

# Cipla Limited

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**Corporate Identity Number:** L24239MH1935PLC002380

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## Notice of Postal Ballot

NOTICE is hereby given that pursuant to the provisions of Section 110 and Section 108 of the Companies Act, 2013 ('the Act') and the Companies (Management and Administration) Rules, 2014 read with circular issued by the Ministry of Corporate Affairs ('MCA') no. 14/2020 dated 8<sup>th</sup> April 2020, no. 17/2020 dated 13<sup>th</sup> April 2020, no. 22/2020 dated 15<sup>th</sup> June 2020, no. 33/2020 dated 28<sup>th</sup> September 2020, no. 39/2020 dated 31<sup>st</sup> December 2020, no. 10/2021 dated 23<sup>rd</sup> June 2021, no. 20/2021 dated 8<sup>th</sup> December 2021, no. 3/2022 dated 5<sup>th</sup> May 2022, no. 11/2022 dated 28<sup>th</sup> December 2022 and no. 09/2023 dated 25<sup>th</sup> September 2023 (collectively referred to as 'MCA Circulars'), the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and other applicable provisions of the acts, rules, regulations, circulars and notifications (including any statutory modifications or re-enactment(s) thereof for the time being in force and as amended from time to time), the resolutions appended below are proposed for approval of the members of Cipla Limited (the 'Company') through postal ballot by remote e-voting process ('e-voting').

### **Item no. 1 - To appoint Dr. Balram Bhargava as an Independent Director of the Company**

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

"Resolved that pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('the Act'), and the rules made thereunder, read with Schedule IV of the Act, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other provisions as may be applicable (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company and upon recommendation of the Board of Directors of the Company, Dr. Balram Bhargava (DIN: 10479707) who was appointed as an Additional Independent Director of the Company effective 1<sup>st</sup> April 2024, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years commencing from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2029 (both days inclusive)."

### **Item no. 2 - To approve the payment of one-time long-term incentive to Mr. Umang Vohra, Managing Director and Global Chief Executive Officer**

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

"Resolved that pursuant to the provisions of Sections 197, 198, and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder, read with Schedule V of the Act, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other provisions as may be applicable (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company and in partial modification to the resolutions passed at the 85<sup>th</sup> Annual General Meeting of the Company held on 25<sup>th</sup> August 2021 and at the 86<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> August 2022 and upon recommendation of the Board of Directors of the Company, approval of the members be and is hereby accorded for the payment of one-time long-term incentive of INR 25,00,00,000/- (Rupees Twenty Five Crores), to Mr. Umang Vohra (DIN: 02296740), Managing Director and Global Chief Executive Officer, to be paid at the end of his current tenure, i.e., on 31<sup>st</sup> March 2026, subject to his continued employment with the Company.

Resolved further that save and except as aforesaid, all other terms and conditions of re-appointment and remuneration of Mr. Umang Vohra, as approved by the members of the Company at the 85<sup>th</sup> Annual General Meeting of the Company held on 25<sup>th</sup> August 2021 and at the 86<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> August 2022, shall remain unchanged.

Resolved further that the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors or any director or officer to give effect to this resolution.”

By order of the Board of Directors  
**For Cipla Limited**

**Rajendra Chopra**  
Company Secretary  
ACS 12011

Date: 11<sup>th</sup> April 2024

Place: Mumbai

**NOTES:**

1. The explanatory statement pursuant to Section 102 read with Section 110 of the Act along with details in terms of Regulation 36(3) of the SEBI Listing Regulations, stating all material facts and the rationale for the proposed resolutions is annexed herewith and forms part of the Postal Ballot notice (“Notice”).
2. In compliance with the provision of Regulation 44 of the SEBI Listing Regulations, Sections 108 and 110 of the Act read with the Rules framed thereunder and the MCA Circulars:
  - the Notice is being sent by electronic mode to those members whose names appear in the Register of Members / list of Beneficial Owners maintained by the Company / depositories as on Friday, 12<sup>th</sup> April 2024 (the ‘Cut-Off Date’) and whose e-mail addresses are registered with the Company / depositories. A person who is not a member as on the Cut-off Date should treat this Notice for informational purposes only. For members who have not registered their e-mail address, please follow the instructions mentioned under point no. 13.
  - the manner of voting on the proposed resolutions is provided by remote e-voting facility only. Accordingly, the physical copy of the Notice along with the postal ballot form and the pre-paid business reply envelope are not sent to the members. The members can provide their assent or dissent on the resolutions through remote e-voting system.
3. **A copy of the Notice is available on the website of the Company at [www.cipla.com](http://www.cipla.com), website of the stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and on the website of the e-voting agency i.e. National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).**
4. All documents as referred in the Notice will be available for electronic inspection by the members without any fee, from the date of dispatch of the Notice until the closure of remote e-voting period during business hours. Members seeking to inspect such documents may send a request to the email address [document.inspection@cipla.com](mailto:document.inspection@cipla.com) at least one working day before the date on which they intend to inspect the documents.
5. Members whose names appear in the Register of Members / Beneficial Owners as on the Cut-Off Date i.e., Friday, 12<sup>th</sup> April 2024 will be eligible to cast their vote electronically. The voting rights of members will be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date.
6. The remote e-voting period begins on Wednesday, 17<sup>th</sup> April 2024 at 9:00 am and ends on Thursday, 16<sup>th</sup> May 2024 at 5:00 pm. The remote e-voting module will be disabled by NSDL for voting thereafter.
7. Members are requested to cast their vote through remote e-voting process not later than 5:00 pm on Thursday, 16<sup>th</sup> May 2024, in order to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the Member.
8. Once the vote on the resolution is cast by the member, he / she shall not be allowed to subsequently change it.

9. The Board of Directors of the Company has appointed Mr. B Narasimhan, Practicing Company Secretary and failing him, Mr. Avinash Bagul, Practicing Company Secretary as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner.
10. The Scrutiniser on completing the scrutiny of voting through the remote e-voting process will submit his report to the Chairman or any other person duly authorised by him, and the result of the remote e-voting by Postal Ballot will be announced within 2 working days from the conclusion of the remote e-voting i.e., on or before Monday, 20<sup>th</sup> May 2024.
11. The results declared along with the scrutiniser's report will be uploaded on the website of the Company, [www.cipla.com](http://www.cipla.com) in the 'Investors' section and on the NSDL website, [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The results will also be disclosed on the website of the Stock Exchanges.
12. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on Thursday, 16<sup>th</sup> May 2024, i.e., the last date specified for receipt of votes through the remote e-voting process.
13. Important instruction for members holding shares in physical form:
  - i SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655, dated 3<sup>rd</sup> November 2021, clarification vide circular no. SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2021/687, dated 14<sup>th</sup> December, 2021, circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated 26<sup>th</sup> September 2023 and circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17<sup>th</sup> November 2023 has simplified the process for investor service requests. Accordingly, the listed entities are mandated to process the following service requests viz. issue of duplicate securities certificate, renewal/exchange of securities certificate; endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios; transmission and transposition in dematerialised form only. In view of the same and to eliminate all risks associated with physical shares, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or the RTA, for assistance in this regard.
  - ii. As per the SEBI Circular, the Company/ RTA can entertain a shareholder's service request only upon completion of the KYC, registration of PAN and Nomination. The service requests are required to be submitted in the format prescribed by the SEBI.
  - iii. Members are requested to update their records by submitting duly filled and signed relevant form along with the relevant proofs listed in the forms, to KFin Technologies Limited, Unit: Cipla Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Alternatively, members can also send digitally signed documents from their registered email address at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Details of the relevant forms are provided herein below:

<a href="#"><u>ISR-1</u></a>	Request for registering PAN, KYC details or changes/updates thereof
<a href="#"><u>ISR-2</u></a>	Confirmation of signature of the securities holder by the banker
<a href="#"><u>ISR-3</u></a>	Declaration form for holders of physical securities in listed companies to opt out of nomination
<a href="#"><u>ISR-4</u></a>	Request for issue of Duplicate Certificate and other Service Requests
<a href="#"><u>ISR-5</u></a>	Request for Transmission of Securities by Nominee or Legal Heir
<a href="#"><u>SH-13</u></a>	Nomination form
<a href="#"><u>SH-14</u></a>	Cancellation or variation of Nomination

14. Members holding shares in demat form who wish to update any of the details mentioned above can contact their depository participant for the same.
15. SEBI vide its Master Circular SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated 11<sup>th</sup> August 2023, has introduced Online Dispute Resolution ('ODR'), which is in addition to the existing SEBI Complaints Redress System ('SCORES') platform, which can be utilised by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>. The detailed circulars and process are also available on the website of the Company at <https://www.cipla.com/investors/corporate-governance>.

**Procedure to cast vote through remote e-voting**





The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email address in their demat account in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IdeAS</b> user can visit the e-services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile phone. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IdeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IdeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IdeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>
	<ol style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile phone. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL, Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="582 1421 1085 1713" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store            Google Play         </p> <div style="display: flex; justify-content: space-around;">   </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at the CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account no. and PAN no. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile no. &amp; Email address as recorded in the demat account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-voting service providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or contact at 022 – 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

- c) **Login method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile phone.
2. Once the home page of e-Voting system is launched, click on the icon “**Login**” which is available under ‘**Shareholder/ Member**’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is CIP000*** and EVEN is (128345) then user ID is 128345CIP000***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [ciplascrutinizer@gmail.com](mailto:ciplascrutinizer@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 – 4886 7000 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto:evoting@nsdl.com)

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

1. In case shares are held in physical mode please provide a signed request letter mentioning folio No., name of shareholder, scanned copy of the share certificate (front and back), self attested scanned copy of PAN card, AADHAR/utility bill (not older than 3 month) and requisite forms as mentioned in point no. 13 of notes of this notice by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card and Aadhar/ Utility bill (not older than 3 months) to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

2. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring User ID and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated 9<sup>th</sup> December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



## **STATEMENT AS REQUIRED UNDER SECTION 102 AND 110 OF THE COMPANIES ACT, 2013 AND APPLICABLE SECRETARIAL STANDARDS**

### **Item no. 1: Special Resolution**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Dr. Balram Bhargava (DIN: 10479707) as an Additional Director and Independent Director of the Company w.e.f. 1<sup>st</sup> April 2024. The appointment was subject to the approval of the members by way of a special resolution.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Regulation 17 of the SEBI Listing Regulations, the appointment of Dr. Bhargava is required to be approved by the members within three months from the date of appointment i.e., by 30<sup>th</sup> June 2024 or by the next Annual General Meeting ('AGM') of the Company whichever is earlier.

The Company has received a notice under Section 160 of the Act from a member, proposing the appointment of Dr. Bhargava as an Independent Director of the Company.

Dr. Bhargava has consented to act as an Independent Director of the Company and has confirmed that (i) he meets the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1) of the SEBI Listing Regulations and (ii) he is not disqualified from being appointed as an Independent Director. Unless exempted, Dr. Bhargava would be required to clear the Independent Directors' proficiency test within a period of two years from the date of inclusion of his name in the databank i.e., by 23<sup>rd</sup> January 2026.

The Nomination and Remuneration Committee had identified amongst others Sustainability & ESG, Pharmaceuticals, Science and Technology, Financial Expertise, Tech & Digital and Operations as the key skills and capabilities for the role. Considering the qualification, rich experience and expertise of Dr. Bhargava, he possesses the requisite skills and capabilities required for the role of Independent Director of the Company and in the opinion of the Board, he fulfils the conditions of independence as specified in the Act, the rules made thereunder and the SEBI Listing Regulations to the extent applicable to the Company and is independent of the management of the Company.

A detailed profile of Dr. Bhargava is available on the website of the Company, [www.cipla.com](http://www.cipla.com), in the 'Investors' section. Details as required under Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard – 2 and other provisions of the applicable laws are provided in Annexure 1 to the explanatory statement. A copy of the letter of appointment setting out the terms and conditions of the appointment is available for electronic inspection by the members, without any fee.

The Board of Directors recommends the appointment of Dr. Bhargava as set out in the resolution in item no. 1, for the approval of the members as a special resolution.

Except for Dr. Bhargava and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

### **Item no. 2: Ordinary Resolution**

Mr. Umang Vohra has been the Managing Director and Global Chief Executive Officer ("MD & GCEO") (DIN: 02296740) of the Company since 1<sup>st</sup> September 2016. His re-appointment was approved by the members in the 85<sup>th</sup> Annual General Meeting ("AGM") for a period of 5 (five) years, w.e.f. 1<sup>st</sup> April 2021 upto 31<sup>st</sup> March 2026.

Mr. Vohra has previously worked with Eicher Motors, PepsiCo and Dr. Reddy's Laboratories in various roles across India and the US and holds degrees in engineering, marketing, and finance. Through his distinguished career, spanning over two decades, Mr. Vohra is recognised as an action-oriented industry leader with a deep understanding of the global pharmaceutical business. He joined Cipla as the Global Chief Financial and Strategy Officer and was promoted as Global Chief Operating Officer before his appointment as the MD & GCEO.

A detailed profile of Mr. Umang Vohra is available on the website of the Company [www.cipla.com](http://www.cipla.com) under the 'Investors' section. Details as required under Regulations 36(3) of the SEBI Listing Regulations and the Secretarial Standard – 2 and other provisions of applicable laws are provided in Annexure 1 to the explanatory statement.

The Company has consistently witnessed growth and delivered strong results despite battling regulatory challenges, geopolitical turbulence, and challenges posed by the global pandemic among others. The Company has achieved the following key milestones:

- Financial Performance<sup>1</sup>:
  - Revenue grew from INR 13,790 crores to INR 22,753 crores at a Compound Annual Growth Rate (CAGR) of 7% and with the focus on increasing the profitability, the EBITDA margin improved from 18% to 22%.
  - Profit after Tax has increased from INR 1,360 crores to INR 2,802 crores at a CAGR of 11%.
  - Free Cash flow increased from INR 512 crores to INR 2104 crores at a CAGR of 22%.
  - Return on Invested Capital (ROIC) improved from 12.5% to 23.8%.
- Market capitalization increased by approx. 194% from INR 41,129 crores as on 31<sup>st</sup> March 2016 to INR 1,20,859 crores as on 28<sup>th</sup> March 2024 (the last working day of the financial year).
- Attained market leadership in its core geographies:
  - Continued being the 3<sup>rd</sup> largest Pharma Company in India (IQVIA MAT February 2024);
  - Ranked 1<sup>st</sup> in the pharma prescription market in South Africa (IQVIA MAT February 2024);
  - 4<sup>th</sup> largest by prescription in the US Gx inhalation products (IQVIA MAT February 2024).
- Received various awards and recognition for its excellence and industry leading practices in several areas, including the 'Golden Peacock Award for Excellence in Corporate Governance', the 'Best Governed Company Award' at the 8<sup>th</sup> Asia Business Responsibility Summit & Awards, 'Company of the Year' award at the Business Standard Annual Awards 2021, 'Frost & Sullivan and TERI's Sustainability 4.0 Award', 'Best Corporate Green Initiative award by C&I Energy Leadership Awards 2022', Great Place to Work (GPW) certification for six consecutive years and inclusion in the Dow Jones Sustainability Index.

In recognition of the performance listed above and to ensure retention, the Board approved one-time long-term incentive for select Senior Management Employees including the MD & GCEO. For Mr. Umang Vohra a payment of INR 25,00,00,000 (Rupees Twenty Five Crores Only) was approved as one-time long-term incentive to be paid at the end of his current term i.e., on 31<sup>st</sup> March 2026 subject to continued employment with the Company. As per the provisions of the Companies Act, 2013, since payment of any remuneration to the MD & GCEO is required to be approved by the members, the proposal has been submitted to the shareholders for approval.

The present terms of appointment including remuneration of Mr. Vohra, as approved by the members, can be accessed on the Company website through the following links:

- <https://www.cipla.com/sites/default/files/Notice-of-AGM.pdf> - Terms of appointment including remuneration set out in the explanatory statement to resolution no. 8 of the notice of the 85<sup>th</sup> AGM.
- <https://www.cipla.com/sites/default/files/Notice-of-Annual-General-Meeting.pdf> - Authorization for grant of share-based benefits from one or more subsidiary of the Company – set out in the explanatory statement to resolution no. 6 of the notice of the 86<sup>th</sup> AGM.

Within the limits approved by the members, Mr. Umang Vohra is presently entitled to the following remuneration:

**A. Fixed Salary inclusive of basic salary, allowances, retiral benefits and others (payable monthly):**

Fixed Salary from the Company including allowances, retiral benefits and others and remuneration from Cipla USA Inc. is INR 10,50,00,000 (Rupees Ten Crores Fifty Lakhs Only) p.a. (Annual Fixed Cap).

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<sup>1</sup>The performance of FY 2022-23 has been compared with FY 2015-16 (year before the appointment of Mr. Umang Vohra as MD & GCEO)

**B. Variable Bonus (to be paid annually at the end of the financial year):**

On-target Variable Bonus upto INR 5,50,00,000 (Rupees Five Crores Fifty Lakhs Only) p.a. payable upon achievement of mutually agreed quantitative and qualitative Key Performance Indicators. The variable bonus can increase upto INR 7,00,00,000 (Rupees Seven Crores Only) p.a. at the discretion of the board and based on the performance of Mr. Umang Vohra, on merits.

**C. Perquisites:**

Perquisites shall not exceed 10% of the Annual Fixed Cap in any financial year (when taken together with any perquisites received by Mr. Umang Vohra from Cipla USA Inc.)

**D. Retirement / Other Benefits:**

Gratuity, leave encashment, and any other benefits as per policy(ies) of the Company or as may be approved by the Board from time to time.

**E. Long-term Incentives:**

- **Cipla Limited:** During the five-year term (i.e., from 1<sup>st</sup> April 2021 till 31<sup>st</sup> March 2026) the estimated value of stock options and the stock appreciation rights (as defined under the Employee Stock Appreciation Scheme 2021 or under any other stock appreciation rights scheme of the Company, as the case may be) as on the date of grant will not exceed INR 22,50,00,000 (Rupees Twenty Two Crores Fifty Lakhs Only).
- **Cipla Health Limited:** 35,181 Employee Stock Appreciation Rights with bullet vesting in March 2026 to be settled at fair market value under the Cipla Health Limited Employee Stock Appreciation Rights Scheme 2021. The vesting is subject to additional conditions as set by the Nomination and Remuneration Committee.

The Board of Directors recommends the payment of one-time long-term incentive of INR 25,00,00,000 (Rupees Twenty Five Crores Only) to Mr. Umang Vohra at the end of his current term on 31<sup>st</sup> March 2026, subject to his continued employment with the Company. The resolution is set out in item no. 2, for approval of the members as an ordinary resolution.

Where at the end of his tenure, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him including the one-time long-term incentive by way of salary including perquisites and allowances as specified under Section II of Part II of Schedule V to the Act, as may be amended from time to time.

Except Mr. Umang Vohra and his relatives, none of the other directors or key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

By order of the Board of Directors  
**For Cipla Limited**

**Rajendra Chopra**  
Company Secretary  
ACS 12011

Date: 11<sup>th</sup> April 2024  
Place: Mumbai

## ANNEXURE 1

### PROFILE OF DIRECTOR

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard – 2 on General Meetings]

Full Name	Dr. Balram Bhargava	Mr. Umang Vohra
Director Identification Number (DIN)	10479707	02296740
Age	63 years	52 years
Original Date of Appointment	1 <sup>st</sup> April 2024	1 <sup>st</sup> September 2016
Qualification	PG in MBBS, MD, DM from King George's Medical University (KGMU), Lucknow; Doctor of Science (DSc) from KGMU and Punjab University	PGDM (T.A Pai Management Institute, Manipal); Bachelor of Engineering (University of Bangalore)
Experience and Expertise	<p>Global Economics and Business, Corporate Governance, General Management and Leadership, Pharmaceuticals, Science and Technology, Financial Expertise, Operations, Tech &amp; Digital and Sustainability &amp; ESG.</p> <p>The detailed profile of Dr. Balram Bhargava is also available on the Company's website at <a href="https://www.cipla.com/about-us/board-directors">https://www.cipla.com/about-us/board-directors</a></p>	<p>Global Economics and Business, Corporate Governance, General Management and Leadership, Pharmaceutical, Science &amp; Technology, Financial Expertise, Operations, Sales, Marketing, Commercial, Tech &amp; Digital, M&amp;A, Risk Management and Sustainability &amp; ESG.</p> <p>The detailed profile of Mr. Umang Vohra is also available on the Company's website at <a href="https://www.cipla.com/about-us/board-directors">https://www.cipla.com/about-us/board-directors</a></p>
Remuneration last drawn (including sitting fees)	Nil	As mentioned in the Report on Corporate Governance for FY 2022-2023.
Remuneration to be paid	As per Company's Policy on Nomination, Remuneration and Board Diversity (available on the Company's website at <a href="https://www.cipla.com/sites/default/files/2021-06/Nomination-Remuneration-and-Board-Diversity-Policy.pdf">https://www.cipla.com/sites/default/files/2021-06/Nomination-Remuneration-and-Board-Diversity-Policy.pdf</a> )	As mentioned in the explanatory statement
Terms and conditions of appointment	As per the resolution in item no.1 of this Notice read with the explanatory statement thereto	Not applicable
Number of board meetings attended during FY 2023-24	Not applicable	12/12
Shareholding including shareholding as beneficial owner (Equity Shares)	Nil	3,22,935

<b>Full Name</b>	<b>Dr. Balram Bhargava</b>	<b>Mr. Umang Vohra</b>
<b>Member/ Chairperson of Committees of the Company</b>	<b>Member</b> <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Corporate Social Responsibility Committee</li> </ul>	<b>Member</b> <ul style="list-style-type: none"> <li>• Corporate Social Responsibility Committee</li> <li>• Investment and Risk Management Committee</li> </ul> <b>Chairperson</b> <ul style="list-style-type: none"> <li>• Operations and Administrative Committee</li> </ul>
<b>Directorships held in other companies</b>	None	<ul style="list-style-type: none"> <li>• Cipla USA Inc.</li> <li>• InvaGen Pharmaceuticals Inc.</li> <li>• Cipla Health Limited</li> <li>• Aspergen Inc.</li> <li>• Stempeutics Research Private Limited</li> </ul>
<b>Relationship between Directors inter-se</b>	None	
<b>Membership of committees held in other Indian companies</b>	None	
<b>Chairpersonship of committees held in other Indian companies</b>	None	
<b>Listed entities from which the person has resigned in the past three years</b>	None	