martyres*#	Member; Non-Executive and Independent Director	4	√	√	√	√
Mr. C. Snook	Member; Non-Executive Director and Non-Independent	4	√	√	√	√
Mr. S. Parameswaran	Member; Non-Executive and Independent Director	4	√	√	√	√

* Ms. S. Martyres stepped down from the position of Chairperson of the Audit Committee w.e.f. May 09, 2025. However, she continued to be the member of the Audit Committee and Ms. G Sardesai had been appointed as the Chairperson of the Audit Committee w.e.f. May 09, 2025. Further, Ms. S. Martyres ceased to be the Director of the Company w.e.f. April 18, 2026, and thus ceased to be the member of the Committee from the same date. Ms. Gowree Gokhale has been inducted into the Committee w.e.f. April 18, 2026.

Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026. Ms. G. Gokhale was appointed as Non-Executive and Independent Director of the Company w.e.f. April 01, 2026. Further, Ms. Gokhale was appointed as a member of the CSR Committee w.e.f. April 18, 2026.

Ms. Chandni Maru, Company Secretary and Compliance Officer of the Company, acts as Secretary to the Committee.

Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee invites such of the executives, as it deems appropriate (particularly the head of the finance function), representatives of the statutory auditors and internal auditors to be present at its meetings.

The terms of reference of the Audit Committee are set out in accordance with the requirement of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, *inter alia* consists of:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure it is correct, sufficient and credible;
- Reviewing with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, primarily focusing, *inter alia*, on
  - Any change in accounting policies and practices and reasons for the change;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Major accounting entries based on exercise of judgment by Management;
  - Compliance with accounting standards, other stock exchange and legal requirements relating to quarterly / annual financial statements;
  - Matters to be included in the director's responsibility statement;
  - The going concern assumption;
- Review and approval of Related party transactions;
- Review of the adequacy of the internal control systems with the Management, internal auditors and statutory auditors;
- Recommending the Board, the appointment / re-appointment of statutory auditors and fixing their fees;
- Approval for payment to statutory auditors for other services;
- Discussing with the Statutory Auditors before the audit commences, the nature and scope of audit as well as conducting post-audit discussions to ascertain any area of concern;
- Reviewing the adequacy of internal audit function, coverage and frequency of internal audit;
- Review with internal auditors and senior management of any significant findings and follow-ups thereon;
- Reviewing any findings of any financial irregularities or failure of internal control systems and reporting to the Board;
- Review of the Company's financial risk and management policies;
- Review functioning of the Whistle Blower mechanism;
- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- Any other function as may be stipulated by any law/Government guidelines;
- Such other functions as may be specified by the Board of Directors of the Company from time to time.

The Committee is also responsible to look into any substantial defaults in payments of dividends, deposits or to creditors.

During the year under review, the Audit Committee besides considering the unaudited quarterly financial results and audited financial results and recommending to the Board of Directors of the Company for its adoption and approval, discussed various topics relating to the Company's operations including inventory, direct tax compliance, GST compliance, receivables, and compliances in general. The minutes of the Audit Committee Meetings are placed before the Board for their noting.

The Committee relies on the expertise and knowledge of the management, the Internal Audit Team and Statutory Auditors in carrying out its responsibilities. It also uses external expertise where necessary. Management is responsible for the preparation, presentation and integrity of the Company's financial reporting. Management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with Accounting Standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("the NRC") is constituted in compliance with the requirements of Regulation 19 of the SEBI Listing Regulations and section 178 of the Act.

The NRC has been vested with the authority to recommend nominations for Board membership, succession planning for the senior management and the Board, recommend composition of the Board commensurate with the size, nature of the business and operational dimension of the Company, establish criteria for selection of Board Members with respect to skills, abilities, experience competencies, qualifications, track record, integrity, and determine overall compensation policies of the Company.

The NRC also formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board periodically, policies relating to the remuneration of Directors, Key Managerial Personnel and Senior Management. In addition to the above, the NRC's role includes identifying persons who may be appointed to a senior management position in accordance with the criteria laid down, recommending to the Board their appointment and removal.

The NRC met 03 (three) times during the year on May 09, 2025; October 28, 2025 and March 27, 2026.

Constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended March 31, 2026, are given below:

Name of the Member	**Category**	**Meetings of the Committee for the financial year 2025-26**			
		No. of Meetings held during the tenure	**1**	**2**	**3**
Ms. S. Martyres*	Chairperson of the Committee; Non-Executive and Independent Director	3	√	√	√
Mr. C. Snook	Member; Non-Executive and Non Independent Director	3	√	√	√
Ms. G. Sardesai	Member; Non-Executive and Independent Director; Chairperson (w.e.f. April 18, 2026)	3	√	√	√

* Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026. Ms. G. Gokhale was appointed as Non-Executive and Independent Director of the Company w.e.f. April 01, 2026. Further, Ms. Gokhale was appointed as a member of the NRC w.e.f. April 18, 2026.

The terms of reference of NRC, *inter alia* consists of:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Formulate and recommend to the Board a policy for payment of remuneration to Executive Directors, Non-Executive Directors, Key Managerial Personnel etc. and its review from time to time.
- Periodically review and suggest revision of the total remuneration package of Executive Directors and Key Managerial Personnel under the provisions of Act;
- Decide the actual salary, allowances, perquisites and increments of Executive Directors under the Act.
- Decide the amount of incentive/bonus payable to Executive Directors under the provisions of Act;

In determining the remuneration package of the Executive Directors under the provisions of Act, the NRC evaluates the remuneration paid by comparable organizations within the industry and across various industries before making its recommendations to the Board. The compensation is also linked to individual and Company performance.

The NRC at its meeting held on July 25, 2014, approved the Nomination and Remuneration Policy ('NRC Policy') and the methodology for conducting the performance appraisal of the Board, the Board Committees and the Directors. The remuneration policy of the Company can be accessed on the Company's website at https://nilpharma.co.in/pdfs/investors/cp/NIL_Nomination%20&%20 Remuneration%20Policy.pdf

Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Act and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholder's Relationship Committee. A peer review was done by all the Directors evaluating every other Director.

A structured questionnaire was prepared for the Board evaluation process for the financial year 2025–26, covering various aspects of the Board's functioning such as a proper mix of competencies, sufficient diversity and reviewing of the Company's business, financial performance, governance and compliance etc.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the stakeholders of the Company etc.

3. Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee has been constituted in compliance with the provisions of Section 178(5) of the Act read with Regulation 20 and Part D of Schedule II of the SEBI Listing Regulations.

As of March 31, 2026, the Stakeholder's Relationship Committee comprises of a non-executive director being the Chairman of the Committee, two executive directors and one Independent Director as the members of the Committee.

During the year under review, the Committee met 04 (four) times i.e., on May 09, 2025; July 29, 2025; October 28, 2025, and January 28, 2026. The details of the meeting and attendance of Members to the committee meetings are as follows:

Name of the Member	Category	Meetings of the Committee for the financial year 2025-26				
		No. of Meetings held during the tenure	1	2	3	4
Mr. C. Snook	Chairman; Non-Executive and Non Independent Director	4	√	√	√	√
Mr. S. Parameswaran	Member; Non-Executive and Independent Director	4	√	√	√	√
Ms. S. Joshi	Member; Whole-Time Director and Chief Financial Officer	4	√	√	√	√
Mr. F. Majmudar	Member, Whole-Time Director	4	√	√	√	√

In accordance with the IEPF Rules, the Board of Directors has also appointed Ms. Chandni Maru as the Nodal Officer of the Company.

The terms of reference of the Stakeholder's Relationship Committee are set out as per the Act and Regulations 19 and 20 read with Part D of Schedule II of SEBI Listing Regulations, *inter alia*, consists of:

- Monitor redressal of investors/shareholders grievances;
- Approve transfer and transmission of shares;
- Issue of duplicate share certificates;
- Approving of split and consolidation requests;
- Review of shares dematerialized;
- Oversee the performance of the Company's Registrar and Share Transfer Agent;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends and issue of new/duplicate share certificate;
- Review of measures taken for effective exercise of voting rights by the shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the Company;
- All other matters related to shares.

Investor complaints are processed through a centralized web-based complaints redressal system. Centralized database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company, online viewing by investors of actions taken on the complaint and the current status are updated/resolved electronically in the SEBI SCORES system.

The Registrar and Share Transfer Agent of the Company - MUFG Intime India Private Limited (formerly know as Linkin Time India Private Limited) attends to all grievances received from shareholders and investors.

All queries like non-receipt of annual reports, dividends, transfer of shares, change of address etc. were resolved to the satisfaction of the shareholders / investors. All investor grievances/queries and complaints from statutory authorities have been resolved to the satisfaction of the complainants before the end of the financial year. The details of the shareholders / investor grievances are as follows:

Particulars	SEBI	BSE	ODR	Letters	Mails	Total
Pending at the beginning of the year	Nil	Nil	Nil	Nil	Nil	Nil
Received during the year	17	Nil	01	Nil	01	19
Disposed during the year	16	Nil	01	Nil	01	18
Remaining unresolved at the end of the year	01	Nil	Nil	Nil	Nil	01

All valid requests for share transfers received during the year have been acted upon and there are no share transfer requests pending as on March 31, 2026. The one open complaint pending to be resolved as on March 31, 2026 has been resolved and closed on the date of this report within the statutory timelines.

4. Corporate Social Responsibility Committee

As of March 31, 2026, the Corporate Social Responsibility (CSR) Committee comprised of non-executive non-independent director as the Chairman, two executive directors and one non-executive independent director as a member of the Committee. The composition of the Committee and its terms of reference meet the requirements of section 135 of the Act. The Committee met three (3) times during the year under review i.e. on May 09, 2025, July 29, 2025 and January 28, 2026.

Details of constitution and attendance of the CSR Committee as on March 31, 2026, are given below:

Name of the Member	Category	Meetings of Committee for the financial year 2025–26			
		No. of Meetings held during the tenure	1	2	3
Mr. C. Snook	Chairman of the Committee; Non-Executive and Non-Independent Director	3	√	√	√
Ms. S. Martyres*	Member; Non-Executive and Independent Director	3	√	√	√
Ms. S. Joshi	Member; Whole-Time Director and Chief Financial Officer	3	√	√	√
Mr. F. Majmudar	Member, Whole-Time Director	3	√	√	√

* Ms. S. Martyres ceased to be the Independent Director of the Company w.e.f. closing hours of business as on April 18, 2026. Ms. G. Gokhale was appointed as Non-Executive and Independent Director of the Company w.e.f. April 01, 2026. Further, Ms. Gokhale was appointed as a member of the CSR Committee w.e.f. April 18, 2026.

The CSR Policy is uploaded on the Company's website https://nilpharma.co.in/pdfs/investors/cp/NIL_Corporate%20Social%20Responsibility%20Policy.pdf required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR projects for the financial year 2025-26 approved by the Board have also been disclosed on the Company's website https://nilpharma.co.in/corporate-polices/

The Annual Report on CSR activities is a part of the Board's Report, which details the various CSR projects undertaken by the Company during the financial year 2025-26.

Terms of Reference

- Formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy ("CSR Policy") which shall indicate the activities to be undertaken by the entity in areas or subject, specified in Schedule VII of the Act which includes ongoing projects;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Consider and propose an Annual Budget for CSR activities to the Board for approval as part of the overall budget process together with the Action Plan;
- Receive reports and review activities executed by the CSR team;
- Review the CSR programme of the Company and ensure that the internal CSR function is adequately resourced and has appropriate standing within the Company;
- Consider and review the Annual Corporate CSR Report and ensure that it is a fair reflection of the Company's CSR approach, policies, systems and performance and is coherent and published in a timely manner;
- Review the CSR Policy of the Company from time to time;
- Retain/ hire outside consultants, if required; and
- Consider other matters as specified by the Board.

The details of CSR activities carried out by the Company during the year under review are set out in **Annexure B** to the Directors' Report. The Company's contributions and initiatives towards social welfare and environment sustainability have been integral to the business. The Committee believes it has performed effectively and carried out the role assigned to it. The Company will continue to pursue CSR activities as one of its fundamental priorities towards the society in which it operates. CSR activities of the Company are expected to continuously evolve for long-term sustainability of business, society and environment at large. CSR activities shall further align and integrate social wellbeing, economic growth and environmental sustainability with the Company's core principles of business.

5. Risk Management Committee

The scope of this Committee is to assist the Board of Directors in early identification, assessment and mitigation of risks pertaining to financial, regulatory, statutory, operational, strategic, reputational, and others risks the Company may face. The Committee has overall responsibility for monitoring and approving the risk management framework and is capable of effectively addressing these risks. The terms of reference of the Committee cover the areas of developing a formal risk management structure along with formation and delegation of responsibility to an executive management team which defines risk across the organization, monitors the material risks to which your organization is exposed and appropriately implements the mitigation plan on sustainable and continuous basis.

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of SEBI Listing Regulations for identifying the elements of risk, which in the opinion of the Board of Directors threaten the existence of the Company.

The Committee met two (2) times during the year under review i.e., on May 09, 2025 and October 28, 2025. Details of constitution and attendance of Committee as on March 31, 2026, are given below:

Name of the Member	**Category**	**Meetings of Committee for the financial year 2025–26**		
		No. of Meetings held during the tenure	**1**	**2**
Mr. S. Parameswaran	Chairman; Non-Executive and Independent Director	2	√	√
Ms. G. Sardesai	Member; Independent Director	2	√	√
Ms. S. Joshi	Member; Whole-Time Director and Chief Financial Officer	2	√	√
Mr. F. Majmudar	Member; Whole-Time Director	2	√	√

The Role of the Committee:

1. The Committee shall review and approve the Enterprise Risk Management Framework / Risk management plan / Policy of the Company at least once in two years by considering the changing industry dynamics and evolving complexity;
2. The Committee shall periodically review the risk management processes and practices of the Company and ensure that appropriate methodology processes and systems are in place to monitor and evaluate risks and to achieve prudent balance between risk and reward in both ongoing and new business activities;
3. The Committee shall monitor and oversee implementation of Risk Management Policy, including evaluating the adequacy of risk management system;
4. The Committee shall inform the Board of Directors about the nature and content of its discussions, recommendations and actions to be taken;
5. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
6. The Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one- off initiatives and ongoing activities such as business continuity planning);
7. The Committee shall evaluate risks related to cyber security and ensure appropriate procedures are in place to mitigate these risks;
8. The Committee may form and delegate authority to subcommittees as and when appropriate;
9. The Committee shall review and reassess the adequacy of its charter / terms of reference / policy periodically and recommend any proposed changes to the Board for approval;
10. The Committee shall have access to any internal information necessary to fulfill its oversight role;
11. The Committee shall have power to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
12. The Board may review the performance of the Committee periodically.

6. Senior Management

As subordinate to the Board of Directors, Key Managerial Personnel and the Committees to the Board, there are several Senior Management in the hierarchy of your Company.

Details of Senior Management Personnel as on March 31, 2026, as defined under Regulation 16(1)(d) of SEBI (LODR) Regulations are as follows:

Sr. No.	Name	Designation
1	Ms. Shilpa Joshi	Whole Time Director and Chief Financial Officer
2	Mr. Falin Majmudar	Whole Time Director and Head External Supply Operations (ESO)
3	Ms. Chandni Maru	Company Secretary and Compliance Officer

As for the year ended March 31, 2026, there has been no change in the Senior Management of the Company from that as reported for the last year i.e. March 31, 2025.

D. REMUNERATION TO DIRECTORS

Remuneration Policy:

The Company has in place a Remuneration Policy for Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and other employees, in accordance with the provisions of the Act and SEBI Listing Regulations. The Nomination and Remuneration policy is uploaded on the Company's website https://nilpharma.co.in/pdfs/investors/cp/NIL_Nomination%20&%20Remuneration%20Policy.pdf

The Whole-Time Directors gets a monthly salary, perquisites and performance pay as per the policies of the Company. In the event of the Whole-Time Directors desiring to leave the services of the Company, he/ she shall give to the Company three (3) months' notice respectively as prescribed in the employment agreement executed with the Company. The Company may, at its sole discretion, relieve Whole-Time Director of their duties at any time by giving the prescribed notice as stated in the employment agreement.

The criteria for making payments to the Whole-Time Directors are:

1. Salary, as recommended by the NRC and approved by the Board and shareholders of the Company. Perquisites, retirement benefits and performance pay are also paid/ provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions.
2. Remuneration paid to Whole-Time Directors are determined keeping in view industry benchmarks and Novartis policies.

Remuneration to Whole-Time Director are within the limits of provisions of Section 197 of the Act and as approved by the Board and shareholders of the Company from time to time.

The criteria for making payments to the Non-Executive and Independent Directors are:

1. Mr. C. Snook, Non-Executive Chairperson of the Board does not get any remuneration from the Company.
2. Independent Directors are paid sitting fees with effect from April 01, 2019 for attending the Board and Audit Committee meetings.
3. The Independent Directors receive remuneration by way of Commission as may be decided by the Board based on the industry benchmarks after receipt of necessary approvals.

The Board decides on the Commission based on industry benchmarks and commensurate challenges.

The remuneration paid or payable to the Directors for the financial year 2025-26 are given below:

(Amounts in ₹)

Name of the Director	Basic Salary	Flexible Compensation	Annual incentive	Commission	Benefits/ Perquisites/ Allowances	Stock Options*	Others**	Total
Mr. C. Snook	—	—	—	—	—	—	—	—
Ms. G. Sardesai	—	—	—	10,00,000	—	—	—	10,00,000
Ms. S. Martyres	—	—	—	10,00,000	—	—	—	10,00,000
Mr. S. Parameswaran	—	—	—	10,00,000	—	—	—	10,00,000
Ms. S. Joshi	45,57,433	49,73,444	25,26,835	—	6,52,575	27,67,892	—	1,54,78,179
Mr. F. Majmudar	43,03,308	42,78,053	21,42,723	—	3,68,866	26,15,658	76,204	1,37,84,812

* Employee Stock Option, Stock Grant or any other Stock Linked Incentive Plan whether existing or declared by the Parent company, Novartis AG ('Stock Options') as per Novartis Group Policies and Rules of the Company; the cost thereof being borne by the Company

** Others includes Superannuation Fund, Employer's contribution to PF and Gratuity, as may be applicable

The aforesaid remuneration paid to Independent Directors of the Company does not include sitting fees for the financial year 2025-26 aggregating INR 1.5 million.

None of the Non-Executive Directors had any material pecuniary relationship or transaction vis-à-vis the Company during the year under review.

E. General Body Meetings

Location and time for the last three AGMs held and the Special Resolutions, if any, passed thereat, are as given below:

AGM for the financial year	Date of AGM	Time of AGM	Location of holding AGM	Special Resolutions passed
2024-25	July 31, 2025	11:00 a.m.	Video Conferencing/ Other Audio–Visual Means	None
2023-2024	July 31, 2024	11:00 a.m.		1. Appointment of Mr. Falin Majmudar (DIN: 10681030) as the Whole-Time Director of the company.
2022-2023	July 28, 2023	11:00 a.m.		None

No Extraordinary General Meeting has been held during the past 3 years.

POSTAL BALLOT:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re–enactment thereof for the time being in force) ("Rules") and Regulation 44 of the SEBI Listing Regulations. The postal ballot notice is sent to shareholders in accordance with the modes as per prevalent directions of MCA & SEBI. Newspaper advertisements are also published in leading newspapers with nationwide circulation & further in languages in accordance with the requirements under the Act. During the financial year, pursuant to Section 110 and Section 108 and other applicable provisions, if any, of the Act read with Rules and Regulation 44 of the SEBI Listing Regulations [further read with guidelines prescribed by the MCA for holding general meetings / conducting postal ballot process through e–voting vide General Circular 09/2024 dated September 19, 2024 ("MCA Circulars"), to transact the special business through postal ballot only by way of remote e–voting], the Company had provided the facility of postal ballot & remote e–voting to its members for obtaining the approval of the members of the Company for the following purposes:

Item No. 1 - Re-Appointment of Mr. Sanker Parameswaran (DIN: 00008187) as an Independent Director for a further term of 5 (five) years. (Special Resolution)

As per the MCA Circulars, the postal ballot notice (the "Notice") was sent only by email to all the shareholders who had registered their email addresses with the Company or depository(ies) / depository participants and the communication of assent / dissent of the members on the resolutions proposed in the Notice was sought only through the remote e–voting system. The Company also published notice in the newspapers declaring the details of completion of dispatch, e–voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid–up value of the shares registered in the names of the shareholders on the cut–off date i.e. Monday, May 12, 2025. The Board of Directors had appointed Mr. S. N. Viswanathan, Practising Company Secretary (ACS 61955; COP No. 24335) as the Scrutinizer, and Ms. Ashwini Vartak as an Alternate Scrutinizer (ACS29463; COP No. 16723), as the Scrutinizers to scrutinize the remote e–voting process in a fair and transparent manner.

The e–voting commenced on 9:00 a.m. (IST) on Saturday, May 17, 2025, and ended at 5:00 p.m. (IST) on Sunday, June 15, 2025, and the e–voting platform was disabled thereafter. The report on the result of the remote e–voting was provided by the Scrutinizers on June 16, 2025. The Results were submitted to BSE on June 16, 2025. All the resolutions were passed with the requisite majority. The details of voting on the above resolution passed by votes through remote e–voting were as under:

The details of voting pattern are given below:

Particulars	Number of valid		Percentage (%)
	Voters	Votes	
Assented to Resolution	244	1,75,40,567	99.9926
Dissented to Resolution	18	1,303	0.0074
Total	262	1,75,41,870	100

F. DISCLOSURES

Related Party Transactions:

All the transactions with related parties were in the ordinary course of business and on arms' length basis. In terms of Regulation 23 of SEBI Listing Regulations the Company has obtained prior approval of the audit committee for entering any transaction with related parties. The audit committee granted omnibus approval for all transactions to be entered into with the related parties, during the year. The audit committee is entrusted with responsibility of approval or any subsequent modification of transactions with the related parties. All material related party transactions have been approved by the shareholders through special / ordinary resolution, as applicable. Further, the material RPTs with Novartis Pharma AG for purchase and import of Pharmaceutical finished products on such terms and conditions as may be mutually agreed between the company and Novartis Pharma AG was approved by members vide the Ordinary Resolution passed by the way of Postal Ballot Resolution dated June 15, 2025. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or otherwise which may have potential conflict with the interest of the Company at large apart from the ones approved by the Shareholders.

The details of the transactions with Related Parties are provided in accordance with the Accounting Standards in Note No. 30 to the financial statements in the Annual Report. Accordingly, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering such a contract or arrangement in Form AOC-2 form a part of the Report.

The related party transactions for the half year ended March 31, 2026 in the format prescribed by SEBI is uploaded on the website of the Company https://nilpharma.co.in/related-party-transaction-report/

The Board approved the policy for related party transactions and is uploaded on the website of the Company https://nilpharma.co.in/pdfs/investors/cp/NIL_Related%20Party%20Transaction%20(RPT)%20Policy.pdf

Whistle Blower Policy and Vigil Mechanism:

In terms of the provisions of Section 177(9) of the Act, the Company has implemented a vigil mechanism, which includes implementation of the whistleblower policy. No employee has been denied access to the Chairperson of the Audit Committee. The Company in conjunction with the Legal and Ethics Team of its ultimate holding company has informed its employees that any non-compliant behavior of directors or employees, including non-compliance of its code of conduct, may be reported by them using the ethics hotline or ethics email id. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. The policy also provides adequate safeguards to employees against victimization of people who use such mechanism. The Company's whistleblower policy has been uploaded on the website of the Company.

https://nilpharma.co.in/pdfs/investors/cp/NIL_Vigil%20Mechanism_Whistleblower%20Policy.pdf

Policy on determination of materiality of events and information for disclosures:

The Company has adopted a policy on determination of materiality on disclosures and the same has been uploaded on the website of the Company https://nilpharma.co.in/pdfs/investors/cp/NIL_Policy%20for%20determination%20of%20Materiality%20of%20Events%20or%20Information.pdf

Dividend Distribution Policy:

The objective of the Company's dividend distribution policy is to reward its shareholders by sharing a portion of the profits, whilst ensuring that sufficient funds are retained in the Company for growth, working capital requirements, capex requirement etc. The policy aims to ensure a regular dividend income for the shareholders and long-term capital appreciation for all shareholders of the Company. The Company would strive to strike an optimum balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The general factors considered by the Company for taking decisions with regard to dividend payout includes contractual obligations, taxation policy, statutory covenants, historical financial performance, future financial outlook, current year profits and outlook, operating Cash flows, possibilities of alternate usage of cash, providing for unforeseen events and contingencies etc.

The Board can modify/amend the policy depending on business needs and external environment.

The Company's dividend distribution policy has been uploaded on the website of the Company https://nilpharma.co.in/corporate-polices/

G. COMPLIANCES

During the preceding three financial years, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchange or any statutory authority for non–compliance of any matter related to the capital markets.

H. ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has published its quarterly, half-yearly and annual financial results in two newspapers including one vernacular newspaper having wide circulation. The results are promptly put up on the website of the Company besides being sent to the BSE Limited.

The statutory auditors of the Company have issued an audit report with unmodified opinion on the financial statements for the financial year ended March 31, 2026.

I. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Directors and Senior Management and all its employees. The Code of Conduct is posted on the Company's website https://nilpharma.co.in/pdfs/investors/cp/NIL_Code%20of%20Conduct%20for%20Board%20of%20Directors%20%20Senior%20Management.pdf

Directors and Senior Management personnel of the Company have affirmed compliance with the Code. A declaration signed by the Chairman and Managing Director to this effect is appended at the end of this Report.

J. CEO/CFO CERTIFICATION

A certificate from the Executive Director and Chief Financial Officer on the integrity of the financial statements and other matters of the Company for the financial year ended March 31, 2026 was placed before the Board at its meeting held on May 12, 2026.

K. MEANS OF COMMUNICATION

Quarterly, Half-Yearly and Annual results of the Company are published in newspapers such as "Financial Express" and "Navshakti". These results are promptly submitted to BSE Limited facilitating them to display the same on their website. The Company's results are available on the website of the Company at https://nilpharma.co.in/quarterly-reports/

SEBI Complaints Redressal System (SCORES): A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the investors of actions taken on the complaint and its current status. Further, SEBI vide Circular dated August 13, 2020, has specified standard operating procedure for handling complaints by stock exchanges, accordingly the Company is now required to resolve the complaint within a period of 30 days of receipt of the same.

L. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	:	September 24, 2026
Financial Year	:	April 01 – March 31
First Quarter Results	:	1st Fortnight of May
Second Quarter Results	:	2nd Fortnight of October
Third Quarter Results	:	2nd Fortnight of January
Results for the year ending March 2027	:	1st Fortnight of May
Date of Book Closure	:	NA
Record Date (for e-voting)	:	September 17, 2026
Dividend payment date	:	NA
Listed on Stock Exchange	:	Yes

Names of the Stock Exchange where securities are listed	:	BSE Limited, Mumbai
Payment of Annual Listing Fees	:	The Annual Listing Fees for the Financial Year 2026-27 have been paid to BSE Limited
Scrip Code (BSE)	:	500672
Demat ISIN no. for NSDL and CDSL	:	INE234A01025

Your Company has not issued any global depository receipts or American depository receipts or warrants or any convertible instruments. Hence, no further details in this regard have been provided in this report.

Monthly Highs and Lows for the period April 2025 to March 2026: Please refer BSE website https://www.bseindia.com/stock-share-price/novartis-india-ltd/novartind/500672/

The company has not raised any funds through preferential allotment or qualified institutional placement during the previous financial year. Hence, no further disclosure is made in this regard in accordance with 10(h) of other disclosures under Schedule V of the LODR Regulations. There are no instances of explanation for the variation specified in 32(1) of SEBI Listing Regulations.

Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: **Nil**.

Share Purchase Agreement

The promoter of the Company i.e. Novartis AG has entered into the Agreement for the sale and purchase of the Sale Shares in Novartis India Limited ("SPA") with WaveRise Investments Limited ("Acquirer 1"), ChrysCapital Fund X ("Acquirer 2") and Two Infinity Partners ("Acquirer 3") (Acquirer 1, Acquirer 2, and Acquirer 3, collectively referred to as the "Acquirers") dated February 19, 2026 pursuant to which Novartis AG has agreed to sell to the Acquirers and the Acquirers have agreed to acquire from Novartis AG 1,74,50,680 (One Crore Seventy Four Lakhs Fifty Thousand Six Hundred and Eighty) fully paid-up equity shares of the Company representing 70.68% (seventy point six eight percent) of the equity share capital of the Company.

As a result of the above, the acquirers along with ChrysCapital X, LLC ("PAC 1") and OceanEdge Investments Limited ("PAC 2") (PAC 1 and PAC 2, collectively referred to as the "PACs"), in their capacity as persons acting in concert with the Acquirers for the purposes of the Open Offer, have announced an open offer for acquisition of up to 64,19,608 (sixty four lakhs nineteen thousand six hundred and eight) fully paid-up equity shares of face value of INR 5 each ("Equity Shares") from the Public Shareholders of Novartis India Limited, representing 26% of the 'total Voting Share Capital' (as defined in the Public Announcement), at a price of INR 860.64 (Indian Rupees Eight Hundred Sixty Point Six Four) per Equity Share.

A Committee of Independent Directors (IDC) was formed in relation to the above and under Regulation 26(6) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("SEBI SAST Regulations") and a meeting of the IDC was convened on Thursday, June 04, 2026, wherein the IDC after careful review of the Detailed Public Statement, Letter of Offer, the Valuation Report/ Pricing data and other relevant documents placed before it, provided its reasoned recommendations in connection with the Open Offer. The recommendations in relation to the said Open Offer were published in Financial Express, Navshakti and Jansatta newspapers on Saturday, June 06, 2026.

The tendering period in relation to the Open Offer was open from June 11, 2026, to June 24, 2026. 182 shares were tendered by the public shareholders in the open offer process, out of which 40 shares have been acquired by the PACs.

Registrar and Share Transfer Agent:

Name	MUFG Intime India Private Limited *(Formerly known as Link Intime India Private Limited)*
Address	C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
Telephone	+91 22 4918 6000
Fax	+91 22 4918 6060
E-mail	rnt.helpdesk@in.mpms.mufg.com

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays)

Share Transfer System:

Trading in equity shares of the Company is permitted only in dematerialized form. In terms of requirements of Regulation 40 of the SEBI Listing Regulations read with SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, transmission or transposition of securities held in physical or dematerialized form shall be affected only in dematerialized form. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized.

Distribution of shareholding as on March 31, 2026

Sr. No.	No. of Equity Shares		Shareholder(s)		Shareholding(s)	
	From	To	Nos.	%	Shares.	%
1.	1	500	38037	96.4892	2714607	10.9944
2.	501	1000	738	1.8721	548532	2.2216
3.	1001	2000	322	0.8168	465075	1.8836
4.	2001	3000	117	0.2968	290195	1.1753
5.	3001	4000	51	0.1294	180988	0.7330
6.	4001	5000	27	0.0685	124319	0.5035
7.	5001	10000	69	0.1750	488327	1.9778
8.	10000 and above		60	0.1522	19878754	80.5108
Total			**39421**	**100**	**24690797**	**100**

Shareholding pattern as on March 31, 2026 is as follows:

Category	No. of shares held	Percentage of shareholding
A. Promoters' Holding 1. Promoters – Indian Promoters – Foreign Promoters 2. Persons Acting in concert	 — 17,450,680 —	 — 70.6769 —
Sub–Total	**17,450,680**	**70.6769**
B. Non–Promoters' Holding 3. Institutional Investors		
a. Mutual Funds & UTI	990	0.0040
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non–Govt. Institutions)	1,31,045	0.5307

Category	No. of shares held	Percentage of shareholding
c. FIIs	42,818	0.1734
Sub–Total	**1,74,853**	**0.7081**
4. Others		
a. Private Corporate Bodies	5,14,393	2.0833
b. Indian Public	57,41,280	23.2572
c. NRI's	2,64,776	1.0724
d. Directors and their relatives	35	0.0000
e. Others	5,44,780	2.2064
Sub–Total	**70,65,264**	**29.6918**
Grand Total	**24,690,797**	**100.0000**

Dematerialization of shares and liquidity :	The Company's shares are traded compulsorily in dematerialized form on the stock exchange. As on March 31, 2026, 99.16% of the paid–up share capital of the Company was in dematerialized form.
Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and likely impact on equity :	Not Applicable
Plant Location :	The Company does not have any manufacturing facility.
Address for correspondence :	Shareholders should address their correspondence to the Company's Registrar & Transfer Agent at the address mentioned earlier. Shareholders may also contact Ms. Chandni Maru, Company Secretary at the Registered Office of the Company situated at Inspire – BKC, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. Telephone No: +91 22 5024 3000 E–mail: investors.relations@nilpharma.co.in
Commodity price risk or foreign exchange risk and hedging activities :	The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. The Company actively monitors and seeks to reduce, where it deems it appropriate to do so, fluctuations in these exposures. The Company has not entered into any derivative transactions during the year.

There were no credit ratings obtained by the entity along with any revisions thereto during the financial year 2025-26 either for any debt instruments, fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

M. OTHER DISCLOSURES

Details of total fees paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are as follows:

(₹ in million)

Name of the Statutory Auditor/ Network entity	Fees paid during FY 2025-26			
	Audit Fees	Other Services	Reimbursement of expenses	Total
B S R & Co. LLP	8.4	0.3	0.1	8.8

Disclosure in relation with sexual harassment at workplace:

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All persons whether employed as permanent, contractual, temporary or trainees are covered under this policy.

The Company has mandated all employees to undergo online training on Prevention of Sexual Harassment (POSH) and also conducted the workshops during the year. The report has been filed with the appropriate authority.

During the year under review, no complaint relating to sexual harassment has been received. There were no complaints disposed of during the financial year and no complaints were pending as on the end of financial year.

The Company has complied with the mandatory requirements of SEBI Listing Regulations. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) read with Part E of Schedule II of SEBI Listing Regulations which are as under:

- There have been no instances where the board has not accepted the recommendations of any committee as mentioned in (10)(i) of other disclosures under Schedule V of the LODR Regulations and hence no further disclosures is required under this section.
- The details of the shares lying in the Demat Suspense Account / Unclaimed Suspense Account are as follows:

Particulars	No. of Shareholders/ Claimants	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on 1st April, 2025	3	63
Number of shareholders who approached listed entity for transfer of their shares from suspense account during the year 2025-26;	NIL	NIL
Number of shareholders whose shares were transferred to suspense account during the year 2025-26;	1	40
Aggregate number of shareholders and the outstanding shares in the suspense account as on 31st March, 2026	4	103

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

– There are no non-compliances of any requirement of corporate governance report of sub-paras (2) to (10).

The Company has complied with Regulations 17 to 27 and Regulation 46(2)(b) to 46(2)(b)(i) of the SEBI LODR Regulations.

For and on behalf of the Board of Directors of
Novartis India Limited

Shilpa Joshi
Whole Time Director and
Chief Financial Officer
DIN: 09775615

Date : June 29, 2026
Place : Mumbai

Declaration – Adherence with Code of Ethics/ Conduct

In accordance with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Shilpa Joshi, Whole Time Director and Chief Financial Officer, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Ethics / Conduct of the Company for the year ended March 31, 2026.

For and on behalf of the Board of Directors of
Novartis India Limited

Shilpa Joshi
Whole-Time Director and Chief Financial Officer
DIN: 09775615

Date : June 29, 2026
Place : Mumbai

Certificate of Non–Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
NOVARTIS INDIA LIMITED
CIN: L24200MH1947PLC006104
Inspire BKC, 7th Floor,
Bandra Kurla Complex, Bandra East,
Bandra (East), Mumbai 400051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NOVARTIS INDIA LIMITED** having **CIN : L24200MH1947PLC006104** and having registered office at Inspire - Inspire BKC, 7th Floor, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, India, 400051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	Christopher Snook	00369790	01/08/2008
2.	Sanker Parameswaran	00008187	22/06/2020
3.	Shilpa Shashank Joshi	09775615	22/11/2022
4.	Gira Jagdeesh Sardesai	02610502	31/03/2024
5.	Falin Ishwarlal Majmudar	10681030	28/06/2024
6.	Sandra Martyres	00798406	19/04/2016#

* The date of appointment is as per the MCA Portal.
# Retired w.e.f. 01.04.2026

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M K SARAF & ASSOCIATES LLP
Company Secretaries

K. G. Saraf
(Designated Partner)
FCS 1596 : CP 642
PR. : 6694/2025
ICSI UIN : L2025MH018600

Date : July 09, 2026
Place : Mumbai
UDIN : F001596H000794498

Chief Financial Officer (CFO) Certification

[Pursuant to regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to certify that:

1. I have reviewed the Audited Financial Statements and the cash flow statement of Novartis India Limited ("Company") for the financial year ended March 31, 2026 and to the best of our knowledge and belief, I state that:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
   b. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. I further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's Code of Ethics/ Conduct.

3. I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.

4. I have indicated to the Auditors and the Audit Committee:
   a. significant changes, if any, in the internal control over financial reporting during the financial year ended on March 31, 2026;
   b. significant changes, if any, in the accounting policies made during the financial year ended on March 31, 2026 have been disclosed in the notes to the financial statements; and
   c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Shilpa Joshi
Whole–Time Director and Chief Financial Officer
Novartis India Limited

Certificate of Compliance with the Corporate Governance

[Pursuant to Regulation 34(3) read with paragraph E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
NOVARTIS INDIA LIMITED
L24200MH1947PLC006104
Inspire BKC, 7th Floor,
Bandra Kurla Complex,
Bandra East, Mumbai 400051.

We have examined the compliance of the conditions of Corporate Governance by **NOVARTIS INDIA LIMITED** (CIN - L24200MH1947PLC006104) ('the Company') as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the year ended on March 31, 2026.

In our opinion and to the best of our information and according to the explanations given to me, and the representations made by the management; We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M K SARAF & ASSOCIATES LLP
Company Secretaries

K. G. Saraf (Designated Partner)
FCS 1596 : CP 642
PR : 6694/2025
ICSI UIN : L2025MH018600

Date : July 09, 2026
Place : Mumbai
UDIN : F001596H000794531

Business Responsibility and Sustainability Reporting

About this Report

This Business Responsibility and Sustainability Report (BRSR) aims to disclose our performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGBRC). The BRSR is designed to help the investors and other stakeholders understand how the business practices are adopted by Novartis India Limited in relation to the environment, people and society. Each principle of the BRSR is further divided into Essential Indicators and Leadership Indicators. Essential Indicators must be reported on a mandatory basis, while the reporting of Leadership Indicators is voluntary. As this is our fourth year, we have disclosed all Essential Indicators and opted for certain Leadership Indicators. As Novartis India Limited is a trading entity, certain indicators do not apply to the company, due to the nature of its operations. Therefore, we have identified and disclosed as "not applicable."

The members are informed that certain disclosures are aligned with applicable policies of its promoter, Novartis AG. Accordingly, the BRSR for the period ended March 31, 2026 has been prepared with reference to these policies and therefore contains certain cross-references to the promoter.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24200MH1947PLC006104
2.	Name of the Listed Entity	Novartis India Limited
3.	Year of Incorporation	1947
4.	Registered office address	Inspire BKC, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India, 400051.
5.	Corporate Address	Inspire BKC, 7th Floor Bandra Kurla Complex, Bandra (East) Mumbai - 400051
6.	Email	investor.relations@nilpharma.co.in
7.	Telephone	+91 22 50243000
8.	Website	https://nilpharma.co.in/
9.	Financial year for which reporting is being done	1st April 2025 – 31st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited
11.	Paid-up Capital	₹ 123,453,985
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Ms. Chandni Maru Company Secretary and Compliance Officer Email ID: investor.relations@nilpharma.co.in Contact No: +91 22 50243000
13.	Reporting Boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities *(accounting for 90% of the turnover)*:

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceuticals	Trading	100%

17. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover)*:

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Wholesale of pharmaceutical and medical goods	46497	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	—	7	7
International	—	—	—

Note: The Company is engaged in trading and distribution of pharmaceutical products and does not have any manufacturing facilities. The operational footprint comprises one corporate office and six warehousing locations across India.

Note: The Company has operations across 22 states in India, with warehouses located in Mumbai, Haryana, Kolkata, Chennai and Ghaziabad. Its corporate office is situated in Mumbai.

19. Markets served by the entity:
    a. Number of locations

Locations	Number
National (No. of States)	22*
International (No. of Countries)	—

**The number is based on GST registrations.*

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Contribution of exports is NIL.

c. A brief on types of customers

Our customer base includes distributors, private hospitals and Government Institutions to whom we sell our products.

IV. Employees

20. Details as at the end of the Financial Year:
    a. Employees and workers (including differently abled):

S. No.	Particulars	Total A	Male		Female	
			No. B	B/A %	No. C	C/A %
Employees						
1.	Permanent (D)	57	48	84%	9	16%
2.	Other than Permanent (E)	2	0	0%	2	100%
3.	**Total employees (D+E)**	59	48	81%	11	19%

S. No.	Particulars	Total A	Male		Female	
			No. B	B/A %	No. C	C/A %
Workers						
4.	Permanent (F)	—	—	—	—	—
5.	Other than Permanent (G)	—	—	—	—	—
6.	**Total workers (F+G)**	—	—	—	—	—

b. Differently abled Employees and workers:

S. No.	Particulars	Total A	Male		Female	
			No. B	B/A %	No. C	C/A %
Differently abled Employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D+E)**	0	0	0	0	0
Differently Abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F+G)**	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	3	50.00%
Key Management Personnel	3	2	66.66%

22. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

	FY Apr 2025 - Mar 2026 (Turnover rate in Current Financial Year)			FY Apr 2024- Mar 2025 (Turnover rate in previous Financial Year)			FY Apr 2023 - Mar 2024 (Turnover rate in year prior to previous Financial Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	0%	0%	0%	7%	0%	7%	11%	10%	11%
Permanent Workers	—	—	—	—	—	—	—	—	—

Note: There have been no separation cases for the year 2025-26.

IV. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Novartis AG	Holding	70.68%	No

* *Novartis AG, being a foreign entity is governed by laws of host country. However, Novartis AG has aligned its practices to global sustainability standards*

V. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/~~No~~)**
    (ii) Turnover (in ₹) - ₹ 3,543.4 Mn
    (iii) Net worth (in ₹) - ₹ 8,178.3 Mn

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *(If Yes, then provide web-link for grievance redress policy)*	FY Apr 2025 - Mar 2026 Current Financial Year			FY Apr 2024- Mar 2025 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes; (Refer Note 1)	—	—	—	—	—	—
Investors (other than shareholder)	Yes; (Refer Note 1)	—	—	—	—	—	—
Shareholders	Yes; (Refer Note 1)	19	1	The one open complaint has been closed as on the date of this report.	24	—	—
Employees and workers	Yes; (Refer Note 1)	—	—	—	3	—	—
Customers	Yes; (Refer Note 1)	15	7	NA	26	—	All the Complaints have been addressed and closed
Value Chain Partners	Yes; (Refer Note 1)	—	—	—	—	—	—
Other (please specify)	Inquiries	96	3	The open cases pending for closure are related to availability.	4 (Refer Note 2)	1	The open case is under investigation and shall be closed in due course

Note

1. *Novartis India Limited has Vigil Mechanism & Whistle Blower Policy which allows any of the stakeholders to raise concerns. The same is available at https://nilpharma.co.in/pdfs/investors/cp/NIL_Vigil%20Mechanism_Whistleblower%20Policy.pdf*
2. *These are Global Security/ Legal Finance Cases*

26. Overview of the entity's material responsible business conduct issues

At Novartis India, we are committed in meeting the expectations of all those who are influenced by our operations or impact them directly. To achieve this, we diligently identify key areas where we can generate substantial value for both our stakeholders and society at large. These key areas are stated below:

S. No.	Material issue identified	Subtopic	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Business Ethics	Professional practices	Risk	Any deviation from the standards of ethical business conduct can adversely impact the trust placed in us by patients and society. Non-compliance with professional practices may result in penalties, fines and may impact business continuity.	We are committed to upholding the same high standards of ethical business conduct where we operate. Engaging ethically and acting with integrity have an impact on our ability to discover new ways to expand patient access to our treatments and build trust with society.	Negative
2.	Business Ethics	Data Privacy	Risk	Non-compliance with General Data Protection Regulation (GDPR') Laws can lead to fines and penalties, operational inefficiencies and reputational damage.	Novartis India Limited adheres to its Data Privacy principles and ensure that its external service providers also commit to these principles.	Negative
3.	Business Ethics	Information and Cyber Security	Risk	Misuse of Patients' and Partners' confidential information which can result in reduced productivity and reputational damage	We are committed to protect data and technology, and to ensure that information is safeguarded against theft, loss, misuse or disclosure. We take responsibility for the information and technology we manage.	Negative

S. No.	Material issue identified	Subtopic	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Business Ethics	Anti Bribery	Risk	It erodes trust with stakeholders and limits access to public services, including health and education.	To ensure that our business judgement remains free from personal interests, we will not tolerate any form of Bribery and Corruption. Furthermore, we will not engage in agreements or conduct that unlawfully prevent or restrict competition. We will also refrain from using external parties to carry out acts of bribery or corruption on our behalf.	Negative
5.	Regulatory Compliance	Regulatory Environment	Risk	Non-compliance could result in monetary penalties, reputational damage to Novartis India Limited.	Complying with customs regulations, export controls, and DCGI/State regulatory policies enables us to deliver our medicines promptly to patients who need them, whilst also building trust with society.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://nilpharma.co.in/corporate-polices/								
2.	Whether the entity has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	All the Company's policies are aligned with Novartis AG's global best practices and are following Indian laws and regulations.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Novartis India Limited is covered by the goals and targets defined and pursued by Novartis AG.								
6.	Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	Performance against goals is provided in this report under respective principles.								
Governance, leadership and oversight										
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements** Novartis India Limited is committed to improve and extend people's lives. We are enabling a culture to find efficient ways of increasing access to our medicines, to help patients. We operate with the highest values, integrity and quality standards. From ESG perspective, some of our initiatives at our offices include installation of Energy Efficient Lighting System consisting of LED Lighting reducing the energy consumption up to 90%, occupancy and motion-based sensor LEDs at all workstations and meeting rooms, for reduction of energy consumption when not in use and designing the office space such that it maximizes the use of natural light. Similarly, a comprehensive Standard Operating Procedure (SOP) has been developed outlining procedures for the retrieval and safe disposal of expired/defected products. As per government protocol and at government approved waste disposal management facilities products are disposed/ incinerated.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 09775615 Name: Shilpa Shashank Joshi Designation: Whole-Time Director and Chief Financial Officer								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	DIN:00369790 Name: Christopher David Snook Designation: Chairman and Non-Executive Director								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action.	Performance against policies is reviewed periodically or on a need basis and necessary changes are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	The Company is in compliance with the regulations, as applicable. The Board reviews the compliance status of various laws on a quarterly basis.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	NO However, there is an internal monitoring mechanism in place.								

Name of Policy/ Code	Linkage to principle	Web link
Code of Ethics	P1, P2, P3, P4, P5, P6, P7, P8, P9	https://nilpharma.co.in/corporate-polices/
Fair Disclosure Code	P1	https://nilpharma.co.in/pdfs/investors/cp/NIL_Code%20of%20Practices%20%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf
Health, Safety & Environment Policy	P2, P3, P6	https://nilpharma.co.in/corporate-polices/
CSR Policy	P8	https://nilpharma.co.in/pdfs/investors/cp/NIL_Corporate%20Social%20Responsibility%20Policy.pdf

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: NA

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

Notes:

1. *Standards and Policies adopted by the Company's global parent have been in India implemented and are overseen by the Board, Committees, and Head of Departments. The statutory policies have been approved by the Board, Committee, or Head of Department as per statutory requirements.*
2. *All the policies and procedures are derived from consistent with the Code of Ethics, which is a document for conducting business of the Company.*

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective categories covered by the awareness Programs
Board of Directors			
Non-Executive & Independent Directors	1	Code of Ethics	100%
Executive Directors	7		100%
Key Managerial Personnel	7	Code of Ethics, POSH, Adverse Events, Compliance, TPRM for value chain partner, Sustainability, Safety Trainings	100%
Employees other than Board of Directors and KMPs	7		100%
Workers	Not Applicable		

Note: The training programs were focused on compliance requirements under various policies and codes of the Company. Apart from above, the Board of Directors are also provided with an update on economic outlook, industry, business trends etc. These training courses help the Board and employees stay up-to-update and agile.

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/ Fine	–	Assessment Unit, Income Tax Department	₹ 33.83 million (approx.) excluding interest and penalty.	Company has received a draft order from the Assessment Unit being passed under section 144C(1) of the Income Tax Act, 1961 for assessment year 2022-23, wherein adjustment on the transfer pricing issues have been proposed.	Yes
Settlement					
Compounding Fee					

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
		Commissioner Appeals-II CGST & Central Excise, Mumbai	Service Tax - ₹ 15,01,762/- Interest – Not Quantified Penalty – ₹ 15,03,762/- Total – ₹ 30,05,524/-	1. Order passed under Section 73(1) and Section 75 of the Finance Act, 1994 for demand and recovery including Interest. 2. Imposition of Penalty under Section 77 of the Finance Act, 1994 3. Imposition of Penalty under Section 78 of the Finance Act, 1994 read with Rule 15 of the Cenvat Credit Rules, 2004.	Yes
		Assistant Commissioner of Income-tax, TDS, TDS Circle 2(3)	Demand of ₹ 10,28,40,780/-, comprising of ₹ 5,75,85,157/- and interest under section 201(1A) of ₹ 4,52,55,623	Notice of demand under Section 156 of the Income-tax Act, 1961 (pertaining to Order issued u/s 201(1)/ 201(1A) of the Act for Assessment Year 2020-21 (i.e. financial year ended 31 March 2020).	Yes
		Delhi High Court	In case of favorable order, Commissioner of Trade and Taxes needs to follow the guidelines and complete the proceeding within the prescribed timelines which may result into a refund of ₹ 54.45 Lacs. In case of unfavourable order, there is no impact as the amount of pre-deposit is fully provided for in the books.	Petition filed to direct the respondents (Commissioner of Trade and Taxes, New Delhi) to complete the proceedings initiated for FY 2013-14 within the prescribed time.	No
			Non-Monetary		
Imprisonment	–	–	–	–	–
Punishment	–	–	–	–	–

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Assessment Unit, Income Tax Department	ITAT (Income Tax Appellate Tribunal)
Commissioner Appeals-II CGST & Central Excise, Mumbai	CESTAT (Customs, Excise and Service Tax Appellate Tribunal).
Assistant Commissioner of Income-tax, TDS, TDS Circle 2(3)	CIT(A) (Commissioner of Income Tax (Appeals))

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a link to the policy.

   Yes, Company has an Anti-Bribery Policy. The Policy addresses a variety of contexts in which bribery issues may arise. Other aspects of business ethics and corruption, including conflicts of interest and passive bribery (e.g. receipt of a bribe) as well as insider trading are regulated separately. Aligned to best practices, within Novartis Group globally, it prohibits its associates from bribing or corruption and using intermediaries, such as agents, consultants, advisers, distributors or any other business partners to commit acts of bribery or corruption.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY Apr 2025 - Mar 2026 (Current Financial Year)	**FY Apr 2024 - Mar 2025 (Previous Financial Year)**
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

All the transactions with Related Parties are governed by Policy for Dealing with Related Party Transactions. All the transactions with Related Parties are approved by the Audit Committee as a part of omnibus approval mechanism and Board, if required under the applicable law and Material Related Party transactions, if any, are approved by the shareholders of the Company.

	Apr 2025 - Mar 2026 (Current Financial Year)		**Apr 2024 - Mar 2025 (Previous Financial Year)**	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMP	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. – Not Applicable

8. Number of days of accounts payables (Accounts payable *365)/ Cost of goods/ services procured) in the following format:

Particulars	**FY Apr 2025 - Mar 2026 (Current Financial Year)**	**FY Apr 2024 - Mar 2025 (Previous Financial Year)**
Number of days of accounts payables	83.4	76.3

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	—	—
	b. Number of trading houses where purchases are made from	—	—
	c. Purchases from the top 10 trading houses as % of total purchases from trading houses.	—	—
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	98.8%	97.6%
	b. Number of dealers/ distributors to whom sales are made	1762	1978
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	60.8%	63.7%
Share of RPTs in	a. Purchases (Purchases with related parties/ total Purchases)	48.4%	41.3%
	b. Sales (Sales to related parties/ total Sales)	—	—
	c. Loans & advances (Loans & advances given to related parties/ total loans & advances	—	—
	d. Investments (Investments in related parties/ total Investments made)	—	—

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/ principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

   Yes, Novartis India Limited has in place a comprehensive 'Code of Ethics for the Board of Directors and Senior Management' ('Code') and a Related Party Transaction Policy ('RPT'), which has been formulated to address potential conflicts of interest. All transactions involving related parties are governed by these policies.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year Apr 2025 - Mar 2026	Previous Financial Year Apr 2024 - Mar 2025	Details of Improvements in environmental and social impacts
R&D	—	—	—
Capex	—	—	—

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/ ~~No~~)

   b. If yes, what percentage of inputs were sourced sustainably?

   We are in process of setting up standard operating procedure to track the percentage of inputs that were sourced sustainably. Novartis India Limited implements ESG practices for third–parties. To promote sustainable and environmentally compliant partnerships, Novartis has developed an Environmental Sustainability Criteria, which are included in contracts with all suppliers. Environmental and Sustainability clauses are also included in the purchase order terms and conditions & contractual purchases, which further reinforce the Company's commitment to ESG.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   As a pharmaceutical company, Novartis India Limited has established procedures for the retrieval and safe disposal of its expired/defective products through incineration. Any products that have expired or are deemed defective undergo comprehensive analysis. A comprehensive Standard Operating Procedure (SOP) has been developed that outlines the specific responsibilities of each person involved in the supply chain, as well as the process for safely disposing of these products. This SOP is periodically reviewed and includes training programs for those who handle expired or defective products, ensuring that they are equipped with the necessary skills to carry out this task safely and effectively. Novartis India Limited's commitment to safe and responsible product disposal underscores the Novartis India Limited's dedication to upholding high standards of ESG in its operations.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ ~~No~~).

   If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, the waste collection plan is in line with the Extended Producer Responsibility plan submitted to Pollution Control Boards.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   No, as the Novartis India Limited is a trading entity, it has not carried out Life Cycle Assessment of the products sold by it.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link
—	—	—	—	—	—

2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. – **Not Applicable.**

Name of Product/ Service	Description of the risk/ concern	Action Taken
—	—	—

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). – **Not Applicable**

Indicate input material	Recycled or re-used input material to total material	
	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
—	—	—

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	—	—	—	—	—	—
E-waste	—	—	—	—	—	—
Hazardous waste	—	—	25.3	—	—	53.1
Other waste	—	—	—	—	—	—

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Vials	Not applicable
Liquid	Not applicable
Capsules	Not applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	48	48	100%	48	100%	0	0	48	100%	48	100%
Female	9	9	100%	9	100%	9	100%	0	0	9	100%
Total	57	57	100%	57	100%	09	100%	48	100%	57	100%
Other than Permanent employees											
Male	0	—	—	—	—	—	—	—	—	—	—
Female	2	—	—	—	—	—	—	—	—	—	—
Total	2	—	—	—	—	—	—	—	—	—	—

Note:

1. *Company provides its employees (both male and female) an allowance up to the age of two years of the child to compensate the daycare facility or creche charges. This provides flexibility to the associates to balance their work along with the caregiving responsibilities and facilitates their ability to meet both personal and professional obligations. By prioritizing the needs of its employees in this way, the Company demonstrates its commitment to fostering a supportive and inclusive work environment that enables individuals to thrive both in and out of the workplace.*
2. *The category 'Other than permanent employees' are not being governed by Company's policies.*

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	—	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—
Other than Permanent workers											
Male	—	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—

Note:

** The category 'Other than permanent workers' are governed by the third-party vendors who are providing services. The Company validates the compliances provided to them. The workers are covered under the Employee State Insurance Act.*

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY Apr 2025 - Mar 2026 Current financial year	FY Apr 2024 - Mar 2025 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.3%	0.4%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100%	—	Y	100%	—	Y
Gratuity	100%	—	NA	100%	—	NA
Employee State Insurance	NA	NA	NA	NA	NA	NA
Others, please specify	—	—	—	—	—	—

3. Accessibility of workplaces:

   Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   The premises/ offices of the company, including the registered and corporate offices, are easily accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   Yes, Novartis India Limited has Equal Opportunity Policy as per Rights of Persons with Disability Act, 2016. The Policy outlines the Company's commitment to practice of non-discriminatory employment.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

*Note: * There were only two female employees who took parental leave and returned to work in FY 2025-26. However, they were not associated with Novartis India for more than 12 months.*

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent Workers	The Speak Up Office, established in accordance with the Whistle-Blower Policy, serves as a dedicated channel for employees, workers, and external individuals to voice their grievances or report instances of misconduct. Associates may also access the Chairperson of the Audit Committee of the Company, in appropriate and exceptional cases, by writing to ethics@nilpharma.co.in
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/ A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	—	—	—	—	—	—
- Male	—	—	—	—	—	—
- Female	—	—	—	—	—	—
Total Permanent Workers	—	—	—	—	—	—
- Male	—	—	—	—	—	—
- Female	—	—	—	—	—	—
Total	—	—	—	—	—	—

8. Details of training given to employees and workers:

Category	FY Apr 2025 - Mar 2026 (Current Financial Year)					FY Apr 2024 - Mar 2025 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
- Male	48	48	100%	48	100%	48	48	100%	48	100%
- Female	9	9	100%	9	100%	8	8	100%	8	100%
Total	57	57	100%	57	100%	56	56	100%	56	100%
Workers										
- Male	—	—	—	—	—	—	—	—	—	—
- Female	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—

9. Details of performance and career development reviews of employees and worker:

Category	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	48	48	100%	48	48	100%
Female	9	9	100%	8	8	100%
Total	57	57	100%	56	56	100%
Workers						
Male	—	—	—	—	—	—
Female	—	—	—	—	—	—
Total	—	—	—	—	—	—

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (*Yes/ No*). If yes, is the coverage such system?

Yes, we have health and safety management system which provides for reporting, tracking and action taken on any of the health and safety incidents across Novartis India. The system covers 100% of Novartis India employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The management of Novartis India Limited works on providing a safe and a healthy environment. The Management evaluates the potential work-related hazards through incidents that are reported through health and safety management systems or basis the analysis of day-to-day operations and industry.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, Novartis India Limited is committed towards health and safety of employees. Periodic training is provided to employees to report the work-related hazards and remove themselves from such risks. They are encouraged to report work related hazards through different channels of communication including reporting to HR, reporting managers or reporting online.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all the employees are provided with comprehensive health insurance/medical insurance, which provides them access to medical and healthcare services for both non-occupational and occupational health issues.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY Apr 2025 - Mar 2026	FY Apr 2024 - Mar 2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	—	—
	Workers	—	—
Total recordable work-related injuries	Employees	2	—
	Workers	—	—
No. of fatalities	Employees	—	—
	Workers	—	—
High consequence work-related injury or ill-health (excluding fatalities)	Employees	—	—
	Workers	—	—

Note: A high consequence work-related injury/ill-health refers to incidents that result in:

- *Fatality (death)*
- *Permanent disability/ permanent incapacity*
- *Serious long-term health impairment*
- *Any injury/illness that leads to loss of ability to work for a significant period or permanently*

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

    Novartis India Limited provides a safe and healthy workplace for its employees and workers. The Company has implemented the Corrective and Preventive Action Plan based on the lessons learned from previous incidents which help prevent recurring injuries by sharing past learnings with employees and workers. Additionally, Novartis India Limited consistently conducts trainings based on Standard Operating Procedures (SOPs) to ensure that its workplace remains safe and healthy.

13. Number of Complaints on the following made by employees and workers:

	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	—	—	NIL	—	—
Health & Safety	Nil	—	—	Nil	—	—

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

    The assessment of health and safety practices and working conditions did not identify any significant risks or concerns. Novartis India Limited utilizes a Corrective and Preventive Action Plan for all safety incidents, including thorough investigations and reports to determine the root cause of each incident. The findings are then incorporated into training modules to prevent similar incidents from occurring in the future.

Leadership Indicators

1. Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Employees	—	—	—	—
Workers	—	—	—	—

2. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (~~Yes~~/ No)

3. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners. Not Applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   While selecting the stakeholder group we have selected a group of individuals, firms, entities who are most crucial to our business operations and revolve around our business ecosystem. These comprise of both internal and external stakeholders. These stakeholder groups are identified after thorough analysis and deliberation by leaders across Novartis India Limited.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Groups	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients and caregivers	Yes	Website, Patient assistance Program, Pharmacovigilance Helpline.	Periodic and Event based	To provide awareness about the products and understand their needs.
Healthcare Professionals	No	Website, Seminars, Sales Representatives	Periodic and Event based	To take feedback on the products and understand patient needs.

Stakeholder Groups	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Employee Engagement Survey, Townhalls, Awards and Recognitions, Performance Evaluation.	Periodic, Event based	To understand the needs, communicate performance of Company, engage them and recognize them for their performance.
Suppliers/ Service providers	No	Audits, Supplier Meetings.	Periodic and Event based	To provide periodic trainings about the products and safety, conduct audits to ensure they are meeting standards set out by Novartis India Limited and to understand their concerns.
Government & Regulatory Bodies	No	One-to-one or group meetings.	Periodic and Event based	To submit application for drug approvals/ holding marketing authorizations, represent the Company on various matters.
Shareholders and Investors	No	Quarterly Results through stock exchanges, general meetings, emails, newspaper advertisements, notices, Annual Report, Website.	Annual, Quarterly and Event based	Intimation of the business performance of the Company and understanding their expectations from the Company.
Local Community	Yes	Non-Governmental Organizations/ implementation partner.	Periodic and Event based	To understand the needs of the community around the business eco system and support the marginalized and vulnerable groups as per Company's CSR Policy.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Novartis India Limited believes that consistent communication with key stakeholders is essential for enhancing its performance and strategic decisions. Stakeholder consultations are typically conducted by the Company executives and functional heads who regularly seek feedback through various platforms. These engagements provide insights that play a vital role in supporting the Company's commitment to sustainability.

The feedback obtained from these interactions is then escalated to the Board to ensure that stakeholder's concerns are given due consideration. Novartis India Limited has a well-defined process for addressing suggestions, complaints, and grievances which are carefully evaluated based on their significance. Depending on the nature and scope of the issues, they are referred to by the appropriate committee of the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/ No). If so, provide details of instances as to how the input received from stakeholders on these topics was incorporated into policies and activities of the entity.**

   Yes, as outlined in response to question 1 of leadership indicators in Principle 4, the management engages with stakeholders to identify key environmental and social topics at periodic intervals. As part of local materiality assessment, the Management of the Company considers the feedback of the internal stakeholders, industry benchmark and global standards to identify material Environmental, Social and Governance (ESG) topics.

   Novartis India Limited updates its policies, strategies, business practices, and operations as needed, taking into account stakeholder feedback and suggestions. These efforts are reflected in the Company's disclosures under the relevant principles.

PRINCIPLE 5: Businesses should respect and promote Human Rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	57	57	100%	56	56	100%
Other than permanent	2	2	100%	5	5	100%
Total Employees	59	59	100%	61	61	100%
Workers						
Permanent	—	—	—	—	—	—
Other than permanent	—	—	—	—	—	—
Total Workers	—	—	—	—	—	—

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY Apr 2025 - Mar 2026 (Current Financial Year)					FY Apr 2024 - Mar 2025 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	48	—	—	48	100%	48	—	—	48	100%
Female	9	—	—	9	100%	8	—	—	8	100%
Other than Permanent										
Male	—	—	—	—	—	—	—	—	—	—
Female	2	—	—	2	100%	5	—	—	5	100%
Workers										
Permanent										
Male	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—
Other than Permanent										
Male	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—

3. Details of remuneration/ salary/ wages, in the following format:

   a. Median remuneration/ wages (amounts in INR)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Independent Directors	1	10,00,000	2	10,00,000
Key Managerial Personnel	1	89,65,212	2	63,09,227
Employees other than BoD and KMP	47	15,69,881	7	15,66,545
Permanent Workers	NA	NA	NA	NA

Notes: The payment made to Independent Directors does not include the sitting fees paid to the Independent Directors.

The Chairperson of the Company, Mr. Christopher Snook is a Non-executive & non-independent director and does not receive any remuneration, commission or sitting fees. Hence, not included in the above disclosure.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Gross wages paid to females as % of total wages	19.9%	17.6%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

   Yes, access to remedy is a core human rights principle, as articulated in Article 8 of the Universal Declaration of Human Rights (UDHR) and Article 2 of the International Covenant on Civil and Political Rights (ICCPR). We provide adequate access to a grievance mechanism for all affected rightsholders, consistent with the "Effectiveness Criteria" in the United Nations Guiding Principles (UNGPs), and to remediate harms consistent with the UNGPs. Our SpeakUp channel, is an independent channel to address all issues related to Human Rights amongst the others. Associates and external parties may also access the Chairperson of the Audit Committee of the Company, in appropriate and exceptional cases, by writing to ethics@nilpharma.co.in

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   As stated above, our SpeakUp channel is an independent channel to address all issues related to Human Rights amongst the others is available to employees. The SpeakUp Office helps Novartis India Limited act with the highest ethical standards in the following ways:

   - Empowering associates to speak up without fear.
   - Treating those that trust us with their concerns with respect, fairness, confidentiality and protection against retaliation.
   - Establishing the facts and trying to understand the truth with a sense of urgency.
   - Ensuring fair and consistent remedial actions.
   - Providing feedback to those courageous enough to raise concerns.

6. Number of Complaints on the following made by employees and workers:

	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	—	—	—	—	—	—
Discrimination at workplace	—	—	—	—	—	—
Child Labour	—	—	—	—	—	—
Forced Labour/ Involuntary Labour	—	—	—	—	—	—
Wages	—	—	—	—	—	—
Other human rights related issues	—	—	—	—	—	—

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	—	—
Complaints on POSH as a % of female employees/ workers	—	—
Complaints on POSH upheld	—	—

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   Novartis India Limited has established the SpeakUp Office as a grievance mechanism to allow employees and external parties to report potential misconduct without fear of retaliation. Additionally, the Company provides specialized training to employees in high-risk functions or locations and raises awareness across the organization about the significance of upholding human rights. Novartis India Limited also engages with stakeholders to listen to their concerns, takes collective action when necessary, and provides regular reporting on its progress.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes, Novartis India contractually binds third-party to abide by the standards on quality, ethics, and human rights and applicable laws.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	NA
Forced Labour	NA
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	NA

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 10 above.

    There were no significant risks/ concerns identified during the year.

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.

   Not Applicable, as there were no complaints related to Human Rights during Financial Year 2025-26.

2. Details of the scope and coverage of any Human rights due diligence conducted.

   The scope of assessment included wellbeing of employees, discrimination at workplace, any kind of harassment and wages which covered 100% of Novartis India Limited operations.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes. The Company has ensured accessibility for people with disabilities by implementing the following measures:

   - **Elevators** are available on all floors to facilitate easy movement.
   - **Ramps** have been provided as alternatives to staircases, enabling barrier-free access throughout the premises.
   - **Dedicated washrooms** have been designed to meet the specific needs of people with disabilities, ensuring comfort and compliance with accessibility standards.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	230 GJ	—
Total fuel consumption (B)	—	—
Energy consumption through other sources (C)	—	—
Total energy consumed from renewable sources (A+B+C)	230 GJ	—
From non-renewable sources		
Total electricity consumption (D)	60.02 GJ	1310.0 GJ
Total fuel consumption (E)	—	—
Energy consumption through other sources (F)	—	—
Total energy consumed from non-renewable sources (D+E+F)	60.02 GJ	1310.0 GJ
Total energy consumed (A+B+C+D+E+F)	290.02 GJ	1310.0 GJ
Energy intensity per rupee of turnover* (Total energy consumed/ Revenue from operations)	0.00000008185	0.00000036770
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed/ Revenue from operations adjusted for PPP)	0.000001665	0.0000075966
Energy intensity in terms of physical output	—	—
Energy intensity (optional) – the relevant metric may be selected by the entity	—	—

Note: Renewable Electricity Consumption (REC) has been recognised only to the extent supported by the REC Redemption Statement available for the period January 2025 to December 2025. As the BRSR reporting period is FY 2025–26 (April 2025 to March 2026) and the REC Redemption Statement covering January 2026 to December 2026 is not yet available, electricity consumption for January 2026 to March 2026 has been reported as non-renewable for the current reporting period. This classification will be updated based on the subsequent REC Redemption Statement.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. Does the entity have any sites/ facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any-

   None of the sites/ facilities of the Company comes under PAT Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	—	—
(ii) Groundwater	—	—
(iii) Third party water	708.8	—
(iv) Seawater/ desalinated water	—	—
(v) Others	—	321.0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	708.8	321.0
Total volume of water consumption (in kilolitres)	708.8	321.0
Water intensity per rupee of turnover *(Total water consumption/ Revenue from operations)*	0.0000002000	0.00000009009
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) *(Total water consumption/ Revenue from operations adjusted for PPP)*	0.000004068	—
Water intensity in terms of physical output	—	—
Water intensity *(optional)* – the relevant metric may be selected by the entity	—	—

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (~~Y~~/N) If yes, name of the external agency: **No**

4. Provide the following details related to water discharged:

   1. Provide details of the following disclosures related to water, in the following format:

      Since the offices of the Company are in commercial buildings, the water discharged is not tracked by the Company.

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (~~Y~~/N) If yes, name of the external agency. **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Since the Company is a trading entity and does not own any premises, this is not applicable.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: Not Applicable as Company is the trading company.

Parameter	Unit	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Nox	—	—	—
Sox	—	—	—
Particulate matter (PM)	—	—	—
Persistent organic pollutants (POP)	—	—	—
Volatile organic compounds (VOC)	—	—	—
Hazardous air pollutants (HAP)	—	—	—
Others – please Specify	—	—	—

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (¥/N) If yes, name of the external agency: No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	Not Tracked	Not Tracked
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	12.3	277.4
Total Scope 1 and Scope 2 emissions per rupee of Turnover		0.00000000347	0.0000000779
Total Scope 1 and Scope 2 emission intensity (*optional*) – the relevant metric may be selected by the entity		—	—
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)		0.00000007066	0.0000016084
Total Scope 1 and Scope 2 emission intensity in terms of physical output		—	—
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		—	—

Note: Scope 2 (market-based) emissions have been calculated based on the available REC Redemption Statement. Although the Company has entered into a renewable power procurement arrangement, the corresponding renewable energy generation and REC redemption pertain to a subsequent period.

Accordingly, electricity consumption for January–March 2026 has been considered under grid electricity for the current reporting period.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

   Since Novartis India Limited has accounted for electricity consumption, all related initiatives focus on energy savings, which contributes to a reduction in Scope 2 emissions. A few of the initiatives are provided below:

   - LED Lighting has been installed across office floors. This system has the potential to reduce energy consumption by up to 90 per cent as compared to the traditional lighting.
   - Sensor-controlled LED lights are installed in all workstation areas and meeting rooms to minimize energy consumption when not in use.
   - The office space is designed to maximize natural light through the façade, thereby reducing the need for artificial lighting during daylight hours.
   - To further reduce indirect emissions, the company has transitioned a significant portion of its Local logistics from air to surface freight. This shift has had a substantial impact, resulting transportation-related emissions being over 70 per cent lower in 2025 compared to 2024. The improved efficiency also led to a notable decrease in emission intensity, aligning with the Company's broader sustainability objectives.
   - The India ESO Team's Environmental Sustainability Project marked a transformative step in the Company's journey toward becoming net-zero by 2040 and to contribute to nature-positive. By transitioning carton packaging from virgin board to recycled board for key product SKUs, the initiative has significantly reduced the Company's environmental footprints. This impactful move demonstrates the Company's commitment to sustainable innovation, responsible resource utilization, and measurable climate action. The project not only supports global sustainability goals but also sets a strong benchmark for environmentally conscious operations across the organization.

9. Provide details related to waste management by the entity, in the following format:

Parameter	Apr 2025 - Mar 2026 (Current Financial Year)	Apr 2024 - Mar 2025 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	26.5	Nil
E–waste ***(B)***	Nil	Nil
Bio–medical waste ***(C)***	Nil	Nil
Construction and demolition waste ***(D)***	Nil	Nil
Battery waste ***(E)***	1.9	Nil
Radioactive waste ***(F)***	Nil	Nil
Other Hazardous waste. Please specify, if any. ***(G)***	17.5	36.1
Other non–hazardous waste generated **(H)**. Please specify, if any. General Waste	2.2	1.8
Carton box	0.8	1.7
Total (A + B + C + D + E + F + G + H)	48.9	39.6
Waste intensity per rupee of turnover* (Total waste generated/ Revenue from operations)	0.0000000138	0.0000000111

Parameter	Apr 2025 - Mar 2026 (Current Financial Year)	Apr 2024 - Mar 2025 (Previous Financial Year)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	0.0000002804	0.0000002296
Waste intensity in terms of physical output	—	—
Waste intensity (optional) – the relevant metric may be selected by the entity	—	—

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
(i) Recycled	2.9	—
(ii) Re-used	—	—
(iii) Other recovery operations	—	—
Total	2.9	—

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
(i) Incineration	17.5	36.1
(ii) Landfilling	—	—
(iii) Other disposal operations Recycled e-waste through third party	1.9	—
Total	19.4	36.1

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.

    Hazardous waste source, if from central storage warehouse wherein date expired medicines or market rejects are sent to MWML (Mumbai Waste Management Limited) for incineration as per 'The Hazardous Waste Rules, 2016' and its amendments from time to time.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of Operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/ N) If no, the reasons thereof and corrective action taken, if any.
Our office is not located in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
—	—	—	—	—	—

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non–compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	—	—	—	—

The Company is compliant with environmental laws. Therefore, this question is not relevant.

Leadership Indicators

1. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   Yes. Business Continuity Plan (BCP) is available and is under the scope of site REFS (Real Estate Facility Services).

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. Four (4)

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Organization of Pharmaceutical Producers of India	National
2	Federation of Indian Chambers of Commerce & Industry	National
3	Swiss-Indian Chamber of Commerce India	National
4	NatHealth	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. **NA**

Name of the entity	Brief of the case	Corrective Action Taken
—	—	—

Leadership Indicators

S. No	Public policy advocated	Method resorted for such advocacy	Whether information is available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
—	—	—	—	—	—

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicator

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. **Not Applicable**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
—	—	—	—	—	—

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: **Not Applicable**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
—	—	—	—	—	—	—

3. Describe the mechanisms to receive and redress grievances of the community.

   While the whistle blower/ vigil mechanism is available with community for raising their grievances regarding, conduct of business, ethics, human rights etc., Novartis India Limited also engages with NGOs to get feedback and understand their concerns.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Directly Sourced through MSME/ small producers	4.6%	2.9%
Directly from within India	46.9%	56.4%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.

Location	FY Apr 2025 - Mar 2026 (Current Financial Year)	FY Apr 2024 - Mar 2025 (Previous Financial Year)
Rural	—	—
Semi-urban	—	—
Urban	—	—
Metropolitan	100%	100%

(Place to be categorized as RBI Classification System - rural/ semi-urban/ urban/ metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):
   Not Applicable

Details of negative social impact identified	Corrective action taken
—	—

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S. No.	State	Aspirational District	Amount Spent (In INR)
1	Andhra Pradesh	Vizianagaram	23,40,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (~~Yes~~/ No)

   (b) From which marginalized/ vulnerable groups do you procure? – Not Applicable

   (c) What percentage of total procurement (by value) does it constitute? – Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not Applicable

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
—	—	—	—	—

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Not Applicable

Name of authority	Brief of the Case	Corrective action taken
—	—	—

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of people benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Sustainable Livelihood for people of high risk of unemployment	159	100%
2.	Community Skilling and Livelihood project	378	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Being in pharmaceutical industry we are committed to adhering to high ethical standards and have developed a robust mechanism to receive and respond to consumer complaints and feedback. The consumers can complaint about product related issue on the website of the Company. All the complaints have defined Turnaround Time (“TAT”) and are closed within the TAT.

2. Turnover of products and services as a percentage of turnover from all products/ service that carry information about:

	As percentage to turnover
Environmental and Social parameters relevant to products	Nil
Safe and responsible usage	100%
Recycling and/ or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

	FY Apr 2025 - Mar 2026 (Current Financial Year)			FY Apr 2024 - Mar 2025 (Previous Financial Year)		
	Received during the year	Pending Resolution at the end of year	Remarks	Received during the year	Pending Resolution at the end of year	Remarks
Data Privacy	0	NA	NA	—	—	NA
Advertising	0	NA	NA	—	—	NA
Cyber Security	0	NA	NA	—	—	NA
Delivery of essential services	0	NA	NA	—	—	NA
Restrictive trade practices	0	NA	NA	—	—	NA
Unfair trade practices	0	NA	NA	—	—	NA
Other Product related	38	4	One is closed in April 2026. Other pending complaints are under investigation and will be closed within due date.	20	3	All pending complaints will be closed in due course.

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recall	—	—
Forced recall	1	As per tests done by the Karnataka Health Authorities, the product did not meet the required standards. Accordingly, recalls were carried out immediately up to the pharmacy level.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, Novartis India Limited has in place framework on cyber security and risks related to data privacy. Novartis India Limited seeks to adhere to all privacy laws and enforce clear Novartis India Limited Data Privacy Principles, which also apply to genetic data. Our data privacy program includes a global organization and infrastructure as well as procedures and training to support local activities and help our efforts to ensure compliance.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

   There were no instances.

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches: **Nil**

   b. Percentage of data breaches involving personally identifiable information of customers: **Nil**

   c. Impact, if any, of the data breaches: **NA**

Leadership Indicators

1. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services

   In the Pharmaceutical industry, we are committed to adhering to best-in-class practices and have developed a mechanism for receiving and responding to consumer complaints and feedback. Consumers can report product-related issues on the Company's website. All complaints have a defined Turnaround Time ("TAT") and are resolved within this timeframe.

Independent Auditor's Report
To the Members of Novartis India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Novartis India Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 1(J) of material accounting policies and Note 17 in financial statements.

The key audit matter	How the matter was addressed in our audit
Revenue from the sale of products is recognized at a point in time when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered into with customers. The Company has a large number of customers operating across country and sales contracts with customers have distinct terms relating to the recognition of revenue and the right of return. Revenue is measured at the amount of consideration which the entity expects to be entitled, based on the expected level of returns. Estimation of accrual for sales returns involves significant judgement and estimates. Revenue is a key performance indicator for the Company and there could be pressure to meet the expectations/targets of investors and other stakeholders. We have considered there is a risk of fraud related to revenue being overstated by recognition in the wrong period or before control has passed. Accordingly, we identified recognition of revenue and accrual for sales returns as a key audit matter.	Our audit procedures included the following: – Assessing the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards; – Testing the design, implementation and operating effectiveness of the Company's internal controls including general IT controls and key manual and IT application controls over timely and accurate recognition of revenue in the correct period and accrual for sales return; – Performed testing of selected samples of revenue transactions recorded during the year including year-end cutoff testing. We used statistical sampling and verified contractual terms of sales invoices / contracts and acknowledged delivery receipts for those transactions; – Performed testing of accrual for sales returns by checking the completeness and accuracy of the data used by the Company and examining material sales returns subsequent to the year end; – Tested journal entries posted to revenue to identify unusual or irregular items during the year. – Evaluating adequacy of disclosures given in the financial statements.

Contingencies and Litigations

See Note 1 (O) of significant accounting policies and Notes 14, 24 and 25 in financial statements.

The key audit matter	How the matter was addressed in our audit
The Company has outstanding litigations pertaining to income tax and Sales tax/ Value added tax (VAT)/ Service tax for several assessment years which are at various stages and pending at different forums. The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits. The Company faces a number of legal and regulatory cases, of which the most significant is litigation under Drug Price Control Order ("DPCO"). DPCO has issued various orders/ notification for fixing the price of various pharma products. With respect to the sales of the pharmaceutical products covered by the aforementioned DPCO orders, in earlier years as well as the current year, the Company has received demand notices for overcharging price. The Company has challenged these demands form DPCO and the cases are pending at various courts in India.	Our audit procedures included the following: – Understanding the processes, and evaluating and testing the design and implementation of operating effectiveness of the Company's controls (including management review controls) over assessment of contingencies, claims and litigations; – Obtaining and reviewing the outstanding litigations against the Company and discussing updates during the year with the Company's inhouse legal counsel and other key managerial personnel who have knowledge of these matters; – Reading the correspondence between the Company and the various direct tax/indirect tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters and rolled out confirmations to external legal counsel on a test check basis; – Ensuring the completeness of the litigations and claims by examining on a sample basis and scrutinizing the Company's legal expenses and reading the minutes of the board meetings;

The key audit matter	How the matter was addressed in our audit
The amounts involved are significant and the application of accounting principles of Ind AS 37, to determine whether a recognition of provision or a disclosure of contingent liability is required, is inherently subjective, and needs careful evaluation/judgement by the Company. Key judgments are made by the Company taking into consideration the related legal advice including those relating to interpretation of laws/regulations, in estimating the provisions and/or contingent liabilities related to aforementioned litigations. Considering the degree of judgment, significance of the amounts involved, this matter has been identified as a key audit matter.	– Challenging the Company's estimate of the possible outcome of the disputed direct and indirect tax matters based on applicable direct tax laws and indirect tax laws and by involving our specialists; and – Assessing the adequacy of the Company's disclosures in respect of contingent liabilities and provisions for direct tax, indirect tax and legal matters.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of payroll master and vendor master which form part of the 'books of the accounts and other relevant books and papers in electronic mode' has not been maintained on the servers physically located in India.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors from 01 April 2026 to 28 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 14, 24 and 25 to the financial statements.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

f. Based on our examination which included test checks the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the vendor master.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail in respect of the prior years has been preserved by the Company as per the statutory requirements for record retention except for the logs generated for the payroll master records and vendor master.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Maulik Jhaveri
Partner
Membership No.: 116008
ICAI UDIN:26116008KNLTMO3790

Place : Mumbai
Date : 12th May, 2026

Annexure A to the Independent Auditor's Report on the Financial Statements of Novartis India Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-use asset.

(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable to the Company.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records/ written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its product and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Income-Tax, Sales Tax, Service Tax, Duty of Customs which have not been deposited on account of any dispute are as follows:

Name of the statute	**Nature of the dues**	**Gross Amount (₹ in million)**	**Amount paid under protest (₹ in million)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax including tax deducted at source and interest, as applicable	2,982.5	509.1	Assessment years 2010-2011 to 2021-2022	Appellate Authority – up to Commissioner's level
		64.0	32.4	Assessment years 2006-2007 and 2012-2013	Income Tax Appellate Tribunal

Name of the statute	Nature of the dues	Gross Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956 and Local Sales Tax Acts	Sales tax including interest and penalty, as applicable	288.8	49.0	2000-2001 to 2017-2018	Appellate Authority – up to Commissioner's level
		66.5	12.9	1993-1994, 2002-2003, 2003-2004, 2007-2008, 2010-2011, 2011-2012 and 2013-2014 to 2015-2016	Tribunal
		0.3	0.1	1997-1998	The High Court of Kerala
The central/ state goods and services Tax Act, 2017	Goods and Services Tax	77.0	3.7	2017-18 to 2020-21	Appellate Authority upto Commissioner Level
		2.3	-	2019-20	Commissioner of Central Tax
The Finance Act, 1994	Service tax	27.6	0.5	September 2004 to September 2009 and October 2014 to June 2017	Appellate Authority- up to Commissioner's level
The Customs Act, 1962	Duty of Customs	7.5	0.2	Oct 2013 to Dec 2013	Customs Appellate Tribunal

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended March 31, 2026. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual Report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Maulik Jhaveri
Partner
Membership No.: 116008
ICAI UDIN:26116008KNLTMO3790

Place : Mumbai
Date : 12th May, 2026

Annexure B to the Independent Auditor’s Report on the financial statements of Novartis India Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Novartis India Limited (“the Company”) as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Maulik Jhaveri
Partner
Membership No.: 116008
ICAI UDIN:26116008KNLTMO3790

Place : Mumbai
Date : 12th May, 2026

Balance Sheet as at 31st March, 2026

	Notes	As at 31st March, 2026 (in ₹ million)	As at 31st March, 2025 (in ₹ million)
Assets			
Non–Current Assets			
Property, Plant and Equipment	2	8.2	9.7
Right–of–use Assets	31	20.6	35.7
Financial Assets			
(i) Other Financial Assets	3	10.6	10.6
Deferred Tax Assets (Net)	4	134.7	154.8
Other Tax Assets (Net)	5	1,188.4	1,152.5
Other Non–Current Assets	6	737.7	656.6
Total Non–Current assets		**2,100.2**	**2,019.9**
Current Assets			
Inventories	7	533.2	411.1
Financial Assets			
(i) Trade Receivables	8	370.5	401.4
(ii) Cash and Cash Equivalents	9(a)	525.0	520.7
(iii) Bank Balances other than (ii) above	9(b)	6,152.0	5,959.6
(iv) Other Financial Assets	3	6.5	9.4
Other Current Assets	10	95.3	156.0
Total Current assets		**7,682.5**	**7,458.2**
Total Assets		**9,782.7**	**9,478.1**
Equity and Liabilities			
Equity			
Equity Share Capital	11	123.4	123.4
Other Equity	12	8,054.9	7,726.2
Total Equity		**8,178.3**	**7,849.6**
Liabilities			
Non–Current Liabilities			
Financial Liabilities			
(i) Lease Liabilities	31	15.7	32.1
(ii) Other Financial Liabilities	13(a)	1.5	2.0
Provisions	14	137.5	173.9
Total Non–Current Liabilities		**154.7**	**208.0**
Current Liabilities			
Financial Liabilities			
(ii) Lease Liabilities	31	16.4	18.5
(ii) Trade Payables			
– total outstanding dues of micro and small enterprises	13(b)	5.1	4.5
– total outstanding dues of creditors other than micro and small enterprises	13(b)	541.4	510.2
(iii) Other Financial Liabilities	13(a)	187.1	195.4
Other Current Liabilities	13(a)	35.9	34.4
Provisions	15	500.9	523.1
Current Tax Liabilities (Net)	14	162.9	134.4
Total Current Liabilities		**1,449.7**	**1,420.5**
Total Equity and Liabilities		**9,782.7**	**9,478.1**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number – 101248W/W – 100022

Maulik Jhaveri
Partner
Membership no. 116008
Mumbai, 12 May, 2026

For and on behalf of Novartis India Limited
CIN – L24200MH1947PLC006104

Christopher Snook
Chairman
DIN: 00369790

Shilpa Joshi
Whole time Director & Chief Financial Officer
DIN: 09775615

Chandni Maru
Company Secretary & Compliance Officer
Membership no. ACS 60291
Mumbai, 12 May, 2026

Statement of Profit and Loss for the year ended 31st March, 2026

	Notes	Year ended 31st March, 2026 (in ₹ million)	Year ended 31st March, 2025 (in ₹ million)
Income			
Revenue from Operations	17	3,543.3	3,562.7
Other Income	18	387.7	419.6
Total Income		**3,931.0**	**3,982.3**
Expenses			
Purchases of Stock–in–Trade		2,105.8	1,990.7
Changes in Inventories of Stock–in–Trade	19	(122.1)	37.5
Employee Benefits Expense	20	210.8	187.2
Finance Costs	21	12.6	7.7
Depreciation Expense	22	19.5	21.9
Impairment loss on receivables		(1.3)	(1.7)
Other Expenses	23(a)	409.1	434.8
Total Expenses		**2,634.4**	**2,678.1**
Profit before Tax		**1,296.6**	**1,304.2**
Tax Expense	27		
Current Tax		349.5	299.6
Deferred Tax		15.3	(4.4)
Total Tax Expense		**364.8**	**295.2**
Profit for the year		**931.8**	**1,009.0**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements (loss)/gain on Defined Benefit Plans		19.0	13.0
Income tax relating to these items		(4.8)	(3.3)
Other Comprehensive Income for the year		**14.2**	**9.7**
Total Comprehensive Income for the year		**946.0**	**1,018.7**
Earnings per Share – Basic and Diluted [per Equity Share of ₹ 5 each]	32	37.74	40.87

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number – 101248W/W – 100022

Maulik Jhaveri
Partner
Membership no. 116008
Mumbai, 12 May, 2026

For and on behalf of Novartis India Limited
CIN – L24200MH1947PLC006104

Christopher Snook
Chairman
DIN: 00369790

Shilpa Joshi
Whole time Director & Chief Financial Officer
DIN: 09775615

Chandni Maru
Company Secretary & Compliance Officer
Membership no. ACS 60291
Mumbai, 12 May, 2026

Statement of Changes in Equity for the year ended 31st March, 2026

A. Equity Share Capital

	Note 11	Amount (in ₹ million)
Balance as at 1st April, 2025		**123.4**
Change in Equity Share Capital during the year		—
Balance as at 31st March, 2026		**123.4**
Balance as at 1st April, 2024		**123.4**
Change in Equity Share Capital during the year		—
Balance as at 31st March, 2025		**123.4**

B. Other Equity

	Attributable to the equity holders of the Company			(in ₹ million)
	Reserves and Surplus			
	Note 12	Capital Redemption Reserve	Retained Earnings	Total Other Equity
Balance as at 1st April, 2025		**36.4**	**7,689.8**	**7,726.2**
Profit for the year		—	931.8	931.8
Other Comprehensive Income for the year				
Remeasurement gain on defined benefit plans net of tax		—	14.2	**14.2**
Total Comprehensive Income for the year		**—**	**946.0**	**946.0**
Distribution to Owners				
Dividends		—	(617.3)	(617.3)
Balance as at 31st March, 2026		**36.4**	**8,018.5**	**8,054.9**
Balance as at 1st April, 2024		**36.4**	**7,288.4**	**7,324.8**
Profit for the year		—	1,009.0	1,009.0
Other Comprehensive Income for the year				
Remeasurement gain on defined benefit plans net of tax		—	9.7	9.7
Total Comprehensive Income for the year		**—**	**1,018.7**	**1,018.7**
Transactions with owners of the Company				
Distribution to Owners				
Dividends		—	(617.3)	(617.3)
Balance as at 31st March, 2025		**36.4**	**7,689.8**	**7,726.2**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number – 101248W/W – 100022

Maulik Jhaveri
Partner
Membership no. 116008
Mumbai, 12 May, 2026

For and on behalf of Novartis India Limited
CIN – L24200MH1947PLC006104

Christopher Snook
Chairman
DIN: 00369790

Shilpa Joshi
Whole time Director & Chief Financial Officer
DIN: 09775615

Chandni Maru
Company Secretary & Compliance Officer
Membership no. ACS 60291
Mumbai, 12 May, 2026

Statement of Cash Flows for the year ended 31st March, 2026

		Year ended 31st March, 2026 (in ₹ million)	Year ended 31st March, 2025 (in ₹ million)
A.	**Cash flow from operating activities**		
	Profit before tax	1,296.6	1,304.2
	Adjustments for –		
	Depreciation Expense	19.5	21.9
	Share Based Payments	2.7	3.3
	Interest Income	(382.0)	(408.8)
	Unwinding of discount on security deposits	(0.7)	(0.7)
	Finance Costs	12.5	7.7
	Loss/(Gain) on sale of Property, Plant and Equipment (Net)	0.3	(1.1)
	Unrealised loss/(Gain) on Foreign currency transactions (Net)	14.1	(3.2)
	Credit Balances Written–Back	(3.9)	(5.5)
	Impairment loss on receivables	(1.3)	(1.7)
	Provision for deposits/advances (net)	1.2	0.1
	Operating cash flows before working capital changes	**959.0**	**916.2**
	Working Capital Adjustment		
	Decrease Trade Receivables	32.2	15.0
	(Increase)/ Decrease Inventories	(122.1)	37.5
	Decrease Non–current Financial Assets Others	0.2	10.8
	Decrease/(Increase) Current Financial Assets Others	2.0	(1.1)
	(Increase)/Decrease Other Non–Current Assets	(81.1)	123.3
	Decrease Other Current Assets	58.0	1.1
	Increase/(Decrease) Trade Payables	21.8	(92.5)
	(Decrease) Provisions	(39.6)	(11.9)
	Increase/(Decrease) Other Current Liabilities	1.5	(16.0)
	(Decrease) Non–current Financial Liabilities	(0.5)	(0.2)
	Increase/ (Decrease) Current Financial Liabilities	(11.5)	(73.6)
	Cash generated from operations	**819.9**	**908.6**
	Income Tax (Paid)/ Refund received	(352.6)	(162.9)
	Net Cash generated from operating activities	**467.3**	**745.7**
B.	**Cash flow from investing activities**		
	Payments for Property, Plant and Equipment	(3.4)	—
	Proceeds from disposal of Property, Plant and Equipment	0.2	3.2
	Interest received	379.7	412.7
	Fixed deposits placed during the year	(17,390.2)	(11,500.0)
	Fixed deposits receipts during the year	17,190.0	11,051.0
	Net cash generated from / (used in) investing activities	**176.3**	**(33.1)**

Statement of Cash Flows for the Year ended 31st March, 2026

		Year ended 31st March, 2026 (in ₹ million)	Year ended 31st March, 2025 (in ₹ million)
C.	**Cash flow from financing activities**		
	Lease payments	(22.0)	(24.1)
	Finance cost paid	—	(0.1)
	Dividends paid	(617.3)	(617.3)
	Net cash (used in) financing activities	**(639.3)**	**(641.5)**
	Net Increase in Cash and Cash Equivalents	**4.3**	**71.1**
	Cash and Cash Equivalents – At the beginning of the year	520.7	449.6
	Cash and Cash Equivalents – At the end of the year [Refer Note 9(a)]	525.0	520.7

Note:

Disclosure of changes in liabilities arising from investing and financing activities on account of non–cash transactions

Particulars	April 1, 2025	Cash flow	Non–Cash Changes		March 31, 2026
			Addition/ deletion	Interest expense/ income	
Lease Liabilities (Refer note 31)	50.6	(22.0)	—	3.5	32.1

Particulars	April 1, 2024	Cash flow	Non–Cash Changes		March 31, 2025
			Addition	Interest expense/ income	
Lease Liabilities (Refer note 31)	69.5	(24.1)	—	5.2	50.6

The Company has elected to present cash flows from Operating activities using the indirect method.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number – 101248W/W – 100022

Maulik Jhaveri
Partner
Membership no. 116008
Mumbai, 12 May, 2026

For and on behalf of Novartis India Limited
CIN – L24200MH1947PLC006104

Christopher Snook
Chairman
DIN: 00369790

Shilpa Joshi
Whole time Director & Chief Financial Officer
DIN: 09775615

Chandni Maru
Company Secretary & Compliance Officer
Membership no. ACS 60291
Mumbai, 12 May, 2026

Corporate Information

Novartis India Limited ("the Company") is a public limited company listed on the Bombay Stock Exchange, incorporated and domiciled in India and has its registered office at Inspire – BKC, Part of 701, Bandra Kurla Complex, Bandra East, Mumbai 400051, India. It is primarily engaged in the business of trading of Pharmaceuticals.

These financial statements were authorised for issue by the Board of Directors on 12th May, 2026.

1. Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

(ii) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values and net defined benefit asset/(liability) at fair value of plan assets less present value of defined benefit obligation at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Operating Cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non–current classification of assets and liabilities.

B. Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are recognised using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (₹), which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year–end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

C. Property, Plant and Equipment

Items of Property, Plant and Equipment are stated in the balance sheet at historical cost less accumulated depreciation and impairment loss, if any. The historical cost of Property, Plant and Equipment comprises of its purchase price and cost directly attributable to bringing the assets to their working condition for their intended use. The cost of any item of PPE shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital Work–in–Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation:

The Company depreciates its Property, Plant and Equipment using Straight Line Method (SLM) over their estimated useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 (the "Act") and management estimates, as applicable. The estimated useful lives of the assets are as follows:

Description	Management Estimated Useful Lives	Useful life as per schedule II
Buildings	60 years	60 years
Plant and Equipment #	3 years to 12.5 years	8 years – 20 years
Furniture and Fixtures	10 years	10 years
Office Equipment	5 years	5 years

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule II of the Act.

Leasehold improvements are depreciated over the primary period of the lease agreement or the useful life, whichever is shorter.

Mobile Handsets and Mobile Devices are fully depreciated in the year of purchase.

Estimated useful lives, residual values and depreciation methods are reviewed periodically, including at each financial year end, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains or losses arising from disposal of Property, Plant and Equipment are determined as the difference between the sale proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

D. Impairment of Non–Financial Assets

Assets that are subject to depreciation or amortisation are tested at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's (CGU) carrying amount exceeds its recoverable amount and is recognised in the Statement of Profit and Loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of the future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset or the CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

E. Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Cost of inventory comprises cost of purchase and other cost incurred in bringing the goods to their present condition and location. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Net realisable value comparison is made on item by item basis.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non–saleable inventory include estimated shelf life, planned product discontinuances, price changes and ageing of inventory to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory obsolescence to reflect its actual experience on a periodic basis.

F. Non–Current/Current Assets Held for Sale

Non–current/current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, the asset is available for immediate sale in its present condition and a sale is considered highly probable.

Non–current/current assets are not depreciated or amortised while they are classified as held for sale and are measured at lower of their carrying amount and fair value less cost to sell.

Non–current/current assets and liabilities classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

G. Trade Receivables

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables without a significant financing component are initially measured at the transaction price and subsequently measured at amortised cost less provision for impairment by applying the expected credit loss method.

H. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, demand deposits with banks and other short–term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

I. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial Assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised Cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount adjusted for any Loss allowance. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method. The Company does not have financial assets that are subsequently measured either at fair value through other comprehensive income or at fair value through the Statement of Profit and Loss.

Impairment of Financial Assets:

The Company applies the expected credit loss model for recognising impairment loss on its financial assets.

The Company measures the loss allowance for financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on that financial instruments has increased significantly since initial recognition. If credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further for the purpose of measuring lifetime expected credit loss allowance for trade receivables the Company has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on provision matrix which take into account historical credit loss experience and adjusted for forward looking information.

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in Statement of Profit and Loss.

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The interest expense is included in finance costs line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non–cash assets transferred or liabilities assumed) is recognised in the Statement of Profit and Loss.

J. Revenue Recognition

Sale of Traded goods

Revenue from contracts with customers is recognised when the Company satisfies a performance obligation which is to deliver products to customers based on purchase orders received. Revenue from sales of products is recognized at a point in time when control of the products is transferred to the customer, generally upon delivery, which the Company has determined is when physical possession, legal title and risks and rewards of ownership of the products transfer to the customer and the Company is entitled to payment. Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Provision is made for the non–saleable returns of goods from the customers estimated on the basis of historical data of sales return trends with respect to the shelf life of various products. Such provision for non–saleable sales returns is reduced from sale of products for the year.

Sale of Services

Service revenue is measured based on the consideration specified in a contract with a customer. Service revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Service income is accounted for net of goods and services tax.

Commission Income

Commission income from customers is recognised in line with the contractual terms with the customer.

K. Interest Income

Interest income is recognised using the effective interest method.

L. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

M. Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset and liability during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except to the extent they relate to items that are recognised in other comprehensive income or directly in equity; in which case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current Tax

The current tax charge for the year is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period as adjusted for taxes in respect of previous years. Management periodically evaluates positions taken in tax returns, including assessment orders received during the year, with respect to situations in which applicable tax regulation is subject to interpretation. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Deferred Tax

Deferred tax is recognised, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax asset is reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has decided to take benefit of the reduced tax rate as permitted in the said section.

The Company previously accounted for deferred tax on leases by applying the “integrally linked” approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognized on a net basis. Following the amendments, the Company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right–of–use assets as at 1st April 2022 and thereafter.

N. Employee Benefits

(i) Short–Term Employee Benefits

Liabilities for wages and salaries that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service are recognised and measured at the undiscounted amount expected to be paid in exchange for the related service.

(ii) Other Long–term Employee Benefit Obligations

The employees of the Company are entitled to other long–term benefits in the form of Long Service Awards as per the policy of the Company and leave obligations. Liability for such benefits is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liabilities is the projected unit credit method.

(iii) Post–Employment Obligations

The Company has the following post–employment schemes:

a) Defined benefit plans such as Provident Fund, Gratuity, Non–Contractual Pension Plan and Post Retirement Medical Benefits.

b) Defined contribution plans such as Superannuation Fund and Employees’ Pension Scheme.

Defined Benefit Plans

The Company has Defined Benefit Plans for post employment benefits in the form of Provident Fund, Gratuity, Non–Contractual Pension Plan and Post Retirement Medical Benefits.

Provident Fund and Gratuity fund are recognised by the Income–tax authorities and administered through trustees and/or Life Insurance Corporation of India (LIC).

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using a discount rate (interest rates of government bonds) that have terms to maturity approximating the terms of the related Provident Fund, Gratuity, Non–contractual Pension Plan and Post Retirement Medical Benefits liabilities.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and the return on plan assets (excluding net interest) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined Contribution Plan

The Company has Defined Contribution Plans for post–employment benefits in the form of Superannuation Fund and Employees’ Pension Scheme which are recognised by the Income–tax authorities and administered through trustees and/or LIC. Superannuation Fund which constitutes an insured benefit and Employees’ Pension Scheme are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contributions. The Company’s contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as incurred.

(iv) Termination Benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring.

(v) Share–Based Payments

The Company offers its employees, share based payments in the form of a "Select" plan. The Equity Plan "Select" is a global equity incentive plan for eligible employees. This plan allows its participants to choose the form of their equity compensation in "Restricted Shares" or "Tradable Shares" of the ultimate holding Company, Novartis AG, Basel.

Unvested restricted shares are conditional on the provision of services by the plan participant during the vesting period. They are valued using their fair value (market price of traded stocks of Novartis AG) on the grant date. The fair value of these grants are expensed on a straight–line basis over the respective vesting period.

The total expense (adjusted for estimated forfeitures) is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each reporting date, the Company revises its estimates of the number of shares that are expected to vest based on the non–market vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the Statement of Profit and Loss with a corresponding adjustment to equity/prepayments.

Group Company recharges to the Company for the share based payments made/to be made by them to the Company's employees and the payment is adjusted against the Share Options Outstanding Account classified under other equity/prepayments by the Company.

(vi) Employee Share Purchase Plan (ESPP)

In the year ended 31st March 2024 Novartis AG started to grant shares under the Employee Share Purchase Plan (ESPP). The ESPP enables employees to voluntarily purchase Novartis AG shares through payroll deductions at a 15% discounted price. The shares are not subject to a vesting period.

(vii) Bonus Plans

Short–term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short–term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

O. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre–tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ii) Contingent Liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is:

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non–occurrence of one or more uncertain future events not wholly within the control of the Company or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

(iii) Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

P. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

Q. Earnings Per Share

Basic earnings per share are computed by dividing the profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

R. Leases

As a lessee:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises a right–of–use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short–term leases) and low value leases. For these short–term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight–line basis over the lease term. Lease term is a non–cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right–of–use asset is initially measured at cost at the commencement date. At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate by obtaining interest rates from various external financing sources and making certain adjustments to reflect the terms of the lease. The Company uses its incremental borrowing rate as the discount rate.

After the commencement date, the right–of–use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and the lease liability is measured by (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in–substance fixed lease payments. Right–of–use assets are depreciated over the shorter period of lease term and useful life of the right–of–use asset.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest expense on the lease liability is a component of finance costs. Gain / Loss relating to modification of lease not accounted for as separate lease are recognised in the Statement of Profit and Loss.

S. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

T. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, from the proceeds.

U. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million with one decimal thereof as per the requirement of Schedule III, unless otherwise stated.

V. Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items". Exceptional items are of non–recurring in nature.

W. Critical Accounting Estimates and Judgements

Preparing the financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas involving critical estimates as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

Estimation of Defined Benefit Obligation : key actuarial assumptions [Refer Note 14(a)]

Estimation of Provision and Contingent Liabilities : key assumptions about the likelihood and magnitude of an outflow of resources; [Refer Note 24 and 25]

Estimation of Lease : discount rate used for determination of lease liability and Right–of–use asset [Refer Note 31]

Revenue Recognition : assumptions of estimation of sale return and discounts.[Refer Note 25 and 29]

Provision for Deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; [Refer Note 4]

Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified amendments applicable w.e.f. April 1, 2025 to Ind AS 1 Presentation of Financial Statements, Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, Ind AS 7– Statement of Cash Flows, Ind AS 107–Financial Instruments and Ind AS 12–International Tax Reform. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have a significant impact on its financial statements.

Standards/amendments issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year, the MCA has issued an amendment for removal of carve–out under Ind AS 1, Presentation of financial statements relating to classification of liabilities subject to covenants breach which is applicable with effect from 01 April 2026. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have a significant impact on its financial statements. Further, there is no such notification which would have been applicable from 01 April 2026.

2. Property, Plant and Equipment

(in ₹ million)

Particulars	Tangible Assets					
	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Total
As at 1st April, 2024						
Gross carrying amount						
Opening gross carrying amount	0.5	31.7	2.9	10.5	40.1	85.7
Additions	—	—	—	—	—	—
Disposals	(0.5)	(31.7)	(2.9)	(10.5)	(2.2)	(47.8)
As at 31st March, 2025	**—**	**—**	**—**	**—**	**37.9**	**37.9**
Accumulated depreciation						
Opening accumulated depreciation	0.5	31.7	2.9	10.5	23.6	69.2
Depreciation charge during the year	—	—	—	—	4.7	4.7
Disposals	(0.5)	(31.7)	(2.9)	(10.5)	(0.1)	(45.7)
As at 31st March, 2025	**—**	**—**	**—**	**—**	**28.2**	**28.2**
Net carrying amount						
As at 31st March, 2025	**—**	**—**	**—**	**—**	**9.7**	**9.7**
As at 1st April, 2025						
Gross carrying amount						
Opening gross carrying amount	—	—	—	—	37.9	37.9
Adjustments*	—	11.6	0.1	6.4	4.2	22.3
Additions	—	3.4	—	—	—	3.4
Disposals	—	(1.2)	—	(1.6)	(2.8)	(5.6)
As at 31st March, 2026	**—**	**13.8**	**0.1**	**4.8**	**39.3**	**58.0**
Accumulated depreciation						
Opening accumulated depreciation	—	—	—	—	28.2	28.2
Adjustments*	—	11.6	0.1	6.4	4.2	22.3
Depreciation charge during the year	—	0.6	—	0.0	3.8	4.4
Disposals	—	(1.2)	—	(1.6)	(2.3)	(5.1)
As at 31st March, 2026	**—**	**11.0**	**0.1**	**4.8**	**33.9**	**49.8**
Net carrying amount						
As at 31st March, 2026	**—**	**2.8**	**—**	**—**	**5.4**	**8.2**

* Assets existing but fully depreciated

	31st March, 2026		31st March, 2025	
	(in ₹ million) Current	(in ₹ million) Non–current	(in ₹ million) Current	(in ₹ million) Non–current
3. Other financial assets:				
Tender Deposits				
Unsecured, considered good	1.5	3.3	1.4	3.6
Considered Doubtful	7.7	—	7.4	—
Less: Loss allowance on deposits	(7.7)	—	(7.4)	—
	1.5	**3.3**	**1.4**	**3.6**
Security Deposits				
Unsecured, considered good	1.3	5.9	4.6	5.4
Considered Doubtful	—	—	0.2	—
Less: Loss Allowance for Doubtful Deposits	—	—	(0.2)	—
	1.3	**5.9**	**4.6**	**5.4**
Advance to employees				
Unsecured, considered good	3.7	—	3.4	—
Considered Doubtful	—	—	—	—
Less: Loss allowance on advances	—	—	—	—
	3.7	**—**	**3.4**	**—**

3. Other financial assets: (contd.)

	31st March, 2026		31st March, 2025	
	(in ₹ million) Current	(in ₹ million) Non–current	(in ₹ million) Current	(in ₹ million) Non–current
Deposits with banks with original maturity of more than twelve months				
Unsecured, considered good	—	1.4	—	1.6
Considered Doubtful*	—	2.4	—	2.1
Less: Loss allowance on deposits	—	(2.4)	—	(2.1)
	—	**1.4**	**—**	**1.6**
Consignment receivables				
Considered good	—	—	—	—
Considered Doubtful	2.3	—	1.5	—
Less: Loss allowance on Receivables	(2.3)	—	(1.5)	—
	—	**—**	**—**	**—**
Total Other Financial Assets	**6.5**	**10.6**	**9.4**	**10.6**

* The deposits placed are earmarked against the tender.

4. Deferred Tax Assets (Net)

The balance comprises temporary differences attributable to:

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Property, Plant and Equipment	7.6	8.0
Right-of-use Assets	90.7	87.0
Loss Allowances for Debts, Advances and Deposits	10.8	10.8
Lease liabilities	(88.0)	(83.4)
Provision for Employee Benefits	59.1	74.6
Other (Including MSME Payments, Provision for Contingencies)	54.5	57.8
Total Deferred Tax Assets	**134.7**	**154.8**

Movement in deferred tax assets

	Property, Plant and Equipment	Allowances for Doubtful Debts, Advances and Deposits	Right- of -Use Assets	Provision for Employee Benefits	Lease Liabilities	Others	Total
At 1st April, 2024	**8.8**	**11.5**	**82.5**	**86.5**	**(78.7)**	**43.1**	**153.7**
(Charged)/Credited							
— To Statement of Profit or Loss	(0.8)	(0.7)	4.5	(8.6)	(4.7)	14.7	4.4
— To Other Comprehensive Income	—	—	—	(3.3)	—	—	(3.3)
At 31st March, 2025	**8.0**	**10.8**	**87.0**	**74.6**	**(83.4)**	**57.8**	**154.8**
At 1st April, 2025	**8.0**	**10.8**	**87.0**	**74.6**	**(83.4)**	**57.8**	**154.8**
(Charged)/Credited							
— To Statement of Profit or Loss	(0.4)	—	3.7	(10.7)	(4.6)	(3.3)	(15.3)
— To Other Comprehensive Income	—	—	—	(4.8)	—	—	(4.8)
At 31st March, 2026	**7.6**	**10.8**	**90.7**	**59.1**	**(88.0)**	**54.5**	**134.7**

5. Other Tax Assets (Net)

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Advance income tax (including amount paid under protest) [net of provisions ₹ 7,228.9 million (As at 31st March, 2025 ₹ 6,915.1 million)]	1,188.4	1,152.5
Total Other Tax Assets (Net)	**1,188.4**	**1,152.5**

6. Other Non-Current Assets

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Balances with Government authorities (Unsecured and considered good)		
Value added Tax Receivable, Input tax credit (including amount paid under protest)	659.5	603.6
Custom duty (paid under protest)	21.8	21.6
Prepayments	56.4	31.4
Total Other Non-Current Assets	**737.7**	**656.6**

7. Inventories

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Stock-in-Trade [including in transit of ₹ 99.87 million (As at 31st March, 2025, ₹ 16.01 million)]	533.2	411.1
Total Inventories	**533.2**	**411.1**

The cost of inventory recognised as an expense includes ₹ 6.7 million (previous year ₹ 18.3 million) in respect of write-downs of inventory, and has been reduced by ₹ 19.6 million (previous year ₹ 9.3 million) in respect of the reversals of such write-downs consequent to the sales in the current period.

The cost of inventories recognised as an expense is disclosed in Note 19 together with purchases of stock-in-trade disclosed in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in Note 1.E

8. Trade Receivables

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Trade Receivable		
Considered good - unsecured	370.5	401.4
Significant increase in credit risk	—	—
Credit impaired	22.0	23.3
	392.5	**424.7**
Less: Loss allowance on trade receivables	(22.0)	(23.3)
Net Trade Receivables	**370.5**	**401.4**
Of the above, Trade Receivables from related parties are as follows		
Receivables from Related Parties [Refer Note 30]	3.9	1.7
Less: Loss allowance on Related Parties	—	—
Net Trade Receivables	**3.9**	**1.7**

8. Trade Receivables (contd.)

Out of the total trade receivable as on March 31, 2026 ₹ 196.5 million [March 31, 2025 ₹ 251.2 million] pertains to a single customer.

Trade Receivable ageing schedule

	Outstanding for the period from due date of payment						
	Not due	Less than 6 Months	6 Months – 1 year	1–2 years	2–3 years	More than 3 years	Total
31st March, 2025							
Undisputed Trade receivables - Considered good	371.9	24.1	2.0	2.1	1.3	—	**401.4**
Undisputed Trade receivables - Significant increase in credit risk	—	—	—	—	—	—	**—**
Undisputed Trade receivables - Credit impaired	—	—	—	0.2	1.1	22.0	**23.3**
31st March, 2026							
Undisputed Trade receivables - Considered good	354.1	10.2	2.8	0.9	1.5	1.0	**370.5**
Undisputed Trade receivables - Significant increase in credit risk	—	—	—	—	—	—	**—**
Undisputed Trade receivables - Credit impaired	—	—	—	—	—	22.0	**22.0**

9(a). Cash and Cash Equivalents

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Balances with Banks		
— in Current Accounts	45.0	30.7
— Deposits with original maturity of less than 3 months	480.0	490.0
Total Cash and Cash Equivalents in balance sheet	**525.0**	**520.7**
Total Cash and Cash Equivalents in the statement of cash flows	**525.0**	**520.7**

9(b). Bank Balances Other than 9(a) above

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Earmarked balances with banks		
— Unpaid Dividend Accounts	23.8	20.6
Bank deposits with original maturity of more than 3 months but less than 12 months	6,050.2	5,850.0
Interest accrued on deposits not due	78.0	89.0
Total Other Bank Balances	**6,152.0**	**5,959.6**

10. Other Current Assets

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Balances with Government Authorities (Unsecured and considered good)	48.0	124.0
Advances other than capital advances		
— Advances to Vendors	16.8	7.3
Other receivables	2.9	—
Prepayments	27.6	24.7
Total Other Current Assets	**95.3**	**156.0**

11. Equity Share Capital

	Number of shares	Amount (in ₹ million)
Authorised Share Capital		
As at 1st April, 2024 (Equity Shares of ₹ 5 each)	64,000,000	320.0
Increase/(decrease) during the year	—	—
As at 31st March, 2025 (Equity Shares of ₹ 5 each)	64,000,000	320.0
Increase/(decrease) during the year	—	—
As at 31st March, 2026 (Equity Shares of ₹ 5 each)	**64,000,000**	**320.0**
Issued, Subscribed and Fully Paid-up Equity Share Capital		
As at 1st April, 2024 (Equity Shares of ₹ 5 each)	24,690,797	123.4
Increase/(decrease) during the year	—	—
As at 31st March, 2025 (Equity Shares of ₹ 5 each)	24,690,797	123.4
Increase/(decrease) during the year	—	—
As at 31st March, 2026 (Equity Shares of ₹ 5 each)	**24,690,797**	**123.4**

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

As at 1st April, 2024 (Equity Shares of ₹ 5 each)	24,690,797
Movement during the year	—
As at 31st March, 2025 (Equity Shares of ₹ 5 each)	24,690,797
Movement during the year	—
As at 31st March, 2026 (Equity Shares of ₹ 5 each)	**24,690,797**

(ii) Rights, Preferences and Restrictions:

The Company has only one class of shares i.e. Equity Shares having a face value of ₹ 5 each. Every member present in person or by proxy shall on show of hands have one vote and upon a poll, the voting right shall be in proportion to his share of the paid up equity share capital of the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Other details of equity shares for a period of five years immediately preceding 31st March, 2026

The Company has neither allotted equity shares as fully paid up pursuant to contract(s) without payment being received in cash nor has the Company allotted equity shares as fully paid up bonus shares.

(iv) Shares of the Company held by Holding Company

	31st March, 2026	31st March, 2025
	No. of Shares	No. of Shares
Novartis AG, Basel, Switzerland	17,450,680	17,450,680

(v) Shareholders Holding more than 5% Shares in the Company

	31st March, 2026		31st March, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Novartis AG, Basel, Switzerland (Holding Company) Equity shares of Rs 5 each fully paid up	17,450,680	70.68%	17,450,680	70.68%

(vi) Shareholding of promoters

Promoter Name	31st March, 2026		31st March, 2025		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Novartis AG, Basel, Switzerland (Holding Company) (Refer Note 41) Equity shares of Rs 5 each fully paid up	17,450,680	70.68%	17,450,680	70.68%	—

11. Equity Share Capital (contd.)

Promoter Name	31st March, 2025		31st March, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Novartis AG, Basel, Switzerland (Holding Company) Equity shares of Rs 5 each fully paid up	17,450,680	70.68%	17,450,680	70.68%	—

12. Other Equity

	31st March, 2026	31st March, 2025
	(in ₹ million)	(in ₹ million)
Capital Redemption Reserve	36.4	36.4
Retained Earnings	8,018.5	7,689.8
Total Other Equity	**8,054.9**	**7,726.2**

Nature and Purpose of Other Equity

Capital Redemption Reserve

Capital Redemption reserve was created consequent to the buy back of shares. In terms of Section 69 of the Act, the Company transfers a sum equal to nominal value of the shares bought back to Capital Redemption Reserve. The Reserve may be applied by the Company in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

Retained Earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

	31st March, 2026	31st March, 2025
	(in ₹ million)	(in ₹ million)
(i) Capital Redemption Reserve		
Opening Balance	36.4	36.4
Movement during the year	—	—
Closing Balance	**36.4**	**36.4**
(ii) Retained Earnings		
Opening Balance	7,689.8	7,288.4
Profit for the year	931.8	1,009.0
Other Comprehensive Income (net of tax)	14.2	9.7
Total Comprehensive Income for the year	946.0	1,018.7
Payment of Dividends	(617.3)	(617.3)
Closing Balance	**8,018.5**	**7,689.8**

Dividends

Particulars	31st March, 2026	31st March, 2025
	(in ₹ million)	(in ₹ million)
Equity shares		
Final dividend for the year ended 31st March, 2025 of ₹ 25 per fully paid share (31st March, 2024 of ₹ 25 per fully paid share)	**617.3**	617.3
Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ Nil per share (Previous year ₹ 25 per share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	**—**	617.3

13. Financial Liabilities

13(a). Other Financial Liabilities

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Non-Current		
Security Deposits	1.5	2.0
Total Other Non-Current Financial Liabilities	**1.5**	**2.0**
Current		
Unpaid Dividends@	23.8	20.6
Payable to Related Parties [Refer Note 30]	—	12.9
Security Deposits	0.5	—
Payables to Employees	162.8	161.9
Total Other Current Financial Liabilities	**187.1**	**195.4**

@There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

13(b). Trade Payables

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Current		
Total outstanding dues of micro and small enterprises [MSME] [Refer Note 26]	5.1	4.5
Total outstanding dues of creditors other than micro and small enterprises		
– Related Parties [Refer Note 30]	314.6	170.2
– Others	226.8	340.0
Total Trade Payables	**546.5**	**514.7**

Trade Payable ageing schedule:

Particulars	Outstanding for the period from due date of payment						
	Unbilled dues	Not Due	Less than 1 year	1–2 Years	2–3 Years	More than 3 Years	Total
31st March, 2025							
Undisputed MSME	—	—	4.5	—	—	—	4.5
Undisputed Others	151.7	168.7	184.3	0.7	0.2	4.6	510.2
31st March, 2026							
Undisputed MSME	**—**	**5.1**	**—**	**—**	**—**	**—**	**5.1**
Undisputed Others	**143.3**	**133.7**	**259.8**	**—**	**—**	**4.6**	**541.4**

14. Provisions

	31st March, 2026		31st March, 2025	
	(in ₹ million) Current	(in ₹ million) Non–current	(in ₹ million) Current	(in ₹ million) Non–current
Provision for Employee Benefits [Refer Note 14(a)]				
Gratuity	2.9	41.2	58.9	29.4
Leave Obligations	86.2	—	54.1	28.7
Post Retirement Medical Benefits	7.3	83.3	8.1	83.8
Long Term Service Awards	0.1	0.7	0.2	0.7
Provident Fund	1.1	12.3	1.3	31.3
Employee separation [Refer Note 25 (iii)]	131.3	—	135.5	—
	228.9	137.5	258.1	173.9
Other Provisions				
Non-saleable Sales Returns [Refer Note 25 (i)]	33.4	—	27.3	—
Contingencies [Refer Note 25 (ii)]				
For Indirect Tax matters	204.1	—	204.8	—
For Legal Cases	34.5	—	32.9	—
Total Provisions	**500.9**	**137.5**	**523.1**	**173.9**

14(a). Employee Benefit Obligations

(i) Defined Contribution Plans :

The Company's contribution to Superannuation Fund and Employees' Pension Scheme aggregating ₹ 4.0 million (Previous year - ₹ 4.6 million) has been recognised as expense in the Statement of profit and loss for the year under the head Employee Benefits Expense [Refer Note 20].

(ii) Defined Benefit Plans :

General Description of Defined Benefit Plans:

(a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service of 5 years are eligible for gratuity. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity plan is a funded plan and it is recognised by the Income-tax authorities and administered through trustees and/or Life Insurance Corporation (LIC). Liability for Gratuity is provided on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary.

(b) Provident Fund

Provident fund is a Defined Benefit Plan that provides for a lump sum amount to be paid to employees at the time of separation from the Company. Both employee and employer (at a determined rate) contribute monthly to a Trust set up by the Company to manage the investments and distribute the amounts entitled to employees. The benefits are accumulated value of contributions made by the employee and the Company at the minimum interest rate as declared by the Employees' Provident Fund Organisation for respective years. Valuation for interest rate guarantee is provided on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary.

(c) Non-Contractual Pension Plan

The Pension Scheme is a Defined Benefit Plan with a minimum pension guarantee that provides for an annuity in the form of pension amount at retirement to a select category of employees. The fund is administered by LIC of India. Liability for Non-Contractual Pension Plan is provided on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary.

(d) Post Retirement Medical Benefits (PRMB)

The PRMB scheme is a fixed monetary amount Defined Benefit Plan that provides for a payment made after retirement when a retiree claims medical benefits. The benefits are defined on the basis of amount claimed under medical expenses up to a maximum limit after retirement. This is an unfunded defined benefit plan. Liability for Post Retirement Medical Benefits is provided on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary.

14(a). Employee Benefit Obligations (contd.)

As per actuarial valuation as on 31st March, 2026 and 31st March, 2025 :

(in ₹ million)

Particulars	Gratuity		Provident Fund		Non Contractual Pension Plan		Post Retirement Medical Benefits	
	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
I. Expense recognised in the Statement of Profit and Loss for the year								
1. Current service cost	1.9	2.4	7.3	8.6	—	—	1.2	1.3
2. Curtailment (credit)/cost	—	—	—	—	—	—	—	—
3. Net interest on net defined benefit liability / (asset)	(0.8)	0.6	2.0	1.7	—	—	5.9	6.6
	1.1	**3.0**	**9.3**	**10.3**	**—**	**—**	**7.1**	**7.9**
II. Recognised in other comprehensive income for the year								
1. Return on plan assets excluding amount included in net interest on net defined benefit liability/(assets)	(5.0)	(10.1)	(20.3)	(5.8)	(12.5)	(10.7)	—	—
2. Actuarial (Gain)/Loss on account of :								
— Financial Assumptions	—	0.6	—	0.1	—	—	(0.8)	1.6
— Experience Adjustments	7.3	(2.1)	1.8	17.1	12.5	10.7	(1.9)	(14.4)
— Demographic Assumptions	—	—	—	—	—	—	—	—
	2.3	**(11.6)**	**(18.5)**	**11.4**	**—**	**—**	**(2.7)**	**(12.8)**
III. Net Asset/(Liability) recognised in the Balance Sheet at Year End								
1. Present value of defined benefit obligation at year end	179.8	168.7	593.0	673.6	158.6	157.1	90.6	91.9
2. Fair value of plan assets at year end	135.7	80.4	579.6	641.0	158.6	157.1	—	—
3. Surplus/(Deficit)	(44.1)	(88.3)	(13.4)	(32.6)	—	—	(90.6)	(91.9)
4. Current portion of the above	(2.9)	(58.9)	(1.1)	(1.3)	—	—	(7.3)	(8.1)
5. Non current portion of the above	(41.3)	(29.4)	(12.3)	(31.3)	—	—	(83.3)	(83.8)
IV. Change in the present value of defined obligation during the year ended 31st March								
1. Present value of defined benefit obligation at the beginning of the year	168.7	194.1	673.6	1,066.5	157.1	159.8	91.9	100.9
2. Expenses Recognised in Statement of Profit and Loss								
— Current Service Cost	1.9	2.4	7.3	8.6	—	—	1.2	1.3
— Interest Expense (Income)	2.0	2.4	40.3	56.9	—	—	5.9	6.6
— Other adjustment	—	—	—	—	—	—	—	—
— Curtailment (credit)/cost	—	—	—	—	—	—	—	—
— Past service cost - plan amendments	4.4	—	—	—	—	—	—	—
3. Remeasurement gains / (losses)								
— Actuarial Gain (Loss) arising from:								
i. Financial Assumptions	—	0.6	—	0.1		—	(0.8)	1.6
ii. Experience Adjustments	7.3	(2.1)	1.8	17.1	12.5	10.7	(1.9)	(14.4)
4. Benefit payments								
— paid by Company	(0.3)	—	—	—	—	—	(5.7)	(4.1)
— paid from plan assets	(4.2)	(28.7)	(158.7)	(483.6)	(11.0)	(13.5)	—	—
5. Acquisitions (credit)/ cost	—	—	20.8	—	—	—	—	—
6. Employee Contributions	—	—	7.9	8.0	—	—	—	—
7. Present value of defined benefit obligation at the end of the year	179.8	168.7	593.0	673.6	158.6	157.1	90.6	91.9

14(a). Employee Benefit Obligations (contd.)

(in ₹ million)

Particulars	Gratuity		Provident Fund		Non Contractual Pension Plan		Post Retirement Medical Benefits	
	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
V. Change in fair value of assets during the year ended 31st March								
1. Fair value of plan assets at the beginning of the year	80.4	77.2	641.0	1,034.3	157.1	159.8	—	—
2. Interest on plan assets	2.8	1.8	38.3	55.2	—	—	—	—
3. Acquisition adjustments	—	—	20.8	—	—	—	—	—
4. Remeasurement gains / (losses)								
— Actual return on plan assets excluding amount included in net interest on net defined benefit liability / (asset)	5.0	10.1	20.3	5.8	12.5	10.7	—	—
5. Employer Contribution	51.7	20.0	10.0	21.3	—	—	—	—
6. Employee Contribution			7.9	8.0	—	—	—	—
7. Benefit payments	(4.2)	(28.7)	(158.7)	(483.6)	(11.0)	(13.4)	—	—
8. Fair value of plan assets at the end of the year	135.7	80.4	579.6	641.0	158.6	157.1	—	—

The net liability disclosed above relates to funded and unfunded plans is as follows:

(in ₹ million)

Particulars	Gratuity	Provident Fund	Non Contractual Pension Plan	Post Retirement Medical Benefits
31st March, 2025				
Present value of funded obligations	168.7	673.6	157.1	91.9
Fair value of plan assets	80.4	641.0	157.1	—
Deficit of funded plan	88.3	32.6	—	91.9
31st March, 2026				
Present value of funded obligations	179.8	593.0	158.6	90.6
Fair value of plan assets	135.7	579.6	158.6	—
Deficit of funded plan	44.1	13.4	—	90.6

Significant estimates: Actuarial assumptions and sensitivity
The significant weighted actuarial assumptions are as follows:

Particulars	31st March, 2026	31st March, 2025
Discount rate		
— Pension	6.90%	6.50%
— Gratuity	6.80%	6.60%
— Others	6.80%	6.70%
Salary growth rate	12% in First Year and 10% thereafter	12% in First Year and 10% thereafter
Medical inflation rate	8.00%	8.00%
Mortality table		
In Service Mortality rate	India Assured Lives Mortality (2006-08) ult	India Assured Lives Mortality (2006-08) ult
Post Retirement Mortality	Annuitants 2012-2015	Annuitants 2012-2015
Withdrawal rates		
Officers		
Less than 5 years	16%	16%
5-10 years	5%	5%
Above 10 years	5%	5%

14(a). Employee Benefit Obligations (contd.)

Particulars	**31st March, 2026**	**31st March, 2025**
Non Officers		
Less than 5 years	0%	0%
Above 5 years	0%	0%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: **(in ₹ million)**

Particulars	Gratuity Scheme (LIC)		Gratuity Scheme (In house Fund)		Non Contractual Pension Plan		Post Retirement Medical Benefits		Provident Fund	
	Change in assumptions		Change in assumptions		Change in assumptions		Change in assumptions		Change in assumptions	
	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
Discount rate										
Increase by 0.25%	(0.8)	(0.6)	NA	NA	(*)	(*)	(1.9)	(2.0)	(0.1)	(0.1)
Decrease by 0.25%	0.8	0.6	NA	NA	*	*	2.0	2.0	0.1	0.1
Salary growth rate										
Increase by 0.25%	0.4	0.3	NA	NA	—	—	—	—	—	—
Decrease by 0.25%	(0.4)	(0.3)	NA	NA	—	—	—	—	—	—
Withdrawal Rate										
Increase by 5%	0.5	(0.5)	NA	NA	—	—	(6.3)	(5.4)	—	—
Decrease by 5%	(1.5)	0.1	NA	NA	—	—	12.5	11.4	—	—
Medical Inflation										
Increase by 1%	—	—	—	—	—	—	7.3	7.4	—	—
Decrease by 1%	—	—	—	—	—	—	(6.3)	(6.4)	—	—

* Amount is below the rounding off norm adopted by the Company.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected aggregate contributions to post employment benefit plans for the year ending 31 March, 2027 are ₹ 14.02 million (March 31, 2026 ₹ 13.79 million).

As at March 31, 2026, the weighted average duration of the defined benefit obligation for gratuity scheme for LIC and in-house is 8 years (March 31, 2025 7 years) and Provident fund is 5.36 years (March 31, 2025 5.35 years)

Maturity profile of defined benefit obligation

(in ₹ million)

	Less than a Year	Between 1–2 years	Between 2–5 years	Between 5–10 years
31st March, 2025				
Gratuity	122.1	12.3	18.4	17.8
Post Retirement Medical Benefits	8.4	7.8	24.2	37.5
Total	**130.5**	**20.1**	**42.6**	**55.3**
31st March, 2026				
Gratuity	119.3	12.2	25.7	21.9
Post Retirement Medical Benefits	7.6	7.8	23.7	38.0
Total	**126.9**	**20.0**	**49.4**	**59.9**

14(a). Employee Benefit Obligations (contd.)

Risk exposure

Through its defined benefit obligation the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk – The defined benefit obligation calculated uses a discount rate based on Government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk – Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk – This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

Medical inflation risk – Higher than expected increase in premium will lead to increase in defined benefit obligations. The risk is mitigated by capping the benefit paid by insurance Company (limiting the premium amount for the Company).

Investment return risk – Lower the expected investment return, higher will be the defined benefit obligation.

(in ₹ million)

	31st March, 2026		31st March, 2025	
Major category of plan assets are as follows – Provident fund	**Amount**	**in %**	**Amount**	**in %**
Government Bonds	103.1	17.78%	193.4	30.17%
Debt Instruments	256.2	44.21%	257.7	40.20%
Investment funds	83.6	14.43%	94.9	14.80%
Special Deposit scheme (including FDs & special deposit)	—	0.00%	69.7	10.87%
Cash	136.7	23.58%	25.3	3.96%
	579.6	**100.00%**	**641.0**	**100.00%**

(in ₹ million)

	31st March, 2026		31st March, 2025	
Major category of plan assets are as follows – Gratuity	**Amount**	**in %**	**Amount**	**in %**
Insurer Managed Funds	135.7	100.00%	80.4	100.00%

Employee Benefit – Leave Obligations

Employee benefit expenses for the year include expense of ₹ 2.9 million (Previous year exp ₹ 1.8 million) towards leave obligations.

Provision for leave obligation as on 31st March, 2026 is ₹ 86.2 million (as at 31st March, 2025, ₹ 82.8 million).
Provision for long term service award as on 31st March, 2026 is ₹ 0.8 million (as at 31st March, 2025, ₹ 0.9 million).

14(b). On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has revised the “wage structure” of its employees which has been approved by the management and is currently being implemented. The corresponding impact has been recognized as employee benefit expense in the financial results of the current reporting period in accordance with Ind AS 19 - Employee Benefits. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The incremental impact primarily arises due to change in wage and worker definitions. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

15. Other Current Liabilities

	31st March, 2026	31st March, 2025
	(in ₹ million)	**(in ₹ million)**
Advances from Customers	17.7	21.0
Others		
— Statutory Dues (Contributions to Provident Fund, Professional Tax, Withholding Taxes, Goods and Services Tax etc.)	18.2	13.4
Total Other Current Liabilities	**35.9**	**34.4**

16. Current Tax Liabilities (Net)

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Provision for tax [net of advance tax ₹ 2,856.4 million (As at 31st March, 2025 ₹ 2,840.7 million)]	162.9	134.4
Total Current Tax Liabilities (Net)	**162.9**	**134.4**

17. Revenue from Operations

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Revenue from contracts with customers		
Sale of Traded goods [Refer Note 29]	3,503.2	3,553.0
Sale of Services [Refer Note 29]	40.0	9.6
Other Operating Revenue		
Commission Income	0.1	0.1
Total Revenue from Operations	**3,543.3**	**3,562.7**

18. Other Income

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Interest Income under effective interest rate method on financial assets at amortised cost		
On Bank Deposits	368.7	408.5
From Customers	0.2	0.3
Interest income on income tax refund of earlier years	13.3	—
Unwinding of Discount on Security Deposits	0.7	0.7
Credit Balances Written-Back	3.9	5.5
Gain on sale of property, plant and equipment	—	1.1
Miscellaneous Income	0.9	3.5
Total Other Income	**387.7**	**419.6**

19. Changes in Inventories of Stock–in–trade

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Opening Stock		
Stock-in-Trade	411.1	448.6
Total Opening Stock	411.1	448.6
Closing Stock		
Stock-in-Trade	(533.2)	(411.1)
Total Closing Stock	(533.2)	(411.1)
Total Changes in Inventories of Stock–in–trade	**(122.1)**	**37.5**

20. Employee Benefits Expense

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Salaries and Wages* [Refer Note 14(a)] (including Employee share purchase plan expense)	192.9	166.4
Contributions to Other Funds [Refer Note 14(a)]	4.0	4.6
Share Based Payments [Refer Note 33]	2.7	3.3
Staff Welfare Expenses	11.2	12.9
Total Employee Benefits Expense	**210.8**	**187.2**

21. Finance Costs

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Interest expense under effective interest rate method on financial liabilities not at fair value through Statement of Profit and loss		
Lease liabilities	3.5	5.2
Security Deposits	0.1	0.1
Interest on income-tax	9.0	2.4
Total Finance Costs	**12.6**	**7.7**

22. Depreciation Expense

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Depreciation of Property, Plant and Equipment	4.4	4.7
Depreciation of Right-of-Use Assets [Refer Note 31]	15.1	17.2
Total Depreciation Expense	**19.5**	**21.9**

23(a). Other Expenses*

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Power and Fuel	1.1	1.4
Rent [Refer Note 31]	0.7	0.7
Insurance	3.6	3.3
Rates and Taxes	23.2	60.9
Legal and Professional Charges	46.0	28.6
Travelling and Conveyance	13.7	16.7
Other Outside Services	95.9	81.8
Payment to auditors [Refer Note 23(b)]	8.8	7.9
Expenditure towards Corporate Social Responsibility Activities [Refer Note 23(c)]	24.4	15.5
Freight, Forwarding and Distribution	102.3	82.4
Loss on Sale/Disposal of Property, Plant and Equipment (net)	0.3	—
Advertisement and Sales Promotion	16.8	23.4
Printing, Postage and communication	3.0	1.8
Commission to Independent Directors [Refer Note 30]	3.0	3.0
Directors’ Sitting fees [Refer Note 30]	1.5	1.5
Royalty	25.0	29.0
Provision for deposits/advances	1.2	0.1
Provisions for Contingencies [Refer Note 25 (ii)]	0.9	48.2
Net Loss on Foreign Currency Transactions and Translation	22.6	2.9
Miscellaneous Expenses	15.1	25.7
Total Other Expenses	**409.1**	**434.8**

* Including expenses recharged to other companies [Refer Note 30]

23(b). Payment to auditors

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
As auditor:		
Audit Fees (Excluding taxes)	8.4	7.1
Other Services	0.3	—
Reimbursement of Expenses	0.1	0.8
Total Payments to Auditors	**8.8**	**7.9**

23(c). Expenditure towards Corporate Social Responsibility Activities

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Amount spent during the year on:		
(i) Donations	24.4	15.5
(ii) Expenditure on maintenance of gardens	—	—
(iii) Expenditure on health awareness	—	—
Total	**24.4**	**15.5**
Gross amount required to be spent as per Section 135 of the Act	24.4	15.5
Amount approved by Board to be spent during the year	24.4	15.5
Amount spent during the year on		
(i) Construction/acquisition of an asset	—	—
(ii) On purposes other than (i) above	24.4	15.5
(iii) Transactions with Related Party	—	—
Excess CSR spent in current year	—	—
Amount unspent during the year	—	—

Details of CSR expenditure under Section 135(5) of the Act in respect of ongoing projects

Balance as at 1st April, 2025		Amt required to be spent during the year	Excess CSR Amount spent during the year	Amount spent during the year		Balance Unspent as at 31st March, 2026		
With Company	In Separate CSR Unspent Account			From Company's Bank	From Separate CSR Unspent Account*	With Company		In Separate CSR Unspent Account
—	—	24.4	—	24.4	—	—	—	—

Balance as at 1st April, 2024		Amt required to be spent during the year	Excess CSR Amount spent during the year	Amount spent during the year		Balance Unspent as at 31st March, 2025		
With Company	In Separate CSR Unspent Account			From Company's Bank	From Separate CSR Unspent Account*	With Company		In Separate CSR Unspent Account
—	0.1	15.6	—	15.5	0.1	—	—	—

* The statute requires the CSR Unspent amount to be deposited in separate CSR Unspent account within 30 days from end of Financial Year. The Company has deposited the same within stipulated timelines.

Details of CSR expenditure under Section 135(6) of the Act in respect of other than ongoing projects

Balance as at 1st April, 2025	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance Unspent as at 31st March, 2026
—	—	—	—	—

Balance as at 1st April, 2024	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance Unspent as at 31st March, 2025
—	—	—	—	—

24. Contingent Liabilities and Commitments

	Refer note below	31st March, 2026	31st March, 2025
		(in ₹ million)	(in ₹ million)
Contingent Liabilities*			
Claims against the Company not acknowledged as debt			
Income-Tax matters			
(i) Matters decided against the Company in respect of which the Company has preferred an appeal		3.1	3.1
(ii) Tax demands by assessing officer in respect of which Company has preferred an appeal	Note 1	3,054.5	2,949.8
Sales Tax matters	Note 2	295.2	295.4
Service Tax	Note 3	27.2	27.6
Drug Price Control Order 2013	Note 5 and 6	416.2	416.2
Goods and Services tax	Note 4	79.3	91.3

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* Including Interest and Penalty, where applicable upto the date of orders.

Note 1

Company has on-going disputes with income-tax authorities, whereby cases are pending before various levels of Appellate Courts. The disputes largely relate to legacy issues pertaining to tax exemption, tax deduction, depreciation, capital gains etc. Additionally, Company also has on-going withholding tax litigation. The Company periodically receives notices/ enquiries/orders from direct tax authorities/courts and evaluates the same to determine if a provision/ contingent liability is to be created based on whether demands are likely to sustain or not.

Note 2

This consists of State specific Litigations at various forums under Value Added Tax Act, Central Sales Tax Act and Entry Tax Act. Under Value Added Tax Act and Entry Tax Act, issues under litigation can be broadly classified into Claim of TDS/Tax Payment not allowed, Enhancement in Turnover, ITC/Credit Notes disallowance, Tax Free & Concessional sales disallowance etc. Under Central Sales Tax Act, issues under litigation can be broadly classified into Enhancement in Turnover, Exports/Tax Free goods/Concessional sales disallowed, Non-Submission of Statutory Forms etc.

Note 3

Service tax consists of litigation pending before CESTAT in respect of demand on the license fees/marketing fees.

Note 4

This consists of state specific litigations mainly due to denial of input tax credit under Goods and Service tax Act.

Note 5

The Company has filed a Writ Petition on 8th May, 2014 before the Hon'ble Delhi High Court challenging the move of the National Pharmaceuticals Pricing Authority ("NPPA") to include Voveran 50 GE Tablets, marketed by the Company, under price control in terms of the Drug Price Control Order 2013 ("DPCO 2013").

During the pendency of the Writ Petition, the NPPA issued a Show Cause Notice dated 24th September, 2014 to the Company alleging overcharge on sales of Voveran 50 GE Tablets by the Company. The Company responded to the show cause notice vide its letters dated 13th October, 2014 and 27th October, 2014. The NPPA issued a Demand Notice dated 31st October, 2014 directing the Company to pay ₹ 281.8 million (including interest) by 15th November, 2014. This demand has been challenged by the Company before the Hon'ble Delhi High Court by way of miscellaneous applications followed by an amended writ petition. The Hon'ble Delhi High Court passed order restraining the NPPA from taking coercive steps in respect of the aforesaid demand. The next tentative date of hearing is 24 September, 2026.

In the opinion of the Company, Voveran 50 GE Tablet is not covered under the category of essential medicines under the National List of Essential Medicines and, hence, is a non-scheduled drug under DPCO, 2013. Therefore, Voveran 50 GE Tablet cannot be brought under the regime of price control under Paragraph 14 of the DPCO, 2013. Accordingly, no provision is considered necessary at this stage.

Note 6

The NPPA had issued a demand notice dated 20th/25th June, 2018 of ₹ 134.4 million (including interest) on the Company alleging over charge on sales of Tegrital CR 200 by the Company. This demand has been challenged by the Company before the Hon'ble Delhi High Court by filing a Writ Petition on 27th July, 2018 challenging the move of the NPPA to include Tegrital CR 200, marketed by the Company, under price control in terms of the DPCO 2013. The Hon'ble Delhi High Court had on 6th August, 2018 passed an order directing the NPPA not to give effect to the aforesaid impugned demand notice. This writ petition was listed on 30th March, 2022, however due to paucity of time hearing has been adjourned to 20 August, 2026.

24. Contingent Liabilities and Commitments (contd.)

In the opinion of the Company, the Price Revision Notification dated 28th April, 2014 would not apply to Tegrital CR 200 as it was not covered by the ambit of price notification in as much Tegrital CR 200 drug was not a "scheduled formulation" under DPCO 2013. When Tegrital CR became a scheduled formulation w.e.f. 10th March, 2016, NPPA issued a separate Ceiling Price Notification on 29th March, 2016 for the said formulation, which amounts to admission on the part of NPPA that this formulation could be covered only by the subsequent Notification of 2016 and not by the prior Notification of 2014, on the basis whereof the impugned Demand has been raised by NPPA. Accordingly, no provision is considered necessary at this stage.

Note:

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

25. Provisions

		31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(i)	**Provision for Non-saleable Sales Returns**		
	As at 1st April	27.3	34.6
	Provision made during the year	25.1	6.7
	Amounts used during the year	(19.0)	(14.0)
	As at 31st March	33.4	27.3

Provision is made for the non-saleable sales returns of goods from the customers estimated on the basis of historical data of sales return trends with respect to the shelf life of various products, level of inventories in the distribution channel, specific events during the year, etc. Such provision for non-saleable sales returns is reduced from sale of products for the year. These claims are expected to be settled in next financial year.

		31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(ii)	**Provision for Contingencies**		
	As at 1st April	237.7	189.5
	Provision/Adjustments made during the year	2.1	62.0
	Amounts used during the year	(1.2)	13.8
	As at 31st March	238.6	237.7

Provision for matter related to pricing dispute for products covered under DPCO and sales tax matters made for probable liabilities/claims arising out of pending disputes, litigations/ commercial transactions with statutory authorities/third parties.

		31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(iii)	**Provision for Employee Separation**		
	As at 1st April	135.5	154.1
	Provision made during the year	—	—
	Amounts used/paid/released during the year	(4.2)	(18.6)
	As at 31st March	131.3	135.5

26. Disclosures as required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006. This information and that given in Note 13(b) - Trade Payables regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

		31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(a)	Principal amount remaining unpaid to any supplier as at the end of the year	5.1	4.5
	Interest due thereon remaining unpaid to any suppliers as at the end of the year	*	*
(b)	The amount of interest paid by the buyer in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) along with the amount of the payment made to the supplier beyond the appointed day during the year	—	—
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified	0.3	0.4
(d)	The amount of interest accrued and remaining unpaid at the end of the year	2.2	1.6
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	0.4	0.3

* Amount is below the rounding off norm adopted by the Company.

27. Tax expense

		31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	323.5	342.1
	In respect of the earlier years *	26.0	(42.5)
	Total current tax expense	**349.5**	**299.6**
	Deferred tax	**15.3**	(4.4)
	Total deferred tax expense	**15.3**	**(4.4)**
	Tax expense recognised in statement of profit or loss	**364.8**	**295.2**

* Represents (write back of provision) / provision made towards Income tax demand orders.

27. Tax expense (contd.)

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(b) The Income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	1,296.6	1,304.2
Income Tax expense*	326.3	328.2
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	12.0	9.8
Other items	0.5	(0.3)
Adjustments for current tax of prior years (net)	26.0	(42.5)
Income tax expense	**364.8**	**295.2**

* The tax rate used for the FY 2025-26 and FY 2024-25 in the reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profit under the Indian tax laws.

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(c) Income tax recognised in Other Comprehensive Income		
Deferred Tax		
Arising on amounts recognised in Other Comprehensive Income		
— Remeasurements of Defined Benefit Plans	(4.8)	(3.3)
	(4.8)	**(3.3)**

28. Segment Information

The Company has a single operating segment namely ‘Pharmaceutical Business’, and generates revenues from its operations in India. The Company has only one customer with whom revenue from sale of traded goods ₹ 1,461.7 million (Previous year ₹ 1,626.9 million) is more than 10% of the total revenue from sale of traded goods.

29. Revenue from Operations

A. Reconciliation of Revenue from sale of products with contracted price

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Contracted Price	3,729.5	3,891.2
Less: Trade discounts, free goods etc.	(226.3)	(338.2)
Sale of Products	**3,503.2**	**3,553.0**

B. Disaggregation of revenue from contracts with customers

Out of the revenue from contracts with customers, ₹ 1,461.7 million (Previous year ₹ 1,626.9 million) of revenue from sale of traded goods pertains to one major customer and remaining revenue from sale of traded goods and sale of services ₹ 2,081.5 million (Previous year ₹ 1,935.7 million) pertains to other customers.

29. Revenue from Operations (contd.)

C. Contract Balances

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Contract Liabilities [Refer Note 15]	17.7	21.0
	17.7	**21.0**

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2026. Contract liability of current year will be recognised as revenue in the coming twelve months.

D. Performance Obligation

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms. For the accounting policy for revenue recognition see Note 1J.

Type of product/Service	Nature and timing of satisfaction of performance obligation, including significant payment terms
Sale of traded goods	Revenue from sales of products is recognised at a point in time when control of the products is transferred to the customer, generally when the goods are dispatched from the Company's warehouse. Payment terms are generally in the range of 7 days to 90 days
Sale of services	Revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Payment terms are generally 30 days.

30. Related Party Disclosures

(A) Enterprise where control exists

Holding Company	Novartis AG, Switzerland

(B) Other Related Parties with whom the company had transactions during the year and/or the previous year

(i)	Fellow Subsidiaries with whom transactions have taken place during the year	Novartis Healthcare Private Limited, India Novartis Holding AG, Switzerland Novartis Pharma AG Novartis Pharma Services AG, Switzerland Novartis Farma – Produtos Farmacêuticos, S.A. Novartis-Mitarbeiterbeteiligungsstiftung (MBS) Novartis International AG
(ii)	List of other related parties (Post-employment benefit plan of Novartis India Limited)	Novartis India Limited Employees' Provident Fund Novartis India Limited Superannuation Fund Novartis India Limited Employees' Gratuity Fund

30. Related Party Disclosures (contd.)

(C) Key Management Personnel

S. Murdeshwar (Till 2 April, 2024)
C. Snook*
S. Gira @
S. Martyres @
Sanker Parmeswaran @
Shilpa Joshi
Falin Majumdar (From 28 June, 2024)
Chandni Maru (From 8 May, 2024)

@ Independent Directors
* Non Independent Non Executive Director

(D) Disclosure of transactions between the company and related parties and outstanding balances as at the year end:

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
(a) Holding Company and Ultimate Holding Company		
Dividend paid	436.3	436.3
Royalty Expense	25.0	29.0
Balance as at the year end — Outstanding Payable	10.9	12.9

(b) Fellow Subsidiaries

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Purchases of Stock–in–Trade		
Novartis Pharma AG	1,118.0	822.4
	1,118.0	**822.4**
Sale of Services		
Novartis Healthcare Private Limited	8.9	9.6
	8.9	**9.6**
Commission Income		
Novartis Healthcare Private Limited	0.1	0.1
	0.1	**0.1**
Services Availed		
Novartis Healthcare Private Limited	78.2	58.0
	78.2	**58.0**
Business Support Services		
Novartis Healthcare Private Limited	31.1	—
	31.1	**—**
Expenses Recharged to		
Novartis Healthcare Private Limited	0.9	6.6
	0.9	**6.6**
Sale of Property, Plant and Equipment		
Novartis Healthcare Private Limited	—	2.2
	—	2.2

30. Related Party Disclosures (contd.)

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Purchase of Restricted Shares (including shares under ESPP) of Novartis AG on behalf of employees of the Company by		
Novartis-Mitarbeiterbeteiligungsstiftung (MBS)	3.2	3.3
	3.2	**3.3**
Forfeiture of Restricted Shares of Novartis AG by		
Novartis Holding AG	—	3.0
	—	**3.0**

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Balances as at the year end –		
Outstanding Receivables		
Novartis Healthcare Private Limited	3.9	1.7
	3.9	**1.7**
Outstanding Payables		
Novartis Healthcare Private Limited	6.9	11.6
Novartis–Mitarbeiterbeteiligungsstiftung (MBS)	3.5	2.8
Novartis Pharma AG	293.3	155.8
	303.7	**170.2**

(c) Post Employment Benefit Plans of Novartis India Limited

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Contribution to In-house Trust for Post Employment Benefits		
Novartis India Limited Employees' Provident Fund	10.0	21.4
Novartis India Limited Employees' Gratuity Fund	0.9	14.0
	10.9	**35.4**

30. Related Party Disclosures (contd.)

(d) Key Management Personnel Compensation

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Whole time Director - Remuneration	12.8	12.4
Whole time Director & Chief Financial Officer	15.0	14.4
Post-employment & long term benefits	0.7	0.5
Commission to Independent Directors	3.0	3.0
Sitting fees to Independent Directors	1.5	1.5
Total compensation	**33.0**	**31.9**

Notes:

1) No amounts have been written off/provided for or written back in respect of amounts receivable from or payable to the related parties except as disclosed above.
2) Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.
3) All the related party transactions are on an arm's length basis.

31. Disclosures required under Ind AS 116 "Leases"

The Company has taken residential/office premises on lease. The lease term in respect of these leases ranges from 3 to 10 years. In respect of the said leases, the additional information is as under:

Right–of–use assets

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
The carrying amount of right-of-use assets at the start of reporting period by class of underlying asset.	35.7	52.9
Depreciation charge for right-of-use assets	15.1	17.2
The carrying amount of right-of-use assets at the end of reporting period by class of underlying asset.	20.6	35.7
Depreciation charge for right-of-use assets	15.1	17.2
Interest expense on lease liability	3.5	5.2
Total cash outflow for leases	22.0	24.1
The carrying amount of right-of-use assets at the end of reporting period by class of underlying asset.	20.6	35.7
Lease Liabilities		
Opening Balance of Lease liability	50.6	69.5
Finance charge accrued during the year	3.5	5.2
Payment of Lease Liabilities	(22.0)	(24.1)
Closing Balance of Lease liability	32.1	50.6
Maturity analysis of lease liabilities (on undiscounted basis):		
not later than one month;	1.5	2.0
later than one month and not later than three months;	3.0	4.0

31. Disclosures required under Ind AS 116 "Leases" (contd.)

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
later than three months and not later than one year;	14.1	16.0
later than one year and not later than five years; and	16.2	34.8
later than five years	—	—
Weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application	8.50%	8.50%

32. Earnings Per Share

Basic earnings per share has been calculated by dividing profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same. Earnings per share has been computed as under:

		31st March, 2026	31st March, 2025
(a)	**Basic & diluted earnings per share:–**		
	From operations attributable to the equity holders of the Company (in ₹) (Face value of ₹ 5/share)	37.74	40.87
(b)	**Earnings used in calculation of basic & diluted earnings per share**		
	Profit for the year attributable to the equity shareholders of the Company (in ₹ million)	931.8	1,009.0
(c)	Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share (number of shares)	24,690,797	24,690,797

33. Disclosures for Employee Share Based Payments

The Company offers its employees, share based payments in the form of a "Select" plan. The Equity Plan "Select" is a global equity incentive plan for eligible employees. This plan allows its participants to choose the form of their equity compensation in 'Restricted Shares' or 'Tradable Options' of the ultimate holding company, Novartis AG, Basel. The "Select" plan of the ultimate holding company is being managed and administered by the group company, Novartis Holding AG and the Company is compensating Novartis Holding AG for the Restricted Shares or Tradable Options acquired towards the grants made to the employees and accordingly these costs are being reflected in the financial statements.

Restricted Shares are the shares of its ultimate holding company. These have voting rights until vested to employees. There is no time limit to sell the Restricted Shares once these are vested.

Restricted Shares

	31st March, 2026	31st March, 2025
Type of Arrangement		
(i) Date of Grant	@	$
(ii) Numbers Granted	213	236
(iii) Vesting Conditions	1 – 3 Years	1 – 3 Years

@ 28th January, 2026
$ 24th January, 2025

	31st March, 2026	31st March, 2025
(i) Balance at the beginning of the year	706	1,365
(ii) Granted	213	236
(iii) Grants forfeited	–	382

33. Disclosures for Employee Share Based Payments (contd.)

	31st March, 2026	31st March, 2025
(iv) Grants vested	481	513
(v) Grants Transferred	–	–
(vi) Balance at the end of the year	438	706
(vii) Weighted average remaining contractual life of Restricted Shares outstanding at end of period	1.48 years	1.25 years

Fair Value of the Restricted Stock Units

The Fair Value of Restricted Stock Unit is equivalent to the market price of traded stock of Novartis AG as on the date of grant.

Expenses arising from share based payment transactions

Total expenses/(credit) arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense is as follows:

Particulars	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Restricted Stock Units	2.7	3.3
Total employee share based payment expense/(credit)	**2.7**	**3.3**

34. Employee Share Purchase Plan (ESPP)

In the year ending 31st March 2024 Novartis AG started to grant shares under the Employee Share Purchase Plan (ESPP). The ESPP enables employees to voluntarily purchase Novartis AG shares through payroll deductions at a discounted price. The shares are not subject to a vesting period.

The total charge to the Statement of Profit and Loss on account of ESPP is Rs. 0.3 million (Previous year - Rs. 0.2 million)

The total carrying amount as on 31 March 2026 on account of ESPP is Rs. 0.5 million (as on 31 March 2025 Rs. 0.8 million)

35. Financial Instruments

Financial Instruments – Fair values and Risk Management

A Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

Carrying amount of financial assets and liabilities at amortised cost

Particulars	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Financial assets at amortised cost		
Trade Receivables	370.5	401.4
Cash and Cash Equivalents	525.0	520.7
Bank Balances other than covered in Cash and Cash Equivalents	6,152.0	5,959.6
Other Financial Assets	6.5	9.4
	7,054.0	**6,891.1**
Financial liabilities not measured at fair value		
Lease Liabilities	16.4	18.5
Trade Payables	546.5	514.7
Other Financial Liabilities	187.1	195.4
	750.0	**728.6**

35. Financial Instruments (contd.)

Fair value of Financial assets and liabilities at amortised cost

Particulars	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Financial assets at amortised cost (level 3)		
Other non-current financial assets	10.6	10.6
Financial liabilities at amortised cost (level 3)		
Other non-current financial liabilities	1.5	2.0
Lease Liabilities	15.7	32.1

Note

Fair values of financial instruments such as trade receivables, short term loans, cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables have not been disclosed because their carrying amounts are a reasonable approximation of fair value.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments.

Type	Valuation technique
Non–current loans Other non–current financial assets Other non–current financial liabilities	Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk in case of financial liabilities was assessed to be insignificant.

36. Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. Market risk is the loss of future earnings, fair values or future cash flows that may result from the change of a price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

(A) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, deposits with banks, as well as credit exposures to customers including outstanding receivables.

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(i) Trade and other receivables

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

At 31st March, 2026, the Company had 4 customers (At 31st March, 2025 : 2 customers) that owed the Company more than ₹ 10 million each and accounted for approximately 63% (At 31st March, 2025 : 64%) of all the trade receivables, excluding related parties. The Company performs regular monitoring of credit limits and key performance indicators as agreed as well as manages the collection of receivables in order to minimize the credit risk exposure.

In furtherance to above, the Company has assessed the impact of the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized in respect of trade receivables.

36. Financial risk management (contd.)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account historical data of collections. Receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning rates for each bucket.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. The Company has further considered internal and external sources of information, specifically having regard to the current macro economic conditions and the global health pandemic to assess the impact on credit losses. Basis the information available as at the date of approval of these financial statements, the Company expects the historical trend of minimal credit losses to continue.

For credit risk exposure, refer note 8 Trade Receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers:

[ii(a)] Expected Credit loss assessment for customers

As at March 31, 2026	Trade receivable balance	Weighted average loss rate	Impairment loss allowance	Credit Impaired
Not due	354.1	0.0%	—	No
1–30 Days	8.3	0.0%	—	No
31–90 days	1.7	0.0%	—	No
91–180 days	0.2	0.0%	—	No
181–360 days	2.8	0.0%	—	No
More than 360 days	25.4	86.6%	22.0	Yes
	392.5		**22.0**	

[ii(b)] Expected Credit loss assessment for customers

As at March 31, 2025	Trade receivable balance	Weighted average loss rate	Impairment loss allowance	Credit Impaired
Not due	371.9	0.0%	—	No
1–30 Days	3.2	0.0%	—	No
31–90 days	10.3	0.0%	—	No
91–180 days	10.6	0.0%	—	No
181–360 days	2.0	0.0%	—	No
More than 360 days	26.7	87.6%	23.3	Yes
	424.7		**23.3**	

[ii(c)] Movement in expected credit loss allowance

Particulars	**(in ₹ million)**
As at 1st April, 2024	**25.0**
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(1.7)
As at 31st March, 2025	**23.3**
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	(1.3)
As at 31st March, 2026	**22.0**

(iii) Cash and cash equivalents and deposits with banks

Credit risk on Cash and Cash Equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

36. Financial risk management (contd.)

(B) Liquidity Risk

(i) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Bank balances are maintained with reputed banks. Management monitors rolling forecasts of the company's liquidity position (comprising the unused cash and bank balances along with temporary investments in fixed deposits) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity based on their remaining contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual cash flows. Balances approximate their carrying balances as the impact of discounting is not significant.

(in ₹ million)

Contractual maturities of financial liabilities	Less than 1 year	1 to 3 years	More than 3 years	Total	Carrying value
31st March, 2026					
Non–derivative financial liabilities					
Non-Interest bearing	733.6	—	—	733.6	733.6
Fixed interest rate instruments*	—	—	1.5	1.5	1.5
Lease Liability	18.6	16.2	—	34.8	32.1
Total	**752.2**	**16.2**	**1.5**	**769.9**	**767.2**
31st March, 2025					
Non–derivative financial liabilities					
Non-Interest bearing	710.1	—	—	710.1	710.1
Fixed interest rate instruments*	—	—	2.0	2.0	2.0
Lease Liability	22.0	34.8	—	56.8	50.6
Total	**732.1**	**34.8**	**2.0**	**768.9**	**762.7**

*Effective interest rate payable on security deposit on 31 March, 2026 is 6% (31 March 2025 - 6%)

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

The amounts disclosed in the table are the contractual undiscounted cash flows.

(in ₹ million)

Contractual maturities of financial assets	Less than 1 year	1 to 3 years	More than 3 years	Total	Carrying value
31st March, 2026					
Non–derivative financial assets					
Non–Interest bearing	477.8	10.1	—	487.9	455.0
Fixed interest rate instruments*	6,608.2	3.8	—	6,612.0	6,609.6
Total	**7,086.0**	**13.9**	**—**	**7,099.9**	**7,064.6**

36. Financial risk management (contd.)

(in ₹ million)

Contractual maturities of financial assets	Less than 1 year	1 to 3 years	More than 3 years	Total	Carrying value
31st March, 2025					
Non–derivative financial assets					
Non–Interest bearing	491.3	7.2	18.4	516.9	470.8
Fixed interest rate instruments*	6,429.0	3.7	—	6,432.7	6,430.6
Total	**6,920.3**	**10.9**	**18.4**	**6,949.6**	**6,901.4**

* Effective interest rate is 3%

(iv) Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Bank Overdraft/ WCDL facility	90.0	90.0
Non-Fund Based facility: (Letter of Credit, Bank Guarantee, etc.)	135.1	116.5

(C) Market Risk – Foreign Exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. These transactions are mainly with the related parties only. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the Company is to minimize the volatility of the ₹ cash flows of highly probable forecast transactions. The Company actively monitors and seeks to reduce, where it deems it appropriate to do so, fluctuations in these exposures.

(i) Foreign Currency Risk Exposure:

The Company has not entered into any derivative transactions during the year.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ (in million), is as follows:

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
Payables		
USD	296.8	158.6

(ii) Sensitivity:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	31st March, 2026 (in ₹ million)	31st March, 2025 (in ₹ million)
USD sensitivity		
₹/USD –Increase by 1% #	(3.0)	(1.6)
₹/USD –decrease by 1% #	3.0	1.6

#Holding all other variables constant

37. Capital management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company has no borrowings as at 31st Mar, 2026 and no borrowings were availed during the previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

38. Ratios

Ratio	Numerator	Denominator	31st March, 2026	31st March, 2025	% Change as compared to 2025
Current Ratio	Current Assets	Current liabilities	**5.3**	5.3	1%
Debt–equity ratio	Lease liabilities + Borrowings	Shareholder equity	**0.00**	0.01	(39%)
Explanation	Variance in lease liabilities is due to reduction in lease resulting in reduced lease payments compared to previous year.				
Debt Service coverage ratio	Earning available for debt service	Lease payments	**43.8**	43.2	2%
Return on equity Ratio	Profit for the year	Average Shareholder's equity (Opening +Closing)/2	**11.6%**	13.2%	(12%)
Inventory turnover Ratio	Sale of Products	Average Inventory (Opening + Closing)/2	**7.4**	8.3	(10%)
Trade receivable turnover Ratio	Revenue from Operations	Average Trade Receivables (Opening + Closing)/2	**9.2**	8.7	5%
Trade Payable turnover Ratio	Purchases of Stock-in-Trade + Other Expenses	Average Trade payables (Opening + Closing)/2	**4.5**	4.4	4%
Net capital turnover Ratio	Revenue from Operations	Average Working Capital (Opening + Closing)/2	**0.6**	0.6	(7%)
Net Profit Ratio	Profit for the year	Revenue from Operations	**26.3%**	28.3%	(7%)
Return on capital employed	Earnings Before Interest and Taxes	Capital Employed	**11.3%**	11.4%	(1%)
Return on Investment	Weighted average Interest Income on Bank Deposit	Weighted average bank deposits	**5.7%**	6.7%	(15%)

39. There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

40. There are no funds that have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

41. On February 19, 2026, Novartis AG has entered into the Agreement for the sale and purchase of the Sale Shares in Novartis India Limited ("SPA") with WaveRise Investments Limited ("Acquirer 1"), ChrysCapital Fund X ("Acquirer 2") and Two Infinity Partners ("Acquirer 3") (Acquirer 1, Acquirer 2, and Acquirer 3, collectively referred to as the "Acquirers") pursuant to which Novartis AG has agreed to sell to the Acquirers and the Acquirers have agreed to acquire from Novartis AG 1,74,50,680 (One Crore Seventy Four Lakhs Fifty Thousand Six Hundred and Eighty) fully paid-up equity shares of the Company representing 70.68% (seventy point six eight percent) of the equity share capital of the Company ("Transaction"). Consequently, the Acquirers, as contemplated under the Agreement and subject to receipt of the required statutory approvals and compliance with the SEBI (SAST) Regulations, will acquire control over the Company, and shall be classified as the 'promoter' of the Company in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") post such acquisition.

In accordance with Regulations 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI SAST Regulations"), Acquirer has made a public announcement for an open offer on 20 February 2026 to the public shareholders of the Company for acquisition of equity shares.

42. Additional disclosures

i Details of benami property held

No proceedings have been initiated on/or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iii Relationships with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except as mentioned below for the years ended 31 March 2026 and 31 March 2025.

Sr. no.	Company name	No of Shares 2025	No of Shares 2026	Relationship with company
1	FAIRTRADE SECURITIES LIMITED	1	1	Shareholder
2	ROOPAK TRADING AND INVESTMENTS PVT LTD	50	50	Shareholder
3	MHT INVESTMENT PVT.LTD.	2	—	Shareholder
4	BADRI SARRAF FIN & MUTUAL BENEFIT CO LTD	100	100	Shareholder
5	UNICON FINCAP PRIVATE LIMITED	300	300	Shareholder
6	CHIMANLAL MANEKLAL SECURITIES PVT LTD	—	250	Shareholder

42. Additional disclosures (contd.)

iv Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

v Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

vi Details of Crypto currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

vii Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

viii Valuation of Property, plant and equipment, intangible assets and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

ix Charges or satisfaction which are yet to be registered with Registrar of Companies beyond the satisfactory period as at 31 March 2026

All the charges are registered as satisfied with the registrar of companies as at 31 March 2025 and 31 March 2026

As per our report of even date attached.

For B S R & Co LLP
Chartered Accountants
Firm's Registration Number – 101248W/W – 100022

Maulik Jhaveri
Partner
Membership no. 116008

Mumbai, 12 May, 2026

For and on behalf of Novartis India Limited
CIN – L24200MH1947PLC006104

Christopher Snook
Chairman
DIN: 00369790

Shilpa Joshi
Whole time Director &
Chief Financial Officer
DIN: 09775615

Chandni Maru
Company Secretary &
Compliance Officer
Membership no. ACS 60291
Mumbai, 12 May, 2026

NOTES

Financials summary 10 year

	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
I. Income, Profit and Dividend												
Sales of product (Net)	**3,503.2**	3,553.00	3,334	3,672	3,754	3,565	3,997	4,322	4,980	5,836	7,222	8,122
Profit before tax (PBT)	**1,296.6**	1,304.20	1,228	1,154	-38	400	286	858	1,575	917	2,717	932
Profit after tax (PAT)	**931.8**	1,009.00	852	1,034	-37	209	101	518	784	572	1,983	791
Dividend	**0**	617.27	617	1,173	247	247	247	247	247	281	320	320
Dividend - Rs per share	**0**	25.00	25	47.5	10	10	10	10	10	10	10	10
II. Shareholder's fund												
Share capital	**123.4**	123.40	123	123	123	123	123	123	123	141	160	160
Reserve and surplus	**8,054.9**	7,726.20	7,325	7,633	6,794	6,989	7,084	7,469	7,213	9,055	11,776	9,860
Net worth (Shareholder's fund)	**8,178.3**	7,849.60	7,448	7,757	6,917	7,112	7,207	7,592	7,336	9,196	11,936	10,020
III. Ratios												
Return on sales(PAT) %	**26.60**	28.40	25.6	28.1	-1.0	5.9	2.5	12	15.7	9.8	27.5	9.7
Return on shareholder's fund (PAT) %	**11.39**	12.85	11.44	13.3	-0.5	2.9	1.4	6.8	10.7	6.2	16.6	7.9
Earning per share (calculated on PAT)	**37.74**	40.87	34.50	41.86	-1.51	8.46	4.08	20.97	28.43	19.1	62.04	24.75
Return on sales (PAT) %	**0.27**	0.28	25.6%	28.1%	-1.0%	5.9%	2.5%	12.0%	15.7%	9.8%	27.5%	9.7%
Return on shareholder's fund (PAT) %	**0.11**	0.13	11.4%	13.3%	-0.5%	2.9%	1.4%	6.8%	10.7%	6.2%	16.6%	7.9%

Novartis India Limited