Cipla

9th July 2015

(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 LUXEMBERG
Societe Anonyme
11, av de la Porte-Neuve,
L-2227 Luxemberg

Dear Sirs,

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. 9th July 2015 approved divestment of its consumer healthcare business to a wholly owned subsidiary (proposed to be incorporated) on a going-concern basis by way of a slump sale for a consideration of Rs. 10.5 crore ("transaction").

The aforesaid divestment would enable the Company to participate in the attractive & growing over-the-counter ("OTC") market. This business requires a specialised FMCG kind of focus. A separate subsidiary would enable the Company to attract right talent and provide the focus and attention required for this business.

The amount and percentage of the turnover contributed by the OTC division of the Company, during the last financial year 2014-15 was Rs. 34.88 crore or approximately 0.3% of the Total Income (Audited Consolidated) of the Company for FY 2014-15. The net worth of OTC division of the Company as on 31st March 2015 was Rs. 6.45 crores contributing 0.06% of the net worth of the Company. The sale agreement is yet to be finalized. The transaction is expected to be completed in the third quarter of FY 2015-16, subject to receipt of necessary approvals.

None of the persons belonging to Promoter / Promoter Group(s) of the Company has any interest in the transaction. The transaction is a related party transaction and it is being done on an arm's length basis.

Thank you,

Yours faithfully,
For Cipla Limited

M. A. Sanghvi

Mital Sanghvi
Company Secretary