



**STRIDES SHASUN LIMITED**  
(formerly Strides Arcolab Limited)  
CIN : L24230MH1990PLC057062

Regd. Office: 201, 'Devavrata', Sector – 17, Vashi, Navi Mumbai – 400 703.  
Tel No.: +91 22 2789 2924, Fax No.: +91 22 2789 2942  
Corp. Office: 'Strides House', Bilekahalli, Bannerghatta Road, Bengaluru – 560 076.  
Tel No.: +91 80 6784 0000/ 6784 0290, Fax No.: +91 80 6784 0800  
Website: www.stridesarco.com; Email: investors@stridesshasun.com

**NOTICE OF POSTAL BALLOT AND E-VOTING**

Dear Member(s),

**Notice pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014**

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the Resolution set out below is proposed to be passed by way of Postal Ballot/e-Voting. An Explanatory Statement pertaining to the said Resolution setting out the material facts and the reasons thereof is annexed to the Notice, along with a Postal Ballot form (the "Form") for your consideration.

The Board of Directors has appointed Mr. Binoy Chacko, Practicing Company Secretary, Bengaluru as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the Form, in original, duly completed in all respects, in then closed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer on or before Monday, June 27, 2016 by 5. 00 p.m.

**E-voting**

The Company has engaged Karvy Computershare Pvt Ltd., Hyderabad (Karvy) for providing the e-voting facility through its platform.

The process and manner for e-voting is provided in the notice. In case a member votes through e-voting facility, he/ she is not required to vote through Postal Ballot Form. In case a member votes through e-voting facility as well as sends his/ her vote through Postal Ballot Form, the vote cast through e-voting shall be considered and the voting through Postal Ballot Form shall not be considered by the Scrutinizer.

The e-voting will commence on Saturday, May 28, 2016 at 9.00 a.m and will end on Monday, June 27, 2016 by 5.00 p.m.

The results, together with the Scrutinizer's Report, will be announced by Wednesday, June 29, 2016 at the registered office of the Company and will be displayed on the website of the Company i.e., www.stridesarco.com and also on the website of Karvy i.e., <https://evoting.karvy.com>, besides being communicated to BSE Limited and the National Stock Exchange of India Limited on which the shares of the Company are listed.

The Resolution will be deemed to have been passed on the date of declaration of the results of the postal ballot, if approved, by the requisite majority.

**By Order of the Board of Directors  
For Strides Shasun Limited**

Place: Bengaluru  
Date: May 16, 2016

**Sd/-  
Badree Komandur  
Group CFO & Company Secretary**

## **Resolution put through Postal Ballot and E-voting**

### **Item 1: Divestment of Shasun Pharma Solutions Limited, UK**

*To consider and if thought fit, to assent/ dissent to the following Ordinary Resolution:*

**RESOLVED** that pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) read with the Rules notified under the Companies Act, 2013, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the Memorandum and Articles of Association of the Company and subject to the compliance of all applicable laws and regulations and such permissions, approvals, consents and sanctions as may be necessary from the concerned statutory authorities and subject to such other terms and conditions as may be imposed by them, consent of the Members be and is hereby accorded to the Board of Directors of the Company (the “Board” which expression shall also include a committee of directors constituted and authorized for purposes mentioned hereof), to sell/ transfer /divest the entire shareholding held by the Company’s wholly owned subsidiary, SVADS Holdings SA, Switzerland, in Shasun Pharma Solutions Limited, UK for an enterprise value not less than Great Britain Pounds 25,000,000 (Great Britain Pounds Twenty Five Million only) with an equity value of GBP 6,000,000 (Great Britain Pounds Six Million only), after adjustment of debt and debt like items, to be discharged by way of cash and on such terms and conditions as may be decided by the Board.

**RESOLVED FURTHER** that all actions and decisions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary and/ or expedient in their discretion for completion of the transaction as aforesaid in the best interests of the Company.

**RESOLVED FURTHER** that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director, Committee or Company Secretary or any other Officer(s)/ Authorized Representative(s) of the Company to give effect to the aforesaid resolution.

**By Order of the Board of Directors  
For Strides Shasun Limited  
Sd/-  
Badree Komandur  
Group CFO & Company Secretary**

Place: Bengaluru  
Date: May 16, 2016

### **Notes:**

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. The Notice, together with the documents accompanying the same, is being sent to all the members by email/ registered post/ courier whose names appear in the Register of Members/ list of Beneficial Owners as received from the National Securities Depository Services Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) or Registrar and Share Transfer Agent (“Karvy”) as at Friday, May 20, 2016 at their respective registered/ last known address. The Notice will be displayed on the website of the Company ([www.stridesarco.com](http://www.stridesarco.com)) and of Karvy (<https://evoting.karvy.com>)
3. Members have the option either to vote through the e-voting process or through the postal ballot form.
4. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Members who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Company’s website ([www.stridesarco.com](http://www.stridesarco.com)) or seek duplicate postal ballot form from the Company or Karvy.
5. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio /client ID irrespective of the number of joint members.
6. The postal ballot form should be completed and signed by the Member (as per specimen signature registered with the Karvy and/or furnished to NSDL/ CDSL). In case, shares are jointly held, this form should be completed and signed by the first

named member and, in his/her absence, by the next named member. Holder(s) of Power of Attorney (“PoA”) on behalf of a Member may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form.

7. In compliance with provisions of Regulation 44 of LODR, the Company is pleased to offer e-voting facility to its Members holding equity shares as at Friday, May 20, 2016 (being the cut-off date), to exercise their right to vote electronically on the above resolution. For this purpose, the Company has signed an agreement with Karvy for facilitating e-voting.
8. The instructions for the Members for voting electronically are as under:-

- (i) To use the following URL for e-voting: <https://evoting.karvy.com/>
- (ii) Enter the login credentials i.e., user id and password mentioned below this communication. Your Folio No/ DP ID/ Client ID will be your user ID.

User - ID	For Members holding shares in Demat Form
	a) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
	b) For CDSL : 16 digits beneficiary ID
	For Members holding shares in Physical Form
	Event No. followed by Folio Number registered with the Company
Password	In case of Members who have not registered their e-mail addresses, their User-Id and Password is printed below.
Captcha	Enter the verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering the details appropriately click on LOGIN.
- (iv) Password change menu will appear. Change the password with a new password of your choice. The new password has to be a minimum of 8 (eight) characters consisting of at least 1 (one) upper case (A-Z), 1 (one) lower case (a-z), 1 (one) numeric value (0-9) and a special character.

Kindly note that this password can be used by the Demat holders for voting on any resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy e-voting platform.

The system will prompt you to change your password and update any contact details like mobile no., email ID etc., on first login. You may also enter the ‘Secret Question’ and answer of your choice to retrieve your password in case you forget it.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (v) Login again with the new credentials.
- (vi) On successful login, system will prompt to select the ‘EVENT’ (E-voting Event Number) i.e., the Company’s name ‘Strides Shasun Limited’.
- (vii) On the voting page, you will see the ‘Resolution Description’ and against the same the option ‘FOR/ AGAINST/ ABSTAIN’ from voting.
- (viii) Enter the number of shares (which represents number of votes) under ‘FOR/ AGAINST/ ABSTAIN’ or alternatively you may partially enter any number in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR/ AGAINST’ taken together should not exceed your total shareholding. If the member does not want to cast his vote, select ‘ABSTAIN’.
- (ix) Members holding multiple folios/ demat account shall choose the voting process separately for each folios/ demat account.

- (x) After selecting the resolution you have decided to vote on, click on ‘SUBMIT’. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on ‘CANCEL’ and accordingly modify your vote.
  - (xi) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
  - (xii) Corporate/ Institutional Members (Corporate/ FIs/ FIIs/ Trust/ Mutual Funds/ Banks etc.) are required to send scan (PDF format) of the relevant board resolution to the Scrutinizer through e-mail to [binoy@maxximuz.com](mailto:binoy@maxximuz.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com).
  - (xiii) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of <https://evoting.karvy.com> or contact Mr. Raju S V of Karvy at +91 40 6716 2222 or at 1800 345 4001 (toll free).
  - (xiv) Members are eligible to cast vote electronically only if they are holding shares as on Friday, May 20, 2016.
  - (xv) The voting period shall commence at 9.00 a.m. on Saturday, May 28, 2016 and will end at 5.00 p.m. on Monday, June 27, 2016. The e-voting module shall be disabled by Karvy at 5.00 p.m. on Monday, June 27, 2016.
9. Members have the option to vote either through e-voting or through physical postal ballot form. If a Member has opted for e-voting, then he/she should not vote by physical postal ballot form also and *vice-versa*. However, in case Members cast their vote both *via* physical postal ballot form and e-voting, then voting through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
10. The Scrutinizer will submit his report to the Chairman of the Board after completion of the scrutiny of the postal ballots including e-votes submitted. The Scrutinizer’s decision on the validity of the vote (including e-votes) shall be final. The results of the postal ballot including e-voting will be announced by Wednesday, June 29, 2016.
11. The results, together with the Scrutinizer’s report, will be displayed at the registered office of the Company and on the website of the Company ([www.stridesarco.com](http://www.stridesarco.com)) and also on the website of Karvy (<https://evoting.karvy.com>) besides being communicated to BSE Limited and the National Stock Exchange of India Limited on which the shares of the Company are listed.

**EXPLANATORY STATEMENT  
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

**Item 1: Divestment of Shasun Pharma Solutions Limited, UK**

The Board of Directors at their meeting held on May 16, 2016, based on the recommendation of the Audit Committee, has, subject to the approval of Members of the Company and other applicable laws and subject to such approvals, consents, permissions and sanctions as may be necessary, approved the divestment of Shasun Pharma Solutions Ltd, UK (SPSL), which is into CRAMS API business, to a Company to be set up by the current management team of SPSL and members of promoter group of Strides Shasun Limited for an enterprise value not less than GBP 25 Million with an equity value of GBP 6 Million after adjustment of debt and debt like items, to be discharged by way of cash and on such terms and conditions as may be decided by the Board.

**About Shasun Pharma Solutions Ltd, UK (SPSL)**

SPSL is a company established in 1969 and was acquired by the erstwhile Shasun Pharmaceuticals Limited in the year 2006. The allotted, called up and fully paid up share capital of SPSL as at March 31, 2016 is GBP 4,965,706 comprising of 4,965,706 of ordinary equity shares of GBP 1 each which is held by the Company’s wholly owned subsidiary in Switzerland, SVADS Holdings SA, Switzerland.

SPSL is engaged in contract research and contract manufacturing (CRAMS) services for the pharmaceutical industry. SPSL carries out Active Pharmaceutical Ingredient (API) related research and manufacturing services on contract basis. Generally all associated intellectual properties (IPs) are owned by the customers. SPSL has the ability to develop and supply API to support all stages of clinical development. The asset capability allows supply from gram scale to multi tonnage production. SPSL provides services to both human health and animal health sector, as well as providing some services to the cosmetics and fine chemical industry.

SPSL’s R&D and manufacturing facility is located at Dudley, Newcastle, UK which is approved by MHRA, Europe (Medical Health Regulatory Authority), PMDA, Japan (Pharmaceuticals and Medical Devices Agency) and FDA, US (Food and Drug

Administration). SPSL has a total employee base of 326 as at end of March 2016. The employee base includes 60 scientists to support research and development activities.

In 2011 this business had a major setback due to failure of a key customer product in market place and the business could not sustain profitability for several years.

Since 2014, under a new management team, SPSL shifted focus from a pure CRAMS player to multiple industry CRAMS business including services. The efforts are taking time and the business is in the process of reaching stable operation.

**Financials of SPSL as compared to Strides Shasun Limited (FY 2015-16):**

(INR Million)

	Revenue FY 2015-16	Net Worth (as at March 31, 2016)	Assets (as at March 31, 2016)
Strides Shasun Limited (consolidated financials)	32,776	28,632	76,591
SPSL	3,277	496	3,250
% Contribution to the group	10.30%	2%	4%

**Turnover / PAT of SPSL for last 3 years:**

(GBP in Thousand)

	FY 2016	FY 2015	FY 2014
Turnover	31,902	22,903	28,776
PAT	1,144	(2,676)	8

**About the Buyer**

The Buyer of the entire shareholding in SPSL will be a Company which will be set up by the current management team of SPSL and members of promoter group of Strides Shasun Limited.

In terms of Section 2(76) of the Companies Act, 2013 as also Regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”), the parties to the transaction would qualify as related parties of the Company.

**Additional information under Companies Act, 2013**

(a)	Name of the related party	Mr. Arun Kumar, Executive Vice Chairman and Managing Director and Mr. Abhaya Kumar, Executive Director, both belonging to the Promoter Group.
(b)	Name of the director or key managerial personnel who is related, if any	Mr. Arun Kumar, Executive Vice Chairman and Managing Director and Mr. Abhaya Kumar, Executive Director, both belonging to the Promoter Group are interested.
(c)	Nature of relationship	
(d)	Nature, material terms, monetary value and particulars of the contract or arrangement	The net consideration receivable by the Company on sale of SPSL (after adjustment of debt and debt like items) is expected to be approximately GBP 6,000,000 (Great Britain Pounds Six Million only)

(e)	Any other information relevant or important for the members to take a decision on the proposed resolution	<p>The CRAMS API business undertaken by SPSL came into Strides Shasun fold through the merger of Shasun Pharmaceuticals Limited with the Company, which became effective on November 19, 2015.</p> <p>SPSL has in the recent past shifted focus from a pure CRAMS player to multiple industry CRAMS business including services and not into pure pharma business.</p> <p>Hence, the business is considered non-core from the Group's perspective, which led to the decision to exit the business.</p>
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### **Manner of Determination of the Sale Consideration**

The sale price is based on independent valuation reports from Price Waterhouse & Co LLP ("PWC") and Sumedha Fiscal Services Limited ("Sumedha").

PWC, in its valuation report, has arrived at a 100% enterprise value in the range of GBP 22.20 Million to GBP 23.20 Million (based on Income approach as well as Market approach, with equal weights to both).

Sumedha, in its valuation report, has recommended a valuation in the range of GBP 25.80 Million to GBP 26.00 Million (based on DCF method).

Copies of the above mentioned valuation reports are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. (IST) and 1.00 p.m. (IST) upto Monday, June 27, 2016.

The above related party transaction is in the ordinary course of business (exit of non-core business which is not aligned with the main pharmaceutical business) and will be done at arm's length basis.

However, as the net consideration receivable (after adjustment of debt and debt like items) is expected to be approximately GBP 6 Million (depending on actual debt on the date of closure and exchange rate), the transaction does not trigger the requirement of seeking members' approval both under the Companies Act, 2013 and LODR. However, the Board of Directors, keeping in view the good governance practices, felt it prudent to seek members' approval for the proposed divestment.

Your Directors recommend this resolution for approval of Members. You are requested to communicate your assent or dissent in writing in the Postal Ballot Form/ E-voting sent herewith in accordance with the instruction set therein.

Mr. Arun Kumar, Executive Vice Chairman and Managing Director and Mr. Abhaya Kumar, Executive Director, both belonging to the promoter group of the Company are interested in this transaction as the Buyers will be funded by the Promoter Group of Strides Shasun Limited. As specified in Section 188 and Regulation 23 of LODR of Companies Act, 2013, all the related parties of the Company will abstain from voting on this resolution.

None of the other Directors/ Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding as Members, if any.

**By Order of the Board of Directors  
For Strides Shasun Limited  
Sd/-  
Badree Komandur  
Group CFO & Company Secretary**

Place: Bengaluru  
Date: May 16, 2016

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