

22<sup>nd</sup> January, 2024

- |   |  |
|---|--|
| <p>(1) BSE Ltd.<br/>Listing Department<br/>Phiroze Jeejeebhoy Towers<br/>Dalal Street<br/>Mumbai 400 001<br/><b>Scrip Code: 500087</b></p> <p>(3) SOCIETE DE LA BOURSE DE<br/>LUXEMBERG<br/>Societe Anonyme<br/>35A Boulevard Joseph II<br/>L-1840 Luxembourg</p> | <p>(2) National Stock Exchange of India Ltd.<br/>Listing Department<br/>Exchange Plaza, 5<sup>th</sup> floor<br/>Plot no. C/1, G Block<br/>Bandra Kurla Complex<br/>Bandra (East), Mumbai - 400 051<br/><b>Scrip Code: CIPLA</b></p> |
|---|--|

**Sub: Unaudited financial results (standalone and consolidated) for the quarter and nine months ended 31<sup>st</sup> December 2023**

Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors of the Company at its meeting held today i.e., 22<sup>nd</sup> January, 2024, has *inter-alia* approved the unaudited financial results (standalone and consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2023.

We are enclosing herewith as follows:

- (1) Unaudited financial results (standalone and consolidated) as per Indian Accounting Standards for the quarter and nine months ended 31<sup>st</sup> December, 2023 and
- (2) Limited review report (standalone and consolidated) by Walker Chandiook & Co LLP, Statutory Auditor of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2023.

The meeting of the Board of Directors of the Company commenced at 5:15 p.m. (IST) and concluded at 6:30 p.m. (IST).

The above-mentioned documents will also be available on the Company's website [www.cipla.com](http://www.cipla.com) in the Investors Section.

Kindly take the above information on record.

Yours faithfully,  
For **Cipla Limited**

**Rajendra Chopra**  
**Company Secretary**

Encl.: as above

Prepared by: Pavankumar Yadav

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>st</sup> DECEMBER, 2023**

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	6,505.66	6,589.22	5,730.08	19,364.26	16,807.23	22,473.18
b) Other operating revenue	98.15	88.93	80.01	246.59	206.59	279.94
<b>Total revenue from operations</b>	<b>6,603.81</b>	<b>6,678.15</b>	<b>5,810.09</b>	<b>19,610.85</b>	<b>17,013.82</b>	<b>22,753.12</b>
<b>2. Other income (refer note 9)</b>	<b>184.63</b>	<b>176.32</b>	<b>114.44</b>	<b>497.24</b>	<b>340.82</b>	<b>475.45</b>
<b>3. Total income (1+2)</b>	<b>6,788.44</b>	<b>6,854.47</b>	<b>5,924.53</b>	<b>20,108.09</b>	<b>17,354.64</b>	<b>23,228.57</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	1,196.18	1,472.66	1,299.04	3,967.82	4,255.17	5,519.62
b) Purchases of stock-in-trade	927.21	890.19	711.58	2,797.07	2,047.11	2,828.66
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	96.14	(49.76)	(6.32)	4.56	(113.37)	(96.00)
d) Employee benefits expense	1,068.13	1,091.10	948.69	3,225.81	2,865.24	3,830.08
e) Finance costs	30.10	25.80	31.82	72.29	75.18	109.54
f) Depreciation, impairment and amortisation expense	233.43	290.04	272.11	762.68	825.89	1,172.11
g) Other expenses	1,568.62	1,540.21	1,449.55	4,640.40	4,106.44	5,643.79
<b>Total expenses</b>	<b>5,119.81</b>	<b>5,260.24</b>	<b>4,706.47</b>	<b>15,470.63</b>	<b>14,061.66</b>	<b>19,007.80</b>
<b>5. Profit before exceptional items and tax (3-4)</b>	<b>1,668.63</b>	<b>1,594.23</b>	<b>1,218.06</b>	<b>4,637.46</b>	<b>3,292.98</b>	<b>4,220.77</b>
<b>6. Exceptional items (refer note 8)</b>	<b>(194.82)</b>	<b>-</b>	<b>-</b>	<b>(194.82)</b>	<b>-</b>	<b>(182.42)</b>
<b>7. Profit before tax (5+6)</b>	<b>1,473.81</b>	<b>1,594.23</b>	<b>1,218.06</b>	<b>4,442.64</b>	<b>3,292.98</b>	<b>4,038.35</b>
<b>8. Tax expense (net)</b>						
a) Current tax	329.73	456.82	312.88	1,185.71	947.44	1,264.77
b) Deferred tax	75.57	(18.41)	97.13	36.02	33.17	(61.91)
<b>Total tax expense</b>	<b>405.30</b>	<b>438.41</b>	<b>410.01</b>	<b>1,221.73</b>	<b>980.61</b>	<b>1,202.86</b>
<b>9. Net profit after tax before share of associates (7-8)</b>	<b>1,068.51</b>	<b>1,155.82</b>	<b>808.05</b>	<b>3,220.91</b>	<b>2,312.37</b>	<b>2,835.49</b>
<b>10. Share of profit (+)/loss (-) of associates</b>	<b>(0.10)</b>	<b>(0.45)</b>	<b>(0.22)</b>	<b>0.94</b>	<b>(0.99)</b>	<b>(2.60)</b>
<b>11. Net profit for the period/year (9+10)</b>	<b>1,068.41</b>	<b>1,155.37</b>	<b>807.83</b>	<b>3,221.85</b>	<b>2,311.38</b>	<b>2,832.89</b>
<b>12. Profit for the period/year attributable to</b>						
a) Shareholders of the company	1,055.90	1,130.91	800.96	3,182.51	2,276.26	2,801.91
b) Non- controlling interest	12.51	24.46	6.87	39.34	35.12	30.98
<b>13. Other comprehensive income/(loss) for the period/year</b>						
a) (i) Items that will not be reclassified to profit or loss	(1.48)	(15.94)	(2.48)	(35.89)	(13.21)	0.57
(ii) Income tax on items that will not be reclassified to profit or loss	0.37	4.66	0.63	9.69	3.33	2.07
b) (i) Items that will be reclassified to profit or loss	2.46	65.83	252.97	(15.31)	203.55	137.35
(ii) Income tax on items that will be reclassified to profit or loss	1.06	9.71	1.38	0.41	12.91	(2.36)
<b>Total other comprehensive income/(loss) for the period/year</b>	<b>2.41</b>	<b>64.26</b>	<b>252.50</b>	<b>(41.10)</b>	<b>206.58</b>	<b>137.63</b>
<b>14. Total comprehensive income for the period/year (11+13)</b>	<b>1,070.82</b>	<b>1,219.63</b>	<b>1,060.33</b>	<b>3,180.75</b>	<b>2,517.96</b>	<b>2,970.52</b>
<b>15. Total comprehensive income/(loss) attributable to</b>						
a) Shareholders of the company	1,056.99	1,197.94	1,042.15	3,137.67	2,470.43	2,930.48
b) Non - controlling interest	13.83	21.69	18.18	43.08	47.53	40.04
<b>16. Paid-up equity share capital (face value of ₹ 2/- each) (refer note 3)</b>	<b>161.47</b>	<b>161.47</b>	<b>161.43</b>	<b>161.47</b>	<b>161.43</b>	<b>161.43</b>
<b>17. Other equity</b>						<b>23,246.35</b>
<b>18. Earnings per equity share (face value of ₹ 2/- each)</b>						
a) Basic (₹)	*13.08	*14.01	*9.92	*39.42	*28.21	34.72
b) Diluted (₹)	*13.07	*14.00	*9.92	*39.39	*28.18	34.69

\*Not Annualised



Cipla Ltd

Regd. Office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

Mumbai 400000 F +91 22 24826120 W www.cipla.com E-mail contactus@cipla.com

Corporate Identity Number L24239MH1935PLC002380



## Segment information

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment wise revenue and results</b>						
<b>Segment revenue:</b>						
a) Pharmaceuticals	6,365.06	6,452.54	5,588.87	18,846.08	16,463.07	21,999.43
b) New ventures	280.51	263.77	312.26	898.73	821.01	1,054.84
<b>Total segment revenue</b>	<b>6,645.57</b>	<b>6,716.31</b>	<b>5,901.13</b>	<b>19,744.81</b>	<b>17,284.08</b>	<b>23,054.27</b>
Less : Inter segment revenue	41.76	38.16	91.04	133.96	270.26	301.15
<b>Total revenue from operations</b>	<b>6,603.81</b>	<b>6,678.15</b>	<b>5,810.09</b>	<b>19,610.85</b>	<b>17,013.82</b>	<b>22,753.12</b>
<b>Segment result:</b>						
Profit/(loss) before tax and interest from each segment						
a) Pharmaceuticals	1,705.59	1,645.90	1,258.04	4,733.29	3,368.57	4,383.14
b) New ventures	(6.86)	(25.87)	(8.16)	(23.54)	(0.41)	(52.83)
<b>Total segment result</b>	<b>1,698.73</b>	<b>1,620.03</b>	<b>1,249.88</b>	<b>4,709.75</b>	<b>3,368.16</b>	<b>4,330.31</b>
Less: Finance costs	30.10	25.80	31.82	72.29	75.18	109.54
<b>Total profit before exceptional items and tax</b>	<b>1,668.63</b>	<b>1,594.23</b>	<b>1,218.06</b>	<b>4,637.46</b>	<b>3,292.98</b>	<b>4,220.77</b>
Less : Exceptional items - Pharmaceuticals	-	-	-	-	-	182.42
Less : Exceptional items - New Venture	194.82	-	-	194.82	-	-
<b>Total profit before tax</b>	<b>1,473.81</b>	<b>1,594.23</b>	<b>1,218.06</b>	<b>4,442.64</b>	<b>3,292.98</b>	<b>4,038.35</b>

## Segment assets and liabilities

As certain assets and liabilities are deployed interchangeably across segments, it is not practically possible to allocate those assets and liabilities to each segment. Hence, the details of assets and liabilities have not been disclosed in the above table.

- The above financial results are prepared in accordance with the Indian Accounting Standard prescribed under section 133 of the Companies Act, 2013 and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The Company had received in earlier periods, various demand notices from the National Pharmaceutical Pricing Authority (NPPA), Government of India, on account of alleged overcharging in respect of certain drugs under the Drugs (Prices Control) Orders. The total demand against the Company as stated in NPPA public disclosure amounts to ₹ 3,707.11 Crore.

Out of the above, demand notices pertaining to a set of products being Norfloxacin, Ciprofloxacin, Salbutamol and Theophylline were challenged by the Company (i) in the Honourable Bombay High Court on the ground that bulk drugs contained in the said formulations are not amenable to price control, as they cannot be included in the ambit of price control based on the parameters contained in the Drug Policy, 1994 on which the DPCO, 1995 is based and (ii) in the Honourable Allahabad High Court on process followed for fixation of pricing norms. These Petitions were decided in favour of the Company and the matters were carried in appeal by the Union of India to the Honourable Supreme Court of India. The Honourable Supreme Court in its judgment of 1<sup>st</sup> August, 2003 remanded the said writ petitions to the Honourable Bombay High Court with directions that the Court will have to consider the petitions afresh, having due regard to the observations made by the Honourable Supreme Court in its judgment. On the Union of India filing transfer petitions, the Honourable Supreme Court ordered transfer of the said petitions to the Honourable Bombay High Court to it for being heard with the appeal filed against the Honourable Allahabad High Court order. Subsequently, in its order of 20<sup>th</sup> July, 2016 the Honourable Supreme Court recalled its transfer order and remanded the petitions to Honourable Bombay High Court for hearing. While remanding the matter to Honourable Bombay High Court, the Honourable Supreme Court directed Cipla to deposit 50% of the overcharged amount with the NPPA as stated in its order of 1<sup>st</sup> August, 2003 which at that point of time was ₹ 350.15 Crore. Complying with the directions passed by the Honourable Supreme Court, Cipla has deposited an amount of ₹ 175.08 Crore which has been received and acknowledged by NPPA. Furthermore, the Company has not received any further demand notices in these cases post such transfer of cases to Honourable Bombay High Court. Meanwhile, the Honourable Supreme Court vide its Order and Judgment dated 21<sup>st</sup> October, 2016, allowed the Appeals filed by the Government against the Judgment and Order of the Honourable Allahabad High Court regarding basis of fixation of retail prices. The said order was specific to fixation of retail prices without adhering to the formula/process laid down in DPCO, 1995. However, the grounds relating to inclusion of certain drugs within the span of price control continues to be sub-judice with the Honourable Bombay High Court.

The Honourable Bombay High Court had, in expectation of NPPA filing its counter-statement on status of each petitioner's compliance with the 2003 and 2016 Honourable Supreme Court orders (on deposit 50% of amount demanded), re-scheduled the hearing for 5<sup>th</sup> June, 2019, but the same was not listed on that date.



Cipla Ltd.

Regd. Office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

☎ +91 22 24826000 ☎ F +91 22 24826120 W [www.cipla.com](http://www.cipla.com) E-mail [contactus@cipla.com](mailto:contactus@cipla.com) Corporate Identity Number L24239MH1935PLC002380



The Company had filed amendment applications before the Honourable Bombay High Court to incorporate the effect of a ruling by the Honourable Supreme Court to adjust trade margins of 16% from outstanding demands as not accrued to the manufacturers and to re-calculate interest from date of non-payment of demand within the time period stated in each demand. The said amendment also places certain additional grounds on record. The Honourable Bombay High Court issued notice to Union of India and NPPA on the amendment applications and set 25<sup>th</sup> January, 2021 for further hearing but the case was not listed due to the COVID-19 lockdown and the next date is awaited.

The Company has been legally advised that it has a substantially strong case on the merits of the matter, especially under the guidelines/principles of interpretation of the Drug Policy enunciated by the Honourable Supreme Court. Although, the decision of Honourable Supreme Court dated 21<sup>st</sup> October, 2016 referred above was in favour of Union of India with respect to the appeals preferred by the Government challenging the Honourable Allahabad High Court order, basis the facts and legal advice on the matter sub-judice with the Honourable Bombay High Court, no provision is considered necessary in respect of the demand notices received till date aggregating to ₹ 1,736.00 Crore. It may be noted that NPPA in its public disclosure has stated the total demand amount against the Company in relation to the above said molecules to be ₹ 3,281.31 Crore (after adjusting deposit of ₹ 175.08 Crore), however, the Company has not received any further notices beyond an aggregate amount of ₹ 1,736.00 Crore except as stated below.

Further, the Company has received certain communications, relating to few of these cases from the NPPA informing of true-up of alleged overcharge and interest amounting to ₹ 371.21 Crore for the residual periods between the date of the earlier notices till date determined by the NPPA, not being later than the commencement of the new DPCO, 2013. These matters are already sub-judice and subject to the stays issued by the Honourable Courts.

In addition, Company had made provision of ₹ 143.05 Crore as of 31<sup>st</sup> December, 2023 for products not part of the referenced writ proceedings. There are no new recovery notices received by the Company in the quarter, thus not requiring any fresh cases to be filed by the Company in that regard.

3. The paid-up equity share capital stands increased to ₹ 161.47 Crore (80,73,50,398 equity shares of face value ₹ 2 each) upon allotment of 5,235 equity shares and 19,734 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" and "Cipla ESAR Scheme 2021" respectively during the quarter ended 31<sup>st</sup> December, 2023.
4. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.
5. The unaudited standalone financial results for the quarter ended 31<sup>st</sup> December, 2023 are available on the Company's website i.e. www.cipla.com under Investor Information section and on the stock exchange websites i.e. www.bseindia.com and www.nseindia.com.
6. The Board in its meeting held on 6<sup>th</sup> November, 2023 has approved the transfer of Generics Business Undertaking as a going concern on a slump sale basis to Cipla Pharma and Life Sciences Limited (CPLS), a wholly owned subsidiary of the Company. The Company is currently in the process of executing Business transfer agreement ("BTA"). Since the transaction is with parties under common control, there is no impact on the consolidated financial results for the quarter and nine months ended 31<sup>st</sup> December, 2023.
7. Pursuant to the execution of the Share Purchase Agreement dated 13<sup>th</sup> March, 2023, between the Company and its wholly owned subsidiaries, Cipla (EU) Limited and Meditab Holdings Limited, the Company has divested its 51.18% stake held in Cipla Quality Chemical Industries Limited (CQCIL), Uganda for a consideration of USD 25 million. Since CQCIL ceased to be a subsidiary company, the Group has de-recognised all assets and liabilities and non-controlling interest and recognised loss of ₹ 18.28 Crore on aforementioned divestment.
8. On 6<sup>th</sup> January, 2024, Cipla Technologies, LLC, a wholly owned step-down subsidiary of the Company, completed an amendment to the agreement for the development and commercialization of Pulmazole with Pulmatrix Inc. and agreed to terminate the Phase 2b clinical trials for development of Pulmazole and obtain exclusive rights for the development and commercialisation of Pulmazole in all countries except United States of America. Accordingly, an impairment charge for intangible assets and wind-down cost (net) amounting to ₹ 194.82 Crore has been recorded as an exceptional item in consolidated financial results for the quarter and nine months ended 31<sup>st</sup> December, 2023.
9. During the quarter, Meditab Holdings Limited, a wholly owned step-down subsidiary, has bought back 16,911,765 ordinary shares of USD 1.00 each from Meditab Specialities Limited, a wholly owned subsidiary, for a consideration of USD 23 million. Accordingly, other income includes ₹ 54.03 Crore as exchange gain realised on account of aforementioned transaction.
10. The Income Tax Department ("the Department") had conducted a Survey & Search under Section 132 of the Income Tax Act ("the Search") on the Holding Company in February 2023. The Holding Company at the time of search and subsequently has co-operated with the department and responded to the clarifications, data and details sought by the Department. No assets of the Holding Company were seized by the Department as part of the Search. The Holding Company after considering all available records, facts known to it and legal advice as of date, has not identified any adjustments to the current or prior period consolidated financial results at this stage. Pending outcome of the proceedings in this matter, the Holding Company will re-evaluate the adjustments to the financial results if needed at a future date as appropriate.
11. During the quarter, the Cipla (EU) Limited, wholly owned subsidiary, has acquired additional stake of 15.10% in its subsidiary, Cipla Maroc SA, from its non-controlling interest for a consideration of MAD 81.1 million. Accordingly, the Group has recognised ₹ 56.79 Crore directly in equity on account of difference between the amount at which non-controlling interest has been adjusted and the consideration paid.



Cipla Ltd

Regd. Office: Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

P +91 22 24826000 F +91 22 24826120 W [www.cipla.com](http://www.cipla.com) E-mail [contactus@cipla.com](mailto:contactus@cipla.com) Corporate Identity Number L24239MH1935PLC002380



12. The above results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 22<sup>nd</sup> January, 2024. These results have been subjected to limited review by statutory auditors who have expressed an unmodified review conclusion.

By order of the Board  
For **CIPLA LIMITED**



A handwritten signature in blue ink, appearing to read "Umang Vohra".

**Umang Vohra**  
Managing Director and Global Chief Executive Officer

Mumbai  
22<sup>nd</sup> January, 2024

Handwritten initials in black ink, possibly "OR".

**Walker Chandiook & Co LLP**

16th Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India

T +91 22 6626 2699  
F +91 22 6626 2601

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Cipla Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Cipla Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates (refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended 31 December 2023 and the consolidated year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS



**Cipla Limited**

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of 12 (twelve) subsidiaries included in the Statement, whose financial results reflects total revenues of ₹ 680.64 crores and ₹ 2,115.12 crores, total net profit after tax of ₹ 42.33 crores and ₹ 56.17 crores, total comprehensive income of ₹ 45.36 crores and ₹ 56.15 crores, for the quarter and year-to-date period ended on 31 December 2023, respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax and total comprehensive loss of ₹ 0.10 crores and ₹ 0.81 crores, for the quarter and year-to-date period ended on 31 December 2023, respectively, as considered in the Statement, in respect of an associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, these 12 (twelve) subsidiaries and an associate are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under International Standard on Review Engagement (ISRE) applicable in their respective countries. **The Holding Company's management has converted the financial results of such subsidiaries and an associate from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries and an associate is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.**

Our conclusion is not modified in respect of this with respect to our reliance on the work done by and the reports of the other auditors.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

**Gautam Wadhwa**  
Partner  
Membership No. 508835

**UDIN: 24508835BKFFBA4531**

**Place: Mumbai**  
**Date: 22 January 2024**

## Cipla Limited

### Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

#### Annexure 1

#### List of entities included in the Statement

#### List of subsidiaries:

1. Goldencross Pharma Limited, India
2. Meditab Specialities Limited, India
3. Cipla Pharma and Life Sciences Limited, India (formerly known as Cipla BioTec Limited)
4. Jay Precision Pharmaceuticals Private Limited, India
5. Cipla Health Limited, India
6. Medispray Laboratories Private Limited, India
7. Sitec Labs Limited, India
8. Cipla Pharmaceuticals Limited, India
9. Cipla Health Employees Stock Option Trust, India
10. Cipla Digital Health Limited, India
11. Cipla Employee Stock Option Trust, India (Deregistered)
12. Cipla Medpro South Africa (Pty) Limited, South Africa
13. Cipla Medpro Holdings (Pty) Limited, South Africa (Dissolved w.e.f. 25 August 2022)
14. Cipla Dibcare (Pty) Limited, South Africa (under liquidation)
15. Cipla Medpro Manufacturing (Pty) Limited, South Africa (formerly known as Cipla Life Sciences (Pty) Limited)
16. Cipla-Medpro (Pty) Limited, South Africa
17. Cipla-Medpro Distribution Centre (Pty) Limited, South Africa
18. Cipla Medpro Botswana (Pty) Limited, Botswana
19. Cipla Kenya Limited, Kenya
20. Cipla Select (Pty) Limited, South Africa (formerly known as Cipla OLTP (Pty) Limited)
21. Medpro Pharmaceutica (Pty) Limited, South Africa
22. Mirren (Pty) Limited, South Africa
23. The Cipla Empowerment Trust, South Africa (w.e.f. 30 June 2022)
24. Cipla Quality Chemical Industries Limited, Uganda (ceased to be a subsidiary w.e.f.14 November 2023)
25. InvaGen Pharmaceuticals Inc., United States of America
26. Exelan Pharmaceuticals Inc., United States of America
27. Cipla USA Inc., United States of America
28. Cipla Technologies LLC, United States of America
29. Madison Pharmaceuticals Inc. United States of America (Dissolved w.e.f. 28 April 2023)
30. Cipla Therapeutics Inc., United States of America
31. Aspergen Inc, United States of America (w.e.f. 30 August 2022)
32. Cipla Medica Pharmaceutical and Chemical Industries Limited, Yemen (ceased to be a subsidiary w.e.f. 29 September 2023)
33. Cipla Middle East Pharmaceuticals FZ-LLC, United Arab Emirates (ceased to be a subsidiary w.e.f. 29 September 2023)
34. Saba Investment Limited, United Arab Emirates (ceased to be a subsidiary w.e.f. 29 September 2023)
35. Cipla Holding B.V., Netherlands
36. Cipla (EU) Limited, United Kingdom
37. Cipla Australia Pty Limited, Australia





**Cipla Limited**

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**Annexure 1 (Contd.)**

**List of subsidiaries: (Contd.)**

38. Meditab Holdings Limited, Mauritius
39. Cipla Malaysia Sdn. Bhd., Malaysia
40. Cipla Europe NV, Belgium
41. Cipla Brasil Importadora E Distribuidora De Medicamentos Ltda., Brazil
42. Cipla Algérie, Algeria
43. Breathe Free Lanka (Private) Limited, Sri Lanka
44. Cipla Maroc SA, Morocco
45. Cipla Philippines Inc., Philippines
46. Cipla Gulf FZ-LLC, United Arab Emirates
47. Cipla Colombia SAS, Colombia
48. Cipla (China) Pharmaceutical Co., Ltd, China
49. Cipla (Jiangsu) Pharmaceutical Co., Ltd., China

**List of Associates:**

1. Stempeutics Research Private Limited, India
2. Avenue Therapeutics Inc. United States of America (ceased to be an associate w.e.f. 11 October 2022)
3. Brandmed (Pty) Limited, South Africa
4. AMPSolar Power Systems Private Limited, India (share of loss/ profit not required to be considered)
5. AMP Energy Green Eleven Private Limited, India (share of loss/ profit not required to be considered)
6. Clean Max Auriga Power LLP, India (share of loss/ profit not required to be considered)
7. GoApptiv Private Limited, India
8. Iconphygital Private Limited, India (Wholly owned subsidiary of GoApptiv Private Limited)
9. Achira Labs Private Limited (w.e.f. 17 August 2022)
10. Pactive Healthcare Private Limited (Wholly owned subsidiary of GoApptiv Private Limited w.e.f. 26 July 2023)



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>st</sup> DECEMBER, 2023

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A. Continuing Operations :</b>						
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	3,798.31	3,736.46	3,177.44	10,996.22	9,915.71	13,073.53
b) Other operating revenue	583.02	497.98	358.29	1,541.46	863.75	1,271.81
<b>Total revenue from operations</b>	<b>4,381.33</b>	<b>4,234.44</b>	<b>3,535.73</b>	<b>12,537.68</b>	<b>10,779.46</b>	<b>14,345.34</b>
<b>2. Other income</b>	168.98	205.09	127.12	532.05	337.08	456.79
<b>3. Total income (1+2)</b>	<b>4,550.31</b>	<b>4,439.53</b>	<b>3,662.85</b>	<b>13,069.73</b>	<b>11,116.54</b>	<b>14,802.13</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	677.74	799.36	584.46	2,099.97	2,168.26	2,746.50
b) Purchases of stock-in-trade	537.32	654.61	552.08	1,892.98	1,541.47	1,993.39
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	150.36	(150.04)	26.34	(72.37)	(15.47)	194.32
d) Employee benefits expense	648.22	683.35	579.12	1,982.06	1,751.16	2,335.69
e) Finance costs	9.06	6.61	5.66	14.80	13.00	22.27
f) Depreciation, impairment and amortisation expense	135.02	179.81	129.96	450.78	434.33	595.91
g) Other expenses	1,011.83	1,021.78	964.92	2,978.78	2,692.64	3,722.55
<b>Total expenses</b>	<b>3,169.55</b>	<b>3,195.48</b>	<b>2,842.54</b>	<b>9,347.00</b>	<b>8,585.39</b>	<b>11,610.63</b>
<b>5. Profit before exceptional items and tax from continuing operations (3-4)</b>	<b>1,380.76</b>	<b>1,244.05</b>	<b>820.31</b>	<b>3,722.73</b>	<b>2,531.15</b>	<b>3,191.50</b>
<b>6. Exceptional items</b>	-	-	-	-	-	(185.90)
<b>7. Profit before tax from continuing operations (5+6)</b>	<b>1,380.76</b>	<b>1,244.05</b>	<b>820.31</b>	<b>3,722.73</b>	<b>2,531.15</b>	<b>3,005.60</b>
<b>8. Tax expense (net)</b>						
a) Current tax	348.69	329.81	214.67	986.51	678.91	901.63
b) Deferred tax	14.31	(1.30)	8.02	4.06	(1.51)	(40.09)
<b>Total tax expense</b>	<b>363.00</b>	<b>328.51</b>	<b>222.69</b>	<b>990.57</b>	<b>677.40</b>	<b>861.54</b>
<b>9. Net profit after tax for the period/year from continuing operations (7-8)</b>	<b>1,017.76</b>	<b>915.54</b>	<b>597.62</b>	<b>2,732.16</b>	<b>1,853.75</b>	<b>2,144.06</b>
<b>B. Discontinuing (Restructuring) Operations: (refer note 4)</b>						
10. Profit before tax from discontinuing (restructuring) operations	128.80	152.55	108.11	409.84	406.57	493.67
11. Tax expense from discontinuing (restructuring) operations	32.42	38.40	27.21	103.15	102.34	124.26
12. Net profit for the period/year from discontinuing (restructuring) operations (10-11)	96.38	114.15	80.90	306.69	304.23	369.41
13. Net profit for the period/year (9+12)	1,114.14	1,029.69	678.52	3,038.85	2,157.98	2,513.47
14. Other comprehensive income/(loss) for the period/year						
I. In respect of continuing operations:						
a) (i) Items that will not be reclassified to profit or loss	(1.48)	(0.12)	(2.97)	(16.95)	(12.96)	(13.37)
(ii) Income tax on items that will not be reclassified to profit or loss	0.37	0.03	0.74	4.26	3.27	3.39
b) (i) Items that will be reclassified to profit or loss	(8.65)	(37.63)	2.03	(2.59)	(57.12)	1.69
(ii) Income tax on items that will be reclassified to profit or loss	2.18	9.47	(0.51)	0.65	14.37	(0.43)
II. In respect of discontinuing (restructuring) operations <sup>#</sup> :						
a) (i) Items that will not be reclassified to profit or loss	(0.01)	(0.00)	(0.02)	(0.12)	(0.32)	(0.32)
(ii) Income tax on items that will not be reclassified to profit or loss	0.00	0.00	0.01	0.03	0.07	0.07
<b>Total other comprehensive income/(loss) for the period/year</b>	<b>(7.59)</b>	<b>(28.25)</b>	<b>(0.72)</b>	<b>(14.72)</b>	<b>(52.69)</b>	<b>(8.97)</b>
<b>15. Total comprehensive income for the period/year (13+14)</b>	<b>1,106.55</b>	<b>1,001.44</b>	<b>677.80</b>	<b>3,024.13</b>	<b>2,105.29</b>	<b>2,504.50</b>
16. Paid-up equity share capital (face value of ₹ 2/- each) (refer note 3)	161.47	161.47	161.43	161.47	161.43	161.43
17. Other equity						24,476.66
18. Earnings per equity share (face value of ₹ 2/- each)						
(A) From continuing operations						
a) Basic (₹)	*12.61	*11.35	*7.41	*33.84	*22.97	26.57
b) Diluted (₹)	*12.60	*11.34	*7.40	*33.81	*22.95	26.55
(B) From discontinuing (restructuring) operations						
a) Basic (₹)	*1.19	*1.41	*1.00	*3.80	*3.77	4.58
b) Diluted (₹)	*1.19	*1.41	*1.00	*3.80	*3.77	4.57
(C) From total operations						
a) Basic (₹)	*13.80	*12.76	*8.41	*37.64	*26.74	31.15
b) Diluted (₹)	*13.79	*12.75	*8.40	*37.61	*26.72	31.12

# Not Annualised  
# Amount less than ₹ 50,000/- is presented as ₹ 0.00 Crores.

Cipla Ltd.

Regd. Office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

P +91 22 24826000 F +91 22 24826120 W [www.cipla.com](http://www.cipla.com) E-mail [contactus@cipla.com](mailto:contactus@cipla.com) Corporate Identity Number L24239MH1935PLC002380



1. The above financial results are prepared in accordance with the Indian Accounting Standard prescribed under section 133 of the Companies Act, 2013 and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. The Company had received in earlier periods, various demand notices from the National Pharmaceutical Pricing Authority (NPPA), Government of India, on account of alleged overcharging in respect of certain drugs under the Drugs (Prices Control) Orders. The total demand against the Company as stated in NPPA public disclosure amounts to ₹ 3,707.11 Crore.

Out of the above, demand notices pertaining to a set of products being Norfloxacin, Ciprofloxacin, Salbutamol and Theophylline were challenged by the Company (i) in the Honourable Bombay High Court on the ground that bulk drugs contained in the said formulations are not amenable to price control, as they cannot be included in the ambit of price control based on the parameters contained in the Drug Policy, 1994 on which the DPCO, 1995 is based and (ii) in the Honourable Allahabad High Court on process followed for fixation of pricing norms. These Petitions were decided in favour of the Company and the matters were carried in appeal by the Union of India to the Honourable Supreme Court of India. The Honourable Supreme Court in its judgment of 1<sup>st</sup> August, 2003 remanded the said writ petitions to the Honourable Bombay High Court with directions that the Court will have to consider the petitions afresh, having due regard to the observations made by the Honourable Supreme Court in its judgment. On the Union of India filing transfer petitions, the Honourable Supreme Court ordered transfer of the said petitions to the Honourable Bombay High Court to it for being heard with the appeal filed against the Honourable Allahabad High Court order. Subsequently, in its order of 20<sup>th</sup> July, 2016 the Honourable Supreme Court recalled its transfer order and remanded the petitions to the Honourable Bombay High Court for hearing. While remanding the matter to Honourable Bombay High Court, the Honourable Supreme Court directed Cipla to deposit 50% of the overcharged amount with the NPPA as stated in its order of 1<sup>st</sup> August, 2003 which at that point of time was ₹ 350.15 Crore. Complying with the directions passed by the Honourable Supreme Court, Cipla has deposited an amount of ₹ 175.08 Crore which has been received and acknowledged by NPPA. Furthermore, the Company has not received any further demand notices in these cases post such transfer of cases to Honourable Bombay High Court. Meanwhile, the Honourable Supreme Court vide its Order and Judgment dated 21<sup>st</sup> October, 2016, allowed the Appeals filed by the Government against the Judgment and Order of the Honourable Allahabad High Court regarding basis of fixation of retail prices. The said order was specific to fixation of retail prices without adhering to the formula/process laid down in DPCO, 1995. However, the grounds relating to inclusion of certain drugs within the span of price control continues to be sub-judice with the Honourable Bombay High Court.

The Honourable Bombay High Court had, in expectation of NPPA filing its counter-statement on status of each petitioner's compliance with the 2003 and 2016 Honourable Supreme Court orders (on deposit 50% of amount demanded), re-scheduled the hearing for 5<sup>th</sup> June, 2019, but the same was not listed on that date.

The Company had filed amendment applications before the Honourable Bombay High Court to incorporate the effect of a ruling by the Honourable Supreme Court to adjust trade margins of 16% from outstanding demands as not accrued to the manufacturers and to re-calculate interest from date of non-payment of demand within the time period stated in each demand. The said amendment also places certain additional grounds on record. The Honourable Bombay High Court issued notice to Union of India and NPPA on the amendment applications and set 25<sup>th</sup> January, 2021 for further hearing but the case was not listed due to the COVID-19 lockdown and the next date is awaited.

The Company has been legally advised that it has a substantially strong case on the merits of the matter, especially under the guidelines/principles of interpretation of the Drug Policy enunciated by the Honourable Supreme Court. Although, the decision of Honourable Supreme Court dated 21<sup>st</sup> October, 2016 referred above was in favour of Union of India with respect to the appeals preferred by the Government challenging the Honourable Allahabad High Court order, basis the facts and legal advice on the matter sub-judice with the Honourable Bombay High Court, no provision is considered necessary in respect of the demand notices received till date aggregating to ₹ 1,736.00 Crore. It may be noted that NPPA in its public disclosure has stated the total demand amount against the Company in relation to the above said molecules to be ₹ 3,281.31 Crore (after adjusting deposit of ₹ 175.08 Crore), however, the Company has not received any further notices beyond an aggregate amount of ₹ 1,736.00 Crore except as stated below.

Further, the Company has received certain communications, relating to few of these cases from the NPPA informing of true-up of alleged overcharge and interest amounting to ₹ 371.21 Crore for the residual periods between the date of the earlier notices till date determined by the NPPA, not being later than the commencement of the new DPCO, 2013. These matters are already sub-judice and subject to the stays issued by the Honourable Courts.

In addition, Company had made provision of ₹ 143.05 Crore as of 31<sup>st</sup> December, 2023 for products not part of the referenced writ proceedings. There are no new recovery notices received by the Company in the quarter, thus not requiring any fresh cases to be filed by the Company in legal regard.

3. The paid-up equity share capital stands increased to ₹ 161.47 Crore (80,73,50,398 equity shares of face value ₹ 2 each) upon allotment of 5,235 equity shares and 19,734 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" and "Cipla ESAR Scheme 2021" respectively during the quarter ended 31<sup>st</sup> December, 2023.



Cipla Ltd.

Regd. Office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

P +91 22 24826000 F +91 22 24826120 W [www.cipla.com](http://www.cipla.com) E-mail [contactus@cipla.com](mailto:contactus@cipla.com) Corporate Identity Number L24239MH1935PLC002380



A handwritten signature in blue ink, possibly reading 'A'.

- 4(a) Pursuant to Board approval on 25<sup>th</sup> January, 2022, the Consumer Business Undertaking was restructured/transferred as a going concern on a slump sale basis through a Business Transfer Agreement ("BTA") to Cipla Health Limited ("CHL"), a wholly owned subsidiary of the Company with the closing date of 31<sup>st</sup> August, 2022.
- (b) The Board in its meeting held on 6<sup>th</sup> November, 2023 has approved the transfer of Generics Business Undertaking as a going concern on a slump sale basis to Cipla Pharma and Life Sciences Limited (CPLS), a wholly owned subsidiary of the Company. The Company is currently in the process of executing Business Transfer Agreement ("BTA").

Accordingly, the disclosures of "Non-current Assets Held for Sale and Discontinued Operations", in the standalone financial results with respect to Consumer Business Undertaking and Generics Business Undertaking for all the periods have been suitably presented.

**Key financial information of Discontinuing (Restructuring) operations:**

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year Ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
Total revenue from operations	410.26	430.28	363.72	1,236.82	1,288.75	1,616.61
Total expenses	281.46	277.73	255.61	826.98	882.18	1,122.94
Profit before tax	128.80	152.55	108.11	409.84	406.57	493.67
Total tax expense	32.42	38.40	27.21	103.15	102.34	124.26
Net profit for the period/year	96.38	114.15	80.90	306.69	304.23	369.41

5. The Income Tax Department ("the Department") had conducted a Survey & Search under Section 132 of the Income Tax Act ("the Search") on the Company in February 2023. The Company at the time of search and subsequently has co-operated with the department and responded to the clarifications, data and details sought by the Department. No assets of the Company were seized by the Department as part of the Search. The Company after considering all available records, facts known to it and legal advice as of date, has not identified any adjustments to the current or prior period standalone financial results at this stage. Pending outcome of the proceedings in this matter, the Company will re-evaluate the adjustments to the financial results if needed at a future date as appropriate.
6. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.
7. The above results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 22<sup>nd</sup> January, 2024. These results have been subjected to limited review by statutory auditors who have expressed an unmodified review conclusion.



Mumbai

22<sup>nd</sup> January, 2024



By order of the Board  
For CIPLA LIMITED

Umang Vohra

Managing Director and Global Chief Executive Officer

Cipla Ltd.

Regd. Office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013, India

P +91 22 24826000 F +91 22 24826120 W [www.cipla.com](http://www.cipla.com) E-mail [contactus@cipla.com](mailto:contactus@cipla.com) Corporate Identity Number L24239MH1935PLC002380

---

**Walker Chandiook & Co LLP**

16th Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India

T +91 22 6626 2699  
F +91 22 6626 2601

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Cipla Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Cipla Limited ('the Company') for the quarter ended 31 December 2023 and the year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Cipla Limited**

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

---

4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Gautam Wadhwa**

Partner

Membership No: 508835

**UDIN: 24508835BKFFAZ4886**

**Place: Mumbai**

**Date: 22 January 2024**