PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

NOVARTIS INDIA LIMITED

(Registered Office Address: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018)

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement ("**PA**") is being issued by DSP Merrill Lynch Limited ("**DSPML**" or the "**Manager to the Offer**") for and on behalf of Novartis AG (Registered office: Lichtstrasse 35, CH-4056 Basel, Switzerland) ("**Acquirer**"), to the shareholders of Novartis India Limited (Registered office: Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018) ("**Target**") pursuant to and in compliance with among others, Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("**SEBI (SAST) Regulations**" or the "**Regulations**").

1. The Offer

1.1 The Acquirer forms part of the promoter group of the Target and holds 16,277,437 equity shares of the Target equivalent to 50.93% of the fully paid-up equity share capital as on the date of this PA. The Acquirer, as stated in a Press Release dated March 25, 2009 , is making a voluntary open offer (the "**Offer**" or the "**Open Offer**") to the shareholders of the Target to acquire up to 12,464,710 equity shares of Rs. 5/- each of the Target ("**Shares**"), representing up to 39% of the equity share capital of the Target . Upon completion of the Offer, assuming full acceptances of the Offer, the Acquirer will hold 28,742,147 Shares in the Target representing 89.93% of the equity share capital of the Target.

1.2 The Offer is being made at a price of Rs. 351.00 (Rupees Three Hundred and Fifty One only) for each Share (the "**Offer Price**"), to be paid in cash, in accordance with the provisions of the Regulations and subject to the terms and conditions mentioned in this PA and the terms and conditions that will be set out in the letter of offer in relation to the Offer (the "**Letter of Offer**") to be subsequently mailed to all shareholders as on the Specified Date (as defined below). The Target does not have any partly paid-up shares or other instruments convertible into Shares of the Target at a future date.

1.3 No other person is acting in concert with the Acquirer for the purpose of this Offer.

1.4 The Acquirer has not acquired any Shares in the Target during the twelve month period prior to the date of this PA.

1.5 The Manager to the Offer does not hold any Shares of the Target as on the date of this PA.

1.6 The Shares of the Target are listed on the Bombay Stock Exchange (the "**BSE**") and the Calcutta Stock Exchange ("**CSE**"). Based on the information available the annualized trading turnover in the Shares of the Target on the BSE based on trading volume during the period September 1, 2008 to February 28, 2009 (six calendar months preceding the month in which the PA is made) is as given below:

Shares Traded (September 1, 2008 to February 28, 2009)	Total Shares Listed	Trading Turnover (Annualized) (% of total Shares listed)
565,912	31,960,797	3.54%

The annualized trading turnover in the Shares of the Target on the BSE is less than 5% of the total number of listed Shares and therefore the Shares are deemed to be infrequently traded on the BSE in terms of the explanation (i) of Regulation 20(5) of the Regulations.

1.7 The Offer Price of Rs. 351.00, is justified in terms of Regulation 20(5) of the Regulations in view of the following:

1.7.1 This Offer is a voluntary open offer and is made pursuant to Regulation 11(1) of the Regulations and not pursuant to any agreement entered into by the Acquirer with any person to acquire any Shares in the Target and therefore there is no negotiated price.

1.7.2 The Acquirer has not acquired any Shares during the 26-week period prior to the date of this PA.

1.7.3 Other Parameters: The financial parameters based on the audited financials for the year ended March 31, 2008 of the Target are as follows:

Parameter	
Return on net worth [1]	21.7%
Book value per Share [2]	Rs 140.3
Earning per Share (EPS) [3]	Rs 30.4
Price earning multiple on FY08 EPS (based on Offer Price)	11.5x
Price earning multiple on Trailing Twelve months EPS (based on Offer Price) [4]	10.7x
Industry Price earning multiple [5]	9.5x

[1] Return on net worth calculated as profit after tax/net worth as at the end of the year

[2] Book value per Share calculated as net worth/number of outstanding Shares as at the end of the year

[3] Earning per Share (EPS) calculated as net profit attributable to equity holders/weighted average number of basic Shares

[4] Calculation based on Trailing Twelve months EPS of Rs. 32.7 from Capital Markets dated March 09-22, 2009

[5] Source: Capital Markets dated March 09-22, 2009; Industry: Pharmaceuticals – Multinational: Median multiple excluding Glaxo Pharma as ratios are highly distortive, hence not comparable

1.7.4 Mr. Rajen C Shah, Chartered Accountant, (Membership no. 47731), of Rajen C Shah & Company, has certified the fair value of the Shares of the Target as Rs. 243.73 per Share as on March 26, 2009 based on the methodology suggested in the judgment of the Supreme Court of India in *Hindustan Lever Employees' Union* v. *Hindustan Lever Limited and others* [(1995) 83 CompLJ 30 SC].

1.7.5 Additional Parameters:

1.7.5.1 The Price of Rs 351 per share is at a premium of 27.4% to the last close price prior to the press release announcing the Offer.

1.7.5.2 The Price of Rs 351 per share is at a premium of 9.4% to the 52 week high price prior to press release announcing the Offer.

1.7.5.3 The Price of Rs 351 per share is at a premium of 35.6% over the average share price during the month prior to press release announcing the Offer.

1.7.5.4 The Price of Rs 351 per share is at a premium of 46.7% to the Enterprise Value on the day prior to press release announcing the offer. (Note - The enterprise value includes implied market capitalization at the Offer Price (Rs. 11,218 mm) less cash & cash equivalents as at March 31, 2008 (Rs. 3,774 mm) plus loans taken (Rs. 13 mm)= Rs. 7,456 mm)

1.8 The Offer is not conditional upon any minimum level of acceptance by the shareholders.

1.9 In case the number of Shares tendered for sale by the shareholders are more than the Shares agreed to be acquired by the Acquirer under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per Regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and shall not be less than the minimum marketable lot.

1.10 The Acquirer may, during the Offer Period, and subject to obtaining any necessary regulatory approvals, acquire additional Shares in the open market or through negotiation or in any other manner otherwise than under this Offer in compliance with Regulation 20(7) of the Regulations.

1.11 The Acquirer has relied on publicly available information for the purposes of disclosures made in relation to the Target. Accordingly, the Acquirer has not independently verified the accuracy of any information in relation to the Target and the information provided by the Registrar to the Offer.

1.12 The Offer is not being made, directly or indirectly, in or into the United States (meaning the United States of America, its territories and possessions, any State of the United States and the District of Columbia), or by use of the mails, or by any means or instrumentality (including, without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States and the Offer cannot be accepted by any such use, means or instrumentality from within the United States.

2. Information about the Acquirer

2.1 The Acquirer is a public limited company incorporated in the year 1996 (Registration Number CH-270.3.002.061-2) under the laws of Switzerland as a result of the merger of Sandoz AG and Ciba-Geigy AG. It has its registered office at Lichtstrasse 35, CH-4056 Basel, Switzerland.

2.2 The Acquirer is engaged in the research, development, manufacture and marketing of healthcare products. The Acquirer's healthcare solutions portfolio includes medicines, preventive vaccines and diagnostic tools, generic pharmaceuticals and consumer health products. Its businesses are divided on a worldwide basis into four operating divisions: pharmaceuticals, which comprises brand-name patented pharmaceuticals; vaccines and diagnostics, which focuses on human vaccines and blood-testing diagnostics; Sandoz, which consists of generic pharmaceuticals; and consumer health, which includes over-the-counter ("**OTC**") medicines, animal health medicines, and contact lenses and lens-care products.

2.3 The Acquirer had consolidated revenues of US Dollars ("US$") 41,459 million (equivalent to Rs. 2,095 billion) for the year ended December 31, 2008 and a net worth of US$ 50,288 million (equivalent to Rs. 2,542 billion) as at December 31, 2008.

2.4 The financial highlights of the Acquirer on a consolidated basis are as follows:

	12 month period ending December 31,		
	2006	2007	2008
Net sales	34,393	38,072	41,459
Net profit	7,202	11,968	8,233
Share capital (excluding treasury shares)	850	815	820
Reserves	40,261	48,408	49,468
Total shareholder's equity (net worth)	41,111	49,223	50,288
Earning per share (basic) in USD	3.06	5.15	3.62
Return on net worth	17.52%	24.31%	16.37%

Note: All figures in US$ million except for per share data

Source: Annual Reports – December 2006, December 2007 and December 2008

2.5 The shares of the Acquirer are listed on the Swiss Stock Exchange (SIX Swiss Exchange) and its ADRs are listed on the New York Stock Exchange. The Acquirer has 2,643,623,000 shares issued and listed on the Swiss Stock Exchange and has a market capitalization of CHF 114.3 billion (equivalent to Rs. 5,150 billion) as on March 25, 2009.

2.6 The last closing price as at March 25, 2009 of the Acquirer's shares on the Swiss Stock Exchange was CHF 43.2 which implied a Price earning multiple (based on 2008 earnings) of 10.6x.

2.7 The Acquirer is a professionally managed company. Its major shareholders are Novartis Foundation for Employee Participation, Basel and Emasan AG, which as per the share register and as of December 2008, hold 4.2% and 3.3% of the total share capital of the Acquirer respectively. As at December 31, 2008, 87% of the Acquirer's shares registered in the share register were held by institutions such as banks, nominees, insurers, pension funds and investment funds. As at December 31, 2008, 23% of the Acquirer's shares were not entered in the share register.

3. Information about the Target Company

3.1 The Target was incorporated in the year 1997 under the laws of India as a result of the amalgamation of Sandoz (India) Ltd and the life sciences businesses of Hindustan Ciba-Geigy Ltd. following the global merger of their ultimate respective holding companies, Sandoz AG and Ciba-Geigy AG.

3.2 Its registered office is located at Sandoz House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai 400 018.

3.3 It is part of the Acquirer's Group of companies.

3.4 The Target does not have any subsidiary as on the date of this PA.

3.5 The paid-up share capital of the Target as on December 31, 2008 consists of 31,960,797 fully paid-up Shares of nominal value Rs. 5/- aggregating Rs. 159,803,985. There are no partly paid-up Shares in the target company. The Shares of the Target are listed on the BSE and the CSE.

3.6 The operations of the Target are comprised of four segments: pharmaceuticals, generic, OTC and animal health products. The pharmaceuticals segment comprises a portfolio of prescription medicines, which are provided to patients through healthcare professionals. The generics segment comprises retail generics products. The business unit primarily focuses on the therapeutic segments, such as anti-tuberculosis, anti-DUB (gynaecology), anti-histamines, anti-biotics, and anti-ulcerants, anti-diabetes and cardiovascular. The animal health segment is present in the cattle, poultry and aquaculture market segments. The OTC segment includes the vitamins, minerals and nutritional supplements and cough, cold and allergy market segments.

3.7 In July 2007, the Target sold its medical nutrition business to Nestle.

3.8 Based on the audited results for the year ended March 31, 2008, the Target had net sales of Rs. 6,124 million with profit after tax of Rs. 972 million.

3.9 The Target's closing share price on the BSE as on March 26, 2009 was Rs.355.80 per Share.

3.10 Based on the audited results for the year ending March 31, 2008, the Target had a total shareholders' equity (excluding revaluation reserves) of Rs. 4,484 million.

3.11 The financial highlights of the Target are as follows:

	12 month period ending March 31,			9 months ending December 31
	2006	2007	2008	2008
Revenues	5,919	5,923	6,124	5,150
Net profit	1,079	885	972	830
Share capital	160	160	160	NA
Reserves (excluding revaluation reserves)	3,216	3,726	4,324	NA
Total shareholder's equity (net worth)	3,376	3,886	4,484	NA
Earning per Share	33.76	27.71	30.42	25.96
Return on net worth	31.96%	22.79%	21.68%	NA

Note: All figures in Rs. million except for per share data

Source: Annual Report, March 2006, March 2007 and March 2008 and filings with the BSE for results for the 9 months ended December 31, 2008

4. Reasons for the Offer and Future Plans about the Target

4.1 The Acquirer is desirous of consolidating its holding in the Target, while ensuring that the public shareholding in the Target does not fall below the minimum level of public shareholding required to be maintained under the listing agreement entered into by the Target with the BSE.

4.2 In order to create more flexibility for how Novartis Group organizes its commercial and financial activities in India, the Acquirer wishes to consolidate and enhance its stake in the Target

4.3 The Acquirer currently has no plans to sell, dispose of or otherwise encumber any material assets of the Target in the next two years, except to the extent required (i) for the purposes of restructuring or rationalization of assets, investments, liabilities or otherwise of the Target or (ii) in the ordinary course of business of the Target. It will be the responsibility of the board of directors of the Target to make appropriate decisions in these matters in accordance with the requirements of the business. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws or legislation at the relevant time. Further, during this period, the Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target, except with the prior approval of the shareholders of the Target.

5. Statutory and Other Approvals Required

The Offer is subject to the receipt of the following statutory and regulatory approvals and clearances required by the Acquirer to acquire Shares tendered pursuant to the Offer:

5.1 The Offer is subject to the receipt of the approval of the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder for the acquisition of Shares by the Acquirer under the Offer.

5.2 The Acquirer will shortly be filing an application for the above-mentioned RBI approvals and any other required approvals.

5.3 As at the date of this PA, to the best of the knowledge of the Acquirer, no other statutory or regulatory approvals are required to implement this Offer or acquire the Shares tendered pursuant to this Offer, other than those contemplated above. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirer will have a right not to proceed with the Offer in terms of Regulation 27 of the SEBI (SAST) Regulations in the event that any of the statutory approval(s) contemplated above is refused. Any such withdrawal will be notified in the form of a public announcement in the same newspapers in which this PA appears.

5.4 Subject to the receipt of statutory and other approvals, the Acquirer shall complete all procedures relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date (as defined hereinafter) to those shareholders whose share certificates and/or other documents are found valid and in order and are approved for acquisition by the Acquirer. In case of delay due to the non-receipt of statutory approvals, as per Regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to the willful default or negligence of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, grant an extension for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay to the shareholders interest as may be specified by SEBI for any delay beyond 15 days.

5.5 However, if the delay occurs on account of the willful default or gross negligence of the Acquirer in obtaining the requisite approvals, the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the Regulations.

5.6 To the best of its knowledge, the Acquirer does not require any approvals from financial institutions or banks for the Offer.

6. Financial Arrangements for the Offer

6.1 The total financial resources required under the Offer, assuming full acceptance, will be Rs. 4,375,113,210 (Rupees Four Billion Three Hundred and Seventy Five Million One Hundred and Thirteen Thousand Two Hundred and Ten only) (the "**Maximum Consideration**").

6.2 The Acquirer has adequate resources to meet the financial requirements of the Offer in terms of the Regulations and has made firm financial arrangements to meet its obligations in full under the Offer. For this purpose the Acquirer intends to utilize cash and cash equivalents on hand. As per its latest Annual Report dated December 2008, the Acquirer, has consolidated cash and cash equivalents amounting to US$ 2,038 million.

6.3 By way of security for performance of the Acquirer's obligations under the Regulations, an unconditional, irrevocable and on demand bank guarantee dated March 26, 2009 ("**Bank Guarantee**") has been issued by Bank of America NA (Express Towers, Nariman Point, Mumbai 400 020), on behalf of the Acquirer in favour of the Manager to the Offer which is valid up to and including September 25, 2009 for an amount up to Rs. 4,376,000,000 (Rupees Four Billion Three Hundred and Seventy-Six Million only) being in excess of the amount required under Regulation 28(2) of the Regulations, i.e, 25% of the first Rs. 1,000 million and 10% thereafter and representing the total amount of the Maximum Consideration. The Acquirer has agreed to maintain the minimum amount as stipulated in the Regulations at all times.

6.4 Further, by way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer has deposited in an escrow account with Bank of America NA (Express Towers, Nariman Point, Mumbai 400 020) (the "**Escrow Account**"), an amount of Rs. 43,752,000 (Rupees Forty-Three Million Seven Hundred and Fifty-Two Thousand only) in cash (the "**Cash Deposit**"). The Cash Deposit represents 1% of the Maximum Consideration in accordance with Regulation 28 of the SEBI (SAST) Regulations. DSPML, as Manager to the Offer, has been duly authorized by the Acquirer to realize the value of the Escrow Account in terms of the Regulations.

6.5 PricewaterhouseCoopers AG (PricewaterhouseCoopers AG St Jakobs-Strasse 25, CH-4052 Basel, Switzerland, Tel: +41 (58) 792 5100), who are the statutory auditors for the Acquirer, have vide their letter dated March 25, 2009 certified that the Acquirer has sufficient funds to fulfill its obligations arising under this Offer.

6.6 The Acquirer has vide a certificate dated March 26, 2009 given an undertaking to the Manager to the Offer to meet its financial obligations under the Offer.

6.7 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations as firm financial arrangements are in place to fulfill the obligations under the Regulations.

7. Option in terms of Regulation 21(2)

In terms of clause 40A of the listing agreement with the BSE (as amended) read with Circular No. SEBI/CFDDIL/LA/2006/13/4 issued by the Securities and Exchange Board of India on April 13, 2006, the Target is required to maintain a minimum threshold of public shareholding for listing on a continuous basis. Pursuant to successful closure of the Offer and even assuming full acceptances, the public shareholding of the Target Company shall not fall below the applicable limits as on the date of the PA.

8. Further Terms of the Offer

8.1 The Letter of Offer together with a Form of Acceptance-cum-Acknowledgement and Form of Withdrawal will be mailed on or before Saturday, May 9, 2009 to all shareholders of the Target whose names appear in the Register of Members of the Target and the beneficial owners of the Shares, whose names appear on the beneficial records of the respective depositories, in each case at the close of business hours on Friday, April 24, 2009 (the "**Specified Date**"). No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement shall be sent into the United States.

8.2 The Offer shall open on Thursday, May 14, 2009 (the "**Offer Opening Date**") and will remain open until Wednesday, June 3, 2009 (the "**Offer Closing Date**").

8.3 Shareholders holding Shares in physical form: Shareholders holding Shares in physical form who wish to accept this Offer and tender their Shares will be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and duly signed transfer deed(s) to the Registrar to the Offer, Bigshare Services Private Limited, (*Address:* E-2 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 India *Tel:* +91 22 2847 0652 / +91 22 4043 0200 *Fax:* +91 22 2847 5207 *E-mail:* openoffer@bigshareonline.com *Contact Person:* Mr. Ashok Shetty) **("Registrar"**) either by hand delivery on weekdays or by registered post, on or before the close of the Offer, i.e. no later than Wednesday, June 3, 2009 so as to reach the Registrar on or before the close of business hours, i.e. no later than 5 pm in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.

8.4 The Registrar to the Offer has opened a special depository account called "**Escrow Account – Novartis India Open Offer**" with DSP Merrill Lynch Limited at National Securities Depository Limited ("**NSDL**"). The **DP ID** is **IN302638** and the **Client ID** is **10051682** .

8.5 Shareholders holding Shares in dematerialised form: Beneficial owners who wish to accept this Offer and tender their Shares will be required to send their Form of Acceptance-cum-Acknowledgement to the Registrar to the Offer in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement, along with a photocopy of the delivery instructions in "Off–market" mode or counterfoil of the delivery instructions in "Off-market" mode, in favor of Escrow Account – Novartis India Open Offer duly acknowledged by their respective depository participant (the "**DP**"). Shareholders having their beneficiary account in Central Depository Services (India) Limited ("**CDSL**") will in addition have to use an inter-depository delivery instruction slip.

8.6 Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting their Shares dematerialised is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer Closing Date (i.e., no later than Wednesday, June 3, 2009), else their application would be rejected.

8.7 In addition to the above, the Shareholders who wish to avail of and accept the Offer can also deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents at any of the collection centers specified below in accordance with the procedure as set out in the Letter of Offer on or before the date of closure of the Offer, i.e., no later than Wednesday, June 3, 2009. All the centers mentioned herein below would be open as follows:

Timings: Weekdays: 10.00 A.M. to 5.00 P.M.
Saturdays: 10.00 A.M. to 1.00 P.M.

Sr. No.	Centre	Address	Contact Person	Tel. No.	Fax No.	Mode of Delivery
1	**Mumbai**	Bigshare Services Pvt Limited, E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai 400 072	Mr. Babu Raphael	022 4043 0200	022 2847 5207	Post/ Courier/ Hand Delivery
2	**Pune**	Bigshare Services Pvt Limited C/o Skystock Financial Services,B2/204, Manmohan Park, Opp. Chintamani Nagar, Debrawadi, Pune - 411 037	Mr. Parag Uday Salvi	98227 90198		Hand Delivery
3	**Hyderabad**	Bigshare Services Pvt Limited, G10, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Raj Bhawan Road, Hyderabad 500 082	Mr. G S Dharama Veer	040 2337 4967	040 2337 0295	Hand Delivery
4	**Kolkata**	Bigshare Services Pvt Ltd, C/o Maheshwari Datamatics Pvt Limited, 2nd Floor, 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), Kolkata - 700 001	Mr. Raj Gopal	033 2243 5029	033 2248 4787	Hand Delivery
5	**Ahmedabad**	Bigshare Services Pvt Ltd, C/o Srividya Consultancy, 101, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahemedabad - 380 009	Mr. Alpesh Suthar	079 6522 0996 / 9898176213		Hand Delivery
6	**Baroda**	45, Tashkant Society Near Dave Dip Shopping Complex, Nizampura Baroda – 390 002	Mr. Sanjay Sutar	0265 277 5420 / 98254 50718		Hand Delivery
7	**Surat**	2nd Floor, Garden View Near Raymond Show Room Opp. Rangupwan, Makkaipul Surat	Mr. Akil Saiyed	0261 247 2314 / 98251 71771		Hand Delivery
8	**Chennai**	Bigshare Services Pvt Ltd, C/o Skystock Financial Services, 7/A, Laxman Nagar, East Main Road, Chennai - 600 082	Mr. B Srinivasan	044 2671 2611/ 96001 10024	044 2671 2611	Hand Delivery
9	**Bangalore**	Bigshare Services Pvt Ltd, C/o Skystock Financial Services, # 74, 1st Floor, Keshava Krupa, Jaya Nagar, 4th Block, Bangalore - 560 011	Mr. Umashankar	080 4121 1374/ 98451 58104		Hand Delivery
10	**New Delhi**	Bigshare Services Pvt Ltd, C/o Sterling Services, F-63, 1st Floor, Bhagat Singh Market, Near Gole Market, New Delhi - 110 001	Mr. Sridhar	011 6505 8126/ 98100 95311	011 2334 1292	Hand Delivery
11	**Jaipur**	Bigshare Services Pvt Ltd, C/o Maloo Finance & Innvest, 103 & 110, First Floor, Bri Anukampa, Opp. BSNL Office, Ashok Marg C Scheme, Jaipur 302 001	Mr. Ramesh Maloo	0141 236 0570/ 98290 06801	014 1236 0572	Hand Delivery

8.8 All owners (registered or unregistered) of Shares are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar on a plain paper stating the Name, Address, number of Shares held, number of Shares offered, Distinctive numbers, Folio number, together with the original share certificate(s), valid transfer deed(s) and the original contract note(s) issued by the broker through whom they acquired their Shares so as to reach the Registrar on or before the close of the Offer, i.e. no later than Wednesday, June 3, 2009. No indemnity is required from the unregistered owners.

8.9 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar, on a plain paper stating the Name, Address, number of Shares held, Distinctive numbers, Folio number, number of Shares offered along with documents as mentioned above so as to reach the Registrar on or before the close of the Offer, i.e. no later than Wednesday, June 3, 2009, or in case of beneficial owners, they may send the application in writing to the Registrar, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of Escrow Account – Novartis India Open Offer, so as to reach the Registrar, on or before the close of the Offer, i.e. no later than Wednesday, June 3, 2009.

8.10 Shareholders (except shareholders in the United States) can also download the Letter of Offer and Form of Acceptance-cum-Acknowledgement placed on the SEBI web site www.sebi.gov.in and send in their acceptance by filling the same.

8.11 Applications in respect of Shares of the Target that are a subject matter of litigation wherein the shareholders of the Target may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received with the Shares tendered under the Offer. The Letter of Offer, in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

8.12 In accordance with Regulation 22(5A) of the Regulations, shareholders who have accepted the offer by tendering the requisite documents in terms of this PA and Letter of Offer can withdraw the same up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Thursday, May 28, 2009.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.
- In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:
  - In respect of physical Shares: names, address, distinctive numbers, folio number, number of Shares tendered.
  - In respect of dematerialized Shares: name, address, number of Shares tendered, DP name, DP ID, beneficiary account number, photocopy of the delivery instructions in "Off Market" mode duly acknowledged by the D P.
- Shareholders can also download the Form of Withdrawal placed on the SEBI web site www.sebi.gov.in and send in their withdrawal by filling the same.

8.13 The Registrar to the Offer will hold in trust the Shares /share certificates, Shares lying in credit of the special depository account and the transfer form(s), until the Acquirer completes its obligations under the Offer in accordance with the Regulations.

8.14 If the aggregate of the valid responses to the Offer exceeds the number of Shares agreed to be acquired by the Acquirer, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

8.15 Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.

8.16 Compliance with tax and other regulatory requirements:

8.16.1 While tendering Shares under the Offer, non-resident Indians (NRIs), Overseas Corporate Bodies (OCBs) and other non-resident shareholders will be required to submit RBI's approval (specific or general) that they would have obtained for acquiring the Shares of the Target. ***In the event that the previous RBI approvals are not submitted, Acquirer reserves the right to reject such tendered Shares.***

8.16.2 While tendering their Shares under the Offer, NRIs, OCBs and other non-resident shareholders will be required to submit a No Objection Certificate ("**NOC**") or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by the Acquirer before remitting the consideration, failing which the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

8.16.3 As per the provisions of Section 196D (2) of the Income Tax Act, 1961, no deduction of tax at source will be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, 1961 to a Foreign Institutional Investor as defined in Section 115AD of the Income Tax Act, 1961. However the interest payment for delay in payment of consideration, if any, will not be governed by this provision. For interest payments, if any, NRIs, OCBs and other non-resident shareholders will be required to submit a No Objection Certificate or Tax Clearance Certificate ("**TCC**") or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by Acquirer before remitting the consideration, failing which Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

In case of resident shareholders, tax will be deducted on the interest component exceeding Rs. 5,000/- at the applicable current prevailing rates. If the resident shareholder requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, such shareholders will be required to submit a No Objection Certificate or Tax Clearance Certificate ("**TCC**") or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by Acquirer or a self-declaration in form 15G of Form 15H as may be applicable. Shareholders eligible to receive interest component exceeding Rs. 5,000/- would be required to submit their Permanent Account Number for Income Tax purposes. Clauses relating to payment of interest will become applicable only if the Acquirer becomes liable to pay interest for delay in release of purchase consideration.

8.17 Payment to those shareholders whose share certificates and/or other documents are found valid and in order and are approved by the Acquirer will be by way of a crossed account payee cheque/demand draft/pay order. The decision regarding the acquisition (in part or full), or rejection of, the Shares tendered pursuant to this Offer and (i) any corresponding payment for the acquired Shares and/or (ii) share certificates for any rejected Shares or Shares withdrawn, will be dispatched to the shareholders by registered post or by ordinary post as the case may be [*], at the shareholder's sole risk. Shares held in dematerialized form to the extent not acquired or Shares withdrawn will be credited back to the respective beneficiary account with their respective DPs as per the details furnished by the beneficial owners in the Form of Acceptance-cum- Acknowledgement.

[*] Dispatches involving payment of a value in excess of Rs. 1,500/- will be made by Registered Post at the shareholder's sole risk. All other dispatches will be made by ordinary post at the shareholder's sole risk.

8.18 All cheques/demand drafts/pay orders will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque/demand draft/pay order.

8.19 The Acquirer reserves the right to withdraw the Offer pursuant to Regulation 27 of the Regulations. Any such withdrawal will be notified in the form of a public announcement in the same newspapers in which this PA appears.

9. Time schedule for major activities for the Offer

Activity	Date	Day
Last date for a competitive bid	April 17, 2009	Friday
Specified Date [1]	April 24, 2009	Friday
Date by which individual Letters of Offer will be dispatched to the shareholders	May 9, 2009	Saturday
Offer Opening Date	May 14, 2009	Thursday
Last date for revising the Offer Price / open market purchases	May 25, 2009	Monday
Last date for withdrawal of acceptances by the shareholder	May 28, 2009	Thursday
Offer Closing Date	June 3, 2009	Wednesday
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders	June 15, 2009	Monday

[1] Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the Shares are eligible to participate in the Offer anytime before the closure of the Offer.

10. General

10.1 Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed DSPML as the Manager to the Offer.

10.2 If there is any upward revision in the Offer Price before the last date for revision (i.e. Monday, May 25, 2009) or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers where this PA appears. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted this Offer and tendered their Shares at any time during the tenure of the Offer to the extent their Shares are acquired by the Acquirer.

10.3 If there is a competitive bid:

- ***The public offers under all the subsisting bids shall close on the same date.***
- ***As the Offer Price cannot be revised during the seven (7) working days period prior to the Closing date of the Offers / bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly***.

10.4 Please note that all financial data contained in this PA has been rounded off to the nearest million, except where stated otherwise.

10.5 The Acquirer or its directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act. Based on the information currently available, the Target or its directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

10.6 The Board of Directors of the Acquirer accepts full responsibility for the information contained in this PA. The Acquirer is responsible for fulfillment of obligations under the Regulations.

10.7 For further details, shareholders are requested to refer to the Letter of Offer to be sent to the shareholders of the Target and the Form of Acceptance-cum-Acknowledgement.

10.8 Certain financial details contained in this public announcement are denominated in Swiss Francs ("CHF") and United States Dollar ("USD"). The rupee equivalent quoted in each case for CHF is calculated in accordance with the average of the buying and selling TT exchange rates appearing in the Economic Times on March 26, 2009 which is Rs. 44.60 per CHF and Rs. 45.51 per CHF, respectively. The rupee equivalent quoted in each case for USD is calculated based on the RBI reference rate of Rs. 50.54 per USD as on March 26, 2009.

This Public Announcement will also be available on the SEBI's website (www.sebi.gov.in). Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance-cum-Acknowledgement, which will be available on SEBI's website at (www.sebi.gov.in) from the Offer Opening Date, i.e. May 14, 2009

Issued by the Manager to the Offer on behalf of the Acquirer

DSP Merrill Lynch

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Date: March 27, 2009