

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,**

**BENCH, AT MUMBAI**

**COMPANY SCHEME APPLICATION NO. 877 OF 2017**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013;

And

In the matter of Solara Active Pharma Sciences Limited [CIN: U24230MH2017PLC291636], a company incorporated under the Companies Act, 2013, having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra;

And

In the matter of the Composite Scheme of Arrangement between Strides Shasun Limited (“**Demerged Company 1**”) and Sequent Scientific Limited (“**Demerged Company 2**”) and Solara Active Pharma Sciences Limited (“**Resulting Company**”).

Solara Active Pharma Sciences Limited [CIN: )  
U24230MH2017PLC291636], a company )  
incorporated under the Companies Act, 2013, )  
having its registered office at 201, Devavrata, )  
Sector 17, Vashi, Navi Mumbai – 400 703, )  
Maharashtra. ) ...Applicant Company/  
Resulting Company

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**Order delivered on 17<sup>th</sup> November, 2017**

**Coram:**

**Hon'ble Mr. M. K. Shrawat, Member (J)**

For the Applicant Company: Mr. Tapan Deshpande and Ms. Priya Patwa,  
Advocates of M/s. Cyril Amarchand Mangaldas.

*Per- M. K. Shrawat, Member (J)*

**ORDER**

1. Perused the Company Scheme Application, along with the Affidavit dated 6<sup>th</sup> September, 2017 of Mr. S. Murali Krishna, Authorized Signatory of the Applicant Company, in support of the Company Scheme Application and heard Mr. Tapan Deshpande, Advocate for the Applicant Company.
2. The proposed Composite Scheme of Arrangement between Strides Shasun Limited ("**Demerged Company 1**") and Sequent Scientific Limited ("**Demerged Company 2**") and Solara Active Pharma Sciences Limited ("**Applicant Company**" / "**Resulting Company**"), (hereinafter referred to as the "**Scheme**" or the "**Scheme of Arrangement**") and various other matters consequential to or otherwise integrally connected with the Scheme, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 provides for transfer by way of a demerger of the commodity active pharmaceutical ingredients business ("**Commodity API Business**") undertaking of the Demerged Company 1 and the human active pharmaceutical ingredients business ("**Human API Business**") undertaking of Demerged Company 2 into the Resulting Company and issuance of shares by the Resulting Company to shareholders of the Demerged Company 1 and Demerged Company 2 in consideration for transfer of the respective undertakings. The rationale for the Scheme is as follows (a) the Commodity API Business and Human API Business, being

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“B2B” businesses, require a differentiated strategy and direction to grow and deliver value; (b.) Segregation of the Commodity API Business from the other core “B2C” businesses of Demerged Company 1 will allow concentrated focus by Resulting Company management on the Commodity API Business and Demerged Company 1 management on its other core B2C businesses – (i) Segregation of the Human API Business from the animal healthcare business of Demerged Company 2 will allow concentrated focus by Resulting Company management on the Human API Business and Demerged Company 2 management on the animal healthcare business; (ii) The unbundling of Commodity API Business and Human API Business and consolidation into Resulting Company will create an active pharmaceutical ingredients company in India with critical size, and is expected to unlock value by enabling the business activities to be carried out with greater focus and specialization for sustained growth; (iii) the demergers are expected to enhance shareholder value for shareholders of both Demerged Company 1 and Demerged Company 2; and (iv) the Scheme is expected to be in the best interests of the shareholders, employees and the creditors of each of the Demerged Company 1, Demerged Company 2 and the Resulting Company.

3. The Applicant Company has no secured creditors and unsecured creditors as on 23<sup>rd</sup> August, 2017. In view of the foregoing and in view of the provisions of Section 230 of the Companies Act, 2013, the following directions are issued:
4. That the meeting of the equity shareholders of the Applicant Company be convened and held at Four Points by Sheraton, Plot No. 39/ 1, 6 to 15, Sector 30A, Vashi, Navi Mumbai – 400 701 on Wednesday, the 27<sup>th</sup> day of December, 2017, at 03:00 p.m. (1500 hours), or any adjourned date(s)

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thereof, for the purpose of considering and, if thought fit, approving the Scheme.

5. That at least 30 clear days before the said meeting of the equity shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting together with a copy of the Scheme, a copy of the statement disclosing all material facts as required under Section 230 (3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the prescribed Form of Proxy shall be sent by Registered Post or Courier or Speed Post or Air Mail or hand delivery or through e-mail (to those shareholders whose email addresses are duly registered with the Applicant Company for the purpose of receiving such notices by email), addressed to each of the equity shareholders of the Applicant Company, at their last known address or email addresses as per the records available with the Applicant Company.
6. That at least 30 days before the meeting of the equity shareholders of the Applicant Company, to be held as aforesaid, a notice convening the said meeting, indicating the place, date and time of the meeting as aforesaid be published in the Free Press Journal (Mumbai edition) in the English language and a Marathi translation thereof in Navshakti (Mumbai edition), stating that copies of the Scheme and the statements required to be furnished pursuant to Section 230 (3) of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Form of Proxy/ies shall be obtained free of charge at the registered office of the Applicant Company as aforesaid and/ or at the offices of its Advocates, Cyril Amarchand Mangaldas, Advocates &

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Solicitors, 5<sup>th</sup> Floor, Peninsula Chambers, Peninsula Corporate Park,  
Ganpatrao Kadam Marg, Lower Parel 400 013.

7. The Applicant Company undertakes to:
- i. Issue Notices convening the meeting of the equity shareholders as per Form No. CAA 2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
  - ii. Issue Statements containing all the particulars as per Section 230 of the Companies Act, 2013;
  - iii. Issue Form of Proxy/ies as per Form No. MGT- 11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
  - iv. Advertise the Notice convening the meeting as per Form No. CAA 2 (Rule 7) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.

The undertaking given by the Applicant Company is accepted.

8. That Mr. V. Hariharan, a Director of the Applicant Company and in his absence, Dr. Sathyanarayan, a Director of the Applicant Company shall be the Chairperson of the aforesaid meeting of the equity shareholders of the Applicant Company, to be held at Four Points by Sheraton, Plot No. 39/ 1, 6 to 15, Sector 30A, Vashi, Navi Mumbai – 400 701 on Wednesday the 27<sup>th</sup> day of December, 2017, at 03:00 p.m. (1500 hours) or on any adjourned date(s) thereof. The Scrutinizer for the purpose of conducting the voting by ballot papers, as the case maybe, at the venue of the meeting shall be M/s. Nilesh Shah and Associates, Practicing Company Secretaries represented by Mr. Nilesh Shah, Company Secretary (Membership No. FCS: 4554; CP:

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- 2631), in his absence Ms. Hetal Shah, Company Secretary (Membership No. FCS: 8063; CP: 8964) and in her absence Mr. Mahesh Darji, Company Secretary (Membership No. FCS: 7175; CP: 7809).
9. The Chairperson appointed by the Tribunal for the said meeting, to issue notice of the meeting to the shareholders and publication of date of notice of the meeting in the newspapers. The said Chairperson shall have all the powers as per the Articles of Association, also under the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting, including for deciding procedural questions that may arise thereat or at any adjourned dates thereof or any other matter including an amendment to the Scheme or the resolution, if any proposed at the meeting by any person(s).
  10. That the quorum of the aforesaid meeting of the equity shareholders shall be 5 (five) members personally present, as prescribed under Section 103(1)(a)(i) of the Companies Act, 2013.
  11. That the voting by proxy or by authorized representative in the case of a body corporate be permitted, provided that a proxy in the prescribed form/ authorisation, duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra, not later than 48 (forty eight) hours before the aforesaid meeting.
  12. The number and value of the equity shares of the equity shareholders shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairman

- of the meeting shall determine the number or value, as the case may be for the purposes of the meeting and his decision in that behalf would be final.
13. That the Chairman to file an affidavit not less than 7 (Seven) days before the date fixed for the holding of the meeting and do report to this Tribunal that the direction regarding the issue of notice and the advertisement have been duly complied with.
  14. That the Chairman of the meeting to report to this Tribunal, the result of the aforesaid meeting within 30 (Thirty) days of the conclusion of the meeting and the said Report shall be verified by his Affidavit as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
  15. The convening and holding of the meeting of the secured creditors of the Applicant Company for the purpose of considering and if thought fit, approving the Scheme is not required in view of the averments made in paragraph 23 of the Company Scheme Application, that there are no secured creditors of the Applicant Company.
  16. The convening and holding of the meeting of the unsecured creditors of the Applicant Company for the purpose of considering and if thought fit, approving the Scheme is not required in view of the averments made in paragraph 24 of the Company Scheme Application, that there are no unsecured creditors of the Applicant Company.
  17. The Applicant Company to serve the notice of the meeting of the equity shareholders upon the Central Government through the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai, Maharashtra, pursuant to Section 230 (5) of the Companies Act, 2013 and as per Rule 8 of


- the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Central Government through the Regional Director within 30 days of the date of receipt of the said notice, it will be presumed that the Central Government through the Regional Director has no objection to the proposed Scheme.
18. The Applicant Company to serve the notice of the meeting of the equity shareholders upon the Registrar of Companies, Maharashtra, Mumbai, pursuant to Section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Registrar of Companies within 30 days of the date of receipt of the said notice, it will be presumed that the Registrar of Companies has no objection to the proposed Scheme.
19. The Applicant Company to serve the notice of the meeting of the equity shareholders upon the Reserve Bank of India, pursuant to Section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Reserve Bank of India within 30 days of the date of receipt of the said notice, it will be presumed that the Registrar of Companies has no objection to the proposed Scheme.
20. The Applicant Company having Permanent Account Number (PAN) "AAYCS2093N" to serve the notice of the meeting of the equity shareholders upon the concerned Income Tax Authority within whose jurisdiction the Applicant Company's assessment are made i.e. The Deputy Commissioner of Income Tax, Circle 15 (3) (2) having address at Room No. 451, 4<sup>th</sup> floor, Aaykar Bhavan, Maharshi Karve Road, Mumbai- 400 020,



pursuant to Section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the concerned Income Tax Authority within 30 days of the date of receipt of the said notice, it will be presumed that the concerned Income Tax Authority has no objection to the proposed Scheme, as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

21. In view of the averments made in paragraph 28 of the Company Scheme Application, giving notice of the meeting of the equity shareholders issued under Section 230 (3) of the Companies Act, 2013, to (i) Official Liquidator, High Court, Bombay; (ii) BSE Limited, (iii) National Stock Exchange of India Limited, (iv) the Securities and Exchange Board of India, and (v) the Competition Commission of India, in terms of Section 230 (5) of the Companies Act, 2013, is not necessary.
22. The Applicant Company undertakes to file an Affidavit proving service of notice of the meeting of the equity shareholders on the Central Government through the Regional Director, Registrar of Companies, Maharashtra, Mumbai, concerned Income Tax Authority, the Reserve Bank of India and publication of notice in newspapers, not less than 7 (Seven) days before the date fixed for the holding of the meeting.

**Dated : 17.11.2017**

**Sd/-**   
**M. K. SHRAWAT**  
**MEMBER (JUDICIAL)**