Cipla
Cipla Ltd.
Mumbai Central
Mumbai 400 008

25th August, 2010

(1) Bombay Stock Exchange 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

Dear Sirs,

The Board of Directors of the Company at its meeting held on August 25, 2010, inter alia, has approved the acquisition of Meditab Specialities Pvt. Ltd. ("Meditab") for an aggregate consideration of Rs.133.35 crores.

The key highlights of the acquisition are as follows:

Meditab has small/mid-sized formulation manufacturing facilities at multiple locations which are substantially manufacturing formulation products for the Company.

In addition to full control over Meditab's aforesaid manufacturing facilities which would result in improvements in operational and cost efficiencies, the Company will benefit from Meditab's investments as follows:

- Expansion of the Company's API/intermediates international business through the manufacturing facility in China;
- Entry into the high growth Chinese domestic formulations market through the local manufacturing facility in China;
- Additional business opportunity in Africa by leveraging on local manufacturing facility in Uganda and
- Extending the Company's existing strategic relationship for research & development of stem cell based products having facilities in India and Malaysia, through equity participation.

Entities controlled by the relatives of the promoters are major shareholders in Meditab. The aggregate consideration for this acquisition was determined on the basis of the valuation report provided by Grant Thornton and fairness opinion provided by Kotak Mahindra Capital Company Ltd.

Kindly acknowledge receipt.

Thank you

Yours faithfully
For Cipla Limited

M. A. Sanghvi

Mital Sanghvi
Company Secretary