

25<sup>th</sup> January 2023

- |  |   |
|--|---|
| <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 (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: Unaudited financial results (standalone and consolidated) for the quarter and nine months ended 31<sup>st</sup> December 2022**

Dear Sir/Madam,

The Board of Directors of the Company at its meeting held today i.e., 25<sup>th</sup> January 2023, has *inter-alia* approved the unaudited financial results (standalone and consolidated) for the quarter and nine months ended 31<sup>st</sup> December 2022.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed as follows:

- (1) Unaudited financial results (standalone and consolidated) as per Indian Accounting Standards, for the quarter and nine months ended 31<sup>st</sup> December 2022; and
- (2) 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 2022.

The meeting of the Board of Directors of the Company commenced at 10.30 a.m. (IST) and is still in progress.

The end time of the meeting will be separately intimated to the Stock Exchanges on conclusion.

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, 2022

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	5,730.08	5,759.28	5,442.86	16,807.23	16,399.42	21,623.36
b) Other operating revenue	80.01	69.26	36.00	206.59	103.59	139.98
<b>Total revenue from operations</b>	<b>5,810.09</b>	<b>5,828.54</b>	<b>5,478.86</b>	<b>17,013.82</b>	<b>16,503.01</b>	<b>21,763.34</b>
<b>2. Other income</b>	<b>114.44</b>	<b>122.95</b>	<b>91.29</b>	<b>340.82</b>	<b>216.89</b>	<b>280.91</b>
<b>3. Total income (1+2)</b>	<b>5,924.53</b>	<b>5,951.49</b>	<b>5,570.15</b>	<b>17,354.64</b>	<b>16,719.90</b>	<b>22,044.25</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	1,299.04	1,433.08	1,524.76	4,255.17	4,321.21	5,533.13
b) Purchases of stock-in-trade	711.58	682.15	716.63	2,047.11	2,940.12	3,687.16
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6.32)	44.95	(98.02)	(113.37)	(912.43)	(724.69)
d) Employee benefits expense	948.69	960.81	872.43	2,865.24	2,637.50	3,529.91
e) Finance costs	31.82	25.55	20.68	75.18	88.25	106.35
f) Depreciation, impairment and amortisation expense	272.11	299.37	247.47	825.89	761.64	1,051.95
g) Other expenses	1,449.55	1,405.22	1,232.09	4,106.44	3,713.55	5,185.05
<b>Total expenses</b>	<b>4,706.47</b>	<b>4,851.13</b>	<b>4,516.04</b>	<b>14,061.66</b>	<b>13,549.84</b>	<b>18,368.86</b>
<b>5. Profit (+)/loss (-) before exceptional items and tax (3-4)</b>	<b>1,218.06</b>	<b>1,100.36</b>	<b>1,054.11</b>	<b>3,292.98</b>	<b>3,170.06</b>	<b>3,675.39</b>
<b>6. Exceptional item</b>	-	-	-	-	(124.62)	(182.12)
<b>7. Profit (+)/loss (-) before tax (5+6)</b>	<b>1,218.06</b>	<b>1,100.36</b>	<b>1,054.11</b>	<b>3,292.98</b>	<b>3,045.44</b>	<b>3,493.27</b>
<b>8. Tax expense (net)</b>						
a) Current tax	312.88	335.25	308.00	947.44	906.56	1,136.90
b) Deferred tax	97.13	(32.65)	(12.84)	33.17	(43.87)	(203.10)
<b>Total tax expense</b>	<b>410.01</b>	<b>302.60</b>	<b>295.16</b>	<b>980.61</b>	<b>862.69</b>	<b>933.80</b>
<b>9. Net profit (+)/loss (-) after tax before share of associates (7-8)</b>	<b>808.05</b>	<b>797.76</b>	<b>758.95</b>	<b>2,312.37</b>	<b>2,182.75</b>	<b>2,559.47</b>
<b>10. Share of profit (+)/loss (-) of associates</b>	<b>(0.22)</b>	<b>(0.35)</b>	<b>(2.07)</b>	<b>(0.99)</b>	<b>(6.80)</b>	<b>(12.82)</b>
<b>11. Net profit (+)/loss (-) for the period/year (9+10)</b>	<b>807.83</b>	<b>797.41</b>	<b>756.88</b>	<b>2,311.38</b>	<b>2,175.95</b>	<b>2,546.65</b>
<b>12. Profit for the period/year attributable to</b>						
a) Shareholders of the company	800.96	788.90	728.60	2,276.26	2,154.68	2,516.75
b) Non- controlling interest	6.87	8.51	28.28	35.12	21.27	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	(2.48)	(5.56)	4.70	(13.21)	7.83	127.02
(ii) Income tax on items that will not be reclassified to profit or loss	0.63	1.40	(1.18)	3.33	(1.97)	(15.48)
b) (i) Items that will be reclassified to profit or loss	252.97	(46.95)	(73.22)	203.55	19.92	272.75
(ii) Income tax on items that will be reclassified to profit or loss	1.38	8.25	(0.81)	12.91	(13.11)	(0.62)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>252.50</b>	<b>(42.86)</b>	<b>(70.51)</b>	<b>206.58</b>	<b>12.67</b>	<b>383.67</b>
<b>14. Total comprehensive income/(loss) for the period/year (11+13)</b>	<b>1,060.33</b>	<b>754.55</b>	<b>686.37</b>	<b>2,517.96</b>	<b>2,188.62</b>	<b>2,930.32</b>
<b>15. Total comprehensive income/(loss) attributable to</b>						
a) Shareholders of the company	1,042.15	744.90	658.69	2,470.43	2,161.37	2,893.55
b) Non - controlling interest	18.18	9.65	27.68	47.53	27.25	36.77
<b>16. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 3)</b>	<b>161.43</b>	<b>161.40</b>	<b>161.36</b>	<b>161.43</b>	<b>161.36</b>	<b>161.36</b>
<b>17. Other equity</b>						<b>20,680.33</b>
<b>18. Earnings per share (face value ₹ 2/- each)</b>						
a) Basic (₹)	*9.92	*9.78	*9.03	*28.21	*26.71	31.20
b) Diluted (₹)	*9.92	*9.77	*9.02	*28.18	*26.68	31.17
*Not Annualised						



## Segment information

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment wise revenue and results</b>						
<b>Segment revenue:</b>						
a) Pharmaceuticals	5,588.87	5,653.81	5,377.28	16,463.07	16,175.32	21,351.27
b) New ventures	312.26	315.01	127.09	821.01	420.92	531.51
<b>Total segment revenue</b>	<b>5,901.13</b>	<b>5,968.82</b>	<b>5,504.37</b>	<b>17,284.08</b>	<b>16,596.24</b>	<b>21,882.78</b>
Less : Inter segment revenue	91.04	140.28	25.51	270.26	93.23	119.44
<b>Total revenue from operations</b>	<b>5,810.09</b>	<b>5,828.54</b>	<b>5,478.86</b>	<b>17,013.82</b>	<b>16,503.01</b>	<b>21,763.34</b>
<b>Segment result:</b>						
Profit/(loss) before tax and interest from each segment						
a) Pharmaceuticals	1,258.04	1,100.54	1,098.12	3,368.57	3,356.56	3,943.73
b) New ventures	(8.16)	25.37	(23.33)	(0.41)	(98.25)	(161.99)
<b>Total segment result</b>	<b>1,249.88</b>	<b>1,125.91</b>	<b>1,074.79</b>	<b>3,368.16</b>	<b>3,258.31</b>	<b>3,781.74</b>
Less: Finance costs	31.82	25.55	20.68	75.18	88.25	106.35
<b>Total Profit (+)/loss (-) before exceptional items and tax</b>	<b>1,218.06</b>	<b>1,100.36</b>	<b>1,054.11</b>	<b>3,292.98</b>	<b>3,170.06</b>	<b>3,675.39</b>
Less : Exceptional items - New ventures	-	-	-	-	124.62	182.12
<b>Total Profit (+)/loss (-) before tax</b>	<b>1,218.06</b>	<b>1,100.36</b>	<b>1,054.11</b>	<b>3,292.98</b>	<b>3,045.44</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 34 ('Ind AS 34') 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.

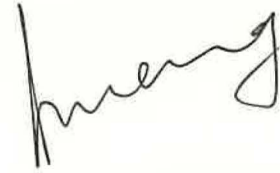


The Company has been legally advised that it has a substantially strong case on the merits of the matter, especially under the guidelines/principles of interpretation of the Drug Policy enunciated by the Honourable Supreme Court. Although, the decision of Honourable Supreme Court dated 21<sup>st</sup> 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 ₹ 123.66 Crore as of 31<sup>st</sup> December, 2022 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 ₹ 161.43 Crore (80,71,39,168 equity shares of ₹ 2 each) upon allotment of 129,335 equity shares and 8,230 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" and "Cipla ESAR Scheme 2021" respectively.
4. The Group has considered the possible effects that may result from the COVID-19 pandemic based on the information available to date, both internal and external, in the preparation of these financial results including the recoverability of carrying amounts of financial and non-financial assets and does not expect any material impact on its recoverability.
5. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.
6. The unaudited standalone financial results for the quarter ended 31<sup>st</sup> December, 2022 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 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, 2023. 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



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

Mumbai  
25<sup>th</sup> January, 2023



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

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Cipla Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates (refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended 31 December 2022 and the consolidated year to date results for the period 1 April 2022 to 31 December 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of 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.

Chartered Accountants

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

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



Chartered Accountants


## Walker Chandiook & Co LLP

5. We did not review the interim financial results of 13 subsidiaries included in the Statement, whose financial information reflects total revenues of Rs. 641.99 crores and Rs. 2,086.75 crores, total net profit after tax of Rs.17.60 crores and Rs.71.13 crores, total comprehensive income of Rs.12.50 crores and Rs. 75.10 crores, for the quarter and year to date period ended on 31 December 2022, respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax and total comprehensive loss of Rs.0.22 crores and Rs.1.14 crores, for the quarter and year to date period ended on 31 December 2022, respectively, as considered in the Statement, in respect of an associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries and an associate are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under International Standard on Review Engagement (ISRE) applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries and 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 conclusion is not modified in respect of this with respect to our reliance on the work done by and the reports of the other auditors.

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



**Ashish Gupta**  
Partner  
Membership No. 504662  
UDIN: 23504662BGWGBX3700



**Place:** New Delhi  
**Date:** 25 January 2023

# Walker Chandiook & Co LLP

## 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 (deregistered 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) Ltd, South Africa
41. Madison Pharmaceuticals Inc., United States of America
42. Cipla Colombia SAS, Colombia
43. Cipla (China) Pharmaceutical Co., Ltd, China
44. Cipla (Jiangsu) Pharmaceutical Co., Ltd., China (stake increased to 93.1% from 80% w.e.f. 6 December 2022)
45. Cipla Pharmaceuticals Limited, India
46. Cipla Therapeutics Inc., United States of America
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)

Chartered Accountants



# Walker Chandiook & Co LLP

## 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 (stake increased to 22.02% from 21.85%)
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 UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2022**

(₹ in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
	Unaudited	Unaudited (Refer note 5)	Unaudited (Refer note 5)	Unaudited (Refer note 5)	Unaudited (Refer note 5)	Audited (Refer note 5)
<b>A. Continuing Operations :</b>						
<b>1. Revenue from operations</b>						
a) Revenue from sale of products	3,541.16	3,746.06	3,799.37	11,033.11	11,416.71	15,052.48
b) Other operating revenue	358.29	405.21	84.23	863.75	229.52	328.34
<b>Total revenue from operations</b>	<b>3,899.45</b>	<b>4,151.27</b>	<b>3,883.60</b>	<b>11,896.86</b>	<b>11,646.23</b>	<b>15,380.82</b>
<b>2. Other income</b>	127.12	92.28	73.00	337.08	350.39	666.70
<b>3. Total income (1+2)</b>	<b>4,026.57</b>	<b>4,243.55</b>	<b>3,956.60</b>	<b>12,233.94</b>	<b>11,996.62</b>	<b>16,047.52</b>
<b>4. Expenses</b>						
a) Cost of materials consumed	753.93	997.51	1,044.56	2,745.10	2,998.60	3,616.69
b) Purchases of stock-in-trade	552.08	535.62	578.40	1,541.47	2,323.91	2,850.85
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	52.74	(11.79)	(158.27)	2.07	(934.26)	(541.93)
d) Employee benefits expense	591.25	599.14	523.04	1,781.94	1,587.68	2,113.78
e) Finance costs	6.85	7.50	5.55	16.56	21.15	26.93
f) Depreciation, impairment and amortisation expense	129.96	176.01	133.95	434.33	409.90	546.62
g) Other expenses	1,011.34	969.74	888.78	2,833.48	2,584.33	3,630.20
<b>Total expenses</b>	<b>3,098.15</b>	<b>3,273.73</b>	<b>3,016.01</b>	<b>9,354.95</b>	<b>8,991.31</b>	<b>12,243.14</b>
<b>5. Profit (+)/loss (-) before tax from continuing operations (3-4)</b>	<b>928.42</b>	<b>969.82</b>	<b>940.59</b>	<b>2,878.99</b>	<b>3,005.31</b>	<b>3,804.38</b>
<b>6. Tax expense (net)</b>						
a) Current tax	241.88	265.23	250.28	766.46	789.58	949.49
b) Deferred tax	8.02	(0.60)	(15.91)	(1.51)	(27.64)	(27.69)
<b>Total tax expense</b>	<b>249.90</b>	<b>264.63</b>	<b>234.37</b>	<b>764.95</b>	<b>761.94</b>	<b>921.80</b>
<b>7. Net profit (+)/loss (-) after tax for the period/year from continuing operations (5-6)</b>	<b>678.52</b>	<b>705.19</b>	<b>706.22</b>	<b>2,114.04</b>	<b>2,243.37</b>	<b>2,882.58</b>
<b>B. Discontinuing/Restructuring Operations : (Refer note 5)</b>						
8. Profit (+)/loss (-) before tax from discontinuing/restructuring operations	-	20.20	32.89	58.73	82.32	100.70
9. Tax expense from discontinuing/restructuring operations	-	5.09	8.28	14.79	20.72	25.35
<b>10. Net profit (+)/loss (-) for the period/year from discontinuing/restructuring operations (8-9)</b>	<b>-</b>	<b>15.11</b>	<b>24.61</b>	<b>43.94</b>	<b>61.60</b>	<b>75.35</b>
<b>11. Net profit (+)/loss (-) for the period/year (7+10)</b>	<b>678.52</b>	<b>720.30</b>	<b>730.83</b>	<b>2,157.98</b>	<b>2,304.97</b>	<b>2,957.93</b>
<b>12. Other comprehensive income/(loss) for the period/year</b>						
<b>A Items that will not be reclassified to Statement of Profit and Loss</b>						
<b>I . In respect of continuing operations:</b>						
a) (i) Items that will not be reclassified to profit or loss	(2.99)	(5.09)	4.50	(13.06)	7.97	16.78
(ii) Income tax on items that will not be reclassified to profit or loss	0.75	1.28	(1.13)	3.29	(2.00)	(4.22)
b) (i) Items that will be reclassified to profit or loss	2.03	(31.64)	6.01	(57.12)	30.73	(9.38)
(ii) Income tax on items that will be reclassified to profit or loss	(0.51)	7.96	(1.51)	14.37	(7.73)	2.37
<b>II . In respect of discontinuing/restructuring operations:</b>						
a) (i) Items that will not be reclassified to profit or loss	-	-	0.20	(0.22)	0.35	0.73
(ii) Income tax on items that will not be reclassified to profit or loss	-	-	(0.05)	0.05	(0.09)	(0.18)
<b>Other comprehensive income/(loss) for the period/year</b>	<b>(0.72)</b>	<b>(27.49)</b>	<b>8.02</b>	<b>(52.69)</b>	<b>29.23</b>	<b>6.10</b>
<b>13. Total comprehensive income/(loss) for the period/year (11+12)</b>	<b>677.80</b>	<b>692.81</b>	<b>738.85</b>	<b>2,105.29</b>	<b>2,334.20</b>	<b>2,964.03</b>
<b>14. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 3)</b>	<b>161.43</b>	<b>161.40</b>	<b>161.36</b>	<b>161.43</b>	<b>161.36</b>	<b>161.36</b>
<b>15. Other equity</b>						<b>22,352.19</b>
<b>16. Earnings per share (face value ₹ 2/- each)</b>						
<b>(A) From continuing operations</b>						
a) Basic (₹)	*8.41	*8.74	*8.75	*26.20	*27.82	35.73
b) Diluted (₹)	*8.40	*8.73	*8.75	*26.18	*27.78	35.70
<b>(B) From discontinuing/restructuring operations</b>						
a) Basic (₹)	-	*0.19	*0.31	*0.54	*0.76	0.94
b) Diluted (₹)	-	*0.19	*0.30	*0.54	*0.76	0.93
<b>(C) From total operations</b>						
a) Basic (₹)	*8.41	*8.93	*9.06	*26.74	*28.58	36.67
b) Diluted (₹)	*8.40	*8.92	*9.05	*26.72	*28.54	36.63
*Not Annualised						




1. The above financial results are prepared in accordance with the Indian Accounting Standard 34 ('Ind AS 34') prescribed under section 133 of the Companies Act, 2013 and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. The Company had received 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 ₹ 123.66 Crore as of 31<sup>st</sup> December 2022 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 ₹ 161.43 Crore (80,71,39,168 equity shares of ₹ 2 each) upon allotment of 129,335 equity shares and 8,230 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" and "Cipla ESAR Scheme 2021" respectively.
4. The Company has considered the possible effects that may result from the COVID-19 pandemic based on the information available to date, both internal and external, in the preparation of these financial results including the recoverability of carrying amounts of financial and non-financial assets and does not expect any material impact on its recoverability.
5. 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.

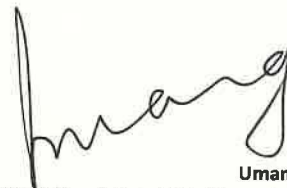
**Key financial information's of Discontinuing/Restructuring operations:**

Particulars	Quarter ended			Nine months ended		Year ended
	31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
Total revenue from operations	-	77.43	71.19	171.35	261.00	325.88
Total expenses	-	57.23	38.30	112.62	178.68	225.18
Profit (+)/loss (-) before tax	-	20.20	32.89	58.73	82.32	100.70
Total tax expense	-	5.09	8.28	14.79	20.72	25.35
Net profit (+)/loss (-) for the period/year	-	15.11	24.61	43.94	61.60	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 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, 2023. 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**



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

Mumbai  
25<sup>th</sup> January, 2023



5  
2  
A

**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 2022 and the year to date results for the period 1 April 2022 to 31 December 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations')
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Chartered Accountants

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

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



Chartered Accountants

## Walker ChandioK & Co LLP

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: 23504662BGWGBY5619



**Place:** New Delhi  
**Date:** 25 January 2023