



Innovating for
affordable healthcare

Shilpa Medicare Limited

Manufacturers and Exporters of Bulk Drugs

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CIN No. L85110KA1987PLC008739

SML/54/2016-17

27th June, 2016

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 (Listing Obligations & Disclosure Requirements)
Regulations, 2015; Scrip Code- 530549 & SHILPAMED**

With reference to the above, this is to inform you that the Board of Directors in their meeting held on this day i.e. 27th June, 2016 has considered and approved based on the recommendations of Audit Committee, Amalgamation of Navya Biologicals Private Limited (Transferor Company) with Shilpa Medicare Limited (Transferee Company) subject to the approval/observation letters of requisite statutory bodies/ intermediaries including Stock Exchanges, shareholders and Hon'ble High Court of Karnataka/ National Company Law Tribunal.

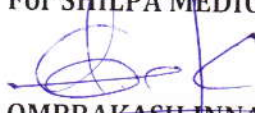
Navya Biologicals Private Limited ("NBPL") is a company incorporated under the Companies Act, is engaged on research and development activities in the field of biologicals. NBPL has specifically been in the development of bio-similars and bioprocess technology platforms.

The information as required under regulation 30 and Schedule III Part A (1) of the SEBI (LODR) Regulations, 2015 is annexed herewith as **Annexure A**.

The meeting commenced at 4.00 P.M and concluded at 5.00 P.M.

This is for your information and records.

With Regards,
For SHILPA MEDICARE LIMITED


OMPRAKASH INNANI
DIRECTOR
DIN: 01301385



Annexure -A

<u>Particulars</u>	<u>Information</u>
Name of the Transferor Company	Navya Biologicals Private Limited (NBPL)
Paid-up Capital	Equity Share Capital :Rs. 73,00,000.00 Total Paid-up Capital :Rs. <u>73,00,000.00</u> (73,000 shares of Rs.100/- each)
Turnover for the year ended 31 st March, 2016	Turnover Rs.380.80 Lakhs Net Profit/ (Loss) Rs.77.38 Lakhs
Whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired	NO
Nature of consideration - whether cash consideration or share swap and details of the same;	Total Consideration shall be paid by way of share swap (14,00,000 equity shares of Rs.1/- each of Shilpa Medicare Limited is proposed to be issued to the shareholders of Transferor Company upon the implementation of the proposed scheme)
Indicative time period for completion of the acquisition	7 to 8 Months
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	a) The amalgamation would result in the Transferee Company having presence in the research and related activities in the fields of biologicals which at present the Transferee Company does not have; b) Since, the Transferor Company is in the development of niche products and has approved products which will facilitate Transferee Company to access new process technologies such as IPs, rights, know-how and consolidation is expected to bring strengths that each company may not necessarily possess individually, provides more focused management of the Transferee Company; (c) Improved organizational capability and leadership, arising from the pooling of resources and expertise that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;



	(d) Greater leverage in operations, planning and process optimization and enhanced flexibility in operations; (e) Consolidation of Intellectual Properties, R & D capabilities, Physical Infrastructure into one enterprise; (f) Cost savings are expected from utilizing the existing manufacturing facilities of Transferee Company with more focus on operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, usage of common resource pool like human resource, administration, finance, accounts, legal, other related functions, leading to elimination of duplication and rationalization of administrative expenses; (g) The amalgamation is expected to make strong the product port-folio of the Transferee Company thereby enhancement of competitiveness in the market; (h) The amalgamation is expected to have synergistic results in operations and effective integration of the existing chemicals based drug development of Transferee Company with the biologicals based research and development available with the Transferor Company; and (i) The amalgamation is expected to give such opportunity to the Transferee Company without any additional cash flow to the Transferee Company, since the shareholders of the Transferor Company will be allotted shares in the Transferee Company, as consideration for the amalgamation.
Brief details of any governmental or regulatory approvals required for the acquisition;	Shareholders, Stock Exchanges, Court/ National Company Law Tribunal.

For Shilpa Medicare Ltd.,


Director

