

December 02, 2022

To,

Bombay Stock Exchange Ltd.
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Mumbai - 400 001
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National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (East), Mumbai - 400 051
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Subject: Response to your mail dated 17th November 2022 in the matter of Sharon Bio-Medicine Limited (SBML/Company/Corporate Debtor)

Dear Madam,

This in reference to your mail dated 17th November 2022 confirming whether the company has filed reclassification application under regulation 31A.

As you may be aware, in 2017, a company petition (bearing number C.P. No. 246/I&BP/NCLT/MAH/2017) ("Company Petition") was filed against the Corporate Debtor by Culross Opportunities SP and Peter Beck and Partners under Section 7 of the Code. Pursuant to the order dated April 11, 2017, the Company Petition was admitted by the Hon'ble NCLT and corporate insolvency resolution process ("CIRP") was initiated against the Corporate Debtor under the provisions of the Code. Vide order dated April 25, 2017, the Adjudicating Authority appointed the Mr. Dinkar T. Venkatasubramanian as the interim resolution professional for the Corporate Debtor, who was later confirmed as resolution professional by the Committee of Creditors on May 22, 2017.

During the CIRP of the Corporate Debtor, the Resolution Plan dated December 13, 2017 submitted by Peter Beck und Partner Vermoögensverwaltung Ltd. ("Earlier Resolution Applicant" and the plan is hereinafter referred to as the "Previous Resolution Plan") was approved by the CoC and subsequently by the Adjudicating Authority pursuant to the order dated February 28, 2018 ("Plan Approval Order"). Further, monitoring agency was appointed to supervise the implementation of the Resolution Plan ("Monitoring Agency").

Pursuant to the approval of the previous resolution plan by Hon'ble Adjudicating Authority, the monitoring agency had carried out the capital reduction of the corporate debtor as per the terms of the previous resolution plan.

However, the Plan Approval Order was challenged by promoters before the Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT") (by way of Company Appeal (AT) (Insolvency) No. 164 of 2018), which was dismissed by the Hon'ble NCLAT vide its order dated December 19, 2018, and the Plan Approval Order was upheld.

Thereafter, an appeal was filed against the order passed by the Hon'ble NCLAT before the Hon'ble Supreme Court (being Civil Appeal No. 1603 of 2019). The Hon'ble Supreme Court by its order dated April 5, 2019, dismissed the appeal and upheld the order of the Hon'ble NCLAT.

In the meanwhile, the share capital of the company stands reduced w.e.f. November 2020 under the aegis of Previous Resolution Plan. Further, the trading was also suspended by NSE and BSE in March 2019.

However, despite several opportunities, the Earlier Resolution Applicant failed to implement the Previous Resolution Plan, in accordance with the terms and conditions specified therein. In view thereof and after several rounds of litigation, the Hon'ble Supreme Court vide order dated February 28, 2022 (in Civil Appeal No. 1305-1306 of 2022) ("Supreme Court Order") granted liberty to initiate fresh CIRP in relation to the Corporate Debtor and to take all consequential actions in furtherance thereof, in accordance with law.

In light of the Supreme Court Order, State Bank of India (acting on behalf of the lenders of the Corporate Debtor), filed an application (being IA No. 1062 of 2022 in the Company Petition) and subsequently an additional affidavit (collectively "Lenders' Application") for inter alia withdrawal of the liquidation application (filed earlier on account of continuous default by the Earlier Resolution Applicant) and for seeking directions for granting 105 days for inviting expressions of interest/resolutions plans from interested prospective resolution applicants, and for appointment of undersigned as the resolution professional for the CIRP of Corporate Debtor. The Hon'ble Adjudicating Authority was pleased to allow the Lenders' Application pursuant to its order dated June 03, 2022 and appointed the undersigned as the Interim Resolution Professional. Pursuant thereto, the CIRP of Corporate Debtor has been re-initiated.

Pursuant to the discussions during the 12th meeting of the Committee of Creditors ("CoC") held on 18 June 2022, the Committee of Creditors confirmed the appointment of undersigned as the resolution professional for conducting the CIRP of the Corporate Debtor ("Resolution Professional").

The Resolution Professional in discharge of its duties in accordance with the provisions of the Code and the CIRP Regulations had successfully completed the resolution process of the corporate debtor. The CoC after various rounds of discussions with the resolution applicants have approved the resolution plan dated 22nd August 2022 and as modified on 6th October 2022 ("approved resolution plan") on 16th November 2022. The undersigned have filled the application for approval of resolution plan under section 30(6) of the code before the Hon'ble Adjudicating Authority on 21st November 2022. Currently the approval of resolution plan is sub-judice before Hon'ble Adjudicating Authority.

As on the date, the share capital of the Company stands reduced and remains same as per terms of the previous resolution plan. However, the same will be changed as per the terms of the approved resolution plan subject to the approval of Hon'ble Adjudicating Authority.

Kindly note that reclassification application under Regulation 31A (Reduction of share capital event in our case) was not filed due to the non-implementation of previous resolution plan.

Further, the reclassification of application (reduction application) will be filed pursuant to the terms of the approved resolution plan.

This is for your information and records.

For SHARON BIO- MEDICINE LIMITED


Pulkit Gupta
Resolution Professional
(IBBI IP Registration No. IBBI/IPA-001/IP-P-02364/2021- 2022/13697)