sms pharmaceuticals ltd.
Regd.&Corporate Office :
Plot No. 19-111, Road No. 71,
Opp. Bharatiya Vidya Bhavan Public School,
Jubilee Hills Hyderabad - 500 096. A.P. INDIA,
Tel : +91-40-6628 8888, Fax : +91-40-2355 1401
CIN : L24239AP1987PLC008066
Email : info@smspharma.com
www.smspharma.com

By Mail

28th November, 2014

M/s. National Stock Exchange of India Ltd
"Exchange Plaza", Bandra – Kurla Complex
Bandra (E) Mumbai 400 051

Attn: Ms.Shreya Ghose

Dear Madam,

Sub : Clarification on the Business update.
Ref : Your Email dated 27-11-2014

Please refer to your said mail with regard to the subject cited above, we wish to bring to your learned notice that the litigation with M/s.Natco Pharma Limited (NATCO) civil disputes pertaining to settlement of Job work charges and others under took by M/s.Natco.

The company filed a civil recovery suit against M/s. Natco before the Chief Judge, City Civil courts, Hyderabad and subsequently the case was transferred to Motor Vehicles Accident Claims Tribunal-cum-XIV Addl Chief Judge (Fast Track Court), CCC, Hyderabad. In February 2012, the Hon'ble Court decreed the matter in favour of the company for an amount of Rs.32.41 crores plus interest of 15.5% from the date of the said order.

M/s. Natco has also filed a Civil recovery suit against the Company in the same court. In February 2012, the Hon'ble Court dismissed the said matter.

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SMS Pharmaceuticals Ltd. Hyderabad

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M/s. Natco preferred appeals against the both orders in the High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh. As per the Hon'ble High Court direction, M/s. Natco deposited Rs.11.58 crores in the Court against the said decree out of which a sum of Rs.6.18 crores was received by the company in the year 2012 and Rs.5.40 crores still in the custody of the court.

The Management of both the companies have decided to settle the dispute amicably between, and for which both the parties consented to file for withdrawal of appeals on payment of Rs.15.07 crores by M/s. Natco to the company apart from the amounts which are in the custody of the court receivable by the company.

Please take above the information on record.

Thanking you,

Yours sincerely,
For SMS Pharmaceuticals Ltd.

SMS Pharmaceuticals Ltd. Hyderabad

N Rajendra Prasad
Chief Financial Officer