



Innovating for
affordable healthcare

Shilpa Medicare Limited

Manufacturers and Exporters of Bulk Drugs

12-6-214/A1, Hyderabad Road,
RAICHUR - 584 135. Karnataka, India.

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

CIN No. L85110KA1987PLC008739

E-mail : info@vbshilpa.com Website : www.vbshilpa.com

Dated 24th Feb, 2020

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

This is to intimate that the Board of Directors of the Company at its meeting held today, approved the sale of Biological Unit of Shilpa Medicare Limited by way of Slump Sale to Shilpa Biologicals Private Limited, a Wholly Owned Subsidiary of the Company 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.

Kindly take the record of the same.

For and on behalf of
Shilpa Medicare Limited


V V Krishna Chaitanya
Company Secretary
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	The Biological Unit proposed to be sold is under construction/ installation stage and not yet commenced commercial operations. Net worth is being worked out based on Fair Market Value from an Independent Valuer. Further, Net worth of the proposed Unit is estimated to be around 22% to 24% (Rs.321.77 Crores approximately) on standalone financials basis.
Date on which the agreement for sale has been entered into	The Board of Directors of the Company have approved the proposed transaction on February 24, 2020 including authority to officers of the Company to enter into the Slump Sale Agreement to give effect to the transaction which will be executed shortly.
The expected date of completion of sale/disposal	Subject to shareholders' approval the sale is expected to be completed on or before 31 ST March, 2020
The consideration received from such sale/disposal	Value of Capital Assets of Biologicals Unit which are under construction / installation, will be arrived based on the Fair Market Value from an Independent Valuer and other assets and liabilities will be taken at Book Value. Hence, the valuation will be Aggregate of Capital assets at Market value and net of other assets and liabilities at Book Value. The Consideration for the proposed Sale will be paid in Cash.
Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	Shilpa Biologicals Private Limited is a wholly owned subsidiary of Shilpa Medicare Limited and is engaged in the business of Biologicals.
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Yes, the transaction is between related parties as the seller and buyer are holding and Wholly Owned Subsidiary respectively. The transaction is proposed to be carried out for a consideration and is at arm's length basis.

V.V.K. Chantana

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	Since, the buyer is a wholly owned subsidiary of the Company there will not be any impact on the accounts of the Company at consolidated level.
Rationale for slump sale	<ul style="list-style-type: none">• Sale of Biologicals unit would result into operational synergies and lead to overall cost optimisation.• This sale of Biologicals Unit would result into sector focused company and facilitate for strategic investment.• Facilitates to create a Biological Business with a separate focused management that would provide greater flexibility in pursuing long-term growth plans and strategies.• Helps the management to efficiently exploit opportunities for Biological business independently.
Brief Particulars for change in shareholding pattern if any	There will not be any change in the share holding pattern of the Shilpa Medicare Limited consequent to this transaction. No listing is sought for the transferee company

V.V.K. Chaitanya

