

14<sup>th</sup> August 2023

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

**Sub: Disclosure of material continuing events under Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI Listing Regulations read with circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023 (“SEBI circular”), we hereby notify the details of pending litigations/disputes in accordance with the provisions of Schedule III Part A Para B sub-para 8 of SEBI Listing Regulations.

Details required to be disclosed in terms of SEBI Circular, have been provided as Annexure - I to this letter.

Please take the above information on record.

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

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

Encl: As above

Prepared by: Mandar Kurghode

**WITHOUT PREJUDICE**

**Annexure – I**

**Details required in terms of circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023**

**1. Drug Pricing Control Order (DPCO) matters**

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	Cipla and one of its subsidiary has certain ongoing disputes with the National Pharmaceutical Pricing Authority (NPPA), Government of India broadly in relation to (i) the inclusion of certain formulations under price control and (ii) demand notices issued by the NPPA for overcharging (including interest and penalty) under Drug Pricing Control Order (DPCO). These disputes are pending in the High Courts of the relevant jurisdictions and/or determination by the authority. Details of these disputes are available on the NPPA's official website ( <a href="https://www.nppaindia.nic.in/">https://www.nppaindia.nic.in/</a> ) under the "overcharging status" section. Detailed note in this regard forms part of Company's Annual Reports including the Annual Report for FY 2022-23 and quarterly financial results.
ii.	expected financial implications, if any, due to compensation, penalty etc.;	The total demand against the Company and one of its subsidiary Meditab Specialities Limited as stated in NPPA public disclosure amounts to INR 3,703.40 crores. In this regard, for certain products, the Company has made provision of INR 133.27 crores as of 30 <sup>th</sup> June 2023.
iii.	quantum of claims, if any;	

**2. Godfrey Magezi vs (i) National Medical Stores (ii) Cipla Quality Chemical Industries Ltd. (CQCIL) (iii) Attorney General, Uganda**

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	Godfrey Magezi, a Ugandan citizen claimed a financial loss of USD 18.08 million to the Government of Uganda arising out of an offtake purchase agreement and guarantee executed between Government of Uganda and CQCIL. CQCIL and all other defendants challenged the claim by way of objection on preliminary points of law. In view of which the suit was dismissed by Uganda High Court with costs. On 29 <sup>th</sup> November 2017, CQCIL received notice of an intended appeal, memorandum and a record of appeal filed at the court of appeal by the opposing party.  Parallely, in accordance with the order dismissing the suit, CQCIL filed its bill of costs. A consent order is entered in favour of CQCIL, allowing it to recover USD 100,000 in costs subject to the appeal being decided in favour of CQCIL.
ii.	expected financial implications, if any, due to compensation, penalty etc.;	The matter being sub judice, the Company cannot confirm the actual financial implication as on date.
iii.	quantum of claims, if any;	Refer point (i)

### 3. Su Kinn Global Healthcare Inc. vs Cipla Limited

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	<p>An agency agreement was executed between Cipla and Su Kinn Global Healthcare Inc. ("Su Kinn") whereby Su Kinn was appointed as Cipla's agent for the territory of Nigeria and Ghana. A dispute arose between the parties and as per the terms of the agreement, the said dispute was referred to arbitration. In the arbitration proceedings, Su Kinn claimed an amount of USD 29.83 Million alleging non-payment of commission by Cipla. The said claim of Su Kinn was rebutted by Cipla. Subsequently, an arbitral award dated 6<sup>th</sup> July, 2019 was passed in the matter whereby Cipla was directed to pay an amount of USD 0.55 million to Su Kinn.</p> <p>Aggrieved by the arbitral award, both Cipla and Su Kinn have filed their respective petitions before the Hon'ble Bombay High Court for setting aside the arbitral award.</p>
ii.	expected financial implications, if any, due to compensation, penalty etc.;	The matter being sub judice, the Company cannot confirm the actual financial implication as on date.
iii.	quantum of claims, if any;	Refer point (i)

### 4. Income Tax matters

#### a. Pending with Supreme Court / High Court

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	<p>The Company has various litigations against the Income Tax Department from AY 1996-97 to AY 2011-12 before the Supreme Court of India or the Bombay High Court where the Department has filed appeal against the Orders passed by the Hon'ble High Court of Bombay or Income Tax Appellate Tribunal in favour of the Company.</p> <p>Key issues involved in the litigations include disallowances of tax holiday claimed u/s 80IA or 80IC etc. of the Income Tax Act, 1961 ("Act"), weighted deduction u/s. 35(2AB) of the Act, various expenses u/s. 37(1) of the Act, Duty Entitlement passbook scheme (DEPB) income offered to tax on actual utilisation, deduction claimed u/s. 80IA(9) of the Act to be reduced from deduction allowable u/s. 80HHC of the Act.</p>
ii.	expected financial implications, if any, due to compensation, penalty etc.;	Majority of the issues are industry vide issues. The Company believes that the ruling maybe in its favour based on legal precedents.
iii.	quantum of claims, if any;	INR 628 crores (cumulatively)

**b. Pending with Income Tax Appellate Tribunal**

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	The Company has various litigations against the Income Tax Department for AY 2008-09 and AY 2014-15 where the Company as well as the Income Tax Department has filed appeal against the Orders of the Commissioner of Income Tax (Appeals).  Key issues involved in the litigation include disallowances of the tax holiday deduction claimed u/s 80IA or 80IC etc. of the Income Tax Act, 1961 ("Act"), weighted deduction u/s. 35(2AB) of the Act, various expenses u/s. 37(1) of the Act and specified domestic transfer pricing (SDT) transactions with domestic associate enterprises (AE).
ii.	expected financial implications, if any, due to compensation, penalty etc.;	Majority of the issues are industry vide issues. The Company believes that the ruling maybe in its favour based on legal precedents. The Company has disclosed INR 13.01 crores as contingent liability in financial statements for FY 2022-23 for these matters.
iii.	quantum of claims, if any;	INR 124 crores (cumulatively)

**c. Pending with Commissioner of Income Tax (Appeals)**

Sr. No.	Particulars	Details
i.	brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;	The Company has various litigations against the Income Tax Department for AY 2009-10 to 2018-19 (except AY 2014-15) where the Company has filed appeal against the Orders of Assessing Officer (AO).  Key issues involved in the litigation include disallowances related to tax Holiday deduction claimed u/s 80IA or 80IC etc. of the Income Tax Act, 1961 ("Act"), weighted deduction u/s. 35(2AB) of the Act, various expenses u/s. 37(1) of the Act, SDT transaction with domestic AE, and international transactions with AE (goods & corporate guarantees)
ii.	expected financial implications, if any, due to compensation, penalty etc.;	Majority of the issues are industry vide issues. The Company believes that the ruling maybe in its favour based on legal precedents. The Company has disclosed INR 7.51 crores as contingent liability in financial statements for FY 2022-23 for these matters.
iii.	quantum of claims, if any;	INR 981 crores (cumulatively)