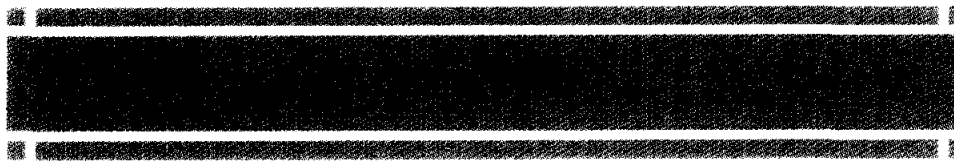


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Board of Directors

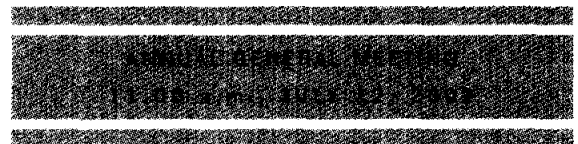
Dr E. Schillinger	Chairman [w.e.f. November 1, 2001] Vice Chairman [upto October 31, 2001] Managing Director [upto April 30, 2001]
Y. Curmally	Chairman [upto October 31, 2001]
S. Luedtke	Vice Chairman [upto April 30, 2001]
Dr R. Thompson	Vice Chairman [w.e.f. November 1, 2001] Managing Director [w.e.f. May 1, 2001] [upto October 31, 2001]
J.S. Khambata	[upto October 31, 2001]
S.D. Kulkarni	
Dr R. Mehrotra	
G.J. Phillips	[upto April 30, 2001]
A. Pyrathon	[w.e.f. May 1, 2001]
U. Tanner	

Company Secretary	H.K. Maniar
Telephone No.	498 8888 ext. 4802/4040
E-mail	hemang.maniar @pharma.novartis.com
Registrar & Transfer Agents	Sharepro Services Satam Estate, 3rd Floor Cardinal Gracias Road Chakala, Andheri [East] Mumbai 400 099
Telephone Nos.	821 5168/832 9828 830 0262
E-mail	sharepro@vsnl.com
Registered Office	Sandoz House Shivsagar Estate Dr Annie Besant Road Worli, Mumbai 400 018
Works	Plot No. L-1 Additional Phase MIDC Industrial Area Mahad Dist - Raigad Maharashtra 402 301

Executive Committee

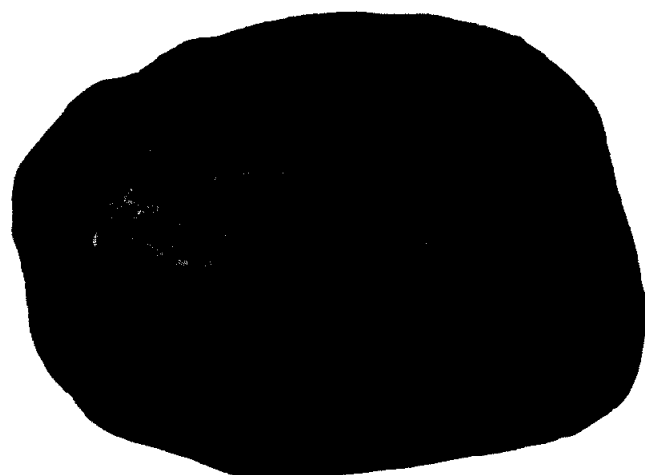
S.G. Advani	Biochemie
H. Kunze	Consumer Health
A. Mirchandani	Finance
Dr P.R. Rao	Animal Health
R. Shahani	Pharma
Dr R. Thompson	Vice Chairman and Managing Director

Members are requested to bring their copy of the Annual Report to the meeting. Members are also requested to direct all correspondence relating to shares to the Company's Registrar & Transfer Agents, Sharepro Services, at the above address.



Y.B. Chavan Auditorium

Yashwantrao Chavan Pratishthan, Gen. Jagannath Bhosale Marg
Next to Sachivalaya Gymkhana, Mumbai 400 021



CAVE PAINTING - STONE AGE

Report  junction.com

Dear Shareholder:

India's rich past has contributed much to the progress of civilisation in mathematics, physics, chemistry, astronomy, the arts and many other fields. In medical science, a subject of importance to Novartis, India made great advances in ancient times. There is documentary evidence of the existence of plastic surgery, ophthalmic surgery and dental surgery in India before they were known and practiced in other parts of the world.

India must now harness her full innovative potential once again. The world is moving to a knowledge economy where employees no longer simply provide labour but are "knowledge workers". And this is where India can realise an advantage over many other nations of the world. The more I read and experience India, the more I am convinced of the great potential India has for being a knowledge leader.

When India fulfils her commitments as a member of the World Trade Organisation, India can become a force to reckon with in world pharmaceutical markets. Research is the key to success in the global pharmaceutical industry, and India has a tradition of excellence in mathematics and science. Once internationally accepted intellectual property rights become the norm in India, pharmaceutical research here will grow, and Indian scientists who until now have been forced by an inadequate patent regime to go abroad in order to do cutting edge research will do their research at home. All of India will be the beneficiary.

We at Novartis India Limited are proud to be partners in the progress of India. In the past fiscal year we contributed to the Indian economy by achieving sales of Rs 468 crore and net profit of Rs 65 crore. We provide

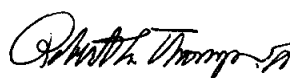
WE ARE THE BIRDS OF THE SAME NEST,
WE MAY WEAR DIFFERENT SKINS,
WE MAY SPEAK DIFFERENT LANGUAGES,
WE MAY BELIEVE IN DIFFERENT RELIGIONS,
WE MAY BELONG TO DIFFERENT CULTURES,
YET WE SHARE THE SAME HOME - OUR EARTH.

BORN ON THE SAME PLANET
COVERED BY THE SAME SKIES
GAZING AT THE SAME STARS
BREATHING THE SAME AIR
WE MUST LEARN TO HAPPILY
PROGRESS TOGETHER
OR MISERABLY PERISH TOGETHER,
FOR MAN CAN LIVE INDIVIDUALLY,
BUT CAN SURVIVE ONLY COLLECTIVELY.

about 1,000 high quality jobs throughout India. We are among leaders in corporate citizenship and corporate governance. We are an Indian company. We look forward to India achieving its potential as a full participant in the global economy. Above all, we are committed to fulfilling our company's purpose of improving lives, extending lives and saving lives . . . here in India.

The world is today a global village which is best represented by the Sanskrit phrase "Vasudhaiva Kutumbakam" which means the world is one family. Above is a couplet from the Atharva Veda that embodies the true spirit of humanness expressed, not today, but thousands of years ago.

With best wishes,



Robert Thompson

A COUNTRY FULL OF MYSTICISM, A SEA OF PEOPLE, POVERTY, A MYRIAD LANGUAGES, MANY TRADITIONS AND A RICH CULTURE, INDIA IS A VIBRANT LAND WITH A LONG HISTORY. THE INDIAN PEOPLE ARE KNOWN AS MUCH FOR THEIR WARMTH AS THEIR DIVERSITY. ALL THESE WORDS AND MORE CAN BE USED TO DESCRIBE INDIA.

If one goes back in time, we find that India has contributed immensely to the collective knowledge of the world. Whether in the field of mathematics, science, astronomy, navigation or even sports, India's contribution in these areas has been significant.



PAINTING DEPICTING LOTHAL PORT, GUJARAT, A HUB OF TRADING ACTIVITY IN ANCIENT INDIA.

Will Durrant, American historian wrote, "India was the motherland of our race and Sanskrit the mother of Europe's languages. India was the mother of our philosophy, of much of our mathematics...of *self-government and democracy*. In many ways, Mother India is the mother of us all."

Evidence suggests that many a discovery or process could have had its origins traced to India of ancient times. The concept of zero, the concepts of atoms and relativity, the principle of magnetism, the technique of alchemy, the smelting of metals, the game of chess, the weaving of cotton, the technique of surgery, the making of camphor, tin and even dyes like indigo, all have their origins in India.



As French Philosopher Romain Rolland wrote, "If there is one place on the face of this earth where all the dreams of living men have found a home from the very earliest days when Man began the dream of existence, it is India."



THE ANCIENT UNIVERSITY OF NALANDA WAS A CENTRE OF ORIENTAL ART AND LEARNING
FOUNDED BY THE GUPTA EMPEROR KUMARAGUPTA (A.D. 413 - 455). DESTROYED IN A.D. 1200

IT IS IRONIC THAT UP TO THE END OF THE FIRST MILLENNIUM AD, INDIA WAS FAR AHEAD OF THE DEVELOPED WORLD AS WE KNOW IT TODAY AND WAS MUCH SOUGHT AFTER AS A COUNTRY TO LIVE IN, LEARN FROM AND DO BUSINESS WITH.

Megasthenes, Strabo, Ptolemy, Fa Hien, Hieun Tsang, Pliny, Marco Polo, Al Beruni, Ibn Batuta all came to India and wrote much about their visits and experiences. Christopher Colombus credited with discovering the Americas actually went out in search of India which is why he called the natives there Red Indians!

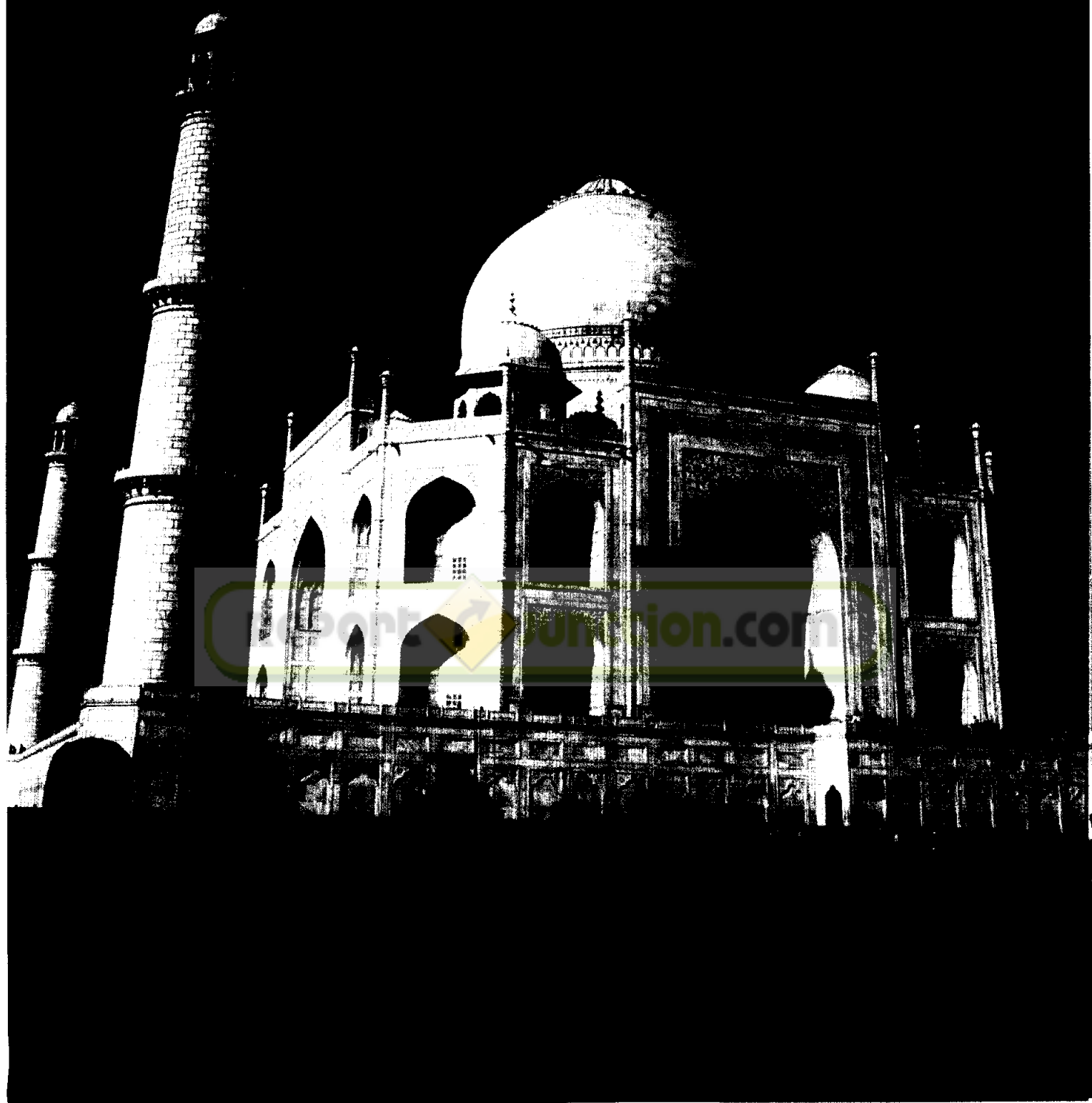
What then happened and what changed? How did India turn from an exporter of knowledge, technology and commodities to an importer of knowledge, technology and commodities? History has some answers.

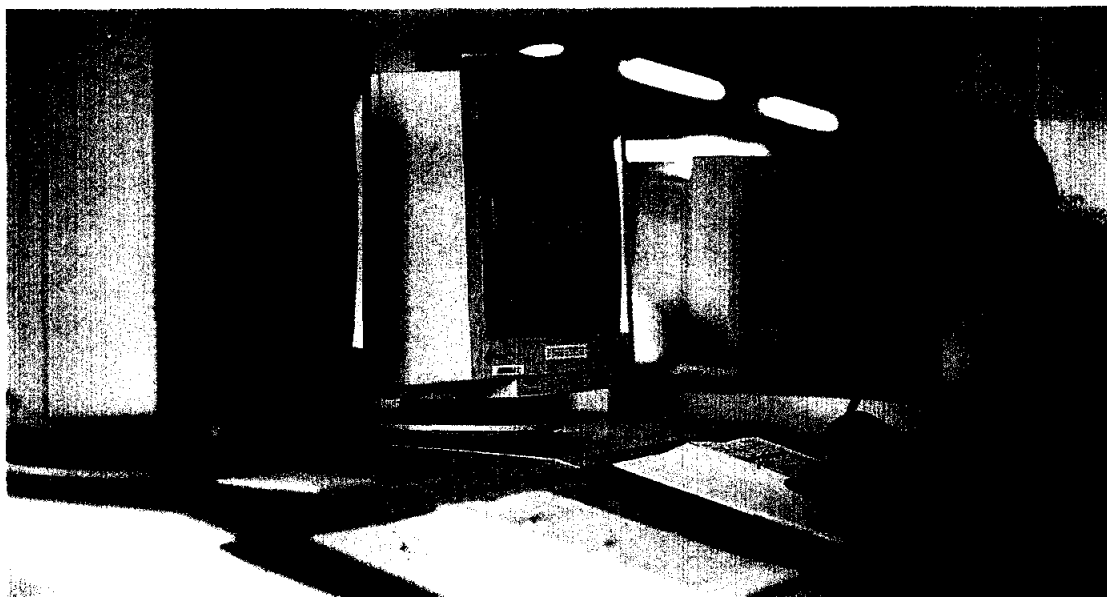
Fame of India's great wealth spread far and

wide and soon attracted invaders who took with them immense wealth as they left. The Turks, the Afghans, the Mongols, the Portuguese, the Dutch and the British all came to India. Nearly a millennium of alien rule transformed the country to an impoverished nation. Her people were shackled and soon the glory of the past was all that remained.

The population burgeoned, the economy floundered and domestic industry was destroyed. Then came Independence in 1947 and with it the trauma of partition. It is now more than 50 years since freedom was gained and the wheel seems to be turning full circle.







Knowledge has become the key to success in today's business world and countries everywhere, especially in the developing world, are going through a knowledge revolution. India too is no different and the move towards becoming a knowledge economy has already begun with great strides in the field of Information Technology.

The growth and success of the Information Technology sector is symbolic of the inherent potential of Indian industry to perform to world-class standards. More importantly, it demonstrates the tremendous change that is possible when the spirit of human enterprise is

given free rein.

There are fascinating stories about the changes taking place in India today because of development in Information Technology. Cyber cafes are to be found even in remote villages and rural India is slowly but steadily getting wired.

However, the knowledge economy is not just about Information Technology. It is an economy characterised by a culture of innovation that is rewarded and one where intellectual property is protected. The only way in which this can be done is through stronger Intellectual Property Rights and enforcement procedures.