

18.01.2019

BSE Limited
Department of Corporate Relationship
1st Floor, New Trade Ring, Rotunda Building
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001
Scrip Code: 524742

By BSE Listing

National Stock Exchange of India Ltd.,
Department of Corporate Services
Exchange Plaza, 5th Floor,
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Code: CAPLIPOINT.

By NEAPS

Dear Sir,

SUB: OUTCOME OF THE BOARD MEETING HELD ON JANUARY 18, 2019

This is to inform the exchanges that the Board of Directors of the Company at their meeting held today, has considered and approved the Investment Agreement to be executed between the Company, Caplin Steriles Limited (“Investee Company”), a wholly owned subsidiary company of the Company and Eight Roads Ventures India III L.P. and F-Prime Capital Partners Life Sciences Fund VI L.P. (“Investors”) in relation to investment by Investors in the Compulsorily Convertible Preference Shares with the coupon rate of 0.001% (“CCPS”) of the Investee Company.

The Investors have agreed to invest a total sum of Rs. 218 Crores in the form of CCPS of Caplin Steriles Limited. The CCPS shall be converted into equity shares of Caplin Steriles Limited based on the agreed terms. Upon conversion of CCPS, the Investors will hold at least 25.29% of the Equity share capital of Caplin Steriles Limited on a fully diluted basis and the Investee Company will continue to be a subsidiary of Caplin Point Laboratories Limited.



The disclosures in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI's Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in **Annexure A**.

We also enclose the press release with regard to the above investments.

The Board of Directors meeting commenced at 12:00 PM and concluded at 12.45 PM.

This is for your information and records.

Thanking You,

Yours Faithfully,

For Caplin Point Laboratories Limited.


Company Secretary
Enclosure: As above



Annexure A

Sr. No.	Particulars	Details
01	Name(s) of parties with whom the agreement is entered	The Investment Agreement is to be entered between the Company, Caplin Steriles Limited, a wholly owned subsidiary company of the Company, Eight Roads Ventures India III L.P. and F-Prime Capital Partners Life Sciences Fund VI L.P. (the proprietary investment arm of Fidelity International Limited and its US based fund, F-Prime Capital respectively) ("Investors").
02	Purpose of entering into the agreement;	To grow the Regulated Markets Injectable Business (which inter alia includes US FDA approved Injectable Plant and DSIR recognized R&D units CP4 & CP5) by attracting investment in Caplin Steriles Limited and unlock value for Caplin Point.
03	Shareholding, if any, in the entity with whom the agreement is executed	<p>The Company along with its nominees is the legal and beneficial owner of the entire share capital of Caplin Steriles Limited.</p> <p>The Company does not hold any shares in the Eight Roads Ventures India III L.P. and F-Prime Capital Partners Life Sciences Fund VI L.P.</p>
04	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc	<p>The Company is a party to the Investment Agreement in the capacity of Promoter of Caplin Steriles Limited. Hence there will be no impact on its Board, capital structure, etc.</p> <p>The Investors under the Investment Agreement have the following rights to protect their investments in Caplin Steriles Limited:</p> <ul style="list-style-type: none"> - Right to appoint 2 (two) directors and appoint 1 (one) observer on the Board of Caplin Steriles Limited - Right to form quorum for Board and shareholder's meeting of Caplin Steriles Limited



		<ul style="list-style-type: none"> - Right to subscribe to shares to be issued by Caplin Steriles Limited, on terms and conditions no less favorable than as being offered by Caplin Steriles Limited to a potential investor - Affirmative rights on reserved matters - Information and inspection rights - Anti-dilution rights - Exit rights
05	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	<p>Caplin Steriles Limited is a wholly owned subsidiary company of the Company.</p> <p>The Investors are not related to the Company or its promoters in any manner.</p>
06	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	No
07	In case of issuance of shares to the parties, details of issue price, class of shares issued;	<p>Under the Investment Agreement, no shares are to be issued by the Company.</p> <p>Caplin Steriles Limited, the wholly owned subsidiary company of the Company will issue 7,45,82,875 Compulsorily Convertible Preference Shares of Rs.10 each ("CCPS") at a premium of about Rs.19.23 per share to the Investors in two tranches (subject to applicable laws and fulfilment of terms and conditions of the Investment Agreement) .</p>
08	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc	Please refer point 4 above.
09	<p>In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):</p> <p>a) name of parties to the agreement;</p> <p>b) nature of the agreement;</p>	Not applicable



	c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	
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8th EIGHT ROADS™

F-PRIME

Caplin Steriles announces a INR 218 crore investment by Eight Roads Ventures and F-Prime Capital

- The partnership will accelerate Caplin Steriles' efforts to cater to the rapidly growing demand for injectable pharmaceutical products in the regulated markets, especially the US and Europe
- Eight Roads and F-Prime Capital together bring access to a powerful investment platform spanning Asia, Europe and the US

[18 January 2019], **Mumbai:** Caplin Point Laboratories Limited (Caplin Point), one of the fastest growing pharmaceutical companies in India, today announced an investment in its injectables subsidiary, Caplin Steriles, by Eight Roads Ventures, the proprietary investment arm of FIL, Fidelity International Limited and its US-based sister fund, F-Prime Capital.

Caplin Point was founded in 1990 by C.C. Paarthipan. Since then it has grown to become a leading provider of affordable, high quality pharmaceutical formulations in several emerging markets including Latin America and Africa, with over 2700 product registrations globally.

Caplin Steriles, its subsidiary, will cater to the rapidly growing demand for injectable products in the regulated markets, especially the US and Europe. The \$10bn US generic injectables segment continues to be very attractive, driven by high barriers to entry on product development as well as regulatory compliance in manufacturing such sterile products. This has resulted in relatively lower competition and constrained online capacity in this segment. Caplin Steriles has established a 550-person business with state-of-the-art R&D facilities in Chennai and high-quality manufacturing infrastructure that is approved both by the US FDA and European regulatory authorities. The subsidiary has already filed 8 ANDAs on its own and through partners with the US FDA, with 2 approvals.

Commenting on the transaction, C.C. Paarthipan, Chairman, Caplin Point Laboratories Limited, said: "We are at a stage in our regulated markets journey where we believe that the business is now well positioned to evolve and thrive as a separate entity. We are expanding capacities to cater to growing demand from these regulated markets for sterile products, and working on development of complex generic injectable products in-house. Both these efforts will unlock great value in the long run. We are excited to extend our journey from a road less travelled (South America) to a road well-travelled (North America) with Eight Roads Ventures and F-Prime Capital as investment and knowledge partners, given their excellent track record worldwide and particularly in healthcare."





Dr. Prem Pavoor, Partner at Eight Roads Ventures India, added: "This is a unique opportunity for us to partner with Caplin Point to build a world-class platform in India to develop and manufacture injectable drugs. Over 70% of generic drug shortages in the US continue to be attributable to injectables. Through our combined experience and resources, we aspire to create a leader in this segment, providing affordable, differentiated products for patients."

-ENDS-

For more information, please contact:

About Caplin Point Laboratories Ltd

Caplin Point Laboratories Limited is a niche pharmaceutical company with a unique business model catering predominantly to the emerging markets of Latin America and Africa. Caplin Point has state of the art manufacturing facilities for a complete range of finished dosage forms. The company's subsidiary has also entered the regulated markets such as the US through its injectable and Ophthalmics facility that is approved by the US FDA and EU-GMP. Caplin Point has been selected on Forbes Asia's "200 Best Under a Billion" list for three consecutive years (2014, 2015 & 2016), and was recently awarded "The Emerging Company of 2018" by the Economic Times Family Business Awards.

www.caplinpoint.net

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About Eight Roads Ventures

Eight Roads is the proprietary investment arm of FIL, Fidelity International Limited. Eight Roads Ventures invests in high-quality, high-growth companies in Asia, Europe and the US, with a focus on healthcare, technology and consumer products. Eight Roads Ventures is committed to making the companies it invests in leaders in their industries through access to patient capital, a powerful network of resources and a team of investment professionals with a proven track record of success. Eight Roads' healthcare investments in India and Southeast Asia include Carestack, Cipla Health, Core Diagnostics, Eywa Pharma, Laurus Labs, Medwell Ventures, Pharameasy, Plasmagen Biosciences, Richcore Lifesciences and Trivitron Healthcare.

eightroads.com

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About F-Prime Capital Partners

F-Prime Capital Partners is a global venture capital firm investing in life sciences, healthcare, and technology. Since 1969, F-Prime has worked closely with entrepreneurs and academics to create innovative solutions to some of the world's most significant challenges in healthcare and technology.

www.fprimecapital.com

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