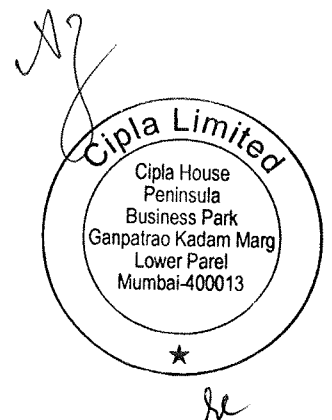


**REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF CIPLA LIMITED APPROVED AT ITS MEETING HELD ON 28<sup>TH</sup> JANUARY 2021 RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT BETWEEN CIPLA LIMITED, CIPLA BIOTEC LIMITED, CIPLA HEALTH LIMITED AND THEIR RESPECTIVE SHAREHOLDERS.**

A meeting of the Committee of Independent Directors as constituted by the Board of Directors of Cipla Limited ("Demerged Company or the Company") was held on 28<sup>th</sup> January 2021 to consider and recommend the proposed scheme of arrangement ("Scheme") between the Demerged Company, Cipla BioTec Limited ("Resulting Company 1"), Cipla Health Limited ("Resulting Company 2") and its respective shareholders, wherein the Demerged Undertaking 1 & Demerged Undertaking 2 (as defined in the Scheme) of the Demerged Company would stand transferred to and vested in Resulting Company 1 and Resulting Company 2 respectively with effect from the appointed date i.e. 1<sup>st</sup> April 2021 in accordance with the terms of the Scheme and pursuant to section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder, as amended from time to time, (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Master Circular no SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 of the Securities and Exchange Board of India ("SEBI Circular"), as amended from time to time.

The report of the Committee of Independent Directors is made in order to comply with the requirements of the SEBI Circular after considering the following documents:

- a) The draft scheme of arrangement between the Demerged Company, Resulting Company 1 and Resulting Company 2.
- b) Draft certificate by Walker Chandiook and Co LLP, statutory auditors of the Company certifying the accounting treatment as envisaged in the Scheme was in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Act.
- c) A certificate dated 27<sup>th</sup> January 2021, issued by Walker Chandiook and Co LLP, statutory auditors in compliance with Part I (A)(10)(c) of SEBI Circular, confirming the non-applicability of Part I (A)(10)(a) read with Part I (A)(10)(b);
- d) Valuation report dated 28<sup>th</sup> January 2021 issued by Niranjana Kumar, Registered valuer, ("Valuer") recommending nil consideration for demerger of Demerged Undertaking 1 and Demerged Undertaking 2; and
- e) Fairness opinion dated 28<sup>th</sup> January 2021 issued by Kotak Mahindra Capital Company Limited, a Securities and Exchange Board of India Registered (Category-I) Merchant Banker, on the nil consideration for demerger of Demerged Undertaking 1 and Demerged Undertaking 2 recommended by the Valuer.



## Recommendation of the Independent Directors

After detailed deliberation and considering the aforesaid documents, in the opinion of Committee of Independent Directors the Scheme is not detrimental to the shareholders of the Company and the Committee of Independent Directors hereby favourably recommends the Scheme to the Board of Directors of Cipla Limited for their approval.

For and On Behalf of the Committee of Independent Directors of Cipla Limited



Adil Zainulbhai  
Lead Independent Director



DIN: 06646490

Date: 28<sup>th</sup> January 2021

