

“Alembic Pharmaceuticals Limited - Transcript of NCLT Convened Meeting of the Equity Shareholders”

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**14<sup>th</sup> June, 2022**

**Following persons attended the meeting through VC / OAVM:**

1. Mr. Janak Bathiya : Chairperson for this meeting appointed by the Hon’ble NCLT, Ahmadabad Bench
2. Mrs. Prachiti Shah : Alternate Chairperson for this meeting appointed by the Hon’ble NCLT, Ahmedabad Bench
3. Dr. Archana Hingorani : Director
4. Mr. R. K. Baheti : Director - Finance & CFO
5. Mr. Charandeep Singh : Company Secretary  
Saluja
6. Mr. Pritesh Amin : Partner of M/s. K C Mehta & Co., Statutory Auditors
7. Mr. Mitanshu Shah : Head – Finance (management representative)
8. Mr. Nilesh Mistry : Head – Accounts (management representative)
9. Mr. S. Samdani : Partner of M/s. Samdani Shah & Kabra, Scrutinizer for the meeting

**Transcript:**

**Company Secretary:**

Good Afternoon Dear Members,

I, welcome you all at the meeting of Equity Shareholders of the Company. This meeting is held through Video Conferencing or Other Audio Visual Means as per the directions issued by the Hon’ble National Company Law Tribunal, Ahmedabad Bench vide its Order dated 28<sup>th</sup> April, 2022 corrected under Rule 154 of the NCLT Rules, 2016 by an Order dated 12<sup>th</sup> May, 2022 (‘Order’).

Let me introduce the dignitaries who have joined this meeting. The Chairperson of the meeting, appointed by Hon’ble NCLT, Mr. Janak Bathiya, an Independent Practicing Advocate. He is attending the meeting from Vadodara. Mrs. Prachiti Shah, an Independent Practicing Advocate, Alternate Chairperson for the meeting appointed by Hon’ble NCLT. She is attending the meeting from Ahmedabad. Dr. Archana Hingorani, Independent Director. She is attending the meeting from Mumbai. Mr. R. K. Baheti, Director - Finance & and CFO. He is attending the meeting from Bengaluru. Mr. Pritesh Amin, Partner of M/s. K C Mehta & Co., Statutory Auditors. He is attending the meeting from Vadodara. Mr. Mitanshu Shah and Mr. Nilesh Mistry, management representatives are joining this meeting from Vadodara. Mr. S. Samdani, Partner of M/s. Samdani shah and Kabra, Scrutinizer. He is attending the meeting from Vadodara.

The requisite quorum being present, the meeting is declared in order and open for business.

I will now explain the statutory details pertaining to this meeting.

The facility for joining this meeting is being available for members on first come first served basis.

Once the questions answers session starts, I will announce the name of the shareholder who has registered himself as a speaker shareholder. The speaker shareholder will thereafter be unmuted by the moderator. The Shareholder is requested to click the video-on button. If the shareholder is not able to join through video for any reason, the shareholder can speak through audio mode. While speaking, we request shareholders to use earphones so that their voice is clearly audible.

Members who are interested in raising the questions / queries through chat box option may kindly do the same.

During the meeting, if the member faces any issue, he/she may contact helpline no. mentioned in the Notice of meeting.

Since the notice and explanatory statement along with annexures were already circulated well-in-advance, I propose to take the same as read.

All the documents as specified in the explanatory statement and forming part of the notice sent to the equity shareholders are open for inspection by the equity shareholders.

Pursuant to the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder, the Company has provided remote e-voting facility to all the members entitled to cast their vote (i.e. persons who were members on 7<sup>th</sup> June 2022 being the cut-off date) on the resolution as set out in the notice of meeting of the equity shareholders convened pursuant to the Order passed by the NCLT during the period from 10<sup>th</sup> June, 2022, 9.00 a.m. upto 13<sup>th</sup> June, 2022, 5.00 p.m. Further, members attending the meeting who had not already cast their vote through remote e-voting shall be eligible to vote through e-voting facility at the meeting.

Mr. S. Samdani, Practising Company Secretary (Membership No. 3677; COP No. 2863), partner of M/s. Samdani Shah and Kabra has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Now, I request respected Chairperson Sir to take over the proceedings. Thank you and over to you Sir.

**Chairperson:**

Good Afternoon Dear Members,

I am satisfied that the Company has made all efforts feasible under the circumstances to enable members to participate and vote on the items being considered in the meeting.

- The proposed Scheme is a Scheme of Arrangement in the nature of Amalgamation between Aleor Dermaceuticals Limited ('Transferor Company') and Alembic Pharmaceuticals Limited ('Transferee Company') ('Scheme').
- The Appointed Date of the Scheme is 1<sup>st</sup> April, 2021. Though it would be effective only when the Hon'ble NCLT approves it and the NCLT Order is filed with the ROC.

I request Company Secretary to brief the salient features and rationale of the Scheme to the members.

**Company Secretary:**

Thank you Sir.

- The Scheme provides for the following -
  - Amalgamation of Aleor Dermaceuticals Limited with Alembic Pharmaceuticals Limited with effect from the Appointed Date on the agreed terms and conditions as set out in the Scheme; and
  - Various other matters consequential, supplemental and/ or otherwise integrally connected therewith.
- Rationale of the Scheme is as follows:
  - The amalgamation will enable the Transferee Company to integrate its business operations and provide impetus to the operations of the Transferee Company. The consolidation of the activities by way of an amalgamation will provide seamless access to the assets of the Transferor Company as well as technical expertise and financial strength of the Transferee Company to the new business vertical. This will lead to synergies in operations, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency, competitive advantage and optimal utilization of resources eventually enhancing the growth and reputation of the group.

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- The combined entity will have a bigger portfolio of products and direct access to markets, which will strengthen its capabilities to serve more efficiently its customers. This will also enable the Transferee Company to consolidate its offering of branded products to its existing customer base across different therapies for various markets, both overseas as well as domestic where it has already a strong presence with requisite resources, address the competitive regulatory environment, risks and policies, better management of supply chain, better product profiling, greater differentiation, ability to strategize the business for long term growth, consolidation and creation of shareholder value. Further the growth of business of branded products envisages adequate capital and resources commitments and hence the merger of the Transferor Company into the Transferee Company shall enable the pooling of abundant resources of the Transferee Company to the business of the Transferor Company and impetus to the growth at a consolidated level.
- The amalgamation will result in cost saving for the Transferor Company and the Transferee Company as they are engaged in the similar business activities including common geographies, which is expected to result in cost saving, operational efficiency on account of scale, efficient and optimum resource utilization and thereby enhancing the business value for the Transferee Company through faster and effective decision making and avoiding duplication of efforts. It is believed that the faster decision making would be in the best interests of the shareholders, employees and other stakeholders.
- Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company.
- The Boards of Transferor Company as well as Transferee Company believe that this merger will contribute to smooth integration of both the Companies and would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.

In view of the aforesaid advantages, the Board of Directors of Transferor Company and Transferee Company have considered and proposed the Scheme under provisions of Sections 230 to 232 and other applicable provisions of the Act and the rules framed thereunder.

- The Transferor Company is a wholly owned subsidiary of the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company and the share capital of the Transferor Company shall stand cancelled on the Effective Date.

Now, I request respected Chairperson Sir to take over the proceedings. Thank you and over to you Sir.

**Chairperson:**

Thank you Charandeep. Before formally ordering e-voting at the meeting, we would be happy to answer questions, queries or suggestions from the shareholders who have registered themselves as a speaker by sending their request from their registered Email Id.

Please note that the Management will respond to your questions / queries after taking questions from all the shareholders (including the questions received through the chat box).

Mr. Bimal Kumar Agarwal have registered himself as a speaker shareholder.

Now I request moderator to ask him to unmute.

Mr. Bimal Kumar Agarwal, please mention your full name, Folio No. / DP ID - Client ID and the location from where you are participating and kindly proceed with the question.

**Bimal Kumar Agarwal:**

Hello. Can you hear me? Can you hear me?

**Chairperson:**

Yes, we can hear you.

**Bimal Kumar Agarwal:**

Hello? Can you hear okay?

**Chairperson:**

Yes.

**Bimal Kumar Agarwal:**

Good afternoon, to everyone. First of all, I thank the Company. My name is Bimal Kumar Agarwal. My DP Id Client ID is 1203230003502453. I am speaking from Bombay.

**Chairperson:**

Ok, please proceed.

**Bimal Kumar Agarwal:**

Good afternoon to everyone. First of all, I thank the Company Secretary and his team for sending me the soft copy of the report and a hard copy also. And I have already voted and I support all the resolution for the meeting and support the merger also and thank you very much. And I, I, one request I want, if you can send me Travisight eye drop, because that's a very expensive, eye drop for me as I have got a problem in the eyes for, if you can.

**Chairperson:**

Mr. Kumar, I think that you know, this is presently not the subject of discussion, but you can separately take it up with the Company, and sales and marketing.

**Bimal Kumar Agarwal:**

No problem, will take it up separately.

**Chairperson:**

Thank you so much.

So, next is Mr. Aspi Bhesania who registered himself as a speaker shareholder.

I request moderator to ask him to unmute.

Mr. Aspi Bhesania, please mention your full name, Folio No. / DP ID - Client ID and the location from where you are participating and kindly proceed with the question.

**Aspi Bhesania:**

No, all my details are with the Company Secretary. I am Aspi Bhesania from Bombay. So I'm Share holder for many, many years, but, I am attending the meeting for the first time.

**Chairperson:**

Sorry, Sir. Sorry to interrupt. Do you, do you have the folio number DP ID with you?

**Aspi Bhesania:**

Client ID is 1201250000010241

**Chairperson:**

Okay, please proceed, Sir.

**Aspi Bhesania:**

Sir, I am Share holder since many years, but this the first time I am attending your AGM, so continue to hold the meetings online also along with the physical meetings later on, when the physical start. The Company Secretary should please send his phone number or something, but in case of any problem, we can contact him. I wanted to know my speaker number. Then I sent email and I got a prompt reply for which I also thanked the Company Secretary. So this is only a hundred percent subsidiaries. So nothing is to be mentioned. I wish the Company all the best. And if you can inform how is the future of this Company? Because the results are not very good. Thank you very much and all the best.

**Chairperson:**

Thank you. I would request if anyone from the management wants to respond though it's not the discussion point of today. So if any response to be given that can be given otherwise we will proceed the meeting,

**Mitanshu Shah:**

Aspi I didn't understand when you asked the question that what is the future of the Company? You mean to say, this is for Aleor or Alembic Pharmaceuticals specific, and then reply your question.

**Aspi Bhesania:**

I refer to Alembic.

**Mitanshu Shah:**

Oh, Alembic Pharmaceuticals.

**Aspi Bhesania:**

Yeah, yeah,

**Mitanshu Shah:**

Yeah. So see, we have been like, you know, having quarterly meetings actually, and we have investor calls and I am sure you are attending one actually. So we would again have it for this quarter as well and for all the future ones. We have put in all our transcripts and everything on our website. I would request that if you could go through that also, go through our result and then you know, you'll also find our contact details, my personal contact details in the website, and you can call us back and we can discuss this at length, just to save time for every other person who's on this meeting at this point in time.

**Chairperson:**

Okay. So, any other questions received on chat? Charandeep?

**Company Secretary:**

No Sir, we have not received any questions through chat box option.

**Chairperson:**

Okay. So, I now order the e-voting to be taken on the resolution mentioned in the notice. I request Scrutinizer to take over the proceedings further.

**Scrutinizer:**

Thank you, Chairman Sir. Good afternoon members. The voting on NSDL platform will continue for next 15 minutes to enable the members who have not cast their vote yet and who like to cast their vote on the resolution through e-voting facility at the meeting. I shall Immediately after and not later than two working days from the conclusion of this meeting, make a consolidated Scrutinizer's Report of total votes cast in favor against the resolution and invalid votes, if any, to the Chairperson of the meeting. The result of the voting shall be announced by the Chairperson of the meeting on receipt of Scrutinizer's Report and the results announced along with the Scrutinizer's Report shall be displayed on the notice board of the Company at its registered office and Company's website i.e. [www.alembicpharmaceuticals.com](http://www.alembicpharmaceuticals.com); NSDL website i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com); and stock exchanges website, one is [www.nseindia.com](http://www.nseindia.com) and other is [www.bseindia.com](http://www.bseindia.com). Now i request all the members to kindly proceed to cast your vote. Thank you, and over to Chairman please.

**Chairperson:**

Thank you so much. I extend a sincere gratitude to all the members for their participation in the meeting and as informed by Scrutinizer, you all are requested to please cast your vote separately through the e-voting mechanism.



**Moderator:**

Sir, 60 number of shareholders have attended this meeting. With this, the Chairman may conclude the meeting. Thank you.

**Chairperson:**

Thank you, everyone. Since the quorum is present and we can then conclude the meeting. Thank you.

**Please find hereunder web-link to access the recording of the proceedings of NCLT Convened Meeting of the Equity Shareholders of the Company:**

<https://www.alembicpharmaceuticals.com/videos/video.html>