



UNICHEM
LABORATORIES LTD.

Fax No : 91 (22) 2678 4391 / 5198
Tel. No. : 91 (22) 66888333
Website : <http://www.unichemlabs.com>
CIN : L99999MH1962PLC012451.

Registered & Corporate Office : Unichem Bhavan, Prabhat Estate, S. V. Road, Jogeshwari (West), Mumbai-400102, INDIA.
November 3, 2017

Department of Corporate Services
BSE Ltd
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Mr. Hari K
Asst. Vice President - Operations
National Stock Exchange of India Ltd
Exchange Plaza, Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sirs,

Subject: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that the Board of Directors of Unichem Laboratories Limited (the “Company”) at its meeting held today has approved the sale and transfer of the Company’s business of manufacture, sale, marketing and distribution of domestic formulations in India and Nepal, together with all specified tangible and intangibles assets, contracts, rights, personnel and employees, data and records, inventory and other assets and liabilities as agreed between the parties in relation to the said business (“**Identified Business**”) by way of slump sale on a going concern basis, to Torrent Pharmaceuticals Limited (“**Purchaser**”) upon terms and conditions contained in the definitive agreements proposed to be entered into by the Company with the Purchaser for a total consideration of Rs. 3,600 crores (Indian Rupees three thousand six hundred crores), subject to such price adjustments and amendments, if any, as may be agreed between the parties.

The above transaction is subject to customary conditions precedent, including, shareholders’ approval and is expected to close in the calendar year 2017.

Pursuant to and immediately upon conclusion of the board meeting, the Company has entered into a definitive binding agreement with the Purchaser, for the sale and transfer of the Identified Business to the Purchaser by way of slump sale on a going concern basis, on terms and conditions as more particularly provided therein. Enclosed hereto is a press release issued by the Company in this regard.

As required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requisite information is enclosed herewith as **Annexure A**.

The Board of Directors is of the view that the sale of the Identified Business is a strategic decision and will be beneficial to the members of the Company. This will enable the Company to achieve full potential by enhanced focus on its other business.

You are requested to kindly take note of the same.

Thanking you,
FOR UNICHEM LABORATORIES LIMITED

Neema Thakore
Head- Legal & Company Secretary
Encl: a/a



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Annexure A

Details as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

#	Particulars	Requisite Information
1.	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 sales turnover of the Identified Business for the year ended March 31, 2017, was Rs. 841.5 crores i.e. 59.5% of total standalone Company's revenues. The Company has a single reportable segment and hence net worth contributed by Identified Business which is part of that single segment cannot be computed.
2.	Date on which the agreement for sale has been entered into.	November 3, 2017
3.	The expected date of completion of sale/disposal.	Calendar year 2017
4.	Consideration received from such sale/disposal.	Rs.3,600 crores (Indian Rupees Three Thousand Six Hundred Crores) to be received, subject to such price adjustments and amendments, if any, as may be agreed between the parties.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof.	Torrent Pharmaceuticals Limited The Purchaser does not belong to promoter/ promoter group/group companies.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length".	The transaction is not a related party transaction.
7.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	See below.
i.	Area of business of the entit(ies)	The Company is an international, integrated, specialty pharmaceutical company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in India and several other markets across the world. In India, the company is a leader in niche therapy areas of cardiology, neurology, orthopedics and anti-infectives. The Company has strong skills in product development, process chemistry and manufacturing of complex API as well as dosage forms. The Purchaser is a leading player in the Indian pharmaceutical market with annual revenues of more than Rs. 5800 crore and is

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		the flagship Company of the Rs. 18,300 crore Torrent Group.
ii.	Rationale for the proposed Slump Sale	The Company's vision and strategy is to propel itself into the global league, replicating its success in the domestic markets. This strategy requires significant infusion of capital into R & D in New Biological Entities (NBE), New Chemical Entities (NCE), Bio similars and complex generics. The capital inflow will help the Company to focus attention on all aspects of the international business including Fixed Dose Formulations, API, contract manufacturing and contract research.
iii.	In case of cash consideration amount or otherwise share entitlement /exchange ratio in relation to the amalgamation/merger.	Please refer to the details stated above.
iv.	brief details of change in shareholding pattern (if any) of Listed entity	There will be no change in the shareholding pattern of Company as a result of the transaction.

Thanking you,

FOR UNICHEM LABORATORIES LIMITED

N. N. Thakore

Neema Thakore
Head- Legal & Company Secretary

Encl: a/a



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Press Release

Mumbai, November 3, 2017

The Board of Directors of Unichem Laboratories Limited at its meeting held today has approved the sale and transfer of Unichem's business of manufacture, sale, marketing and distribution of domestic formulations in India and Nepal, together with all specified tangible and intangibles assets, contracts, rights, personnel and employees, data and records, inventory and other assets and liabilities as agreed between the parties in relation to the said business (Transferred Business) by way of slump sale on a going concern basis, to Torrent Pharmaceuticals Limited upon terms and conditions contained in the agreements proposed to be entered into by Unichem with Torrent for a total consideration of Rs. 3,600 crores (Indian Rupees three thousand six hundred crores), subject to such price adjustments and amendments, if any, as may be agreed between the parties.

Transferred Business will include the portfolio of several brands in India and Nepal, manufacturing facility at Sikkim and employees performing work in relation to the Transferred Business.

The above transaction is subject to customary conditions precedent, including, shareholders' approval and is expected to close in the calendar year 2017. Unichem will remain an independent publicly listed company with no change in its existing shareholding.

Post completion, the facilities that will continue with Unichem include:

- ☐ Formulations plants in Goa, Ghaziabad (UP), Baddi (HP);
- ☐ API manufacturing plants in Roha, Kolhapur (both in Maharashtra) and Pithampur (MP);
- ☐ Center of Excellence (CoE - R&D complex) including Bio research center in Goa;
- ☐ International business;
- ☐ Employees related to the above; and
- ☐ Corporate office at Jogeshwari (Mumbai).

The transaction will enable Unichem to:

- ☐ focus attention on all aspects of the international business including finished formulations, API, contract manufacturing and contract research;



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- ☐ increase its investments in R&D in the New Chemical and Biological Entities (NCE & NBE), Bio-similars and complex generics; and
- ☐ reward shareholders in the near future.

“We found that with Unichem’s domestic business, there is significant synergy in the therapeutic segments where we are present. This will enable us gain share in the key therapies rapidly”, according to Mr. Samir Mehta, Chairman, Torrent Pharmaceuticals Limited.

“We believe that the future of pharma industry will be increasingly driven by research and innovation in complex biologics and specialized generics. We have identified specific opportunities and niches which we can potentially capitalize on”, according to Dr. Prakash Mody, Chairman and Managing Director, Unichem Laboratories Limited.

About Unichem

Unichem is an international, integrated, specialty pharmaceutical company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in India and several other markets across the world. In India, it is a leader in niche therapy areas of cardiology, neurology, orthopedics and anti-infectives. Unichem has strong skills in product development, process chemistry and manufacturing of complex API as well as dosage forms. More information about the company can be found at www.unichemlabs.com

About Torrent Pharmaceuticals Limited

Torrent is a leading player in the Indian Pharmaceutical Market with annual revenues of more than Rs. 5800/- crore and is the flagship company of the Rs. 18,300/- crore Torrent Group. Torrent Pharma is at the fore front of the Indian pharma industry with leading presence in key therapeutic areas.

Unichem believes that the sale and transfer of the Transferred Business to Torrent, will enable it to deliver superior results in areas of innovative research, new chemical and biological entities. The present transaction will enable Torrent to realise cost and revenue synergies in Torrent’s branded business in India.

For more information please contact:

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Disclaimer:

This press release includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ serially. Such factors include, but are not limited to, changes in local and global economic conditions, our ability to successfully implement our strategy, the market acceptance of and demand for our products, our growth and expansion, technological change and our exposure to market risks. By their nature, these expectations and projections are only estimates and could be materially different from actual results in the future.