



CIN No. : L24239DL2004PLC125888

AKUMS DRUGS & PHARMACEUTICALS LIMITED

Regd. Office : 304, 3rd Floor, Mohan Place, L.S.C., Block-C, Saraswati Vihar, New Delhi-110034 (INDIA)
Corporate Office : Akums House - Plot No. 131 to 133, Block-C, Mangolpuri Ind. Area, Phase-I, Delhi-110083
Phone : 91-11 - 69041000 Fax : 91-11 27023256 E-mail : akumsho@akums.net ; website : www.akums.in

Ref: Akums/Exchange/2024-25/24

October 18, 2024

**To,
The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051**

**To,
The Listing Department
BSE Limited
25th Floor, New Trading Ring,
Rotunda Building, Phiroze Jeejeebhoy
Towers, Dalal Street, Fort, Mumbai -
400 001**

Symbol: AKUMS

Scrip Code: 544222

Sub: Intimation of execution of Memorandum of Understanding with "The Government of Republic of Zambia" on Local Manufacturing of Medicines.

Respected Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that Akums Drugs and Pharmaceuticals Limited ("Akums") has entered into a Memorandum of Understanding (enclosed herewith) with The Government of Republic of Zambia through Ministry of Health situated at Ndeke House, Haile Selassie Road Lusaka in Lusaka Province for Local Manufacturing of Medicines and to recognize the existing collaboration between the Zambian Government and Akums in the field of medicines and medical supplies and to strengthen collaboration between the entities.

This is for your kind information and record.

Thanking You

Your faithfully

For Akums Drugs and Pharmaceuticals Limited

Dharamvir Malik
Company Secretary & Compliance Officer



ISO 9001 : 2015
ISO 14001 : 2015
ISO 17025 : 2005 (NABL)

WHO-GMP
US : NSF
H A C C P





REPUBLIC OF ZAMBIA

MINISTRY OF HEALTH

**MEMORANDUM OF UNDERSTANDING ON
LOCAL MANUFACTURING OF MEDICINES**

BETWEEN

**THE GOVERNMENT OF REPUBLIC OF ZAMBIA THROUGH THE
MINISTRY OF HEALTH**

AND

AKUMS DRUGS AND PHARMACEUTICALS LIMITED FROM INDIA

This Memorandum of Understanding (hereinafter referred to as "MOU" is made the Seventeenth (17) day of October.....2024 BETWEEN the Government of the Republic of Zambia, acting through the Ministry of Health whose address is Ministry of Health, Ndeke House, Haile Selassie Road Lusaka in Lusaka Province) on one part;" and AKUMS Drugs and Pharmaceuticals Limited whose address is Plot No. 131 to 133, Block-C, Mangolpuri Ind. Area, Phase-I, Delhi – 110083, **New Delhi India, herein after referred as Akums.**

This Memorandum of Understanding will hereinafter be referred to as the "**MOU**", and will become effective on date of signature thereof by the Parties.

WHEREAS;

A) Recognizing the existing collaboration between the Zambian Government and AKUMS in the field medicines and medical supplies, and **desiring** to strengthen collaboration between the two entities in the field of Medicines and Medical supplies.

Convinced of the necessity of lasting and effective cooperation and/or collaboration in the interest of both parties.

Believing that such cooperation would serve their common interests and contribute to the enhancement of commerce between the two parties

B) AKUMS DRUGS AND PHARMACEUTICALS LIMITED is a limited company duly registered under the Companies Act, 1956 of India and

has the capacity to supply and manufacture assorted medicines and medical supplies.

1 Interpretations

In this MOU unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) the expression person includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this MoU) is to that document as valid, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or

of this MoU and a reference to this MoU includes any schedule, exhibit or annexure to this MoU;

(i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning.

NOW THEREFORE, the intentions of the Parties are hereby expressed as follows:

- I. **Long-term vision:** The parties' long-term vision is creating capacity for manufacturing of medical supplies and medicines in Zambia by setting up a manufacturing plant for medicines and medical supplies.
 - a. Any others as may otherwise be mutually agreed upon and contained in the Definitive Agreements executed between the Parties.
 - b. Ministry of Health and AKUMS drugs and pharmaceuticals limited will be responsible for the following:
- II. Identification of the medicines and medical supplies to be locally manufactured in Zambia.
- III. The Zambian government through Ministry of Health will undertake procurement of identified medicines through ZAMMSA based on the country procurement guidelines. The whole purpose of setting up this manufacturing facility is to

stabilize the medicine supply and ensure availability of Essential Medicines.

- IV. Market Assurance for the drug commodities;** The Ministry of Health through ZAMRA will facilitate registration of medicines from AKUMS and ensure fast tracking of Market Authorisation.
- V. Technology Transfer:** Akums undertakes to do technology transfer of the Products which are already developed by Akums and needed by Zambia and the list may be amended from time to time. In case there are some products which are needed by Zambia but are not currently available with Akums, Akums is ready to develop the same at a mutually decided cost.
- VI. Training of the Zambian Workforce:** Akums is ready to commit to training Zambian workforce in Zambia & if needed also in India in their Skill development center & its own manufacturing facilities. Cost of such travel, stay and salary to be borne by Zambian Partner.
- VII. Employment of the Zambian workforce:** Akums will employ local people as far as possible. Initially there will be some experts from Akums India to be based in Zambia to run the operations.

2. RESPONSIBILITIES

- a) The Parties are to communicate to each other all information relevant to securing the objectives of this MoU, that is within either party's knowledge.

- b) The Parties are to facilitate the training of relevant government staff in relation to the local manufacturing.
- c) The parties will carry out a Joint Inspection of the premises, plant and occupational safety and health to ensure that issues of the Good Manufacturing Practices, plant cleanliness, safety of the environment, personal welfare are adhered to according to the existing statutes governed in the various pieces of legislation of Zambia.

3. Best Endeavours

Parties will use best endeavours and co-operate with each other to assist in having this MOU fulfilled.

4. Notice of Dispute

If any dispute relating to this MoU arises between the Parties, either Party may give notice in writing to the other Party of its dissatisfaction. Upon receipt of the written notice, the Parties agree to meet to discuss the Dispute within 21 Business Days of delivery of the Notice and endeavour to resolve the Dispute within 14 Business Days of their first meeting.

5. Dispute Resolution

Any dispute arising from the implementation of this memorandum of understanding will be settled by the parties amicably through consultations and negotiations in good faith between the parties.

5. CONFIDENTIALITY

Confidential Information-Each party must not disclose or announce to any person any Confidential Information.

Permitted Disclosure

A Party (Disclosing Party) may disclose Confidential Information:

- (a) to a related body corporate;
- (b) if and to the extent required by legislation or other legal requirements or pursuant to the rules or regulations of a relevant registered stock exchange applicable to the Disclosing Party;
- (c) if and to the extent it may be necessary or desirable to disclose to any Government Agency in connection with applications for consents, approvals, authorities or indications of no objection in relation to this MOU;
- (d) to genuine potential investors or assignees of all or part of the Disclosing Party's rights under this MOU;
- (e) To professional advisers, independent consultants, contractors or employees of the Disclosing Party; and
- (f) If the Confidential Information is, contained in a disclosure document issued for or on behalf of the Disclosing Party (or a related body corporate) for the offer for subscription or purchase, or the issue of invitations to subscribe for or buy, its securities or securities of another corporation as the case may be.

Party's Continuing Responsibility-The duty of confidentiality will survive the termination of this MoU.

6. NOTICES

Notice Requirements

A notice, consent or other communication under this MoU is only effective if it is:

- (a) in writing and in legible English, signed by or on behalf of the Party giving it;
- (b) addressed to the Party to whom it is to be given; and
- (c) delivered, either through any one of the following means:
 - (i) sent by pre-paid mail (by airmail, if the addressee is overseas)
 - (ii) delivered to that Party's address; or
 - (iii) sent by fax to that Party's fax number.

Deemed Receipt

- (a) a notice, consent or other communication under this MoU is, in the absence of an acknowledgement of receipt, regarded as delivered and received:
 - (i) if it is delivered at the address of the relevant Party;
 - (ii) if it is sent by fax, at the time and on the day it was successfully sent; or
 - (iii) if it is sent by mail to an address within Jurisdiction, on the 3rd Business Day after the day of posting.
 - (iv) if it is sent by mail to or from a place outside the Republic of Zambia, on the 21st Business Day after the day of posting.
- (b) If a notice, consent or other communication under this MoU is given and received on a day that is not a Business Day or after 5.00

pm (local time in the place of receipt) on a Business Day, it is regarded as being given and received at 9.00 am on the next Business Day.

7. Costs, expenses and duties

Except as expressly provided in this MoU, each Party must pay its own costs and expenses of negotiating, preparing and executing this MoU and any other instrument executed pursuant to this MoU.

8. Amendment

An amendment, modification or alteration to this MoU will not be effected without prior legal advice of the Attorney General.

9. Governing law

This MOU is governed by the laws of Zambia.

10. Entirety

"This MoU comprises the entire MoU between the Parties relating to the subject matter hereof, to the exclusion of all terms and conditions or collateral MoUs, negotiations, notices of intention, promises, arrangements, undertakings and representations (whether written or oral) of the Parties with respect thereto made prior to the date of this MoU other than those representations expressly included in the MoU"

11. Survival

"The termination or expiration of this MoU for any reasons will not release either party from any liabilities or obligations set forth in this

MoU which remain to be performed or by their nature would be intended to be applicable following any such termination or expiration".

12. Termination

In the event of non-compliance by either party to any of the terms and conditions of this Agreement, the party in compliance may give written notice to the defaulting party to rectify and / or remedy such non-compliance within 14 (fourteen) days of receipt of such notice. Where the defaulting party fails to rectify and / or remedy such non-compliance within 14 (fourteen) days of receipt of such written notice, the other party who is in compliance with the Agreement will be entitled to terminate the Agreement by summarily giving 90 (ninety) days written notice of cancellation.

The Drop dead fees will be paid in proportion of the amount outstanding or not recovered by Akums or its subsidiaries of the Investment Made.

The Technology rights will be transferred back to Akums or its subsidiaries and a non-compete on these products will be effective for five years from the date of termination of agreement.

The duty to observe to confidentiality will subsist even after completion or termination of this MoU.

13. Severability

"If any provision of the MoU is prohibited or rendered invalid such prohibition or invalidity will not affect the validity of any other provision of the MoU."

14. Force Majeure

"The failure of a Party to fulfil any of its obligations under this shall not be considered as a breach under this MoU insofar as such inability arises from an event of Force Majeure.

Any period within a party, pursuant to this MoU is expected to complete any action or task shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

If Force Majeure arises, the Party affected shall, within two (2) weeks of the occurrence of the event of Force Majeure, notify the other Party of the such condition and the cause thereof. Similar written notice shall be given within 2 weeks of cessation of the event of Force Majeure.

For the purposes of this clause, Force Majeure means an event which is beyond the reasonable control of a Party and which makes a Party's performance of its obligations under the Contract impossible or impractical. Such events may include, but limited to wars or revolutions, fires, storm, floods, earthquake, epidemics, acts of the public enemy or terrorism, war, rebellion, insurrection, riot, sabotage, invasion, quarantine, restriction, transportation embargoes, and quarantine restrictions,"

15. No Joint Venture or Partnership

"Nothing in this MoU will create a partnership or joint venture between the Parties hereto and save expressly provided in this MoU neither Party will enter into or have authority to enter into any engagement"

16. Duration

This MOU will commence on the effective date and will, unless terminated in accordance with this MOU, continue in force for a period of 5 years. The MoU will be non-binding on the parties, and the Parties will enter into a definitive agreement within 6 months of signing this non-binding MOU. The MOU will terminate upon signing of Definitive Agreement or 6 months from execution of MOU, whichever is earlier. This MOU may be extended beyond the period of 6 months by written mutual agreement of the Parties.

Signed and dated on this,

AKUMS DRUGS AND PHARMACEUTICALS LIMITED

Name: ASHOK SAROHA

Signed: 

Position: PRESIDENT - INTERNATIONAL BUSINESS

Date: OCTOBER 17, 2024

Witness

Name:

Occupation:

Signature:

Date:

On behalf of Ministry of Health

Name: *Dr. George Guixangwe*

Position: *Permanent Secretary*

Signed: *[Signature]*

Date: *17.10.24*

Witness:

Name: *Abeni Halumanga*

Occupation: *Director General ZDA*

Signature: *[Signature]*