

Date: September 19, 2019

To, The Manager, Listing Department, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	To, The Department of Corporate Service, BSE Limited, (BSE) Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400 001.
Scrip Code - LINCOLN	Scrip Code - 531633

Dear Sir,

Sub: Outcome of the Board Meeting for Intimation of Scheme of Amalgamation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 30 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015 ("LODR Regulations"), read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 ("SEBI Circular"), we wish to inform that the meeting of Board of Directors of Lincoln Pharmaceuticals Limited (the "Company") held on today, i.e. September 19, 2019, considered and approved the scheme of amalgamation between Lincoln Parenteral Limited ("Transferor Company") and Lincoln Pharmaceuticals Limited ("Transferee Company") ("Scheme"), subject to all requisite approval. The Appointed Date for the Scheme is April 01, 2019.

It may be noted that the proposed Scheme has been reviewed by the Audit Committee and upon its recommendation approved by the Board of the Company in its meeting held on September 19, 2019.

The Details required under Regulation 30 of the LODR Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in **Annexure A**.

The Meeting commenced at 3:00 p.m. and concluded at 5:15 p.m.

We request you to take the same on record.

Yours faithfully,
FOR LINCOLN PHARMACEUTICALS LIMITED

Mahendra G. Patel



MAHENDRA G. PATEL
MANAGING DIRECTOR
DIN: 00104706

Annexure A

Disclosure of Information Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

1. Name of the entity (ies) forming part of the amalgamation, details in brief such as, size, turnover etc.

- 1.1. Lincoln Parenteral Limited (CIN U24231GJ1991PLC015674) is an Unlisted Public Limited Company incorporated under the Companies Act, 1956 having its Registered Office at 'LINCOLN HOUSE' Behind Satyam Complex, Science City Road, Sola, Ahmedabad – 380 060, Gujarat, India (hereinafter referred to as 'Transferor Company'). The Transferor Company is engaged in the business of manufacturing pharmaceuticals in the segment of formulations viz. dry powder injection, liquid in bottles, liquid in injections etc.
- 1.2. Lincoln Pharmaceuticals Limited (CIN L24230GJ1995PLC024288) is a Listed Public Limited Company incorporated under the Company Act, 1956 having its Registered Office at 'LINCOLN HOUSE' Behind Satyam Complex, Science City Road, Sola, Ahmedabad – 380 060, Gujarat, India (hereinafter referred to as 'Transferee Company'). The Transferee Company is also engaged in the business of manufacturing pharmaceuticals in the segment of formulations viz. capsules, cream in tubes, tablets etc.
- 1.3. The paid-up capital, net worth and turnover of the Transferor Company and Transferee Company are as follows:

(Amount in Lakhs)

Based upon Audited Financial Statements of March 31, 2019					
Company			Paid-Up	Turnover	Net-Worth
Lincoln Parenteral Limited ("Transferor Company")			1,000.00	5,086.92	2,342.22
Lincoln Pharmaceuticals Limited ("Transferee Company")			2,000.00	35,304.25	26,260.41

2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";

- 2.1. The Transferor Company is the Subsidiary Company of the Transferee Company therefore, the proposed amalgamation is a transaction between related parties.
- 2.2. The consideration for the proposed amalgamation will be discharged at an "arm's length" basis. The shares to be allotted to the shareholders of the Transferor Companies as consideration for the amalgamation, are based on the Valuation Report issued by the Independent Valuers, namely Dhiren Shah & Co, Chartered Accountants, and a Fairness Opinion on the same has been issued by Systematix Corporate Services Limited, an independent Category-I Merchant Banker. The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board of Directors of the Company. The Valuation Report on share entitlement ratio has been duly considered by the Boards of Directors of the Transferor Company as well.



3. Area of business of the entity (ies):

- 3.1. The Transferor Company is engaged in the business of small Parenteral Injection Products. The Transferor Company is also carrying out the job work for other Pharmaceuticals Companies. The manufacturing facilities of the Transferor Company are located in Gandhinagar district of Gujarat.
- 3.2. The Transferee Company is engaged in the business of trading, manufacturing, marketing and exports of pharmaceuticals and healthcare products and provides more than 250 formulations, for domestic as well as international market. The manufacturing facilities of the Transferee Company are located in Gandhinagar district of Gujarat. The equity shares of the Transferee Company are listed on NSE and BSE in India.

4. Rationale for amalgamation:

- 4.1. The proposed arrangement by way of a scheme of amalgamation is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed amalgamation of LPPL into LPL is in consonance with the corporate restructuring practices which intend and seek to achieve flexibility and integration of size, scale and financial strength. The Transferor Company and the Transferee Company believe that the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains, and logistic advantages, thereby significantly contributing to future growth. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:
- 4.2. Enable Transferee Company to use the resources of Transferor Company and generate synergy in operations;
- 4.3. Consolidation of entries thereby achieving consolidation of the assets and a larger asset base;
- 4.4. Reduction in the operational, financial and administrative costs;
- 4.5. Increase in net worth of Transferee Company, which will facilitate effective and fast mobilization of financial resources for meeting increased capital expenditure;
- 4.6. Reduction of overheads and other expenses, facilitate administrative convenience and ensure optimum utilization of available services and resources and
- 4.7. Efficient and Focused management control and system
- 4.8. In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company.

The proposed amalgamation would be to the advantage to the Transferee Company and in the interest of its stakeholders including public shareholders. It would facilitate the future growth of the Transferee Company business operations and revenue.



5. Nature of Consideration:

- 5.1. Except, fractional entitlement of shares, if any, the Scheme does not involve payment of any cash consideration.
- 5.2. Share Exchange Ratio approved for amalgamation is as under;

“17 (Seventeen) Equity Shares of Rs. 10 each of the Transferee Company, credited as fully paid-up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the ‘New Equity Shares’) for Every 100 (One Hundred) Equity Shares of Rs. 10 each fully paid-up, held by such shareholder in the capital of the Transferor Company (‘Share Exchange Ratio’); whose names appear in the register of members of the respective Transferor Company as on the Record Date” (as per the Scheme).

6. Brief details of change in shareholding pattern (if any) of the listed entity:

There will be a change in the shareholding pattern of the Transferee Company pursuant to the Scheme in accordance with the share entitlement ratio. Transferee Company will issue 24,064 New Equity Shares to the public shareholders of the Transferor Company. Transferee Company is Promoter Company of Transferor Company, Hence, no New Equity Shares issue by the Transferee Company to the promoter/promoter group of the Transferor Company. The public shareholding post amalgamation will raise by mere 0.04% in the Transferee Company.

We request you to take the same on record.

Thanking you,

Yours faithfully,
FOR LINCOLN PHARMACEUTICALS LIMITED

Mahendra G. Patel
MAHENDRA G. PATEL
MANAGING DIRECTOR
DIN: 00104706

