

14th May, 2021

(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, 5th 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

Dear Sir/Madam,

Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31st March, 2021

The Board of the Directors of the Company at its meeting held today i.e. 14th May 2021, has inter-alia approved the Audited Financial Results (standalone and consolidated) for the quarter and year ended 31st March 2021.

Accordingly, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following:

- (1) Audited Financial Results (standalone and consolidated) for the quarter and year ended 31st March 2021;
- (2) Auditors' Report with unmodified opinion on the Audited Financial Results (standalone and consolidated) for the quarter and year ended 31st March 2021; and
- (3) Declaration from Global Chief Financial Officer.

Further, the Board of Directors also recommended payment of dividend of Rs. 5 per equity share (face value Rs.2 per equity share) for the year 2020-21. The dividend, subject to the approval of shareholders, will be dispatched/ credited within 30 days from the date of Annual General Meeting.

The meeting of the Board of Directors of the Company commenced at 2.00 p.m. IST and is still in progress.

Thanking you,
Yours faithfully,
For Cipla Limited

Rajendra Chopra
Company Secretary
Encl.: as above
Prepared by: Nishtha Agarwal

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
	Audited (Refer Note 12)	Unaudited	Audited (Refer Note 12)	Audited	Audited
1. Revenue from operations					
a) Revenue from sale of products	4,584.88	5,154.17	4,301.60	18,988.52	16,694.85
b) Other operating revenue	21.57	14.52	74.59	171.07	437.14
Total revenue from operations	4,606.45	5,168.69	4,376.19	19,159.59	17,131.99
2. Other income	60.13	86.94	93.18	265.99	344.20
3. Total income (1+2)	4,666.58	5,255.63	4,469.37	19,425.58	17,476.19
4. Expenses					
a) Cost of materials consumed	1,178.58	1,353.34	1,112.25	4,886.43	4,376.81
b) Purchases of stock-in-trade	530.86	604.50	550.14	2,658.17	1,859.37
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	112.98	35.64	26.51	(192.71)	(244.76)
d) Employee benefits expense	814.72	844.36	763.74	3,251.83	3,027.01
e) Finance costs	27.45	47.92	53.00	160.70	197.36
f) Depreciation, impairment and amortisation expense	285.19	248.43	345.80	1,067.66	1,174.65
g) Other expenses	1,173.07	1,099.97	1,290.03	4,303.44	4,907.57
Total expenses	4,122.85	4,234.16	4,141.47	16,135.52	15,298.01
5. Profit (+)/loss (-) before tax (3-4)	543.73	1,021.47	327.90	3,290.06	2,178.18
6. Tax expense (net) (Refer note 6)					
a) Current tax	186.46	260.42	93.55	1,052.72	682.87
b) Deferred tax	(58.24)	8.54	(7.96)	(163.96)	(51.67)
Total tax expense	128.22	268.96	85.59	888.76	631.20
7. Net profit (+)/loss (-) after tax before share of associates (5-6)	415.51	752.51	242.31	2,401.30	1,546.98
8. Share of profit (+)/ loss (-) of associates	(4.00)	(0.90)	(3.82)	(12.79)	(47.46)
9. Net profit (+)/ loss (-) for the period/year (7+8)	411.51	751.61	238.49	2,388.51	1,499.52
10. Profit for the period/year attributable to					
a) Shareholders of the company	413.38	748.15	245.95	2,404.87	1,546.52
b) Non- controlling interest	(1.87)	3.46	(7.46)	(16.36)	(47.00)
11. Other comprehensive income/(loss) for the period/year					
a) (i) Items that will not be reclassified to profit or loss	(58.67)	5.28	5.88	(38.41)	(14.90)
(ii) Income tax on items that will not be reclassified to profit or loss	6.05	(1.34)	(1.25)	0.95	5.48
b) (i) Items that will be reclassified to profit or loss	(35.87)	189.34	(250.32)	203.18	(149.88)
(ii) Income tax on items that will be reclassified to profit or loss	4.30	7.86	3.74	(4.23)	29.90
Other comprehensive income/(loss) for the period/year	(84.19)	201.14	(241.95)	161.49	(129.40)
12. Total comprehensive income/(loss) for the period/year (9+11)	327.32	952.75	(3.46)	2,550.00	1,370.12
13. Total comprehensive income attributable to					
a) Shareholders of the company	328.80	947.53	(21.49)	2,579.96	1,385.23
b) Non - controlling interest	(1.48)	5.22	18.03	(29.96)	(15.11)
14. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 5)	161.29	161.29	161.25	161.29	161.25
15. Other equity				18,165.24	15,601.75
16. Earnings per share (face value ₹ 2/- each)					
a) Basic (₹)	*5.13	*9.28	*3.05	29.82	19.19
b) Diluted (₹)	*5.12	*9.26	*3.05	29.79	19.16
*Not Annualised					

Cipla Ltd.

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

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

Segment information
(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
	Audited (Refer Note 12)	Unaudited	Audited (Refer Note 12)	Audited	Audited
Segment wise revenue and results					
Segment revenue:					
a) Pharmaceuticals	4,543.67	5,102.05	4,320.11	18,878.24	16,958.67
b) New ventures	93.68	91.17	74.10	401.27	219.17
Total segment revenue	4,637.35	5,193.22	4,394.21	19,279.51	17,177.84
Less : Inter segment revenue	30.90	24.53	18.02	119.92	45.85
Total revenue from operations	4,606.45	5,168.69	4,376.19	19,159.59	17,131.99
Segment result:					
Profit/(loss) before tax and interest from each segment					
a) Pharmaceuticals	632.65	1,111.43	460.26	3,633.71	2,574.17
b) New ventures	(61.47)	(42.04)	(79.36)	(182.95)	(198.63)
Total segment result	571.18	1,069.39	380.90	3,450.76	2,375.54
Less: Finance costs	27.45	47.92	53.00	160.70	197.36
Total Profit (+)/loss (-) before tax	543.73	1,021.47	327.90	3,290.06	2,178.18

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 5th 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 ₹ 3,676.07 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 1st 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 20th 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 1st 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 21st 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 5th 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 25th 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 21st 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 ₹ 111.15 Crore as of 31st March, 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.

Cipla Ltd.

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

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

3. Consolidated statement of assets and liabilities :

(₹ in Crores)

Particulars	As at 31-03-2021	As at 31-03-2020
	Audited	Audited
A. ASSETS		
1. Non-Current assets		
(a) Property, plant and equipment	4,618.14	4,805.32
(b) Right-of-use assets	338.13	322.73
(c) Capital work-in-progress	570.84	421.00
(d) Investment properties	121.75	124.30
(e) Goodwill	3,007.29	2,934.00
(f) Intangible assets	1,430.21	1,496.54
(g) Intangible assets under development	398.05	403.53
(h) Investment in associates	228.38	234.97
(i) Financial assets		
(i) Investments	195.30	219.53
(ii) Loans	52.99	52.39
(iii) Others financial assets	42.88	42.04
(j) Income tax assets (net)	468.16	468.62
(k) Deferred tax assets (net)	314.69	239.77
(l) Other non-current assets	155.57	191.64
Total non-current assets	11,942.38	11,956.38
2. Current asset		
(a) Inventories	4,669.18	4,377.60
(b) Financial assets		
(i) Investments	2,286.37	1,016.52
(ii) Trade receivables	3,445.68	3,891.31
(iii) Cash and cash equivalents	793.29	742.38
(iv) Bank balances other than cash and cash equivalents	607.94	261.53
(v) Loans	2.58	5.60
(vi) Other financial assets	481.66	522.28
(c) Other current assets	894.33	886.62
Total current assets	13,181.03	11,703.84
3. Assets classified as held-for-sale	28.48	2.34
Total assets	25,151.89	23,662.56
B. EQUITY and LIABILITIES		
1. Equity		
(a) Share capital	161.29	161.25
(b) Other equity	18,165.24	15,601.75
Equity attributable to owner	18,326.53	15,763.00
Non-controlling interest	259.06	294.28
Total equity	18,585.59	16,057.28
2. Share application money pending allotment *	-	0.00
3. Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,202.75	2,369.28
(ii) Other financial liabilities	295.61	276.90
(b) Provisions	116.17	133.27
(c) Deferred tax liabilities (net)	296.61	365.21
(d) Other non-current liabilities	63.61	67.48
Total non-current liabilities	1,974.75	3,212.14
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	334.73	447.15
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	69.33	81.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,997.49	2,200.62
(iii) Other financial liabilities	733.99	530.36
(b) Other current liabilities	359.22	176.29
(c) Provisions	1,078.32	948.19
(d) Income tax liabilities (net)	18.06	9.34
Total current liabilities	4,591.14	4,393.14
4. Liabilities directly associated with assets classified as held for sale	0.41	-
Total liabilities	6,566.30	7,605.28
Total equity and liabilities	25,151.89	23,662.56

*Represents ₹ Nil as at 31st March, 2021 (₹ 7,820 as at 31st March, 2020)

Cipla Ltd.

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

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

4. Disclosure of statement of Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2021

Particulars	(₹ in Crores)	
	Year ended	
	31-03-2021	31-03-2020
	Audited	Audited
Cash flow from operating activities		
Profit before tax	3,290.06	2,178.18
Adjustments for :		
Depreciation, impairment and amortisation expense	1,067.66	1,174.65
Interest expense	160.70	197.36
Unrealised foreign exchange (gain)/loss (net)	(8.64)	(31.90)
Share based payment expense	19.54	23.45
Allowances for credit loss (net)	39.48	180.27
Interest on income tax refund	(7.04)	(9.28)
Interest income	(40.22)	(58.39)
Dividend income	(21.64)	(0.06)
Sundry balance written back	(0.06)	(2.41)
Net gain on sale of current investment carried at fair value through profit or loss	(52.79)	(125.92)
Loss on liquidation of subsidiaries (net)	3.78	4.66
Fair value (gain)/loss on financial instruments at fair value through profit or loss	(12.08)	25.18
Net (gain)on sale/disposal of property, plant and equipment	(3.01)	(2.62)
Rent income	(14.77)	(9.46)
Adjustments for working capital :		
Increase in inventories	(254.32)	(331.55)
Decrease in trade and other receivables	422.93	217.26
Increase in trade payables and other liabilities	203.05	487.28
Cash generated from operations	4,792.63	3,916.70
Income taxes paid (including tax deducted at source)	(1,037.43)	(848.25)
Net cash flows from operating activities (a)	3,755.20	3,068.45
Cash flow from investing activities		
Purchase of property, plant and equipment {refer note (ii) below}	(629.66)	(572.77)
Purchase of intangible assets (including intangible asset under development)	(189.26)	(427.24)
Proceeds from sale of property, plant and equipment	22.05	14.32
Proceeds from sale of intangible assets	5.48	-
Proceeds from sale/liquidation of investments in subsidiaries	2.60	1.27
Investment in associates	(13.65)	(33.32)
Purchase of non-current investments (refer note 8)	(40.00)	-
(Purchase)/sale of current investments (net)	(1,204.98)	1,210.01
Change in other bank balance and cash not available for immediate use	(416.72)	(147.84)
Interest received	40.55	50.09
Dividend received	21.64	0.06
Rent received	14.77	9.46
Net cash flow (used in)/generated from investing activities (b)	(2,387.18)	104.04
Cash flow from financing activities		
Proceeds from issue of equity shares (ESOSs)	0.05	0.11
Transaction with non-controlling interest (net)	(5.36)	(383.02)
Put option liability	-	21.83
Consideration paid to buy ESOP rights relating to subsidiary	(36.00)	-
(Repayment)/proceeds of current borrowings (net)	(132.26)	51.92
Payment of lease liabilities	(84.33)	(75.83)
Proceeds from non-current borrowings	70.49	211.63
Repayment of non-current borrowings	(1,021.75)	(1,947.74)
Interest paid	(120.74)	(163.52)
Dividend paid	-	(564.26)
Tax paid on dividend	-	(99.94)
Net cash used in financing activities (c)	(1,329.90)	(2,948.82)
Net increase in cash and cash equivalents (a+b+c)	38.12	223.67
Cash and cash equivalents at the beginning of the year	742.38	508.36
Exchange difference on translation of foreign currency cash and cash equivalents	12.79	10.35
Cash and cash equivalents at the end of the year	793.29	742.38

i. 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.

ii. Purchase of property, plant and equipment represents additions to property, plant and equipment adjusted for movement of capital work in progress, capital advances, capital creditors and investment properties during the year.

Cipla Ltd.

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

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

5. The paid-up equity share capital stands increased to ₹ 161.29 Crore (80,64,63,279 equity shares of ₹ 2 each) upon allotment of 8,050 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31st March, 2021.
6. The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income tax and deferred tax for the quarter and year ended 31st March, 2021 using the new rates.
7. 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 year ended 31st March, 2021.
8. On 30th March 2021, the Company made a strategic investment of ₹ 40 Crore in ABCD Technologies LLP which is classified under non-current investment.
9. The Board in its meeting held on 29th January, 2021 has approved a draft scheme of arrangement (Scheme) which entails demerger of the US business undertaking (Demerged Undertaking 1) of Cipla Limited (Demerged Company) into its wholly-owned subsidiary, Cipla BioTec Limited (Resulting Company 1) and consumer business undertaking (Demerged Undertaking 2) of Cipla Limited into its wholly-owned subsidiary, Cipla Health Limited (Resulting Company 2) pursuant to Sections 230 to 232 and the other relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Scheme would be subject to the receipt of requisite approvals including from the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India, the shareholders and/or creditors of the Demerged Company, Resulting Company 1 and Resulting Company 2.
10. The audited standalone financial results for the quarter and year ended 31st March, 2021 are available on the Company's website i.e. www.cipla.com under Investor Information section and on the stock exchange websites i.e. www.bseindia.com and www.nseindia.com. The key standalone financial information is as under:

Particulars	Quarter ended			Year ended	
	31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
	Audited (Refer Note 12)	Unaudited	Audited (Refer Note 12)	Audited	Audited
Total revenue from operations	3,233.12	3,731.55	3,133.44	13,900.58	12,659.15
Profit before tax	553.18	947.37	708.55	3,350.66	2,964.31
Profit after tax	413.41	698.93	604.57	2,468.28	2,318.17

11. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.
12. The figures for the quarter ended 31st March, 2021 and 31st March, 2020 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.
13. Consequent to USFDA's deferment of feedback on Avenue Therapeutics, Inc's ('Avenue') resubmission relating to Tramadol IV NDA and change in share price of Avenue, the management identified trigger for impairment assessment. Avenue being a public company in the United States, the share price of Avenue on the valuation date was considered for determining its recoverable value, basis which management concluded that the investment in Avenue is not impaired as on 31st March, 2021.
14. On 10th May, 2021, Cipla Technologies LLC ('Ciptec'), a subsidiary of the Group has received an anticipatory material breach notice under Development and Commercialization Agreement with Pulmatrix on co-development of Pulmazole. The Company will suitably respond to the said notice.
15. The Board of Directors of the Company at its meeting held on 14th May, 2021 has recommended a final dividend of ₹ 5 per equity share (face value ₹ 2 each) for the financial year ended 31st March, 2021. The dividend is subject to approval at the ensuing annual general meeting of the Company.
16. 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 14th May, 2021. These results have been subjected to audit by Statutory auditors who have expressed an unqualified opinion.

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

Mumbai
14th May, 2021

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.

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

Walker Chandio & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi - 110 001
India
T +91 11 45002219
F +91 11 42787071

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'), its associates for the year ended 31 March 2021, 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'), including relevant circulars issued by the SEBI from time to time.
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 applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, 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 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 statements 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 and that 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.



Chartered Accountants

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

Walker Chandio & 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

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 audited 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 after tax and other comprehensive income, and other financial information of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder 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/ management 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/ management 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.
8. As part of an audit in accordance with the Standards on Auditing, 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 management.



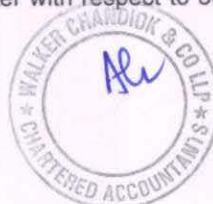
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures, 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 statements 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 42 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 2,735.77 crore as at 31 March 2021, total revenues of ₹ 3,863.23 crore, total net loss after tax of ₹ 6.32 crore, total comprehensive income of ₹ 690.04 crore, and cash flows (net) of ₹ 78.57 crore for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax/ total comprehensive loss of ₹ 1.69 crore for the year ended 31 March 2021, 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 report 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 associates 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, 39 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 auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and associates 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 balances and affairs of these subsidiaries and an associate, 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.



Walker Chandiok & Co LLP

13. The Statement also includes the Group's share of net loss after tax/ total comprehensive loss of ₹ 11.10 crore for the year ended 31 March 2021, in respect of 3 associates, based on their annual financial information, which have not been audited by their auditors. Those financial information have been furnished to us by the Holding Company's management. Our opinion on the Statement, and our report in terms of Regulation 33 of the Listing Regulations, read with SEBI Circulars, in so far as it relates to the aforesaid associate is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, those financial information are not material to the Group. Our opinion is not modified in respect of this matter.
14. The Statement includes the consolidated financial results for the quarter ended 31 March 2021, 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: 21504662AAAADK5803



Place: New Delhi

Date: 14 May 2021

Walker Chandio & Co LLP

Annexure 1

List of entities included in the Statement

List of subsidiaries:

1. Goldencross Pharma Limited, India (formerly known as Goldencross Pharma Private Limited)
2. Meditab Specialities Limited, India (formerly known as Meditab Specialities Private Limited)
3. Cipla BioTec Limited, India (formerly known as Cipla BioTec Private Limited)
4. Jay Precision Pharmaceuticals Private Limited, India
5. Cipla Health Limited, India
6. Medispray Laboratories Private Limited, India
7. Sitec Labs Limited, India (formerly known as Sitec Labs Private Limited)
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. Meditab Holdings Limited, Mauritius
15. Tasfiye Halinde Cipla Ilac; Ticaret Anonim Sirketi, Turkey (formerly known as Cipla Ilac Ticaret Anonim Sirketi) (liquidated w.e.f 7 October 2019)
16. Cipla USA, Inc., United States of America
17. Cipla Kenya Limited, Kenya
18. Cipla Malaysia Sdn. Bhd., Malaysia
19. Cipla Europe NV, Belgium
20. Cipla Quality Chemical Industries Limited, Uganda
21. Cipla Brasil Importadora E Distribuidora De Medicamentos Ltda., Brazil
22. Inyanga Trading 386 Proprietary Limited, South Africa (under liquidation)
23. Cipla Medpro Holdings Proprietary Limited, South Africa (under liquidation)
24. Cape to Cairo Exports Proprietary Limited, South Africa (Deregistered w.e.f. 27 August 2020)
25. Cipla Dibcare Proprietary Limited, South Africa (under liquidation)
26. Cipla Life Sciences Proprietary Limited, South Africa
27. Cipla-Medpro Proprietary Limited, South Africa
28. Cipla-Medpro Distribution Centre Proprietary Limited, South Africa
29. Cipla Medpro Botswana Proprietary Limited, South Africa
30. Cipla Algérie, Algeria
31. Cipla Biotec South Africa (Pty) Limited, South Africa
32. Cipla OLTP (Pty) Limited, South Africa (formerly known as Cipla Nutrition Proprietary Limited)
33. Medpro Pharmaceutica Proprietary Limited, South Africa
34. Breathe Free Lanka (Private) Limited, Sri Lanka
35. Cipla Medica Pharmaceutical and Chemical Industries Limited, Yemen (formerly known as Medica Pharmaceutical Industries Company Limited, Yemen)
36. Cipla (Mauritius) Limited, Mauritius (liquidated w.e.f 17 May 2020)
37. Cipla Pharma Lanka (Private) Limited, Sri Lanka (amalgamated with Breathe Free Lanka (Private) Limited with effect from 1 May 2020 vide order of amalgamation dated 21 July 2020 and therefore, ceased to exist).
38. Cipla Maroc SA, Morocco
39. Cipla Middle East Pharmaceuticals FZ-LLC, United Arab Emirates
40. Quality Chemicals Limited, Uganda (ceased to be a subsidiary from 19 August 2020)
41. Cipla Philippines, Inc., Philippines
42. InvaGen Pharmaceuticals, Inc., United States of America
43. Exelan Pharmaceuticals, Inc., United States of America

Chartered Accountants



Walker Chandiok & Co LLP

44. Anmaraté (Pty) Limited, South Africa (ceased to be a subsidiary from 19 August 2020)
45. Cipla Technologies LLC, United States of America
46. Cipla Gulf FZ-LLC, United Arab Emirates
47. Mirren (Pty) Ltd, South Africa
48. Madison Pharmaceuticals Inc. United States of America
49. Cipla Colombia SAS, Colombia (incorporated on 25 April 2019)
50. Cipla (China) Pharmaceutical Co., Ltd., China (incorporated on 20 May 2019)
51. Cipla (Jiangsu) Pharmaceutical Co., Ltd. (incorporated on 8 August 2019)
52. Cipla Pharmaceuticals Limited, India (incorporated on 19 November 2019)
53. Cipla Therapeutics Inc., USA (incorporated on 15 May 2020)
54. Cipla Health Employees Stock Option Trust, India
55. Cipla Employee Stock Option Trust, India

List of Associates:

1. Stempeutics Research Private Limited, India (w.e.f. 2 July 2020 stake is changed from 40.78% to 40.25%)
2. Avenue Therapeutics Inc., United States of America
3. Brandmed (Pty) Limited, South Africa (acquired 30% stake on 24 April 2019)
4. AMPSolar Power Systems Private Limited (acquired 26% stake on 12 June 2019)- (Share of loss/profit not required to be considered)
5. GoApptiv Private Limited [w.e.f 29 October 2020 stake is changed from 15.26% to 21.85% (on fully diluted basis)]



STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
	Audited (Refer Note 11)	Unaudited	Audited (Refer Note 11)	Audited	Audited
1. Revenue from operations					
a) Revenue from sale of products	3,173.39	3,689.88	3,042.01	13,610.02	12,220.22
b) Other operating revenue	59.73	41.67	91.43	290.56	438.93
Total revenue from operations	3,233.12	3,731.55	3,133.44	13,900.58	12,659.15
2. Other income	49.33	96.12	413.41	230.28	892.85
3. Total income (1+2)	3,282.45	3,827.67	3,546.85	14,130.86	13,552.00
4. Expenses					
a) Cost of materials consumed	712.98	872.53	766.36	3,262.29	2,999.17
b) Purchases of stock-in-trade	349.66	434.64	344.70	1,847.85	1,363.12
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	175.46	129.55	106.56	(9.93)	(43.08)
d) Employee benefits expense	503.04	553.50	477.28	2,038.88	1,911.08
e) Finance costs	8.84	10.33	9.24	45.07	36.05
f) Depreciation, impairment and amortisation expense	137.01	134.57	160.42	556.11	599.78
g) Other expenses	842.28	745.18	973.74	3,039.93	3,721.57
Total expenses	2,729.27	2,880.30	2,838.30	10,780.20	10,587.69
5. Profit (+)/loss (-) before tax (3-4)	553.18	947.37	708.55	3,350.66	2,964.31
6. Tax expense (net) (Refer note 4)					
a) Current tax	132.68	251.60	83.56	904.38	545.96
b) Deferred tax	7.09	(3.16)	20.42	(22.00)	100.18
Total tax expense	139.77	248.44	103.98	882.38	646.14
7. Net profit (+)/loss (-) after tax for the period/year (5-6)	413.41	698.93	604.57	2,468.28	2,318.17
8. Other comprehensive income/(loss) for the period/year					
a) (i) Items that will not be reclassified to profit or loss	(0.59)	4.71	(1.64)	18.32	(22.35)
(ii) Income tax on items that will not be reclassified to profit or loss	0.15	(1.19)	0.41	(4.61)	7.05
b) (i) Items that will be reclassified to profit or loss	(29.05)	(17.00)	(19.61)	37.08	(72.13)
(ii) Income tax on items that will be reclassified to profit or loss	7.50	4.28	4.94	(9.33)	23.00
Other comprehensive income/(loss) for the period/year	(21.99)	(9.20)	(15.90)	41.46	(64.43)
9. Total comprehensive income/(loss) for the period/year (7+8)	391.42	689.73	588.67	2,509.74	2,253.74
10. Paid-up equity share capital (face value ₹ 2/- each) (Refer note 3)	161.29	161.29	161.25	161.29	161.25
11. Other equity				19,766.27	17,241.71
12. Earnings per share (face value ₹ 2/- each)					
a) Basic (₹)	*5.13	*8.67	*7.50	30.61	28.76
b) Diluted (₹)	*5.12	*8.65	*7.49	30.57	28.72
*Not Annualised					

Standalone statement of assets and liabilities :-

Particulars	(₹ in Crores)	
	As at 31-03-2021	As at 31-03-2020
	Audited	Audited
A. ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	3,569.27	3,686.18
(b) Right-of-use assets	103.88	132.49
(c) Capital work-in-progress	275.04	255.73
(d) Investment properties	123.79	126.44
(e) Intangible assets	269.51	205.87
(f) Intangible assets under development	80.07	64.00
(g) Financial assets		
(i) Investments (Refer note 6)	7,720.99	6,355.32
(ii) Loans	43.37	41.89
(iii) Others financial assets	40.20	7.01
(h) Income tax assets (net)	401.31	353.74
(i) Other non-current assets	144.13	149.93
Total non-current assets	12,771.56	11,378.60
2. Current asset		
(a) Inventories	3,085.81	3,021.36
(b) Financial assets		
(i) Investments	2,004.84	834.43
(ii) Trade receivables	3,035.37	3,560.27
(iii) Cash and cash equivalents	294.72	261.54
(iv) Bank balances other than cash and cash equivalents	580.08	261.53
(v) Loans	1.90	4.49
(vi) Other financial assets	474.10	382.49
(c) Other current assets	713.93	698.61
Total current assets	10,190.75	9,024.72
3. Assets classified as held-for-sale	1.43	2.34
Total assets	22,963.74	20,405.66
B. EQUITY and LIABILITIES		
1. Equity		
(a) Share capital	161.29	161.25
(b) Other equity	19,766.27	17,241.71
Total equity	19,927.56	17,402.96
2. Share application money pending allotment *	-	0.00
3. Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	85.47	104.59
(b) Provisions	95.97	105.14
(c) Deferred tax liabilities (net)	104.91	112.97
(d) Other non-current liabilities	57.89	60.71
Total non-current liabilities	344.24	383.41
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	6.06
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	49.17	77.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,446.32	1,534.66
(iii) Other financial liabilities	258.81	313.90
(b) Other current liabilities	312.51	141.14
(c) Provisions	620.56	541.50
(d) Income tax liabilities (net)	4.57	4.57
Total current liabilities	2,691.94	2,619.29
Total liabilities	3,036.18	3,002.70
Total equity and liabilities	22,963.74	20,405.66

*Represents ₹ Nil as at 31st March, 2021 (₹ 7,820 as at 31st March, 2020)

Disclosure of statement of Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2021

(₹ in Crores)

Particulars	Year ended	
	31-03-2021	31-03-2020
	Audited	Audited
Cash flow from operating activities		
Profit before tax	3,350.66	2,964.31
Adjustments for :		
Depreciation, impairment and amortisation expense	556.11	599.78
Interest expense	45.07	36.05
Unrealised foreign exchange (gain)/loss (net)	(20.58)	(73.60)
Share based payment expense	14.78	18.56
Allowances for credit loss (net)	19.65	103.50
Provision for diminution in value of investment	10.88	32.36
Interest income	(36.42)	(51.63)
Interest income on income tax refund	-	(9.28)
Dividend income	-	(565.51)
Sundry balances written back or written off	8.10	(2.41)
Corporate guarantee commission	(9.14)	(18.35)
Net gain on sale of current investments carried at fair value through profit or loss	(47.67)	(114.02)
Fair value (gain)/loss on financial instruments at fair value through profit or loss	(10.12)	20.91
Net gain on sale/liquidation of investment in subsidiaries	-	(0.07)
Net (gain)/loss on sale/disposal of property, plant and equipment	(3.48)	(2.86)
Rent income	(15.91)	(9.16)
Operating profit before working capital changes	3,861.93	2,928.58
Adjustments for working capital:		
Increase in inventories	(64.45)	(152.95)
Decrease/(increase) in trade and other receivables	528.64	(260.07)
Increase in trade payables and other liabilities	86.14	167.56
Cash generated from operations	4,412.26	2,683.12
Income taxes paid (including tax deducted at source)	(951.95)	(664.98)
Net cash flows generated from operating activities (a)	3,460.31	2,018.14
Cash flow from investing activities		
Purchase of property, plant and equipment {Refer note (ii) below}	(370.46)	(304.05)
Purchase of intangible assets (including intangible asset under development)	(146.51)	(145.66)
Proceeds from sale of property, plant and equipment	12.33	10.15
Investment in associates	(9.00)	(9.00)
Purchase of non current investment (Refer note 6)	(40.00)	-
Investments in subsidiaries	(1,360.21)	(2,503.47)
Proceeds from sale/liquidation/capital reduction of investment in subsidiaries	-	93.48
(Purchase)/Sale of current investments (net)	(1,112.61)	1,270.27
Change in other bank balance and cash not available for immediate use	(388.48)	(151.67)
Interest received	38.58	38.95
Dividend received from subsidiaries	-	565.51
Rent received	15.91	9.16
Net cash flow used in investing activities (b)	(3,360.45)	(1,126.33)
Cash flow from financing activities		
Proceeds from issue of equity shares (ESOSs)	0.05	0.11
(Repayment)/proceeds from current borrowings (net)	(6.06)	6.06
Interest paid	(34.01)	(19.33)
Payment of lease liabilities	(25.78)	(29.02)
Dividend paid	-	(564.26)
Tax paid on dividend	-	(87.45)
Net cash flow used in financing activities (c)	(65.80)	(693.89)
Net increase in cash and cash equivalents (a+b+c)	34.06	197.92
Cash and cash equivalents at the beginning of the year	261.54	64.47
Exchange difference on translation of foreign currency cash and cash equivalents	(0.88)	(0.85)
Cash and cash equivalents at the end of the year	294.72	261.54

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 of property, plant and equipment represents additions to property, plant and equipment, adjusted for movement of capital work in progress, capital advances, capital creditors and investment properties during the year.

Cipla Ltd.

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

P +91 22 24826000 F +91 22 24826120 W www.cipla.com E-Mail contactus@cipla.com Corporate Identity Number L24239MH1935PLC002380

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 5th 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 ₹ 3,676.07 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 1st 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 20th 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 1st 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 21st 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 5th 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 25th 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 21st 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 ₹ 111.15 Crore as of 31st March, 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 ₹ 161.29 Crore (80,64,63,279 equity shares of ₹ 2 each) upon allotment of 8,050 equity shares of ₹ 2 each pursuant to "ESOS 2013-A" during the quarter ended 31st March, 2021.

4. The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income tax and deferred tax for the quarter and year ended 31st March, 2021 using the new rates.
5. 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 year ended 31st March, 2021.
6. On 30th March 2021, the Company made a strategic investment of ₹ 40 Crore in ABCD Technologies LLP which is classified under non current investment.
7. The Board in its meeting held on 29th January, 2021 has approved a draft scheme of arrangement (Scheme) which entails demerger of the US business undertaking (Demerged Undertaking 1) of Cipla Limited (Demerged Company) into its wholly-owned subsidiary, Cipla BioTec Limited (Resulting Company 1) and consumer business undertaking (Demerged Undertaking 2) of Cipla Limited into its wholly-owned subsidiary, Cipla Health Limited (Resulting Company 2) pursuant to Sections 230 to 232 and the other relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Scheme would be subject to the receipt of requisite approvals including from the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India, the shareholders and/or creditors of the Demerged Company, Resulting Company 1 and Resulting Company 2. Pending aforementioned approval, the Scheme has not been accounted for in the financial results.
8. The Board of Directors of the Company at its meeting held on 14th May, 2021 has recommended a final dividend of ₹ 5 per equity share (face value ₹ 2 each) for the financial year ended 31st March, 2021. The dividend is subject to approval at the ensuing annual general meeting of the Company.
9. The results for the quarter and year ended 31st March, 2021 are available on the Company's website i.e. www.cipla.com under Investor Information section and on the stock exchange websites i.e. www.bseindia.com and www.nseindia.com.
10. The figures of the previous year/period have been regrouped/recast to render them comparable with the figures of the current period.
11. The figures for the quarter ended 31st March, 2021 and 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine month of the relevant financial year.
12. 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 14th May, 2021. These results have been subjected to audit by statutory auditors who expressed an unqualified opinion.

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

Mumbai
14th May, 2021

Umang Vohra
Managing Director and Global Chief Executive Officer

Walker Chandiok & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi – 110 001
India
T +91 11 45002219
F +91 11 42787071

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 2021, 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'), including relevant circulars issued by the SEBI from time to time.
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 applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, 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 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 statements 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.



Chartered Accountants

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

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

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual audited 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 accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder 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, 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 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 management.
 - Conclude on the appropriateness of the management'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 Company's ability 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 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.



Walker Chandiok & Co LLP

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.

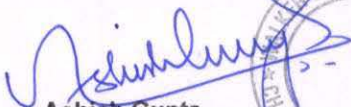
Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2021, 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 Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Ashish Gupta

Partner

Membership No. 504662

UDIN: 21504662AAAADH8450



Place: New Delhi

Date: 14 May 2021

14th May, 2021

(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, 5th 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

Dear Sir/ Madam,

Sub: Declaration pursuant to regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

We, hereby confirm and declare that the Statutory Auditors of the Company i.e. Walker Chandiok & Co LLP, Chartered Accountants, have issued the audit report on Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2021 with unmodified opinion.

Thanking you,

Yours faithfully,
For **Cipla Limited**

Kedar Upadhye
Global Chief Financial Officer