

September 30, 2015

**Hyderabad, India, September 30, 2015** – With reference to our press release titled “Vivimed announces the sale of certain products in its Speciality Chemicals division”, please find attached the corrigendum to the press release.

In the said press release the name of acquirer was erroneously mentioned as Clariant Chemicals (India) Limited instead of **Clariant India Limited**. However, rest of information remains the same.

We are attaching herewith the revised press release and we request you to kindly take a note of the same.

\*\*\* \*\*

For VIVIMED LABS LTD.

*Gyandhar*  
Company Secretary



For Immediate Release

September 29, 2015

## Vivimed announces the sale of certain products in its Speciality Chemicals division

The transaction values the identified products, trademarks and related assets at Rs. 3,800 million

A major portion of the sale proceeds to be utilized for optimising capital structure and preparing for the next leg of growth across its business units

Hyderabad, India, September 29, 2015 – Vivimed Labs Limited ("Vivimed" or the Company), a niche Specialty Chemicals and Pharmaceuticals company, announced today the signing of a definitive agreement for the transfer and sale of identified products along with their associated trademarks and assets within the Speciality Chemicals division, subject to requisite regulatory, statutory and shareholders' approvals. As part of this transaction, the Company will divest certain products within its specialty chemicals portfolio to Clariant India Limited, a subsidiary of world's leading speciality chemical company, Clariant AG of Switzerland. The transaction values the identified product lines at an enterprise value of Rs. 3,800 million.

The potential transaction was taken on board and forwarded for shareholders' approval in a meeting of the Board of Directors of Vivimed held on September 12, 2015.

The part of the Speciality Chemicals division's business, which is proposed to be divested, accounted for about 10% of the Consolidated Revenue from Operations in FY2015.

A major portion of the receipts will be used to reduce debts thereby saving substantial interest costs going forward. Furthermore, it will provide increased financial flexibility to pursue profitable growth across both its business segments with focus on growing Pharmaceutical API and finished Dosage forms businesses in regulated markets.

Commenting on the development, **Mr. Santosh Varalwar, Managing Director and CEO** said:

*"I am pleased to announce an important strategic development at Vivimed. This transaction will help us significantly improve financial flexibility for future growth. We are confident that this transaction, once completed, will position Vivimed optimally to the next level of growth, across its Speciality Chemicals and Pharmaceuticals businesses."*

*Over the years, we have built a strong manufacturing platform, product portfolio and brand equity for our Speciality Chemicals division. While we have divested a part of our Specialty Chemicals portfolio, we still retain a significant portion of the business which is well placed to deliver financial returns, on the back of our product offerings and value based customer relationships."*

*"The excluded part of our Speciality Chemicals' business will be a differentiated offering in the market place with a focus on niche segments, complemented by a scalable manufacturing base and will be well positioned to aspire for growth in the focus segments. Its margin profile will be similar to the ones enjoyed by our overall Speciality Chemicals portfolio, and we believe its growth drivers are strong. Our management team also believes that this development will give us the opportunity to capitalize on the opportunities we see for the Company, across our focus segment."* added **Mr. Saurabh SG, Director Strategy**.

1 | Page

Vivimed Labs Ltd (Head Office)

CIN : L02411KA1988PLC009465

Veernag Towers, Habsiguda, Hyderabad, T.S. 500 007, India

T+91 (0) 40-2717 6005/6 F+91 (0) 40-2715 0599

info@vivimedlabs.com www.vivimedlabs.com

For VIVIMED LABS LTD.

Company Secretary

Vivimed has retained Lincoln International to provide advice on this transaction. Platinum Partners acted as the legal advisors.

\*\*\* \*\*

## Analyst and Investor Enquiries

Amarjit Bhatia, CFO  
*Vivimed Labs Limited*

+91 40 2717 6005  
amarjit.bhatia@vivimedlabs.com

Saket Somani  
*Churchgate Partners*

+91 22 6169 5988  
Vivimed@churchgatepartnersindia.com

For further information on Vivimed, visit [www.vivimedlabs.com](http://www.vivimedlabs.com)

### Safe Harbour

*This release contains "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Vivimed's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Vivimed undertakes no obligation to publicly revise any forward looking statements to reflect future /likely events or circumstances.*