



STERLING BIOTECH LIMITED

CIN No. L51900MH1985PLC035738

Regd. Office. : 43 Atlanta Building, Nariman Point, Mumbai-400 021.

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JULY 18, 2018

To,
BSE Limited
Listing Department
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code - 512299
ISIN - INE324C01038

To,
National Stock Exchange India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Symbol - STERLINBIO
ISIN - INE324C01038

Ref.: Email from BSE dated 16th July 2018 and Email from NSE dated 17th July 2018.

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sir / Madam,

We would like to inform you the sequence of events in chronological order as follows:

- (1) Sterling Biotech Limited ("**Company/SBL**") has a plant / unit located at S. F. No. 260, Sholur Village, Udthagamandalam Taluk, Nilgiris District, Tamil Nadu ("**Plant**").
- (2) On or about October 2017, the Tamil Nadu Pollution Control Board ("**TNPCB**") initiated proceedings against the Company for alleged non-compliance of the Plant with the provisions of the Water (Prevention and Control of Pollution) Act, 1974.
- (3) Several communications were exchanged between the TNPCB and the Company with regard to the alleged non-compliances of the Company with respect to provisions of the Water Act.
- (4) By its notice dated 12 March 2018, TNPCB directed the Company under section 33A of the Act to provide and implement Zero Liquid Discharge ("**ZLD**") for the treatment of trade effluent in the Plant on or before 30 June 2018 and to not discharge any effluent outside the premises of the Plant, in response to which several further communications were exchanged between the TNPCB and the Company. In fact, the Company vide its communications requested the TNPCB to allow it 7 months' time to successfully complete installation of ZLD at the Plant.
- (5) However, on 28 June 2018, the TNPCB ordered closure and disconnection of power supply of the Plant.
- (6) As intimated to your good office vide communication dated 27th June 2018, the National Company Law Tribunal Mumbai Bench vide its order dated 11 June 2018, made ready and available on 26 June 2018, admitted the Company into Corporate Insolvency Resolution Process ("**CIRP**") and appointed Mr. Sundaresh Bhat as the Interim Resolution Professional ("**IRP**") of the Company, in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 ("**Code**"). As the provisions of the Code, the management and affairs of the Company are with the IRP with effect 26th June 2018.
- (7) Therefore, the IRP with the best interest of the nation, company and with due regard to all laws, approached the Hon'ble High Court of Judicature at Madras vide a Writ of Mandamus, praying that the High Court allow the Company due time to implement the ZLD and allow the Company power and water connection to safely dispose of effluents within permissible norms. The HC did grant interim orders to the Company by directing an independent

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committee to assess and evaluate the proposition of the Company. In view thereof, a 'high power committee' performed an evaluation check on the Plant and plans of the Company to meet permissible norms in order to dispose of effluents, work in progress and issuance of finished goods. Order of the 'high power committee' is awaited.

- (8) Almost simultaneously with the filing of the Writ Petition, the Company also filed an appeal of the TNPCB's Order dated 28 June 2018 with the Tamil Nadu Pollution Control Appellate Authority, Chennai to seek appropriate reliefs. Currently, the first hearing is yet to be listed before the Appellate Authority.

- **The material impact of this article on the Company:**

As your good office is aware and as stated hereinabove, the Company is currently undergoing the CIR Process as per the provisions of the Code and therefore, news articles such as this would impact investor sentiment which may affect the potential bidders/investors from expressing their interest in the Company when the time comes, thereby impeding the overall resolution and turn around process of the Company. However, your good office may be rest assured that the IRP is taking all effective steps possible to mitigate any and all loss and is providing clarifications with regard to the news article wherever necessary and possible. However the Baroda facility will cater to all the customers of Ooty.

- **Whether company are aware of any information that has not been announced to the Exchanges under Regulation:**

We respectfully submit that the Company is not aware of any information that has not been announced to the Exchanges under Regulation. Needless to state, the Company respects its duties and obligations to the Exchanges and shall always intimate the Exchanges of any information which is required to be shared as per Regulation, as soon as the Company becomes aware of the same.

You are requested to take the same on record.

Thank You,

Yours Sincerely,

SUNDARESH BHAT

(Interim Resolution Professional in the matter of Sterling Biotech Limited)

Insolvency Professional Regn. No IBBI/IPA-001/IP-P00077 /2017-18/10162

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