

25<sup>th</sup> January, 2022

(1) BSE Limited  
Listing Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

(2) National Stock Exchange of India Limited  
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: 500087**

**Scrip Code: CIPLA**

(3) SOCIETE DE LA BOURSE DE LUXEMBOURG  
Societe Anonyme  
35A Boulevard Joseph II,  
L-1840 Luxembourg

**Sub: Unaudited financial results (standalone and consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2021**

Dear Sir/ Madam,

Pursuant to Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the following:

- i. Unaudited financial results (standalone and consolidated) as per Indian Accounting Standards for the quarter and nine months ended 31<sup>st</sup> December, 2021 as approved by the Board at its meeting held on 25<sup>th</sup> January, 2022;
- ii. Limited review report (standalone and consolidated) by Walker Chandiok & Co LLP, Statutory Auditor of the Company, for the quarter and nine months ended 31<sup>st</sup> December, 2021.

The meeting of the Board of Directors of the Company commenced at 02.30 p.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.

Thanking you,

Yours faithfully,  
For **Cipla Limited**

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

Encl: as above  
Prepared by: Chirag Hotchandani

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2021**

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	5,442.86	5,485.84	5,154.17	16,399.42	14,403.64	18,988.52
b) Other operating revenue	36.00	33.96	14.52	103.59	149.50	171.07
<b>Total revenue from operations</b>	<b>5,478.86</b>	<b>5,519.80</b>	<b>5,168.69</b>	<b>16,503.01</b>	<b>14,553.14</b>	<b>19,159.59</b>
<b>2. Other income</b>	<b>91.29</b>	<b>60.67</b>	<b>86.94</b>	<b>216.89</b>	<b>205.86</b>	<b>265.99</b>
<b>3. Total income (1+2)</b>	<b>5,570.15</b>	<b>5,580.47</b>	<b>5,255.63</b>	<b>16,719.90</b>	<b>14,759.00</b>	<b>19,425.58</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	1,524.76	1,382.71	1,353.34	4,321.21	3,707.85	4,886.43
b) Purchases of stock-in-trade	716.63	875.51	604.50	2,940.12	2,127.31	2,658.17
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(98.02)	(121.53)	35.64	(912.43)	(305.69)	(192.71)
d) Employee benefits expense	872.43	877.78	844.36	2,637.50	2,437.11	3,251.83
e) Finance costs	20.68	38.00	47.92	88.25	133.25	160.70
f) Depreciation, impairment and amortisation expense	247.47	253.06	248.43	761.64	782.47	1,067.66
g) Other expenses	1,232.09	1,279.13	1,099.97	3,713.55	3,130.37	4,303.44
<b>Total expenses</b>	<b>4,516.04</b>	<b>4,584.66</b>	<b>4,234.16</b>	<b>13,549.84</b>	<b>12,012.67</b>	<b>16,135.52</b>
<b>5. Profit (+)/loss (-) before exceptional items and tax (3-4)</b>	<b>1,054.11</b>	<b>995.81</b>	<b>1,021.47</b>	<b>3,170.06</b>	<b>2,746.33</b>	<b>3,290.06</b>
<b>6. Exceptional item</b>	-	-	-	(124.62)	-	-
<b>7. Profit (+)/loss (-) before tax (5-6)</b>	<b>1,054.11</b>	<b>995.81</b>	<b>1,021.47</b>	<b>3,045.44</b>	<b>2,746.33</b>	<b>3,290.06</b>
<b>8. Tax expense (net)</b>						
a) Current tax	308.00	276.37	260.42	906.56	866.26	1,052.72
b) Deferred tax	(12.84)	7.44	8.54	(43.87)	(105.72)	(163.96)
<b>Total tax expense</b>	<b>295.16</b>	<b>283.81</b>	<b>268.96</b>	<b>862.69</b>	<b>760.54</b>	<b>888.76</b>
<b>9. Net profit (+)/loss (-) after tax before share of associates (7-8)</b>	<b>758.95</b>	<b>712.00</b>	<b>752.51</b>	<b>2,182.75</b>	<b>1,985.79</b>	<b>2,401.30</b>
<b>10. Share of profit (+)/ loss (-) of associates</b>	<b>(2.07)</b>	<b>(2.85)</b>	<b>(0.90)</b>	<b>(6.80)</b>	<b>(8.79)</b>	<b>(12.79)</b>
<b>11. Net profit (+)/ loss (-) for the period/year (9+10)</b>	<b>756.88</b>	<b>709.15</b>	<b>751.61</b>	<b>2,175.95</b>	<b>1,977.00</b>	<b>2,388.51</b>
<b>12. Profit for the period/year attributable to</b>						
a) Shareholders of the company	728.60	711.36	748.15	2,154.68	1,991.49	2,404.87
b) Non- controlling interest	28.28	(2.21)	3.46	21.27	(14.49)	(16.36)
<b>13. Other comprehensive income/(loss) for the period/year</b>						
a) (i) Items that will not be reclassified to profit or loss	4.70	(2.25)	5.28	7.83	20.26	(38.41)
(ii) Income tax on items that will not be reclassified to profit or loss	(1.18)	0.57	(1.34)	(1.97)	(5.10)	0.95
b) (i) Items that will be reclassified to profit or loss	(73.22)	(83.84)	189.34	19.92	239.05	203.18
(ii) Income tax on items that will be reclassified to profit or loss	(0.81)	(12.28)	7.86	(13.11)	(8.53)	(4.23)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>(70.51)</b>	<b>(97.80)</b>	<b>201.14</b>	<b>12.67</b>	<b>245.68</b>	<b>161.49</b>
<b>14. Total comprehensive income/(loss) for the period/year (11+13)</b>	<b>686.37</b>	<b>611.35</b>	<b>952.75</b>	<b>2,188.62</b>	<b>2,222.68</b>	<b>2,550.00</b>
<b>15. Total comprehensive income/(loss) attributable to</b>						
a) Shareholders of the company	658.69	614.34	947.53	2,161.37	2,251.16	2,579.96
b) Non - controlling interest	27.68	(2.99)	5.22	27.25	(28.48)	(29.96)
<b>16. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 3)</b>	<b>161.36</b>	<b>161.33</b>	<b>161.29</b>	<b>161.36</b>	<b>161.29</b>	<b>161.29</b>
<b>17. Other equity</b>						18,165.24
<b>18. Earnings per share (face value ₹ 2/- each)</b>						
a) Basic (₹)	*9.03	*8.82	*9.28	*26.71	*24.70	29.82
b) Diluted (₹)	*9.02	*8.80	*9.26	*26.68	*24.67	29.79

\*Not Annualised

**Segment information**
**(₹ in Crores)**

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment wise revenue and results</b>						
<b>Segment revenue:</b>						
a) Pharmaceuticals	5,377.28	5,413.82	5,102.05	16,175.32	14,334.57	18,878.24
b) New ventures	127.09	139.13	91.17	420.92	307.59	401.27
<b>Total segment revenue</b>	<b>5,504.37</b>	<b>5,552.95</b>	<b>5,193.22</b>	<b>16,596.24</b>	<b>14,642.16</b>	<b>19,279.51</b>
Less : Inter segment revenue	25.51	33.15	24.53	93.23	89.02	119.92
<b>Total revenue from operations</b>	<b>5,478.86</b>	<b>5,519.80</b>	<b>5,168.69</b>	<b>16,503.01</b>	<b>14,553.14</b>	<b>19,159.59</b>
<b>Segment result:</b>						
Profit/(loss) before tax and interest from each segment						
a) Pharmaceuticals	1,098.12	1,064.55	1,111.43	3,356.56	3,001.06	3,633.71
b) New ventures	(23.33)	(30.74)	(42.04)	(98.25)	(121.48)	(182.95)
<b>Total segment result</b>	<b>1,074.79</b>	<b>1,033.81</b>	<b>1,069.39</b>	<b>3,258.31</b>	<b>2,879.58</b>	<b>3,450.76</b>
Less: Finance costs	20.68	38.00	47.92	88.25	133.25	160.70
<b>Total Profit (+)/loss (-) before exceptional items and tax</b>	<b>1,054.11</b>	<b>995.81</b>	<b>1,021.47</b>	<b>3,170.06</b>	<b>2,746.33</b>	<b>3,290.06</b>
Less : Exceptional items - New ventures	-	-	-	124.62	-	-
<b>Total Profit (+)/loss (-) before tax</b>	<b>1,054.11</b>	<b>995.81</b>	<b>1,021.47</b>	<b>3,045.44</b>	<b>2,746.33</b>	<b>3,290.06</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.

**Notes:**

1. The financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5<sup>th</sup> July, 2016.

2. 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 ₹ 116.31 Crore as of 31<sup>st</sup> December, 2021 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.

3. The paid-up equity share capital stands increased to ₹ 161.36 Crore (80,67,90,214 equity shares of ₹ 2 each) upon allotment of 1,36,590 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31<sup>st</sup> December, 2021.

4. The Group continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of goodwill, investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Group's financial results for the quarter and nine months ended 31<sup>st</sup> December, 2021.

5. The Board at its meeting held on 25<sup>th</sup> January, 2022 has considered and approved the transfer of the India based US business undertaking to Cipla BioTec Limited, a wholly owned subsidiary of the Company for a consideration of ₹ 1,400 Crore and the Consumer business Undertaking to Cipla Health Limited, wholly owned subsidiary of the Company for a consideration of ₹ 80 Crore as a going concern on a slump sale basis through a Business Transfer Agreement ("BTA"). The final consideration is subject to the adjustments as on the date of transfer as per the terms of BTA.

6. The unaudited standalone financial results for the quarter and nine months ended 31<sup>st</sup> December, 2021 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).

7. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.

8. 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 25<sup>th</sup> January, 2022. These results have been subjected to limited review by statutory auditors who have expressed an unmodified review report.

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

Mumbai  
25<sup>th</sup> January, 2022

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

**Cipla Ltd.**

Regd. office - Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013, India.

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

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

1. We have reviewed the accompanying statement of consolidated unaudited 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 (refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended 31 December 2021 and the consolidated year to date results for the period 1 April 2021 to 31 December 2021 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), including relevant circulars issued by the SEBI from time to time.
2. This 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 in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.





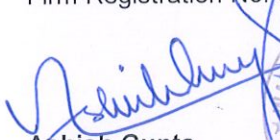
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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial results of 13 subsidiaries, included in the Statement, whose financial information reflects total revenues of ₹ 775.57 crore and ₹ 2,402.65 crore, total net profit after tax of ₹ 47.42 crore and ₹ 137.30 crore, and total comprehensive income of ₹ 45.61 crore and ₹ 142.06 crore for the quarter and year to date period ended 31 December 2021 respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax/ total comprehensive loss of ₹ 0.52 crore and ₹ 1.79 crore for the quarter and year to date period ended 31 December 2021 respectively, as considered in the Statement, in respect of an associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

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

Our review report 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.

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

  
**Ashish Gupta**  
Partner  
Membership No. 504662



UDIN No.: 22504662AAAAAG4764

**Place:** New Delhi  
**Date:** 25 January 2022



## Annexure 1

### List of entities included in the Statement

#### I) Subsidiaries:

1. Meditab Specialities Limited, India
2. Goldencross Pharma Limited, India
3. Cipla BioTec Limited, India
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 (UK) Limited, United Kingdom, (liquidated w.e.f. 5 March 2021)
13. Cipla Australia Pty Limited, Australia
14. Cipla USA Inc., United States of America
15. Meditab Holdings Limited, Mauritius
16. Cipla Kenya Limited, Kenya
17. Cipla Malaysia Sdn. Bhd., Malaysia
18. Cipla Europe NV, Belgium
19. Cipla Quality Chemical Industries Limited, Uganda
20. Cipla Brasil Importadora E Distribuidora De Medicamentos Ltda., Brazil
21. Inyanga Trading 386 (Pty) Limited, South Africa (Dissolved w.e.f. 10 December 2021)
22. Cipla Medpro Holdings (Pty) Limited, South Africa (under liquidation)
23. Cape to Cairo Exports (Pty) Limited, South Africa (Deregistered w.e.f. 27 August 2020)
24. Cipla Dibcare (Pty) Limited, South Africa (under liquidation)
25. Cipla Medpro Manufacturing (Pty) Limited, South Africa (formerly known as Cipla Life Sciences (Pty) Limited)
26. Cipla-Medpro (Pty) Limited, South Africa
27. Cipla-Medpro Distribution Centre (Pty) Limited, South Africa
28. Cipla Medpro Botswana (Pty) Limited, South Africa
29. Cipla Algérie, Algeria
30. Cipla Biotec South Africa (Pty) Limited, South Africa (under deregistration)
31. Cipla Select (Pty) Limited, South Africa (formerly known as Cipla OLTP (Pty) Limited)
32. Medpro Pharmaceutica (Pty) Limited, South Africa
33. Cipla Medica Pharmaceutical and Chemical Industries Limited, Yemen (formerly known as Medica Pharmaceutical Industries Company Limited)
34. Cipla (Mauritius) Limited, Mauritius (liquidated w.e.f. 17 May 2020)
35. Breathe Free Lanka (Private) Limited, Sri Lanka
36. Cipla Maroc SA, Morocco
37. Cipla Middle East Pharmaceuticals FZ-LLC, United Arab Emirates
38. Quality Chemicals Limited, Uganda (ceased to be a subsidiary from 19 August 2020)
39. Cipla Philippines Inc., Philippines
40. InvaGen Pharmaceuticals Inc., United States of America
41. Exelan Pharmaceuticals, Inc., United States of America
42. Anmaraté (Pty) Limited, South Africa (ceased to be a subsidiary from 19 August 2020)
43. Cipla Technologies LLC, United States of America
44. Cipla Gulf FZ-LLC, United Arab Emirates
45. Mirren (Pty) Ltd, South Africa
46. Madison Pharmaceuticals Inc. United States of America
47. Cipla Colombia SAS, Colombia
48. Cipla (China) Pharmaceutical Co., Ltd., China
49. Cipla Health Employees Stock Option Trust, India



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### Annexure 1 (contd.)

50. Cipla Employee Stock Option Trust, India (under deregistration)
51. Cipla (Jiangsu) Pharmaceutical Co., Ltd., China
52. Cipla Pharmaceuticals Limited, India
53. Cipla Therapeutics Inc, United States of America

### II) Associates:

1. Stempeutics Research Private Limited, India
2. Avenue Therapeutics Inc., United States of America (As at 31 December 2021, the fully diluted stake is 25.93%)
3. Brandmed (Pty) Limited, South Africa
4. AMPSolar Power Systems Private Limited – (Share of loss/profit not required to be considered)
5. Clean Max Auriga Power LLP (acquired 33% stake effective from 14 December 2021) – (Share of loss/profit not required to be considered)
6. GoApptiv Private Limited
7. Iconphygital Private Limited (Wholly owned subsidiary of GoApptiv Private Limited)





**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2021**

*(₹ in Crores)*

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	3,870.56	3,858.82	3,689.88	11,677.71	10,436.63	13,610.02
b) Other operating revenue	84.23	76.21	41.67	229.52	230.83	290.56
<b>Total revenue from operations</b>	<b>3,954.79</b>	<b>3,935.03</b>	<b>3,731.55</b>	<b>11,907.23</b>	<b>10,667.46</b>	<b>13,900.58</b>
<b>2. Other income</b>	<b>73.00</b>	<b>197.73</b>	<b>96.12</b>	<b>350.39</b>	<b>180.95</b>	<b>230.28</b>
<b>3. Total income (1+2)</b>	<b>4,027.79</b>	<b>4,132.76</b>	<b>3,827.67</b>	<b>12,257.62</b>	<b>10,848.41</b>	<b>14,130.86</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	1,069.56	1,061.64	872.53	3,121.58	2,549.31	3,262.29
b) Purchases of stock-in-trade	578.40	643.66	434.64	2,323.91	1,498.19	1,847.85
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(158.27)	(176.78)	129.55	(934.26)	(185.39)	(9.93)
d) Employee benefits expense	524.86	538.20	553.50	1,593.33	1,535.84	2,038.88
e) Finance costs	5.55	7.60	10.33	21.15	36.23	45.07
f) Depreciation, impairment and amortisation expense	133.95	138.97	134.57	409.90	419.10	556.11
g) Other expenses	900.26	885.49	745.18	2,634.38	2,197.65	3,039.93
<b>Total expenses</b>	<b>3,054.31</b>	<b>3,098.78</b>	<b>2,880.30</b>	<b>9,169.99</b>	<b>8,050.93</b>	<b>10,780.20</b>
<b>5. Profit (+)/loss (-) before tax (3-4)</b>	<b>973.48</b>	<b>1,033.98</b>	<b>947.37</b>	<b>3,087.63</b>	<b>2,797.48</b>	<b>3,350.66</b>
<b>6. Tax expense (net)</b>						
a) Current tax	258.56	248.59	251.60	810.30	771.70	904.38
b) Deferred tax	(15.91)	3.02	(3.16)	(27.64)	(29.09)	(22.00)
<b>Total tax expense</b>	<b>242.65</b>	<b>251.61</b>	<b>248.44</b>	<b>782.66</b>	<b>742.61</b>	<b>882.38</b>
<b>7. Net profit (+)/loss (-) after tax for the period/year (5-6)</b>	<b>730.83</b>	<b>782.37</b>	<b>698.93</b>	<b>2,304.97</b>	<b>2,054.87</b>	<b>2,468.28</b>
<b>8. Other comprehensive income/(loss) for the period/year</b>						
a) (i) Items that will not be reclassified to profit or loss	4.70	(0.85)	4.71	8.32	18.91	18.32
(ii) Income tax on items that will not be reclassified to profit or loss	(1.18)	0.22	(1.19)	(2.09)	(4.76)	(4.61)
b) (i) Items that will be reclassified to profit or loss	6.01	28.37	(17.00)	30.73	66.13	37.08
(ii) Income tax on items that will be reclassified to profit or loss	(1.51)	(7.14)	4.28	(7.73)	(16.83)	(9.33)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>8.02</b>	<b>20.60</b>	<b>(9.20)</b>	<b>29.23</b>	<b>63.45</b>	<b>41.46</b>
<b>9. Total comprehensive income/(loss) for the period/year (7+8)</b>	<b>738.85</b>	<b>802.97</b>	<b>689.73</b>	<b>2,334.20</b>	<b>2,118.32</b>	<b>2,509.74</b>
<b>10. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 3)</b>	<b>161.36</b>	<b>161.33</b>	<b>161.29</b>	<b>161.36</b>	<b>161.29</b>	<b>161.29</b>
<b>11. Other equity</b>						<b>19,766.27</b>
<b>12. Earnings per share (face value ₹ 2/- each)</b>						
a) Basic (₹)	*9.06	*9.70	*8.67	*28.58	*25.48	30.61
b) Diluted (₹)	*9.05	*9.68	*8.65	*28.54	*25.45	30.57
*Not Annualised						

1. The financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5<sup>th</sup> July, 2016.

2. 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 adjourned 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 ₹ 116.31 Crore as of 31<sup>st</sup> December, 2021 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.

3. The paid-up equity share capital stands increased to ₹ 161.36 Crore (80,67,90,214 equity shares of ₹ 2 each) upon allotment of 1,36,590 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31<sup>st</sup> December, 2021.

4. The Company continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Company's financial results for the quarter and nine months ended 31<sup>st</sup> December, 2021.

5. The Board at its meeting held on 25<sup>th</sup> January, 2022 has considered and approved the transfer of the India based US business undertaking to Cipla BioTec Limited, a wholly owned subsidiary of the Company for a consideration of ₹ 1,400 Crore and the Consumer business Undertaking to Cipla Health Limited, wholly owned subsidiary of the Company for a consideration of ₹ 80 Crore as a going concern on a slump sale basis through a Business Transfer Agreement ("BTA"). The final consideration is subject to the adjustments as on the date of transfer as per the terms of BTA.

6. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.

7. The above results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 25<sup>th</sup> January, 2022. These results have been subjected to limited review by statutory auditors who have expressed an unmodified review report.

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

Mumbai  
25<sup>th</sup> January, 2022

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



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

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

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Cipla Limited ('the Company') for the quarter ended 31 December 2021 and the year to date results for the period 1 April 2021 to 31 December 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

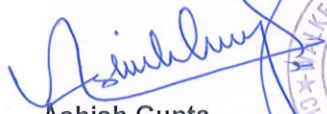
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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under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

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Ashish Gupta**

Partner

Membership No. 504662



UDIN: 22504662AAAAAH2967

**Place:** New Delhi

**Date:** 25 January 2022