



Innovating for
affordable healthcare

Shilpa Medicare Limited

Corporate & Admin Office :

"Shilpa House", # 12-6-214/A-1, Hyderabad Road,
Raichur-584 135, Karnataka, India

Tel: +91-8532-238704, Fax: +91-8532-238876

Email: info@vbshilpa.com, Web: www.vbshilpa.com

CIN: L85110KA1987PLC008739

Dated 12th July, 2021.

To
Corporate Relationship Department
BSE Limited,
1st Floor, Rotunda Building,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

To
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051.

Dear Sir,

Sub: Outcome of Board Meeting – Reg.

Ref: Regulation 30 of the SEBI (LODR) Regulations, 2015;

Scrip Code: BSE - 530549/ Stock Symbol: NSE – SHILPAMED

Dear Sir,

This is to intimate that the Board of Directors at its meeting held today, approved the transfer of API Business of the Company consisting of Unit-1 and Unit-2 situated at Raichur, Karnataka by way of slump sale to a wholly Owned Subsidiary of the Company (to be incorporated) subject to the approval of Shareholders. The detailed disclosure as required under Regulation 30 of SEBI (LODR) Regulations, 2015 is attached hereto as Annexure – A.

The Board also authorised the Managing Director and other officials of the Company to finalize and issue a notice to the members seeking their approval for the above said proposal and also to do all the needful thereto.

As the Trading Window is already closed and continues to be closed till the financial results are announced for the quarter ended 30th June, 2021, further, notice is not being given for the closure of Trading Window.

Kindly take the record of the same.

**For and on behalf of
Shilpa Medicare Limited**


V V Krishna Chaitanya
Company Secretary & Compliance Officer
M.NO: 49415





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ANNEXURE-A

Details which a listed entity needs to disclose for sale or disposal of unit(s) or division(s) of the listed entity under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.4 of Annexure I of the SEBI Circular dated September 9, 2015.

The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	Total Income of Rs. 631 cr. for API business (~73% of Rs. 864 cr. Total Income of the Company) Net Worth of Rs. 251 cr. for API business (~15% of Rs. 1,638 cr. Total Net Worth of the Company) (Based on the Standalone financial of the Company for the year ended 31 st March 2021)
Date on which the agreement for sale has been entered into	The Board of Directors of the Company have approved the proposed transaction on 12 th July, 2021 including authority to officers of the Company to enter into the Business Transfer Agreement to give effect to the transaction which will be executed in due course.
The expected date of completion of sale/disposal	Subject to regulatory, statutory and other approvals, if any, the sale is expected to be completed on or before 30 th September 2021
The consideration received from such sale/disposal	The consideration would not be less than the fair market value of the net assets as per Rule 11UAE of the Income Tax Rules, 1962 which will be based on a report to be obtained from an independent valuer.
Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof	API Business is being spun-off into a separate company which would be a wholly owned subsidiary (to be incorporated) of Shipa Medicare Limited to be engaged in the business of manufacturing of Active Pharmaceutical Ingredients and Intermediates.
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Yes, the transaction will be between related parties as the seller and buyer would be holding company and wholly owned subsidiary respectively. The transaction is proposed to be carried out for a consideration and would be at arms length. Since, the buyer would be a wholly owned subsidiary of the Company there will not be any impact on the accounts on consolidated basis.

V.V.K. Chaitanya

Rationale for slump sale	<ul style="list-style-type: none"> a. result into operational synergies and lead to overall cost optimisation b. result in a focused approach with the desired management band width and operational plans for each business of the Company separately c. provide greater flexibility in pursuing long-term growth plans and strategies. d. help the management to efficiently exploit the available funding opportunities for each business independently.
Brief Particulars for change in shareholding pattern if any	<p>There will be no change in the share holding pattern of Shilpa Medicare Limited consequent to this transaction.</p> <p>No listing is sought for the transferee company</p>

V.V.K. Charan

