

18th March, 2017

BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Ajanta House,
Charkop, Kandivli West,
Mumbai 400 067
India

T +91 22 6606 1000
F +91 22 6606 1200
E info@ajantapharma.com
W www.ajantapharma.com

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

Scrip Code: BSE - AJANTPHARM 532331/ NSE - AJANTPHARM EQ

Re: Outcome of the Board Meeting

Dear Sir/Madam,

Pursuant to Regulations 30 & 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly take note that Board of Directors (Board) of the Company have at their meeting held on 18th March 2017 approved the following:

INTERIM DIVIDEND

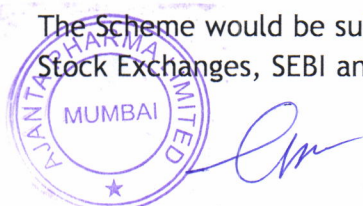
Payment of second interim dividend of Rs. 7/- (350%) per equity share on the face-value of Rs. 2/- per share for the Financial Year 2016-17 and ratified Saturday, 25th March, 2017 as the Record date for payment of interim dividend. The second interim dividend shall be paid to shareholders on or after 27th March, 2017.

AMALGAMATION OF GABS INVESTMENTS PRIVATE LIMITED WITH THE COMPANY

The Board inter alia, considered and approved the amalgamation of Gabs Investments Private Limited ('Gabs') with Ajanta Pharma Limited ('APL') in consideration for Equity shares of APL. The proposed amalgamation would be carried out vide a Scheme of Amalgamation and Arrangement between Gabs Investments Private Limited and Ajanta Pharma Limited and their respective Shareholders ('the Scheme') under Sections 230-232 read with Section 52 and Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013.

As on date, Gabs holds 83, 92,262 shares in APL, representing about 9.54% of the total paid up capital of APL. In consideration for the merger of Gabs with APL, in terms of the Scheme and based on share entitlement report issued by M/s SSPA & Co., Independent Chartered Accountants and fairness opinion provided by M/s IDBI Capital Markets & Securities Limited, a Category I Merchant Banker, APL will issue an aggregate of 83,92,262 (Eighty Three Lacs Ninety Two Thousand Two Hundred and Sixty Two) equity shares of Rs. 2/- (Rupees Two) each, fully paid up to the equity shareholders of Gabs as on the Record Date. The promoter shareholding will remain unchanged post amalgamation.

The equity shares of APL to be issued to the shareholders of Gabs pursuant to the Scheme shall be listed on the stock exchanges (subject to trading permission being granted by the stock exchanges). The Scheme would be subject to approval of the National Company Law Tribunal (Mumbai Bench), Stock Exchanges, SEBI and various statutory approvals, shareholders and lenders/creditors of each



of the companies. The Scheme would also require approval from majority of the public shareholders as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

All costs & expenses of the Scheme will be borne by Gabs &/or its shareholders and they have indemnified APL for any liability, claim or demand which may devolve on APL on account of this amalgamation. Hence, no cost, expenses or liability would arise on APL pursuant to this amalgamation.

The Board shall take necessary actions for completing the requirements in this regards and to do all acts and deeds as may be necessary.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in Annexure A to this letter.

You are requested to take the above on record.

Thanking You,

Yours faithfully,

For **AJANTA PHARMA LIMITED**



GAURANG SHAH

Sr. G.M. - Legal & Company Secretary

Encl.: a/a



Annexure A
Amalgamation

#	Details to be provided	Information
1.	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc	<p>i. Transferor Company: Gabs Investments Private Limited (Gabs)</p> <p>ii. Transferee Company: Ajanta Pharma Limited (APL)</p> <p>iii. Gabs holds 83,92,262 number of equity shares of face value Re. 2/- each of APL representing 9.54% of the paid up share capital of APL.</p> <p>iv. Turnover/Revenue for year ended 31st March, 2016: APL: Rs. 1742.92 crores (consolidated) Gabs: Rs. 11.88 crores</p> <p>v. Appointed date: April 1, 2016</p>
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	<p>Yes, the transaction would fall within related party transactions and is done at "arm's length".</p> <p>Upon merger, APL will issue exactly the same number of shares (i.e. 83, 92,262) to the shareholders of Gabs as is currently held by Gabs. APL has obtained a valuation report from an independent Chartered Accountant which is confirmed by fairness opinion given by Category I Merchant Banker.</p>
3.	Area of business of the entity(ies)	<p>APL is in the business of manufacture and selling of pharmaceutical products worldwide.</p> <p>Gabs is in the business of making investments and holding shares and primarily holds shares of APL.</p>
4.	Rationale for amalgamation/ merger	<p>The Transferor Company is promoter group company and holds 9.54% equity of the Transferee Company. After the proposed merger, the shareholders of the Transferor Company will directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:</p> <p>i. Simplification of the shareholding structure and reduction of shareholding tiers</p> <p>ii. Demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;</p> <p>iii. Promoters of the Company would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger and there is no change in management or control of the Transferee Company.</p> <p>iv. There would also be no change in the financial position of the Transferee Company;</p> <p>v. Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, which may devolve on the Transferee Company on account of this Scheme.</p>



5.	In case of cash consideration - amount or otherwise share exchange ratio	<p>The consideration is in the form of issue of shares. The exchange ratio based on the valuation report issued by independent valuers, M/s SSPA & Co. which is confirmed by the fairness opinion issued by M/s IDBI Capital Markets & Securities Ltd, Category I Merchant Banker is as follows:</p> <p>83,92,262 fully paid-up equity shares (face value of INR 2 each) of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company in proportion to their holdings in the Transferor Company.</p>
6.	Brief details of change in shareholding pattern (if any)of listed entity	There would not be any change in the shareholding pattern of the Transferee Company post the Scheme, as the promoter group would continue to hold 73.78% of the paid up capital of the Transferee Company.

