



May 19, 2016

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.

To,
Department of Corporate Services
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Ref. : (i) Symbol – DISHMAN
(ii) Series – EQ

Ref. : Scrip Code No. : 532526

SUB. : ANNOUNCEMENT – OUTCOME OF THE TODAY'S BOARD MEETING

Dear Sir,

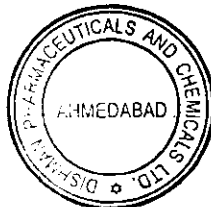
A Meeting of the Board of Directors of the Company was held on today i.e. on 19th day of May, 2016 at Ahmedabad, *inter alia*, to consider and take on record the Audited Financial Results of the Company for the year ended 31st March, 2016.

At the said Board Meeting, among others, the following decisions were taken by the Board of Directors of the Company:

- 1) The Audited Financial Results of the Company for the year ended 31st March, 2016 were adopted and approved.
- 2) Audit Committee and Board have recommended ratification of re-appointment of M/s. V. D. Shukla & Co., Chartered Accountant, Ahmedabad (Firm Reg. No.110240W) and M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Regn. No.103523W) as Joint Statutory Auditors of the Company for the financial year 2016-17.
- 3) It was decided to Sale of Investment made by the Company in Schutz Dishman Biotech Ltd.:-

The Company ("Dishman" or "Company") was earlier holding 22.33% equity stake in Schutz Dishman Biotech Ltd. ("Schutz Dishman"). Thereafter, in the month of March 2016, Dishman had acquired 7,50,000 nos. of equity shares (50% stake) from JV Partner SCHUTZ & CO. BETEILIGUNGSGESELLSCHAFT MBH, Germany at a consideration Rs.30/- per equity share totaling to EUR 3,00,000 based on the provisional financials of 31.12.2015. Thereafter the equity stake of Dishman in Schutz Dishman became 72.33%.

Board of Directors of Dishman had reviewed audited financials of Schutz Dishman for the fourth quarter ending March 31, 2016 and noticed that Schutz Dishman had registered a net loss of Rs.1.13 crores against the sales of Rs.2.93 crores, i.e. appx. 40%., For the entire financial year 2015-16, Schutz Dishman had registered net loss of Rs.4.80 crores against the sales of Rs.8.04 crores i.e. appx. 60%.



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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

Government Recognised Export House

CIN NO L24230GJ1983PLC006329

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Since Schutz Dishman incurring losses and which may impact on the network of the Company going forward and since the turnaround of Schutz Dishman may take some time, Board of Directors of the Company has decided to sale the additional stake (i.e. 750000 nos of equity shares) to the promoters of the Company at a consideration of Rs.30/- per equity share, which is the same price at which Dishman had acquired the stake from Schutz & Co. After the sale of stake, company's equity holding shall be 22.33% in Schutz Dishman.

- 4) It was also decided to transfer of equity stake of Company's wholly owned subsidiary namely Carbogen Amcis Shanghai Co. Limited ("CASCL") to Company's another wholly owned subsidiary company namely Dishman Pharma Solutions AG, Switzerland ("DPSL"):-

Dishman Pharma Solutions AG, Switzerland is an overseas wholly owned subsidiary of the Company, which is currently holding investments in its three subsidiaries namely Carbogen Amcis AG, Switzerland, Carbogen Amcis SAS, France and Carbogen Amcis Limited, UK. The Company currently owns 100% shares in CASCL.

After the business restructuring at CASCL, it has been manufacturing intermediates for Carbogen Amcis AG and thus supporting its operations. As part of the global restructuring process, the Company intends to transfer its shareholding in CASCL to DPSL by way of a share swap arrangement for a consideration of atleast USD 19.20 million. This will help the company in realigning the operations globally and ensure a more leaner and logical business structure.

Additionally, the restructuring will assist Carbogen Amcis AG to obtain large scale and low cost manufacturing base in Shanghai.

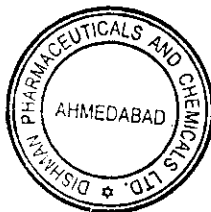
Kindly take this on your record and oblige.

Thanking you.

Yours faithfully,

For, Dishman Pharmaceuticals and Chemicals Limited


Pinaz H. Pithadia
Compliance Officer



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