



pharmaceuticals ltd.

**Registered & Corporate Office :**

Plot No. 19-111, Road No. 71,  
Opp. Bharatiya Vidya Bhavan Public School,  
Jubilee Hills Hyderabad - 500 096. Telangana. INDIA,  
Tel : +91-40-6628 8888, Fax : +91-40-2355 1401/402  
CIN : L24239AP1987PLC008066  
Email : info@smspharma.com, www.smspharma.com

To,

**Date:** 01<sup>st</sup> July, 2017

The Manager,  
Corporate Filings Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

The Manager,  
Listing Compliance Department,  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051.

**Security Code: 532815**

**Symbol: SMSPHARMA**

Dear Sir/Madam,

**Sub: Letter of Allotment/Cost of Acquisition on Demerger: Reg.**

Ref: Our earlier communication dated 27<sup>th</sup> June, 2017 regarding allotment of shares by SMS Lifesciences India Limited (Resulting Company) pursuant to the Scheme of Arrangement.

With reference to the subject cited above, please find the enclosed letter of allotment/ cost of acquisition being sent to the shareholders, post allotment of shares in SMS Lifesciences India Limited, pursuant to the Scheme of Arrangement between SMS Pharmaceuticals Limited (Demerged Company) and SMS Lifesciences India Limited (Resulting Company) and their respective shareholders and creditors.


This is also available on the website of the company [www.smspharma.com](http://www.smspharma.com)

This is for the purpose of dissemination of information widely to the members of the Company.

Thanking you

Yours faithfully

For SMS PHARMACEUTICALS LIMITED

  
Thirumalesh Tumma  
Company Secretary



SMS LIFESCIENCES INDIA LIMITED

Regd. Office: Plot No.19-III, Opp. Bharatiya Vidya Bhavan Public School, Road No.71, Jubilee Hills,  
Hyderabad-Telangana State – 500096

Date:

Ref. No.:

To,

Name of the Shareholder:

Folio No/DPID and Client ID:

Dear Member,

**Subject: Allotment of Fresh Equity Shares pursuant to Scheme of Arrangement between SMS Pharmaceuticals Limited (Demerged Company) and SMS Lifesciences India Limited (Resulting Company) and their respective shareholders and creditors.**

Pursuant to the Scheme of Arrangement between SMS Pharmaceuticals Limited and SMS Lifesciences India Limited as sanctioned by the Hon'ble National Company Law Tribunal, Hyderabad Bench, Vide Order No. C.P(CAA) No.7/230/232/HDB/2017 dated 15.05.2017, the Semi Regulated units of the Demerged Company transferred to Resulting Company with effect from the appointed date i.e., 01.04.2016.

In terms of the above scheme, 1 (one) Equity Share of Rs.10/- each (fully paid-up) of Resulting Company has been issued and allotted for every 28 (twenty eight) Equity Shares of Re.1/- each (fully paid-up) held by the shareholders in Demerged Company.

The entitlement of the persons to the equity shares of the Company in the aforesaid ratio in terms of the Scheme has been determined as on the Record Date i.e 23<sup>rd</sup> June, 2017. Accordingly the shares of the company have been allotted to the shareholders of Demerged Company by the Board of Directors of the Resulting Company on 27<sup>th</sup> June, 2017.

The following are the details of the shares allotted to you.

No. of shares held in SMS Pharmaceuticals Limited	No. of shares allotted in SMS Lifesciences India Limited	Distinctive Numbers (for Physical Certificates)		Share Certificate No. (for Physical Certificates)
		From	To	

The requisite applications for listing and trading of Resulting Company Equity Shares are being made to National Stock Exchange of India Ltd. (NSE Ltd) and BSE Ltd. Members are advised not to trade/deal in the Equity Shares of Resulting Company before Listing and trading approval. In case they do, it will be at their own risk.

The fractional entitlements arising, if any, to the eligible shareholders of Demerged Company will be remitted in due course.

*Note: Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and who is having demat account for updation of their email ids, they may contact the Company/ RTA for any assistance in this regard.*

## **Cost of Acquisition in accordance with Section 49(2C) and 49 (2D) of the Income Tax Act, 1961**

This communication is being issued for general guidance of the shareholders for computing the proportionate cost of acquisition of the Equity Shares of Resulting Company vis-à-vis the cost of acquisition of the original Equity Shares of Demerged Company for the purpose of computing the capital gain/loss as per the provisions of the Income Tax, 1961 arising upon sale of Equity Shares.

Section 49 (2) of the Act provides that the cost of acquisition of the shares of Resulting Company is to be computed by applying of the net book value of the assets of the Demerged Undertaking to the net worth of the Demerged Company immediately before the demerger. Accordingly, the cost of acquisition of the Equity Shares of the Demerged Company shall be the original cost of acquisition reduced by the cost of acquisition ascertained for the shares of Resulting Company under section 49(2D) of the Act.

In terms of the Scheme, the Assets and Liabilities of the Demerged undertaking of Demerged Company have been transferred to Resulting Company at value appearing in the books of accounts of Demerged Company at the close of business hours of 31.03.2016. The book value of the Net Assets transferred by Demerged Company to Resulting Company was Rs. 68,18,35,142/- and the book value of the Net Assets that remained with the Demerged Company was Rs. 226,17,79,689/-.

For the purpose of determining the post demerger cost of acquisition of Equity Shares of Demerged Company and the Resulting Company under the scheme, you are advised to apportion your pre-demerger cost of acquisition of Demerged Company shares in the following manner:

<b>Name of the Company</b>	<b>% of Cost of acquisition</b>
SMS Pharmaceuticals Limited	76.84
SMS Lifesciences India Limited	23.16
Total	100.00

*Please note that this communication pertaining to cost of acquisition is merely for the general guidance of the shareholders and should not be considered as a substitute for any Independent opinion that the shareholder may obtain. The concerned regulatory, statutory or judicial authority, including any assessing officer/appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance.*

*Further note that if there is any change, including change having a retrospective effect in statutory laws or regulations, the comments expressed in this communication would necessarily have to be re-evaluated in the light of changes. The company does not take the responsibility of updating this communication at any time in future.*

Thanking you,  
Yours faithfully,

For SMS Lifesciences India Limited

Sd/--  
Pavan Pise  
Company Secretary

This is computer generated letter and hence need not require manual signature.