

(Under Corporate Insolvency Resolution Process)

July 17, 2019

National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th Floor, Plot No: C/1
G - Block, Bandra - Kurla Complex
Bandra (East),
Mumbai - 400 051

BSE Limited
Corporate Relationship Department
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001

Dear Sir/ Madam

Sub: Fixing of the Record Date for Reduction of share capital

We refer to our letter dated June 29, 2019 wherein we had submitted to your good office that the Hon'ble National Company Law Tribunal, Chennai Bench by its order dated June 27, 2019 (received by the Company on June 28, 2019) has approved the resolution plan submitted by Dhanuka Laboratories Limited, Gurgaon, Haryana under Section 31 of the Insolvency and Bankruptcy Code, 2016.

In terms of the Approved Plan, the Monitoring committee has been constituted which is responsible for carrying out the obligations of the Board of Directors of the Company ("Board") and to manage and control the affairs of the Company.

Further, in terms of Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), we would like to further apprise you that the Monitoring Committee has passed a resolution and fixed the Record date for the purpose of determining the eligible shareholders whose shares shall stand reduced, pursuant to the Approved Plan.

The Record date has been fixed as July 27, 2019 (Saturday) for the purpose of determining the eligible shareholders whose shares shall stand reduced, pursuant to the Approved Plan.

In this regard, please find enclosed herewith the following prescribed documents:

Sr. No.	Particulars	Annexure No.
1.	Synopsis- Reduction and Consolidation of share capital	I
2.	Certified true copy of the order passed by the Hon'ble National Company Law Tribunal, Chennai bench approving the resolution plan.	II
3.	Certified true copy of the extracts of resolution plan about reduction of share capital duly approved by Hon'ble National Company Law Tribunal, Chennai bench	III

Kindly take the above information on your records.

Thanking you

Yours faithfully


Mani S
President -API, CSR&SH&E

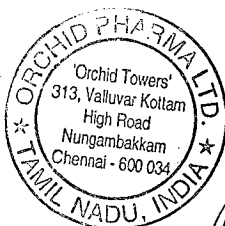


Annexure-I

Synopsis- Reduction and consolidation of share capital

On the record date, the existing issued, subscribed and paid-up equity share capital of Orchid Pharma Limited shall be reduced and consolidated from Rs.88,96,43,270 divided into 8,89,64,327 equity shares of Rs.10 each to Rs.40,81,640 divided into 4,08,164 equity shares of Rs.10 each.

Upon reduction and consolidation, in the event any member of Orchid Pharma Limited becomes entitled to fractional equity shares, such fractional entitlements shall be consolidated by Orchid Pharma Limited and allotted to a trust set up by Dhanuka Laboratories Limited and a professional trustee on behalf of the fractional shareholders for the purpose of sale in the open market or to any person. Any fractional share arising in the hands of such trust even after such consolidation shall be rounded off to the nearest whole integer.



IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI

MA/579/2019

In

CP/540/IB/2017

Under Section 31(1) of the IBC, 2016

In the matter of M/s. Orchid Pharma Limited

Mr. S.V Ramkumar, RP
For M/s. Orchid Pharma Limited

...Applicant

In the matter of
Lakshmi Vilas Bank Limited

---Operational Creditor

Vs

Orchid Pharma Limited

---Corporate Debtor

Order delivered on: 27.06.2019

Coram:

B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

For the Applicant/RP

: Shri. Sathish Parasaran, Sr. Advocate

Shri. Vipin Warriar, Advocate

For Mr. S.V Ramkumar, RP

For Unsuccessful Bidder

: Shri. P.H Arvindh Pandian, Sr. Advocate

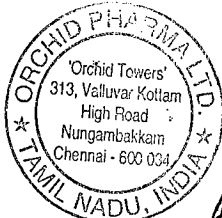
For Mr. Avinash Krishn Ravi

For State Bank of India

: Shri. Chevanan Mohan, Advocate

Ms. Ponnappa Bharathi, Advocate

For King & Partridge



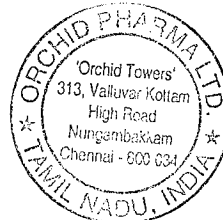
ORDER

Per: B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

Heard and dictated in the Open Court on: 25.06.2019

It is an application filed u/s 31(1) of the Insolvency & Bankruptcy Code, 2016 ("the Code") by the Resolution Professional (RP) for approval of the Resolution Plan on the ground that the CoC approved the Resolution Plan with 67.07% in the e-voting taken place from 9.00 A.M. on 7th June, 2019 to 4.00 P.M. on 11th June, 2019.

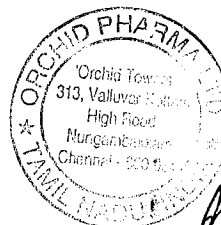
2. Before looking into the Resolution passed by the CoC approving the Resolution Plan, it is a little important to look back into the checkered history wherein the CoC earlier approved a Resolution Plan given by a Company called Ingen, when that plan was not taken off for that Resolution Applicant did not infuse any funds into the Corporate Debtor as contemplated under the Resolution Plan, this Bench on 28.02.2019 annulled that Resolution Plan and extended time for inviting fresh Resolution Plans. In pursuance thereof, since the CoC has approved another in the second round of exercise, now this Bench



is examining the plan approved by the CoC in the second round of exercise.

3. The Corporate Debtor is not a company that has no assets and not doing any business. The concern of this Bench is more in respect to 1407 employees eking their livelihood by working in this Company. If a solution is not found to this rigmarole, the immediate effect will come upon the employees working in this Company. The other reasons for considering this second round of exercise is, if this company comes out of Insolvency Proceedings, it will generate revenues not only to the stakeholders but also to the Government as well. Moreover when CoC has in its wisdom taken a decision in respect to restructuring of the debt, this Bench is limited to look into compliance as stated under 31 of the Code.

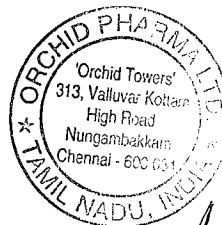
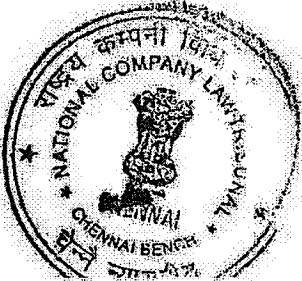
4. This Resolution Professional has placed material before this Bench saying in e-voting, this plan was approved with 67.07% but subsequent to this e-voting, one of the Financial Creditors (Punjab National Bank International Limited), before declaring the result of e-



voting, sent an e-mail changing its decision given in the e-voting "*from assenting to dissenting*".

5. However, since the Financial Creditor has not placed any grievances before this Bench except sending an e-mail, we are of the view that simply sending e-mail against its voting approving the Resolution Plan need not be taken into consideration against the approval given by this Financial Creditor at the time of e-voting.

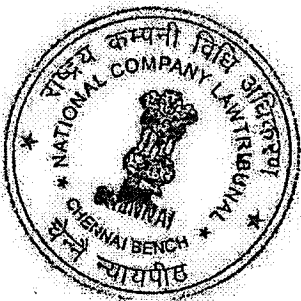
6. It is a fact that this Resolution Plan value i.e. ₹570crores is lesser than the liquidation value i.e. ₹1309crores. Normally Resolution Plan value will always remain more than liquidation value. Since it is alarming to approve a plan with value less than liquidation value, when it is put to the RP as to why such plan has been approved with a value of ₹570crores which is lesser than the liquidation value, he has explained that in addition to ₹570crores the applicant agreed to pay to the creditors, the Corporate Debtor has cash and bank balance of ₹321.98crores and the Corporate Debtor has an amount of ₹184.06crores reversed to it by State Bank of India pursuant to the order passed by



this Bench and the Resolution Applicant has proposed to infuse ₹40crores as equity into the Company. All these heads together having become ₹1116.04crores almost equivalent to the liquidation value of the Company, he says it cannot be considered as Resolution Plan value is considerably less than the liquidation value of ₹1309crores.

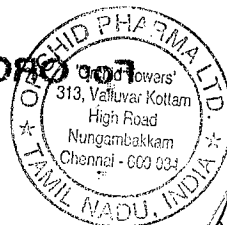
7. On hearing the RP, it appears that the total value of the Resolution Plan is close to the liquidation value i.e., and since there is no other plan more feasible and viable than this plan and there being no mandate under this quote saying that the Resolution Plan value shall always be more than the liquidation value of the Corporate Debtor, in order to let this company remain as going concern and to close out this long drawn process, we hereby approve this Resolution Plan as this Plan is approved by the CoC and it is in compliance of Section 30 (2) of the Code.

8. As to Income Tax exemptions and exemptions from taking approvals from various Government Authorities, this Bench has no jurisdiction to grant any such approvals save and except in accordance



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with law, therefore this prayer is hereby rejected leaving it open to the Resolution Applicant to proceed in accordance with law.

9. In respect to the proposal for buying the land of Lakshmi Vilas Bank by the Resolution Applicant, this Bench has no jurisdiction to approve such proposal which is involved with respect to the property rights of the parties, therefore this prayer is hereby rejected leaving it open to the parties to proceed in accordance with law.

10. Accordingly, this MA/579/2019 is hereby disposed of approving the Resolution Plan save and except those rejections aforementioned.

-SD-
(S. VIJAYARAGHAVAN)
MEMBER (Technical)

VS/TJS

-SD-
(B. S.V. PRAKASH KUMAR)
MEMBER (Judicial)

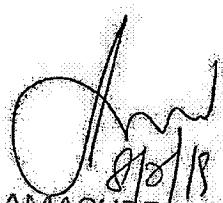


Certified to be True Copy.

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For ORCHID PHARMA LTD.

Authorised Signatory


N. SRIRAMASUBRAMANIAN
ASSISTANT REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR
28, RAJAJI SALAI, CHENNAI-600001.

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6.1.2.6. Pre and Post Shareholding Pattern: The equity shareholding structure immediately after the capital infusion as contemplated under this Plan is proposed to be as follows:

Category of equity shareholders of the Corporate Debtor	Existing Equity Capital of the Corporate Debtor as on March 31, 2019		Equity Share Capital immediately after capital infusion as contemplated in this Plan	
	No. of shares	% holding	No. of shares	% holding
Existing Promoter & Promoter Group ⁽¹⁾	2,28,73,782	25.71%	1,04,939	0.257%
Existing Public Shareholding	6,28,63,857	70.66%	2,88,409	0.706%
Shares underlying DRs	32,26,688	3.63%	14,816	0.036%
Secured Financial Creditors	Nil	-	4,08,164	1.000%
Resolution Applicant	NIL	-	4,00,00,072	98.000%
TOTAL	8,89,64,327	100.00%	4,08,16,400	100.000%

Note:

It is hereby clarified and confirmed that post reduction and consolidation of the existing equity share capital of the Corporate Debtor and post amalgamation of the SPV into the Corporate Debtor on and from the Effective Date, as provided in this Resolution Plan, the existing promoters and promoter group of the Corporate Debtor shall not have any rights (including any rights as are available to a promoter and promoter group under the Applicable Law) except as are ordinarily available to them as a public shareholder of the Corporate Debtor.



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Schedule 7 - Actions to be taken after NCLT Approval Date

Pursuant to the order of the NCLT approving this Plan:

- a) The authorized share capital of the Corporate Debtor shall stand increased, if required, in order to accommodate the issuance of the fresh shares as envisaged in Clause 6.1.2 of this Resolution Plan and the capital clause of the Memorandum of Association of the Corporate Debtor shall stand accordingly amended;
- b) The existing equity share capital of the Corporate Debtor shall stand reduced and consolidated and the existing preference share capital of the Corporate Debtor shall stand cancelled, as mentioned in Clause 6.1.1.3(h) of this Resolution Plan;
- c) The issue of the fresh shares in accordance with this Resolution Plan shall stand duly authorized and shall be deemed to be in compliance with the Applicable Laws;
- d) The Resolution Applicant shall deliver consent letters of the Persons to be appointed by the Resolution Applicant on the Monitoring Committee in accordance with Resolution Plan to the Resolution Professional and the Monitoring Committee shall come into existence;
- e) The Resolution Applicant shall inform the Resolution Professional and the Corporate Debtor of the names and other details of the Person(s) in whose favour the mandates for operation of all the bank accounts of the Corporate Debtor are to be changed on and after the NCLT Approval Date;
- f) The Corporate Debtor shall be deemed to have authorized and approved in a form and manner acceptable to the Resolution Applicant all actions which are necessary for the due and complete implementation of all the actions, including corporate actions, envisaged in this Plan;
- g) The Corporate Debtor shall file the relevant e-forms with the Registrar of Companies in relation to the actions taken on the Effective Date within the time period prescribed under Applicable Law;
- h) The Resolution Applicant and Corporate Debtor respectively shall file for approvals and consents or intimate the Governmental Authorities as may be applicable under the Applicable Laws to implement this Plan, unless such requirement is otherwise waived as part of approval of this Plan by the NCLT; and



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- i) The Resolution Applicant and Corporate Debtor respectively shall take all appropriate corporate actions necessary for implementation of the Resolution Plan which includes filing of appropriate documents or forms with Registrar of Companies, Ministry of Corporate Affairs, Reserve Bank of India, obtaining relevant consents from such regulatory authorities, intimation to existing shareholders, issuance of shares and instruments as provided in this Resolution Plan and as required under Applicable Law.



Important documents submitted by Ankumar
P Registration no.1881/1PA-001/IP-PGG15/2016-17/10039
Resolution Professional

