



17th March, 2017

To, The Manager, Listing Department, National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. Ref. : (i) Symbol – DISHMAN (ii) Series – EQ	To, Department of Corporate Services Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Ref. : Scrip Code No. : 532526
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SUB. : ANNOUNCEMENT – OUTCOME OF THE TODAY'S BOARD MEETING

Dear Sir(s),

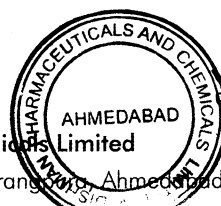
A Meeting of the Board of Directors of the Company was held on today i.e. on 17th day of March, 2017 at Ahmedabad, *inter alia*, to consider and take on record the Order of Hon'ble High Court of Gujarat, sanctioning the Scheme of Arrangement and Amalgamation amongst Dishman Pharmaceuticals and Chemicals Ltd., Carbogen Amcis (India) Limited and Dishman Care Limited and their respective Shareholders & Creditors, in which following decisions were also taken by the Board of Directors of the Company:

It was decided to sell Investment made by the Company in its following Associate and group companies to the promoter directors of the Company as part of restructuring process and to consolidate its investment made in entities without any material activities or loss making entities, details of the same are as under:

1) SALE OF INVESTMENT MADE BY COMPANY IN DISHMAN BIOTECH LTD.

Dishman Biotech Ltd. ("DBL") is engaged in the business of manufacturing of Bulk Drugs, Drug formulations and performance Chemicals in India for export markets. Its plant is located in the existing campus of Dishman's Bavla manufacturing facility.

Presently, Company holds 22.33% stake in DBL. The Board had reviewed provisional financials of DBL of December 31, 2016, DBL had registered loss of Rs.3.89 crores against the sales of Rs.6.09 crores. Looking to the net loss and lower scale of operations of DBL, the promoter directors of the Company shall acquire the 22.33% stake (334,980 no. of shares of Rs.10/- each) held by the Company at the price of Rs.30/- per share.



Dishman Pharmaceuticals and Chemicals Limited

Registered Office: Bhadr-Raj Chambers, Swastik Cross Roads, Navrangpura, Ahmedabad – 380 009 India.

Tel: +91 (0) 79 26443053 / 26445807 Fax: +91 (0) 79 26420198

Email: dishman@dishmangroup.com Web: www.dishmangroup.com

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2) SALE OF INVESTMENT MADE BY COMPANY IN i) BHADRA-RAJ HOLDING PVT. LTD.; ii) DISHMAN INFRASTRUCTURE LTD. AND iii) B.R. LABORATORIES LTD.

a) Bhadra-Raj Holding Pvt. Ltd. ("BHPL"):- 4,000 shares of Rs.10/- each being 40% of its share capital.

BHPL incorporated on 20th December, 1984 with an object of carrying business of holding and investment Company. Dishman Pharmaceuticals and Chemicals Limited ("Dishman" or "Company") holds 40.00% equity stake in Bhadra-Raj Holding Pvt. Ltd. Practically, the BHPL is not active in any business activity. Mainly, it receives dividend income from Dishman on its holding of 12,00,000 equity shares in Dishman. As a result of such proposed transfer of the equity shares of Bhadra-Raj Holding Pvt. Ltd., cross holdings between the companies shall also be eliminated for a more clear shareholding structure of the Company and Bhadra-Raj Holding Pvt. Ltd.

The above 40% stake of Company being 4,000 shares would be transferred to the promoter directors of the Company at a value of Rs.4,161.76 per share.

b) Dishman Infrastructure Ltd. ("DIL") – 50,000 shares of Rs.10/- each being 1% of its share capital.

Originally DIL is incorporated with a object of developing the project of Special Economic Zone ("SEZ"), for Pharmaceuticals & Fine Chemicals Segment and the said SEZ project has been notified by the Government of India, Ministry of Commerce vide notification No. F.2/355/2006-SEZ dated 13th November 2010.

Unfortunately due to an unexpected shift in the policy regime and discontinuation of various fiscal and tax benefits to be extended to SEZ developers as well as SEZ units it was decided by the Board of DIL to de-notified its Pharma SEZ project and applied for the De-notification in the month of April, 2015. Currently, there is no material activity in DIL and it has been incurring losses since more than last five years.

The above 1% stake of Company being 50,000 shares would be transferred to the promoter directors of the Company at a value of Rs.91.87 per share.

c) B.R. Laboratories Ltd. ("BRL") – 130 shares of Rs.10/- each being 0.01% of its share capital.

B.R. Laboratories Ltd. was originally incorporated on 29th June, 1983 as a Private Limited company and it was converted into Public Limited company w.e.f. 1st January, 1999. BRL is incorporated with an object of manufacturing of

Dishman Pharmaceuticals and Chemicals Limited

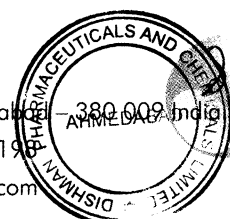
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industrial lubricants and related activities. However, BRL is inoperative since long.

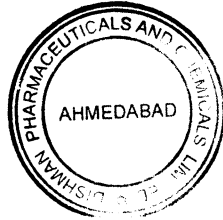
The above 0.01% stake of the Company being 130 shares would be transferred to the promoter directors of the Company at a value of Rs.7.22 per share.

Kindly take this on your record and oblige.

Thanking you.

Yours faithfully,
For Dishman Pharmaceuticals and Chemicals Limited

S. G. Dave
Shrima Dave
Company Secretary



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