Cipla

16th August, 2019

(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 EQ

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

Sub: Address by Dr. Y.K. Hamied – Chairman at the 83rd Annual General Meeting of the Company

Dear Sir/Madam,

Please find enclosed copy of address made by Dr. Y.K. Hamied – Chairman at the 83rd Annnual General Meeting of the Company held on Friday, 16th August, 2019 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai - 400 020.

Thanking you,

Yours faithfully,
For Cipla Limited

Rajendra Chopra
Company Secretary

Encl.: as above

Prepared by: Juzer Masta

Ladies and Gentlemen,

I would like to welcome you to the 83rd Annual General Meeting of your Company. This is no ordinary occasion. Yesterday was India's 73rd Independence Day and tomorrow is the 84th anniversary since the foundation of Cipla in 1935. I am also completing 60 years of service in Cipla. This occasion for me is therefore one of humility and gratitude to be standing before you, our shareholders, who over the years have been the foundation of Cipla and seen its progress and achievements. The Cipla story has in many ways been the story of the growth of the indigenous pharmaceutical industry and is an integral part of the overall history of our country.

All of you have received a copy of our annual report for the financial year 2018-19. It contains a detailed report on our financial performance, the management discussion and analysis, our business strategy, technical operations, people practices, corporate social responsibility, as well as my views and comments as also those of Cipla's senior executive management. With your permission, I take the report as read. I am pleased to share with you that this is the second year in a row that we have published an integrated annual report, in keeping with our constant endeavor to raise our governance benchmark standards and compliance practices. These efforts have not gone unnoticed. Your Company has recently been honored with a number of awards for excellence in corporate governance practices and disclosures. We will endeavor to continue our high standards.

The year ended March 2019 was a satisfactory but difficult year for your Company. The year's revenue was in excess of Rs. 16,000 crores and profit after tax was over Rs. 1,500 crores. We ended the year strongly. It was a year of several milestones for your Company. This included strengthening of our presence in South Africa through an acquisition; improving our portfolio and pipeline of specialty products in the USA; building many franchises, both local and international; and on a humanitarian note, we did a great deal in the area of overall health management with several campaigns for patient awareness and work in anti-microbial resistance (AMR). This is today a matter of grave concern, not only in India, but globally.

Your Company has identified some interesting growth areas for our future expansion. We have set up a factory for manufacturing inhalation products for respiratory ailments in Morocco and are in the process of doing the same in China. Our other manufacturing units outside India are in the USA, South Africa and Uganda. Our international revenues today are ahead of our domestic business. Cipla is now among the leading global generic companies and recently was ranked 11th worldwide. This achievement is a result of Cipla's overall innovation, diversification and an ongoing effort over the years.

Our current annual report captures the spirit of Cipla and what we stand for, essentially healthcare with a purpose. Our work has been about science in the service of humanity. In the 1970s, your Company pioneered the manufacture and development of metered and dry powder inhalers, nebulizers for asthma for the first time in India. Our leadership in this therapy has continued strongly and we are now expanding this internationally.

From the early 1990s onwards, we have been fully committed to the fight against infectious diseases, notably HIV/AIDS, essentially in Africa. On a humanitarian basis Cipla offered the world's first WHO-approved three drug combination to control HIV at below **$1** per day in 2001. At that time, the cost of all the individual tablets was over $12,000 per year. Very few patients could afford treatment. Today, due to this pioneering effort over 17 millions in Africa alone are being treated. Over the years, your Company has been responsible for saving millions of lives in Africa and our commitment is on-going.

Today there are many issues in global healthcare that need urgent attention – AMR, multi-drug resistant TB, widespread cancer, Alzheimer's disease, apart from epidemics such as Ebola, Zika and dengue. These are being tackled at many levels by governments, pharma companies, universities and the medical profession. The fight against AMR is a critical global concern. Cipla has recently acquired the marketing rights to Plazomicin, a new approved advanced antibiotic which will help in the fight against AMR. Cipla has been a leading industry voice on the AMR issue.

Healthcare is about combining business acumen with a humanitarian outlook. Our work ethos and purpose is centered around the welfare of patients, access to affordable medicines and that none should be denied medication. Cipla has always stood for quality, integrity and reliability of its products and continues to advance its future portfolio of drugs by innovating newer medications. Your Company is moving beyond generics into more complex molecules, niche and specialty products.

The pharma industry is different from all other industries. We are the custodians of healthcare and are responsible for the welfare and treatment of patients to overcome diseases and lead a better quality of life. Two major factors essentially control the industry – monopoly, arising out of intellectual property rights, which gives product exclusivity to the inventor and the high rate of obsolescence of drugs. Newer medicines therefore have to be constantly manufactured and marketed to enable long term progress, sustainability and stability. In our overall R&D program, we are closely monitoring the repurposing and repositioning of existing drugs. This interesting area of applied research includes pro-drugs, metabolites, chiral drugs, liposomal drugs, co-crystals, new polymorphs, nano-particles, enhancers, boosters, drug combinations, newer devices, and newer routes of drug administration and delivery system. It is essentially appropriate technology which is scientifically sound, relevant, adaptable to local needs and using available resources. Apart from this, our interest currently is to closely examine newer technologies that are already revolutionizing healthcare – 3D, artificial intelligence, digitalization, automation, flow chemistry and continuous manufacturing. For some time, medical science has been shifting from chemistry to biology. We therefore need to rethink, redesign and rebuild a fresh approach to tackle the ongoing problems of healthcare.

As always, I would like to acknowledge the help and assistance provided by all my fellow Board members. I wish to thank the entire Cipla family, both past and present, for their services in bringing your Company to this leading position. A final thanks to the medical profession, customers, suppliers, partners, associates and all our shareholders for their continuous support and ongoing trust in our Company. We look forward to this encouragement in the years ahead, while we continue our progress and forward journey. Once again, thank you for being with us today.

Thank you
Y.K. Hamied