

December 14, 2021

To

BSE Limited,

Listing Department, P J Towers,
Dalal Street,
Mumbai – 400 001.

Scrip code: 540679

Through: BSE Listing Center

National Stock Exchange of India Limited,

Listing Department, "Exchange Plaza",
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

Trading Symbol: SMSLIFE

Through: NEAPS

SUB: DISINVESTMENT IN MAHI DRUGS PRIVATE LIMITED (WHOLLY-OWNED SUBSIDIARY).

Ref: Regulation 30 (6) read with sub-para 1 of para "A" of part "A" of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

This is in reference to the Outcome of Board Meeting dated November 30, 2021 and clarification letter dated December 6, 2021, wherein the Board of Directors of the Company had considered and approved the following:

- Disinvestment upto 10% of shareholding in Mahi Drugs Private limited ("Mahi Drugs"),
- Raising fresh equity in Mahi Drugs, on a Private Placement basis.

In Continuation of the aforesaid intimations, the Company has executed Share Purchase Agreement and Share-Subscription Agreement with ChemWerth Inc., USA, Strategic Investor and their associates on December 13, 2021, to give effect to the aforesaid transactions.

Kindly take the same on record and suitably disseminate to all concerned.

For SMS Lifesciences India Limited


Trupii Ranjan Mohanty
Company Secretary



DETAILED REPORT:

[Pursuant to SEBI circular no. CIR/ CFD/ CMD/ 4/2015 dated September 9, 2015]

Sl No.	Particulars	Details												
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 last Financial Year	<p>Name of the wholly-owned subsidiary: Mahi Drugs Private Limited (CIN: U24233AP2012PTC084875)</p> <p style="text-align: right;">₹ in Crores</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Net worth</th> <th>Income</th> </tr> </thead> <tbody> <tr> <td>Standalone (Mahi Drugs)</td> <td>11.83</td> <td>17.70</td> </tr> <tr> <td>Consolidated (SMS Life)</td> <td>129.21</td> <td>267.37</td> </tr> <tr> <td>%age</td> <td>9.16%</td> <td>6.62%</td> </tr> </tbody> </table>	Particulars	Net worth	Income	Standalone (Mahi Drugs)	11.83	17.70	Consolidated (SMS Life)	129.21	267.37	%age	9.16%	6.62%
Particulars	Net worth	Income												
Standalone (Mahi Drugs)	11.83	17.70												
Consolidated (SMS Life)	129.21	267.37												
%age	9.16%	6.62%												
2.	Date on which the agreement for sale has been entered	December 13, 2021												
3.	The expected date of completion of sale / disposal	It is estimated that the aforesaid transactions shall be tentatively completed before January 31, 2022.												
4.	Consideration received from such sale / disposal	<p>Consideration is yet to be received:</p> <p style="text-align: right;">₹ in Crores</p> <table border="1"> <thead> <tr> <th>Tranche</th> <th>Amount (Approx.)</th> </tr> </thead> <tbody> <tr> <td>Disinvestment by Company</td> <td>7.50</td> </tr> <tr> <td>Allotment of fresh equity in Mahi Drugs (WoS)</td> <td>37.50</td> </tr> <tr> <td>Total Investment / Consideration</td> <td>45.00</td> </tr> </tbody> </table> <p>The aforesaid consideration for above transactions has been determined based on the valuation reports obtained from the below independent valuers on the basis of "Discounting Cash Flow method":</p> <ol style="list-style-type: none"> 1) Navigant Corporate Advisors Limited, SEBI registered - Merchant Banker; and 2) Mr. Sanka Hari Surya, IBBI Registered valuer. 	Tranche	Amount (Approx.)	Disinvestment by Company	7.50	Allotment of fresh equity in Mahi Drugs (WoS)	37.50	Total Investment / Consideration	45.00				
Tranche	Amount (Approx.)													
Disinvestment by Company	7.50													
Allotment of fresh equity in Mahi Drugs (WoS)	37.50													
Total Investment / Consideration	45.00													



		<p>The valuation reports were reviewed by the Audit Committee in its meeting held on November 30, 2021, wherein the Audit Committee confirmed that the consideration for the transactions are fairly priced and accordingly recommended the same to the Board.</p> <p>Subsequently, The Board in its meeting held on November 30, 2021 reviewed and approved the recommendation of the Audit Committee.</p>
5.	Brief details of buyers and whether any of the buyers belong to the Promoter / Promoter Group/ Group Companies. If yes, details thereof;	<p>ChemWerth Inc, (Strategic Investor) is a Company incorporated in Connecticut having its office at 1764 Litchfield Turnpike Suite 202, Woodbridge, CT 06525, United States of America.</p> <p>ChemWerth was established in 1982 and is a full service generic drug development and supply company providing high quality Active Pharmaceutical Ingredients to regulated markets worldwide. [Website: www.chemwerth.com]</p> <p>The Strategic Investor (along with its associates) does not belong to the promoter group of the Company.</p>
6.	Whether the transaction would fall within Related Party Transaction? If yes, whether the same is done at "arms-length"	No.
7.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamations / merger, shall be disclosed by the listed entity with respect to such slump sale.	Not Applicable

(Please note that this intimation is submitted within 24 hours of execution of aforesaid agreements).

