

12<sup>th</sup> May 2023

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|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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>(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> |
| <p>(3) SOCIETE DE LA BOURSE DE<br/>LUXEMBERG<br/>Societe Anonyme<br/>35A Boulevard Joseph II<br/>L-1840 Luxembourg</p>                     |                                                                                                                                                                                                                                      |

**Sub: Audited financial results and recommendation of final dividend**

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., 12<sup>th</sup> May 2023, has *inter-alia* approved the audited financial results (standalone and consolidated) for the quarter and financial year ended 31<sup>st</sup> March 2023.

We are enclosing herewith as follows:

- (1) Audited financial results (standalone and consolidated) for the quarter and financial year ended 31<sup>st</sup> March 2023;
- (2) Auditor's report with unmodified opinion on the audited financial results (standalone and consolidated) for the financial year ended 31<sup>st</sup> March 2023; and
- (3) Declaration from the Global Chief Financial Officer under Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming the unmodified opinion of the statutory auditors on the audited financial results (standalone and consolidated) for the financial year ended 31<sup>st</sup> March 2023.

The Board of Directors also recommended the payment of a final dividend of Rs. 8.50/- per equity share (face value of Rs. 2/- per equity share) for the financial year ended 31<sup>st</sup> March 2023. The dividend, upon approval by the shareholders, will be paid to shareholders within 30 days from the date of the Annual General Meeting.

The meeting of the Board of Directors of the Company commenced at 11.45 a.m. (IST) and is still in progress.

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

Kindly take the above information on record.

Thanking you,  
Yours faithfully,  
For **Cipla Limited**

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

Encl.: as above  
Prepared by: Chirag Hotchandani

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
	Audited (Refer note 8)	Unaudited	Audited (Refer note 8)	Audited	Audited
<b>1. Revenue from operations</b>					
a) Revenue from sale of products	5,665.95	5,730.08	5,223.94	22,473.18	21,623.36
b) Other operating revenue	73.35	80.01	36.39	279.94	139.98
<b>Total revenue from operations</b>	<b>5,739.30</b>	<b>5,810.09</b>	<b>5,260.33</b>	<b>22,753.12</b>	<b>21,763.34</b>
<b>2. Other income</b>	<b>134.63</b>	<b>114.44</b>	<b>64.02</b>	<b>475.45</b>	<b>280.91</b>
<b>3. Total income (1+2)</b>	<b>5,873.93</b>	<b>5,924.53</b>	<b>5,324.35</b>	<b>23,228.57</b>	<b>22,044.25</b>
<b>4. Expenses</b>					
a) Cost of materials consumed	1,264.45	1,299.04	1,211.92	5,519.62	5,533.13
b) Purchases of stock-in-trade	781.55	711.58	747.04	2,828.66	3,687.16
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	17.37	(6.32)	187.74	(96.00)	(724.69)
d) Employee benefits expense	964.84	948.69	892.41	3,830.08	3,529.91
e) Finance costs	34.36	31.82	18.10	109.54	106.35
f) Depreciation, impairment and amortisation expense	346.22	272.11	290.31	1,172.11	1,051.95
g) Other expenses	1,537.35	1,449.55	1,471.50	5,643.79	5,185.05
<b>Total expenses</b>	<b>4,946.14</b>	<b>4,706.47</b>	<b>4,819.02</b>	<b>19,007.80</b>	<b>18,368.86</b>
<b>5. Profit before exceptional items and tax (3-4)</b>	<b>927.79</b>	<b>1,218.06</b>	<b>505.33</b>	<b>4,220.77</b>	<b>3,675.39</b>
<b>6. Exceptional item (refer note 4)</b>	<b>(182.42)</b>	<b>-</b>	<b>(57.50)</b>	<b>(182.42)</b>	<b>(182.12)</b>
<b>7. Profit before tax (5+6)</b>	<b>745.37</b>	<b>1,218.06</b>	<b>447.83</b>	<b>4,038.35</b>	<b>3,493.27</b>
<b>8. Tax expense (net)</b>					
a) Current tax	317.33	312.88	230.34	1,264.77	1,136.90
b) Deferred tax	(95.08)	97.13	(159.23)	(61.91)	(203.10)
<b>Total tax expense</b>	<b>222.25</b>	<b>410.01</b>	<b>71.11</b>	<b>1,202.86</b>	<b>933.80</b>
<b>9. Net profit after tax before share of associates (7-8)</b>	<b>523.12</b>	<b>808.05</b>	<b>376.72</b>	<b>2,835.49</b>	<b>2,559.47</b>
<b>10. Share of profit (+)/loss (-) of associates</b>	<b>(1.61)</b>	<b>(0.22)</b>	<b>(6.02)</b>	<b>(2.60)</b>	<b>(12.82)</b>
<b>11. Net profit for the period/year (9+10)</b>	<b>521.51</b>	<b>807.83</b>	<b>370.70</b>	<b>2,832.89</b>	<b>2,546.65</b>
<b>12. Profit for the period/year attributable to</b>					
a) Shareholders of the company	525.65	800.96	362.07	2,801.91	2,516.75
b) Non- controlling interest	(4.14)	6.87	8.63	30.98	29.90
<b>13. Other comprehensive income/(loss) for the period/year</b>					
a) (i) Items that will not be reclassified to profit or loss	13.78	(2.48)	119.19	0.57	127.02
(ii) Income tax on items that will not be reclassified to profit or loss	(1.26)	0.63	(13.51)	2.07	(15.48)
b) (i) Items that will be reclassified to profit or loss	(66.20)	252.97	252.83	137.35	272.75
(ii) Income tax on items that will be reclassified to profit or loss	(15.27)	1.38	12.49	(2.36)	(0.62)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>(68.95)</b>	<b>252.50</b>	<b>371.00</b>	<b>137.63</b>	<b>383.67</b>
<b>14. Total comprehensive income/(loss) for the period/year (11+13)</b>	<b>452.56</b>	<b>1,060.33</b>	<b>741.70</b>	<b>2,970.52</b>	<b>2,930.32</b>
<b>15. Total comprehensive income/(loss) attributable to</b>					
a) Shareholders of the company	460.05	1,042.15	732.18	2,930.48	2,893.55
b) Non - controlling interest	(7.49)	18.18	9.52	40.04	36.77
<b>16. Paid-up equity share capital (face value of ₹ 2/- each) (refer note 3)</b>	<b>161.43</b>	<b>161.43</b>	<b>161.36</b>	<b>161.43</b>	<b>161.36</b>
<b>17. Other equity</b>				<b>23,246.35</b>	<b>20,680.33</b>
<b>18. Earnings per share (face value of ₹ 2/- each)</b>					
a) Basic (₹)	*6.51	*9.92	*4.49	34.72	31.20
b) Diluted (₹)	*6.51	*9.92	*4.48	34.69	31.17
*Not Annualised					



## Segment information

(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
	Audited (Refer note 8)	Unaudited	Audited (Refer note 8)	Audited	Audited
<b>Segment wise revenue and results</b>					
<b>Segment revenue:</b>					
a) Pharmaceuticals	5,536.36	5,588.87	5,175.95	21,999.43	21,351.27
b) New ventures	233.83	312.26	110.59	1,054.84	531.51
<b>Total segment revenue</b>	<b>5,770.19</b>	<b>5,901.13</b>	<b>5,286.54</b>	<b>23,054.27</b>	<b>21,882.78</b>
Less : Inter segment revenue	30.89	91.04	26.21	301.15	119.44
<b>Total revenue from operations</b>	<b>5,739.30</b>	<b>5,810.09</b>	<b>5,260.33</b>	<b>22,753.12</b>	<b>21,763.34</b>
<b>Segment result:</b>					
Profit/(loss) before tax and interest from each segment					
a) Pharmaceuticals	1,014.57	1,258.04	587.17	4,383.14	3,943.73
b) New ventures	(52.42)	(8.16)	(63.74)	(52.83)	(161.99)
<b>Total segment result</b>	<b>962.15</b>	<b>1,249.88</b>	<b>523.43</b>	<b>4,330.31</b>	<b>3,781.74</b>
Less: Finance costs	34.36	31.82	18.10	109.54	106.35
<b>Total Profit (+)/loss (-) before exceptional items and tax</b>	<b>927.79</b>	<b>1,218.06</b>	<b>505.33</b>	<b>4,220.77</b>	<b>3,675.39</b>
Less : Exceptional items- New ventures	-	-	57.50	-	182.12
Less : Exceptional items - Pharmaceuticals (refer note 4)	182.42	-	-	182.42	-
<b>Total Profit (+)/loss (-) before tax</b>	<b>745.37</b>	<b>1,218.06</b>	<b>447.83</b>	<b>4,038.35</b>	<b>3,493.27</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 various notices of demand 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 ₹ 3,703.40 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 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 notices of demand 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. In addition, Company had made provision of ₹ 125.38 Crore as of 31<sup>st</sup> March, 2023 for products not part of the referenced writ proceedings. Further, no new recovery notices were received by the Company in the quarter, thus not requiring any fresh cases to be filed by the Company in that regard. Due to COVID-19, courts are hearing only urgent cases, hence the writs that are pending will be heard in due course.



## Consolidated statement of assets and liabilities:

(₹ in Crores)

Particulars	As at	As at
	31-03-2023	31-03-2022
	Audited	Audited
<b>A. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	4,583.60	4,838.79
(b) Right-of-use assets	407.18	325.61
(c) Capital work-in-progress	689.17	382.90
(d) Investment properties	59.83	61.42
(e) Goodwill (refer note 4)	2,983.86	3,137.93
(f) Intangible assets	1,126.01	1,319.58
(g) Intangible assets under development	404.13	383.28
(h) Investment in associates	90.90	45.81
(i) Financial assets		
(i) Investments (refer note 5)	481.62	309.82
(ii) Loans	-	0.04
(iii) Others financial assets	99.32	417.04
(j) Income tax assets (net)	548.00	483.62
(k) Deferred tax assets (net)	456.54	448.83
(l) Other non-current assets	258.17	218.91
<b>Total non-current assets</b>	<b>12,188.33</b>	<b>12,373.58</b>
<b>2. Current assets</b>		
(a) Inventories	5,156.43	5,350.24
(b) Financial assets		
(i) Investments	3,089.86	2,194.97
(ii) Trade receivables	4,057.00	3,424.44
(iii) Cash and cash equivalents	627.63	677.74
(iv) Bank balances other than cash and cash equivalents	936.99	1,250.74
(v) Loans	7.59	3.57
(vi) Other financial assets	2,080.57	898.39
(c) Other current assets	848.99	910.74
<b>Total current assets</b>	<b>16,805.06</b>	<b>14,710.83</b>
<b>3. Assets classified as held for sale/disposal group (refer note 4)</b>	<b>469.89</b>	<b>16.71</b>
<b>Total assets</b>	<b>29,463.28</b>	<b>27,101.12</b>
<b>B. EQUITY and LIABILITIES</b>		
<b>1. Equity</b>		
(a) Share capital	161.43	161.36
(b) Other equity	23,246.35	20,680.33
<b>Equity attributable to owner</b>	<b>23,407.78</b>	<b>20,841.69</b>
Non-controlling interest	305.76	275.69
<b>Total equity</b>	<b>23,713.54</b>	<b>21,117.38</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	-	416.24
(ii) Lease liabilities	208.82	158.28
(iii) Other financial liabilities	113.70	100.37
(b) Provisions	102.16	100.22
(c) Deferred tax liabilities (net)	163.28	243.96
(d) Other non-current liabilities	52.11	51.46
<b>Total non-current liabilities</b>	<b>640.07</b>	<b>1,070.53</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	520.36	407.90
(ii) Lease liabilities	73.94	73.36
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	225.91	175.12
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,231.14	2,332.98
(iv) Other financial liabilities	394.54	370.83
(b) Other current liabilities	284.13	311.06
(c) Provisions	1,286.67	1,221.00
(d) Income tax liabilities (net)	16.58	20.62
<b>Total current liabilities</b>	<b>5,033.27</b>	<b>4,912.87</b>
<b>3. Liabilities directly associated with assets classified as held for sale/disposal group (refer note 4)</b>	<b>76.40</b>	<b>0.34</b>
<b>Total liabilities</b>	<b>5,749.74</b>	<b>5,983.74</b>
<b>Total equity and liabilities</b>	<b>29,463.28</b>	<b>27,101.12</b>



Disclosure of statement of Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March, 2023.

(₹ in Crores)

Particulars	Year ended	
	31-03-2023	31-03-2022
	Audited	Audited
<b>Cash flow from operating activities</b>		
<b>Profit before exceptional items and tax</b>	<b>4,220.77</b>	<b>3,675.39</b>
<b>Adjustments for :</b>		
Depreciation, impairment and amortisation expense	1,172.11	1,051.95
Interest expense	109.54	106.35
Unrealised foreign exchange (gain)/loss (net)	(56.20)	11.15
Share based payment expense	39.04	24.12
Allowances for credit loss (net)	(36.68)	(40.82)
Interest income on income tax refund	(28.62)	(17.75)
Interest income on bank deposit and others	(133.62)	(61.87)
Dividend income	-	(0.01)
Sundry balance written back (net)	(9.08)	(6.37)
Net gain on sale of current investment carried at fair value through profit or loss	(122.39)	(77.22)
Reversal of impairment of investment in associate	(25.77)	-
Net fair value (gain)/loss on financial instruments at fair value through profit or loss	(20.68)	(2.02)
Net gain on sale/disposal of property, plant and equipment	(1.58)	(8.68)
Rent income	(7.88)	(11.36)
<b>Operating profit before working capital changes</b>	<b>5,098.96</b>	<b>4,642.86</b>
<b>Adjustments for working capital :</b>		
Decrease/(Increase) in inventories	110.77	(621.11)
(Increase)/Decrease in trade and other receivables	(651.98)	81.36
(Decrease)/Increase in trade payables and other liabilities	(18.21)	362.29
<b>Cash generated from operations</b>	<b>4,539.54</b>	<b>4,465.40</b>
Income taxes paid (net of refunds)	(1,301.89)	(1,139.50)
<b>Net cash flows from operating activities (a)</b>	<b>3,237.65</b>	<b>3,325.90</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment {refer note (ii) below}	(840.53)	(544.11)
Purchase of intangible assets (including intangible asset under development)	(342.36)	(157.04)
Proceeds from sale of property, plant and equipment {refer note (ii) below}	28.52	16.40
Proceeds from sale of intangible assets	18.86	3.78
Proceeds from sale of associate	25.77	-
Investment in associates	(50.90)	(18.02)
Purchase of non-current investments	(136.03)	(0.05)
Purchase/(sale) of current investments (net)	(751.83)	170.64
Receipt from sale of assets held for sale	1.06	14.98
Change in other bank balance and cash not available for immediate use	(462.96)	(1,416.82)
Interest received	114.01	46.99
Dividend received	-	0.01
Rent received	7.88	11.36
<b>Net cash used in investing activities (b)</b>	<b>(2,388.51)</b>	<b>(1,871.88)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares (ESOs)	0.07	0.07
Transaction with non-controlling interest (net)	(4.27)	(19.75)
Consideration paid to buyback of ESOP rights relating to subsidiary	-	(2.77)
(Repayment)/Proceeds from current borrowings (net)	(308.00)	34.98
Repayment of non-current borrowings	(43.90)	(1,041.21)
Payment of lease liabilities	(133.69)	(92.10)
Interest paid	(65.00)	(75.66)
Dividend paid	(403.50)	(403.35)
<b>Net cash used in financing activities (c)</b>	<b>(958.29)</b>	<b>(1,599.79)</b>
<b>Net decrease in cash and cash equivalents (a+b+c)</b>	<b>(109.15)</b>	<b>(145.77)</b>
Cash and cash equivalents at the beginning of the year	<b>658.11</b>	<b>790.43</b>
Exchange difference on translation of foreign currency cash and cash equivalents	<b>12.37</b>	<b>13.45</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>561.33</b>	<b>658.11</b>

**Notes:**

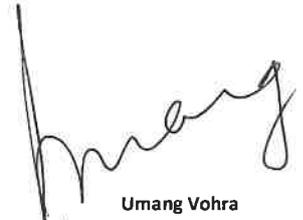
- The above statement of cash flow has been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7-Statement of Cash Flows.
- Purchase and sale of property, plant and equipment represents additions and deletions to property, plant and equipment. Investment properties adjusted for movement of capital work in progress, capital advances, capital creditors during the year.



3. The paid-up equity share capital stands increased to ₹ 161.43 Crore (80,71,50,593 equity shares of ₹ 2 each) upon allotment of 11,425 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31<sup>st</sup> March, 2023.
4. On 13<sup>th</sup> March 2023, the Company and its wholly owned subsidiaries, Cipla (EU) Limited and Meditab Holdings Limited, have entered into a Share Purchase Agreement ("SPA") for sale of 51.18% stake held in Cipla Quality Chemical Industries Limited (CQCIL), Uganda ("Disposal Group"), with expected closing date by the end of May 2023. Accordingly, assets and liabilities of CQCIL are classified as 'held for sale' as per the provisions of "Ind AS 105 –Non-Current Assets Held for Sale and Discontinued Operations" at fair value and recognized goodwill impairment loss of ₹ 39.44 crore in the Consolidated Financial results under "Exceptional Item".  
  
Further, as a part of impairment assessment, the Group has identified that, in respect of Yemen Cash Generating Unit, on account of change in local regulations, business model change and market dynamics, the current recoverable amount would be less than the current carrying amount and hence, recognized goodwill impairment loss of ₹ 142.98 Crore in the Consolidated Financial results under "Exceptional Item".
5. The Group made a strategic investment of ₹ 136.03 Crore in Ethis GmbH which is accounted as fair value through other comprehensive income (FVOCI) as per Ind AS 109 – "Financial Instruments".
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 audited standalone financial results for the quarter ended 31<sup>st</sup> March, 2023 are available on the Company's website i.e. [www.cipla.com](http://www.cipla.com) under Investor Information section and on the stock exchange websites i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
8. The figures for the quarter ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year.
9. The Income Tax Department ("the Department") 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 statement if needed at a future date as appropriate.
10. The Board of Directors of the Company at its meeting held on 12<sup>th</sup> May, 2023 has recommended a final dividend of ₹ 8.50 per equity share (face value of ₹ 2 each) for the financial year ended 31<sup>st</sup> March, 2023. The dividend is subject to approval at the ensuing annual general meeting of the Company.
11. 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 12<sup>th</sup> May, 2023. These results have been subjected to audit by statutory auditors who have expressed an unqualified opinion.

By order of the Board  
For CIPLA LIMITED



  
Umang Vohra  
Managing Director and Global Chief Executive Office

Mumbai  
12<sup>th</sup> May, 2023

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Walker ChandioK & Co LLP  
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Outer Circle,  
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**Independent Auditor's Report on Consolidated Annual Financial 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**

**Opinion**

1. We have audited the accompanying consolidated annual 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') and its associates for the year ended 31 March 2023, attached herewith, 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. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements / financial information of the subsidiaries and associates, as referred to in paragraph 12 below, the Statement:
  - (i) includes the annual financial results of the entities listed in Annexure 1;
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group and its associates, for the year ended 31 March 2023.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Group and its associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and



## Cipla Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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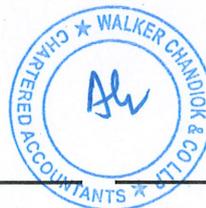
the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group including its associates in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group and its associates, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associates, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates, are responsible for assessing the ability of the Group and of its associates, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group and of its associates, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

#### Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



**Cipla Limited**

**Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information / financial statement of the entities within the Group, and its associates, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

**Other Matters**

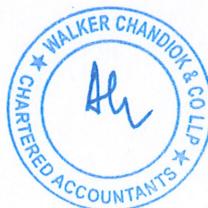
12. We did not audit the annual financial statements/ financial information of 35 subsidiaries included in the Statement, whose financial information (prior to consolidation adjustments) reflects total assets of ₹ 11,063.11 crores as at 31 Month 2023, total revenues of ₹ 4,172.39 crores, total net profit after tax of ₹ 67.03 crores, total comprehensive income of ₹ 141.15 crores, and cash flows (net) of ₹ 41.06 crores for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss (including other comprehensive income) of ₹ (1.77) crores for the year ended 31 March 2023, in respect of an associate, whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion 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 audit reports of such other auditors, and the procedures performed by us as stated in paragraph 8 above.

Further, of these subsidiaries and associates, 32 subsidiaries and an associate are located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted accounting principles applicable in their respective countries. The Holding Company's management has converted the financial statement/ financial information of such subsidiaries and an associate from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

13. The Statement also includes the Group's share of net loss (including other comprehensive income) of ₹ (0.83) crores for the year ended 31 March 2023, in respect of 5 associates, based on their annual financial information, which have not been audited by their auditors. These financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid associates, is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management of the Holding Company, these financial information are not material to the Group.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial information reviewed by the Board of Directors and certified by the Holding Company's management.



**Cipla Limited**

**Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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14. The Statement includes the consolidated financial results for the quarter ended 31 March 2023, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

**For Walker ChandioK & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

  
**Ashish Gupta**

Partner

Membership No. 504662

**UDIN:** 23504662BGWGDW5870

**Place:** New Delhi

**Date:** 12 May 2023



## Cipla Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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#### 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 Medpro South Africa (Pty) Limited, South Africa
9. Cipla Holding B.V., Netherlands
10. Cipla (EU) Limited, United Kingdom
11. Saba Investment Limited, United Arab Emirates
12. Cipla Australia Pty Limited, Australia
13. Meditab Holdings Limited, Mauritius
14. Cipla USA Inc., United States of America
15. Cipla Kenya Limited, Kenya
16. Cipla Malaysia Sdn. Bhd., Malaysia
17. Cipla Europe NV, Belgium
18. Cipla Quality Chemical Industries Limited, Uganda
19. Cipla Brasil Importadora E Distribuidora De Medicamentos Ltda., Brazil
20. Inyanga Trading 386 (Pty) Limited, South Africa (Dissolved w.e.f. 10 December 2021)
21. Cipla Medpro Holdings (Pty) Limited, South Africa (Dissolved w.e.f. 25 August 2022)
22. Cipla Dibcare (Pty) Limited, South Africa (under liquidation)
23. Cipla Medpro Manufacturing (Pty) Limited, South Africa (formerly known as Cipla Life Sciences (Pty) Limited)
24. Cipla-Medpro (Pty) Limited, South Africa
25. Cipla-Medpro Distribution Centre (Pty) Limited, South Africa
26. Cipla Medpro Botswana (Pty) Limited, South Africa
27. Cipla Algérie, Algeria
28. Cipla Biotec South Africa (Pty) Limited, South Africa (deregistered w.e.f. 3 February 2022)
29. Cipla Select (Pty) Limited, South Africa (formerly known as Cipla OLTP (Pty) Limited)
30. Medpro Pharmaceutica (Pty) Limited, South Africa
31. Breathe Free Lanka (Private) Limited, Sri Lanka
32. Cipla Medica Pharmaceutical and Chemical Industries Limited, Yemen
33. Cipla Maroc SA, Morocco
34. Cipla Middle East Pharmaceuticals FZ-LLC, United Arab Emirates
35. Cipla Philippines Inc., Philippines
36. InvaGen Pharmaceuticals Inc., United States of America
37. Exelan Pharmaceuticals Inc., United States of America
38. Cipla Technologies LLC, United States of America
39. Cipla Gulf FZ-LLC, United Arab Emirates
40. Mirren (Pty) Limited, South Africa
41. Madison Pharmaceuticals Inc. United States of America (Dissolved w.e.f. 28<sup>th</sup> April 2023)
42. Cipla Colombia SAS, Colombia
43. Cipla (China) Pharmaceutical Co., Ltd, China
44. Cipla (Jiangsu) Pharmaceutical Co., Ltd., China
45. Cipla Pharmaceuticals Limited, India
46. Cipla Therapeutics Inc., United States of America



## Cipla Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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47. Cipla Health Employees Stock Option Trust, India
48. Cipla Employee Stock Option Trust, India (Deregistered)
49. Cipla Digital Health Limited, India (incorporated on 25 February 2022)
50. Aspergen Inc, United States of America (w.e.f. 30 August 2022)
51. The Cipla Empowerment Trust, South Africa (w.e.f. 30 June 2022)

#### 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)



STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
	Audited (Refer note 7)	Unaudited	Audited (Refer note 7)	Audited	Audited
<b>A. Continuing Operations :</b>					
<b>1. Revenue from operations</b>					
a) Revenue from sale of products	3,485.68	3,541.16	3,635.77	14,518.79	15,052.48
b) Other operating revenue	408.06	358.29	98.82	1,271.81	328.34
<b>Total revenue from operations</b>	<b>3,893.74</b>	<b>3,899.45</b>	<b>3,734.59</b>	<b>15,790.60</b>	<b>15,380.82</b>
<b>2. Other income</b>	<b>119.71</b>	<b>127.12</b>	<b>316.31</b>	<b>456.79</b>	<b>666.70</b>
<b>3. Total income (1+2)</b>	<b>4,013.45</b>	<b>4,026.57</b>	<b>4,050.90</b>	<b>16,247.39</b>	<b>16,047.52</b>
<b>4. Expenses</b>					
a) Cost of materials consumed	757.67	753.93	610.28	3,502.77	3,616.69
b) Purchases of stock-in-trade	451.92	552.08	526.94	1,993.39	2,850.85
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	203.19	52.74	400.14	205.26	(541.93)
d) Employee benefits expense	595.33	591.25	526.10	2,377.27	2,113.78
e) Finance costs	10.46	6.85	5.78	27.02	26.93
f) Depreciation, impairment and amortisation expense	161.58	129.96	136.72	595.91	546.62
g) Other expenses	1,085.85	1,011.34	1,045.87	3,919.33	3,630.20
<b>Total expenses</b>	<b>3,266.00</b>	<b>3,098.15</b>	<b>3,251.83</b>	<b>12,620.95</b>	<b>12,243.14</b>
<b>5. Profit before exceptional items and tax from continuing operations (3-4)</b>	<b>747.45</b>	<b>928.42</b>	<b>799.07</b>	<b>3,626.44</b>	<b>3,804.38</b>
<b>6. Exceptional item (Refer note 4)</b>	<b>(185.90)</b>	<b>-</b>	<b>-</b>	<b>(185.90)</b>	<b>-</b>
<b>7. Profit before tax from continuing operations (5+6)</b>	<b>561.55</b>	<b>928.42</b>	<b>799.07</b>	<b>3,440.54</b>	<b>3,804.38</b>
<b>8. Tax expense (net)</b>					
a) Current tax	244.64	241.88	159.91	1,011.10	949.49
b) Deferred tax	(38.58)	8.02	(0.05)	(40.09)	(27.69)
<b>Total tax expense</b>	<b>206.06</b>	<b>249.90</b>	<b>159.86</b>	<b>971.01</b>	<b>921.80</b>
<b>9. Net profit (+)/loss (-) after tax for the period/year from continuing operations (7-8)</b>	<b>355.49</b>	<b>678.52</b>	<b>639.21</b>	<b>2,469.53</b>	<b>2,882.58</b>
<b>B. Discontinuing/Restructuring Operations: (Refer note 5)</b>					
<b>10. Profit (+)/loss (-) before tax from discontinuing/restructuring operations</b>	<b>-</b>	<b>-</b>	<b>18.38</b>	<b>58.73</b>	<b>100.70</b>
<b>11. Tax expense from discontinuing/restructuring operations</b>	<b>-</b>	<b>-</b>	<b>4.63</b>	<b>14.79</b>	<b>25.35</b>
<b>12. Net profit (+)/loss (-) for the period/year from discontinuing/restructuring operations (10-11)</b>	<b>-</b>	<b>-</b>	<b>13.75</b>	<b>43.94</b>	<b>75.35</b>
<b>13. Net profit (+)/loss (-) for the period/year (9+12)</b>	<b>355.49</b>	<b>678.52</b>	<b>652.96</b>	<b>2,513.47</b>	<b>2,957.93</b>
<b>14. Other comprehensive income/(loss) for the period/year</b>					
<b>I. In respect of continuing operations:</b>					
a) (i) Items that will not be reclassified to profit or loss	(0.41)	(2.99)	8.81	(13.47)	16.78
(ii) Income tax on items that will not be reclassified to profit or loss	0.12	0.75	(2.21)	3.41	(4.22)
b) (i) Items that will be reclassified to profit or loss	58.81	2.03	(40.11)	1.69	(9.38)
(ii) Income tax on items that will be reclassified to profit or loss	(14.80)	(0.51)	10.10	(0.43)	2.37
<b>II. In respect of discontinuing/restructuring operations:</b>					
a) (i) Items that will not be reclassified to profit or loss	-	-	0.38	(0.22)	0.73
(ii) Income tax on items that will not be reclassified to profit or loss	-	-	(0.10)	0.05	(0.18)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>43.72</b>	<b>(0.72)</b>	<b>(23.13)</b>	<b>(8.97)</b>	<b>6.10</b>
<b>15. Total comprehensive income/(loss) for the period/year (13+14)</b>	<b>399.21</b>	<b>677.80</b>	<b>629.83</b>	<b>2,504.50</b>	<b>2,964.03</b>
<b>16. Paid-up equity share capital (face value of ₹ 2/- each) (Refer note 3)</b>	<b>161.43</b>	<b>161.43</b>	<b>161.36</b>	<b>161.43</b>	<b>161.36</b>
<b>17. Other equity</b>				<b>24,476.66</b>	<b>22,352.19</b>
<b>18. Earnings per share (face value of ₹ 2/- each)</b>					
<b>(A) From continuing operations</b>					
a) Basic (₹)	*4.40	*8.41	*7.92	30.61	35.73
b) Diluted (₹)	*4.40	*8.40	*7.92	30.58	35.70
<b>(B) From discontinuing/restructuring operations</b>					
a) Basic (₹)	-	-	*0.17	0.54	0.94
b) Diluted (₹)	-	-	*0.17	0.54	0.93
<b>(C) From total operations</b>					
a) Basic (₹)	*4.40	*8.41	*8.09	31.15	36.67
b) Diluted (₹)	*4.40	*8.40	*8.09	31.12	36.63
*Not Annualised					

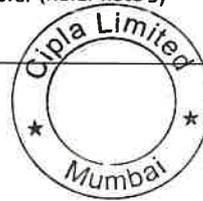


Cipla Ltd.

Standalone statement of assets and liabilities: -

(₹ in Crores)

Particulars	As at	As at
	31-03-2023	31-03-2022
	Audited	Audited
<b>A. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	3,449.67	3,554.91
(b) Right-of-use assets	98.16	75.70
(c) Capital work-in-progress	441.53	186.26
(d) Investment properties	61.72	63.35
(e) Intangible assets	199.45	215.96
(f) Intangible assets under development	62.72	81.42
(g) Financial assets		
(i) Investments (Refer note 4)	9,137.91	8,934.88
(ii) Loans	131.09	-
(iii) Others financial assets	55.54	372.10
(h) Income tax assets (net)	460.72	377.12
(i) Other non-current assets	126.83	153.44
<b>Total non-current assets</b>	<b>14,225.34</b>	<b>14,015.14</b>
<b>2. Current assets</b>		
(a) Inventories	3,277.36	3,485.81
(b) Financial assets		
(i) Investments	2,771.44	2,038.80
(ii) Trade receivables	2,888.49	2,794.48
(iii) Cash and cash equivalents	29.48	177.29
(iv) Bank balances other than cash and cash equivalents	936.98	1,250.74
(v) Loans	772.73	0.89
(vi) Other financial assets	2,065.14	871.94
(c) Other current assets	629.51	715.09
<b>Total current assets</b>	<b>13,371.13</b>	<b>11,335.04</b>
<b>3. Assets classified as held for sale/transfer (Refer note 5)</b>		
<b>Total assets</b>	<b>27,596.47</b>	<b>25,449.05</b>
<b>B. EQUITY and LIABILITIES</b>		
<b>1. Equity</b>		
(a) Share capital	161.43	161.36
(b) Other equity	24,476.66	22,352.19
<b>Total equity</b>	<b>24,638.09</b>	<b>22,513.55</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	35.53	15.53
(ii) Other financial liabilities	53.81	53.13
(b) Provisions	81.73	81.63
(c) Deferred tax liabilities (net)	36.13	79.25
(d) Other non-current liabilities	51.44	46.62
<b>Total non-current liabilities</b>	<b>258.64</b>	<b>276.16</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	14.56	7.92
(ii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	189.30	146.52
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,404.82	1,423.21
(iii) Other financial liabilities	238.34	202.93
(b) Other current liabilities	205.98	220.40
(c) Provisions	646.74	631.39
<b>Total current liabilities</b>	<b>2,699.74</b>	<b>2,632.37</b>
<b>3. Liabilities directly associated with assets classified as held for sale/transfer (Refer note 5)</b>		
<b>Total liabilities</b>	<b>2,958.38</b>	<b>2,935.50</b>
<b>Total equity and liabilities</b>	<b>27,596.47</b>	<b>25,449.05</b>



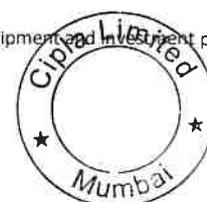
Disclosure of statement of Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Year ended	
	31-03-2023	31-03-2022
	Audited	Audited
<b>Cash flow from operating activities</b>		
<b>Profit before exceptional items and tax from Continuing Operations</b>	<b>3,626.44</b>	<b>3,804.38</b>
<b>Discontinuing / Restructuring Operations (refer note 5)</b>	<b>58.73</b>	<b>100.70</b>
<b>Adjustments for :</b>		
Depreciation, impairment and amortisation expense	595.91	546.62
Interest expense	27.02	26.93
Unrealised foreign exchange (gain)/loss (net)	(43.69)	(1.45)
Share based payment expense	23.47	19.68
Allowances for credit loss (net)	(7.78)	14.19
Interest income on income tax refund	(25.24)	(15.64)
Interest income on bank deposits and others	(133.50)	(57.25)
Dividend income	(14.92)	(403.32)
Sundry balance written off (net)	0.45	24.05
Net gain on sale of current investment carried at fair value through profit or loss	(118.13)	(64.00)
Net fair value (gain)/loss on financial instruments at fair value through profit or loss	(13.89)	(3.23)
Net gain on sale/disposal of property, plant and equipment	(11.02)	(0.72)
Rent income	(9.11)	(12.60)
<b>Operating profit before working capital changes</b>	<b>3,954.74</b>	<b>3,978.34</b>
<b>Adjustments for working capital :</b>		
Decrease /(increase) in inventories	185.18	(433.56)
(Increase)/decrease in trade and other receivables	(51.56)	225.70
Increase/ (decrease) in trade payables and other liabilities	30.95	(63.02)
<b>Cash generated from operations</b>	<b>4,119.31</b>	<b>3,707.46</b>
Income taxes paid (net of refunds)	(1,084.26)	(934.03)
<b>Net cash flows from operating activities (a)</b>	<b>3,035.05</b>	<b>2,773.43</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (refer note (ii) below)	(586.40)	(305.04)
Purchase of intangible assets (including intangible asset under development)	(97.75)	(26.64)
Proceeds from sale of property, plant and equipment (refer note (ii) below)	29.93	11.18
Investment in associates	(50.90)	(15.43)
Investment in subsidiaries	(337.77)	(1,173.43)
Purchase/ (sale) of current investments (net)	(600.63)	33.27
Change in other bank balance and cash not available for immediate use	(463.63)	(1,444.21)
Interest received	113.77	40.65
Dividend received	14.92	403.32
Long term loan given to subsidiaries	(71.20)	-
Short term loan given to subsidiaries	(772.40)	-
Proceeds from loan given to subsidiaries	55.00	-
Rent received	9.11	12.60
<b>Net cash used in investing activities (b)</b>	<b>(2,757.95)</b>	<b>(2,463.73)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares (ESOSs)	0.07	0.07
Interest paid	(7.80)	(3.84)
Payment of lease liabilities	(13.54)	(19.60)
Dividend paid	(403.50)	(403.35)
<b>Net cash used in financing activities (c)</b>	<b>(424.77)</b>	<b>(426.72)</b>
<b>Net decrease in cash and cash equivalents (a+b+c)</b>	<b>(147.67)</b>	<b>(117.02)</b>
Cash and cash equivalents at the beginning of the year	177.29	294.72
Exchange difference on translation of foreign currency cash and cash equivalents	(0.14)	(0.41)
<b>Cash and cash equivalents at the end of the year</b>	<b>29.48</b>	<b>177.29</b>

**Notes:**

- The above statement of cash flow has been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.
- Purchase and sale of property, plant and equipment represent additions and deletions to property, plant and equipment and investment properties adjusted for movement of capital work in progress, capital advances, capital creditors during the year.



- 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 various notices of demand 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 ₹ 3,703.40 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 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 notices of demand 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.

In addition, Company had made provision of ₹ 125.38 Crore as of 31<sup>st</sup> March, 2023 for products not part of the referenced writ proceedings. Further, no new recovery notices were received by the Company in the quarter, thus not requiring any fresh cases to be filed by the Company in that regard. Due to COVID-19, courts are hearing only urgent cases, hence the writs that are pending will be heard in due course.

- The paid-up equity share capital stands increased to ₹ 161.43 Crore (80,71,50,593 equity shares of ₹ 2 each) upon allotment of 11,425 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31<sup>st</sup> March, 2023.
- As a part of impairment assessment, the Company has identified that, in respect of one of its subsidiaries, Saba Investment Limited, on account of change in local regulations, business model change and market dynamics, the current recoverable amount would be less than the current carrying amount of investment and hence recognized impairment loss of ₹ 185.90 Crore in the Standalone financial results under "Exceptional Item".
- 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. Accordingly, disclosures as required under Indian Accounting Standard (Ind AS) 105 "Non-Current Assets Held for Sale and Discontinued Operations", in the standalone financial results for all the periods have been suitably presented.

**Key financial information's of Discontinuing/Restructuring operations:**

Particulars	(₹ in Crores)				
	Quarter ended			Year Ended	
	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
Total revenue from operations	-	-	64.88	171.35	325.88
Total expenses	-	-	46.50	112.62	225.18
Profit (+)/loss (-) before tax	-	-	18.38	58.73	100.70
Total tax expense	-	-	4.63	14.79	25.35
Net profit (+)/loss (-) for the period/year	-	-	13.75	43.94	75.35



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 figures for the quarter ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year.
8. The Income Tax Department ("the Department") 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 statement if needed at a future date as appropriate.
9. The Board of Directors of the Company at its meeting held on 12<sup>th</sup> May, 2023 has recommended a final dividend of ₹ 8.50 per equity share (face value of ₹ 2 each) for the financial year ended 31<sup>st</sup> March, 2023. The dividend is subject to approval at the ensuing annual general meeting of the Company.
10. 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 12<sup>th</sup> May, 2023. These results have been subjected to audit by statutory auditors who have expressed an unqualified opinion.

By order of the Board  
For CIPLA LIMITED



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

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

Mumbai  
12<sup>th</sup> May, 2023

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Walker Chandiook & Co LLP

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Outer Circle,  
New Delhi – 110 001  
India

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**Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

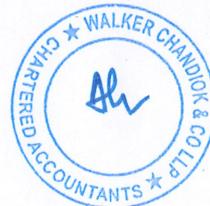
**To the Board of Directors of Cipla Limited**

**Opinion**

1. We have audited the accompanying standalone annual financial results ('the Statement') of Cipla Limited ('the Company') for the year ended 31 March 2023, attached herewith, 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. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2023.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.



#### Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we



**Cipla Limited**

**Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter**

11. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



**Ashish Gupta**

Partner

Membership No.: 504662



**UDIN:** 23504662BGWGDV5721

**Place:** New Delhi

**Date:** 12 May 2023

12<sup>th</sup> May 2023

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

**Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

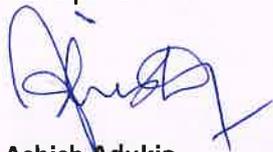
Dear Sir/Madam,

We, hereby confirm and declare that the Statutory Auditors of the Company i.e. Walker Chandiook & Co LLP, Chartered Accountants, have issued the audit report on the financial results (standalone and consolidated) of the Company for the year ended 31<sup>st</sup> March 2023 with unmodified opinion.

Kindly take the above information on record.

Thanking you,

Yours faithfully,  
For Cipla Limited



**Ashish Adukia**  
**Global Chief Financial Officer**