

**ALKEM LABORATORIES LTD.**

Regd. Office : "ALKEM HOUSE", Senapati Bapat Marg,
Lower Parel, MUMBAI 400 013. Phone : 3982 9999, Fax : 022 - 2495 2955
Email : contact@alkem.com Website : www.alkemlabs.com
CIN no.:- U00305MH1973PLC174201



10th March, 2016

The Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. <i>Scrip Code: 539523</i>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East , Mumbai 400 051. <i>Scrip Symbol: ALKEM</i>
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Dear Sirs

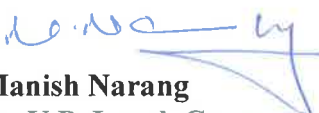
Sub: Intimation under Regulation 30 of SEBI (Listing Regulation and Disclosure Requirements) Regulations, 2015

The Board of Directors at its meeting held on 9th March, 2016 approved the Option Agreement with Mr. Tushar Kumar for grant of Option to purchase the trust units held by the Company in Avenue Venture Real Estate Fund. The important terms and conditions of the Option agreement are enclosed to this letter.

Kindly take note of the same.

Sincerely,

For Alkem Laboratories Limited


Manish Narang

Sr. V.P. Legal, Company Secretary & Compliance Officer



Encl: a/a

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As on 31st December, 2015, the Company held 19,996 units at a total market value of Rs. 2,699 million in Avenue Venture Real Estate Fund, a trust constituted under Indian Trusts Act, 1882. The Board of Directors at their meeting held on 9th March, 2016 approved grant of Option to Mr. Tushar Kumar to purchase the aforesaid units, details of which are specified herein below.

Details under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Type of Transaction	Grant of Option to Purchase investment held by the Company
Name of the Party	Mr. Tushar Kumar
Purpose of the Agreement	To focus on its core business activities and for other cogent commercial reasons, the board of directors of the Option Grantor has decided to restructure the Trust Investment in compliance with applicable laws.
Details of Investment Held	
Cost of Acquisition	25,000 units for Rs. 2500 million
Valuation as on 31 st December, 2015	19,996 units with Fair Market Value (FMV) of Rs. 2,699 million
Consideration at which it is to be sold	Consideration shall be determined at the "Option Price" which means the price at which each Trust Unit shall be sold to the Option Grantee by the Option Grantor pursuant to this Agreement, which shall be calculated as follows: Option Price = FMV + 2% multiplied with FMV. where, FMV = fair market value of each Trust Unit as on the Option Exercise Date, based on the existing projects in the Fund as on such Option exercise date and determined by a Big 4 Accounting Firm mutually agreeable to the Option Grantor and the Option Grantee.



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Significant terms	1. The Option Grantor shall upon issuance of a call notice by the Option Grantee, on any date after the execution of the Agreement, shall sell the Trust Units and the Option Grantee shall purchase all the Trust Units as on the Option Exercise date within the Option Completion Period as defined in the Option Agreement. 2. Each Trust Unit shall be sold by the Option Grantor to the Option Grantee at the Option Price. 3. Upon exercise of the Call Option and issuance of Call Notice the Option Grantor shall, within 5 (five) Business Days of receipt of the Call Notice, intimate the Option Grantee of the Option Grantor Bank Account, the date on which all the Trust Units will be sold by the Option Grantor to the Option Grantee, which date should be within the Option Completion Period. 4. At any time prior to the Option Closing Date, the Option Grantee may by notice to the Option Grantor recall the Call Notice set out therein ("Option Recall Notice"). Upon issuance of the Option Recall Notice, the Option Grantor shall be discharged of its obligations to sell the Trust Units to the Option Grantee. However, the Call Option right continues to vest with the Option Grantee in the manner explained above.
Whether Related Party Transaction(s)	No
Whether Promoter / Promoter Group / Group Companies have interest in the transaction	No



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Shareholding in the entity/individual with whom the agreement is executed	2227680 equity shares (1.86%) (Self)
Nature of Consideration	Wire transfer or any other method as may be accepted in writing with the Option Grantor.
Indicative time period for completion of transaction	This Agreement shall remain in force for a period of 2 years from the date of execution & maybe renewed with mutual consent of the parties.

These details are being provided in terms Regulation 30 of Listing Regulations based on the quantitative threshold stipulated under Company's Policy on Determination of Materiality of Events / Information.

