



Sun Pharmaceutical Industries Ltd.

Registered Office: SPARC, Tandalja, Vadodara- 390020,

Tel Nos: 0265-6615500/600/700 Fax No.: 0265-2354897

Corporate Office: Acme Plaza, Andheri-Kurla Road, Andheri (E), Mumbai - 400 059

CIN: L24230GJ1993PLC019050, Website: www.sunpharma.com

NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Second Annual General Meeting of the Members of Sun Pharmaceutical Industries Limited will be held on Saturday, 27th September, 2014, at 12.00 noon at Sir Sayajirao Nagargruh, Akota, Vadodara - 390 020, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2014, including the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend on Equity Shares.*
3. To appoint a Director in place of Mr. Israel Makov (DIN: 05299764), who retires by rotation and being eligible, offers himself for reappointment.
4. To re-appoint Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, having Firm's Registration No.117366W/W-100018, as the Auditors of the Company from the conclusion of this Annual General Meeting for a period of 3 years, upto the conclusion of the 25th Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

"RESOLVED THAT pursuant to Section 139 of Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 and other provisions as may be applicable, if any, the Company hereby approves the appointment of M/s. Deloitte Haskins & Sells LLP, having Firm's Registration No. 117366W/W-100018, as the Statutory Auditors of the Company for a period of 3 years, upto the conclusion of the 25th Annual General Meeting, subject to ratification by members at every Annual General Meeting, at such remuneration as may

be fixed by the Board of Directors of the Company in consultation with them."

SPECIAL BUSINESS:

5. **To consider and, if thought fit, to pass with or without modifications(s), the following as an ORDINARY RESOLUTION.**

"RESOLVED THAT Ms. Rekha Sethi (DIN: 06809515), who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 and holds office upto the date of Annual General Meeting and pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, the Company hereby approves the appointment of Ms. Rekha Sethi (DIN: 06809515), Director of the Company, as an Independent Director of the Company for a term of 2 years, to hold office upto the conclusion of the 24th Annual General Meeting."

6. **To consider and, if thought fit, to pass with or without modifications(s), the following as an ORDINARY RESOLUTION.**

"RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, the Company hereby approves the appointment of Mr. S. Mohanchand Dadha (DIN: 00087414), Director of the Company, as an Independent Director of the Company for a term of 2 years, to hold office upto the conclusion of the 24th Annual General Meeting"

7. **To consider and, if thought fit, to pass with or without modifications(s), the following as an ORDINARY RESOLUTION.**

“RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, the Company hereby approves the appointment of Mr. Keki Mistry (DIN: 00008886), Director of the Company, as an Independent Director of the Company for a term of 2 years, to hold office upto the conclusion of the 24th Annual General Meeting”

8. To consider and, if thought fit, to pass with or without modifications(s), the following as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, the Company hereby approves the appointment of Mr. Ashwin Dani (DIN: 00009126), Director of the Company, as an Independent Director of the Company for a term of 2 years, to hold office upto the conclusion of the 24th Annual General Meeting”

9. To consider and, if thought fit, to pass with or without modifications(s), the following as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, the Company hereby approves the appointment of Mr. Hasmukh Shah (DIN: 00152195), Director of the Company, as an Independent Director of the Company for a term of 2 years, to hold office upto the conclusion of the 24th Annual General Meeting”

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and such other provisions as may be applicable, if any, and the Rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force, the Board of Directors of the Company be and is hereby authorised to agree to at its discretion to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and to make investments in shares, debentures and/or any other securities of other body corporates or person whether Indian or overseas and/or in various

schemes of Mutual Funds or such other funds, as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum amount of ₹ 500 Billion (Rupees Five Hundred Billion only), notwithstanding that investments along with Company's existing loans or guarantee/ security or investments shall be in excess of the limits prescribed under Section 186 aforesaid or upto the limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher and that the Board or any Committee thereof is authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution, and to settle any question or doubt that may arise in this regard.”

“RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees and investment including the timing, amount and other terms and conditions of such loans, guarantees and investment and varying the same through transfer, sale, disinvestments or otherwise either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things, as may be necessary or expedient in this regard and to exercise all the rights and powers which would vest in the Company in pursuance of such loans, guarantees and investment.”

11. To consider and, if thought fit, to pass with or without modification(s), to the following resolution as a SPECIAL RESOLUTION.

“RESOLVED THAT in terms of Section 180(1)(c) of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money on behalf of the Company, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company and its free reserves, (that is to say reserve not set apart for any specific purpose) provided that the total amount so borrowed by the Board shall not at any time exceed the limit of ₹ 500 Billion (Rupees Five Hundred Billion only) or limits so prescribed under Section 180(1)(c) (as may be amended from time to time), whichever is higher.”

“RESOLVED FURTHER THAT in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby given to the Board of Directors of the Company or any committee thereof (“the Board”) for above mentioned purpose to create such charges, mortgages and hypothecations, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of Banks/ Financial Institutions, other investing agencies and trustees for the holders of debentures/ bonds/ other instruments to secure rupee/ foreign currency loans and/ or the issue of debentures whether partly/ fully/ non-convertible and / or securities linked to Ordinary shares and/ or bonds with share warrants attached or any other borrowings.”

“RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

12. To consider and, if thought fit, to pass with or without modification(s), to the following resolution as a SPECIAL RESOLUTION.

“RESOLVED THAT in accordance with the provisions of Sections 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force and subject to such approvals, permissions and sanctions, consents and /or permissions required under the Foreign Exchange Management Act, 1999, the Securities and Exchange Board of India (“SEBI”) regulations including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (‘SEBI Regulations’), Listing Agreements entered into by the Company with the Stock Exchanges or any other applicable law or regulations of such other appropriate authorities, Institutions or Bodies, as the case may be, and subject also to such terms, conditions and modifications as may be prescribed or imposed while granting such approvals, sanctions, permissions and agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this Resolution), the consent, authority and approval of the Company be and is hereby accorded to the Board to issue, offer and allot from time to time in one or more

tranches and in consultation with the Lead Managers and/or Underwriters and/or other Advisors, Convertible Bonds, Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs) and/or Securities convertible into Equity Shares at the option of the Company or the holders thereof and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares and/or Bonds or Foreign Currency Convertible Bonds or Securities through Global Depository Receipts, American Depository Receipt and/ or Non-convertible Debentures (hereinafter collectively referred to as “the Securities”) to such Indian or Foreign Institutional Investors/Foreign Mutual Funds/Overseas Corporate Bodies/Foreigners/other Foreign parties/ Indian Financial Institutions/Alternative Investment Funds/Qualified Institutional Buyers/ Companies/ individuals/other persons or investors, whether or not they are members of the Company and/or by any one or more or a combination of the above modes/methods or otherwise by offering the Securities in the international market comprising one or more countries or domestic market or in any other approved manner through Prospectus and/or Offering Letter or Circular and/or on private placement basis as may be deemed appropriate by the Board such offer, issue and allotment to be made at such time or times at such issue price, face value, premium amount on issue/ conversion of securities/ exercise of warrants/redemption of Securities, rate of interest, redemption period, listing on one or more stock exchange in India and/or abroad and in such manner and on such terms and conditions as the Boards may think fit, for an aggregate amount (inclusive of such premium as may be fixed on the securities) not exceeding ₹ 120 Billions (Rupees One Hundred Twenty Billions only), of incremental funds for the Company with power to the Board to settle details as to the form and terms of issue of the Securities, and all other terms, conditions and matters connected therewith or difficulties arising therefrom.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the provisions of the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”) and the provisions of Foreign Exchange Management Act, 2000 & Regulations thereunder, the Board of Directors may at their absolute discretion, issue, offer and allot equity shares or non-convertible debt instruments along with warrants and convertible securities other than warrants (“Eligible Securities”) up to an amount of ₹ 120 Billions (Rupees One Hundred

Twenty Billions only) inclusive of such premium, as specified above, to Qualified Institutional Buyers (as defined by the SEBI ICDR Regulations) pursuant to a qualified institutional placements ("QIP"), as provided under Chapter VIII of the SEBI ICDR Regulations".

"RESOLVED FURTHER THAT in case of QIP Issue the relevant date for determination of the floor price of the Equity Shares to be issued shall be –

- i) In case of allotment of Equity Shares, the date of meeting in which the Board decides to open the proposed issue.
- ii) In case of allotment of convertible Eligible Securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

"RESOLVED FURTHER THAT in the event that Non-Convertible Debentures (NCDs) with or without warrants with a right exercisable by the warrant holder to exchange with Equity Shares of the Company are issued, the relevant date for determining the price of equity shares of the Company, to be issued upon exchange of the warrants, shall be the date of the Meeting in which the Board decides to open the issue of NCDs in accordance with the SEBI ICDR Regulations as mentioned above."

"RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable regulations, the relevant date for the purpose of pricing the Equity Shares to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised committee of directors decides to open such issue after the date of this resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares

underlying the ADR, GDRs on the Stock Exchanges in India."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of additional equity shares as may be required in pursuance of the above issue and that the additional equity shares so allotted shall rank in all respects paripassu with the existing equity shares of the Company save that such additional equity shares shall carry the right to receive dividend as may be provided under the terms of the issue/ offer and/or in the offer documents."

"RESOLVED FURTHER THAT the Company may apply for listing of the new Equity Shares as may be issued with the BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange(s)."

"RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board or a Committee thereof or any of the Whole-time Directors of the Company, be and is hereby authorised to accept any modifications in the proposal as may be required by the authorities/parties involved in such issues in India and/or abroad and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary or desirable including, if necessary, for creation of such mortgage and/or charges on all or any of the Company's immovable and/or movable assets is both present and future in respect of the securities on the whole or in part of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013 and to execute such documents or writing as may consider necessary or proper and incidental to this resolution and to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the Securities as it may deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution including for issue of any related securities as a condition of the issue of the said securities as also for securing the said Securities."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions the Board be and is hereby authorised to do all such acts, deeds, execute such documents, appoint such intermediaries, bankers, consultants in order to give effect to the aforesaid resolutions and is also empowered to delegate all or any of the powers herein conferred to any Committee of

Directors and/or any Whole-time Director(s) and/or any Officer(s) of the Company.”

13. To consider and, if thought fit, to pass with or without modification(s), to the following resolution as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Section 181 of the Companies Act, 2013 and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors in case of loss or inadequate profit for contributing and/or subscribing from time to time in any financial year to any national, charitable, social, benevolent, public or general and other funds/institutions/ hospitals/ trusts/entities not directly relating to the business of the Company or the welfare of its employees up to an aggregate maximum amount permissible under Section 181 of the Companies Act, 2013 without the approval of the Shareholders exceeding by a sum of ₹ 100,000,000/- (Rupees Ten Crores only) in each financial year as further increased by an additional amount equivalent to the amount of dividend in respect of which the right to receive the dividend has been waived/forgone by any Shareholder(s) for any financial year(s), to the extent such equivalent amount has not been considered for the purpose of calculating the maximum amount permissible which is utilised / contributed / subscribed pursuant to a Resolution for any financial year, as may be considered proper by the Board of Directors notwithstanding that such amount in any financial year may exceed five per cent of the average net profits of the Company during the three financial years immediately preceding or such sum as may be prescribed under the Companies Act, 2013 or the relevant regulations.”

14. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 (the Act”) and other applicable provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, including statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Kailash Sankhlecha & Associates, Cost Accountants, be appointed as the Cost Auditors of the Company for audit of cost accounting records of the Company for the financial year ending 31st March, 2015, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice of this Meeting.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution.”

15. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION.

“RESOLVED THAT subject to the approval of the Central Government and pursuant to the provisions of the 197 of the Companies Act 2013 (“the Act”) and such other applicable provisions, if any, of the Act and rules made thereunder read with Schedule V (including provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the extent applicable), consent/ratification by the members of the Company be and is hereby accorded for remuneration paid to Mr. Dilip S. Shanghvi, Managing Director, (DIN:00005588), of the Company for the financial year 2013-14 which is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 in view of the absence of profits for the financial year 2013-14.”

“RESOLVED FURTHER THAT in partial modification of the resolution passed at the 20th Annual General Meeting of the Company held on 8th November, 2012 for appointment and remuneration payable to Mr. Dilip S. Shanghvi, Managing Director (DIN:00005588), and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act read with Schedule V of the Act, including any statutory modification or re-enactment thereof and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be required, the consent/ratification of the members of the Company be and is hereby accorded for payment to Mr. Dilip S. Shanghvi, Managing Director, such remuneration as approved in the said resolution (reproduced in the Explanatory Statement), as minimum remuneration in case Company has no profits or the profits of the Company are inadequate during any financial years during the remaining tenure of appointment Mr. Dilip S. Shanghvi as Managing Director.”

“RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the

salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals as may be required by law.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution.”

16. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION.

“**RESOLVED THAT** subject to the approval of the Central Government and pursuant to the provisions of the 197 of the Companies Act 2013 (“the Act”) and such other applicable provisions, if any, of the Act and rules made thereunder read with Schedule V (corresponding provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII), consent/ratification by the members of the Company be and is hereby accorded for remuneration paid to Mr. Sudhir V. Valia, Whole-time Director (DIN: 00005561) of the Company for the financial year 2013-14 which is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 in view of the absence of profits for financial year 2013-14.”

“**RESOLVED FURTHER THAT** in partial modification of the resolution passed at the 21st Annual General Meeting of the Company held on 30th September, 2013 for appointment and remuneration payable to Mr. Sudhir V. Valia, Whole-time Director (DIN: 00005561) and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act including any statutory modification or re-enactment thereof and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be required, the consent/ratification of the Members of the Company be and is hereby accorded for payment to Mr. Sudhir V. Valia, Whole-time Director, such remuneration as approved in the said resolution (reproduced in the Explanatory Statement), as minimum remuneration in case Company has no profits or the profits of the Company are inadequate during any of the 3 years upto 31st March, 2017 out of the remaining tenure of appointment of Mr. Sudhir V. Valia as Whole-time Director.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the

Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals as may be required by law.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution.”

17. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION.

“**RESOLVED THAT** subject to the approval of the Central Government and pursuant to the provisions of the 197 of the Companies Act 2013 (“the Act”) and such other applicable provisions, if any, of the Act and rules made thereunder read with Schedule V (corresponding provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII), consent/ratification by the members of the Company be and is hereby accorded for remuneration paid to Mr. Sailesh T. Desai, Whole-time Director, (DIN:00005543), of the Company for the financial year 2013-14 which is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 in view of the absence of profits for financial year 2013-14.”

“**RESOLVED FURTHER THAT** in partial modification of the resolution passed at the 21st Annual General Meeting of the Company held on 30th September, 2013 for appointment and remuneration payable to Mr. Sailesh T. Desai, Whole-time Director (DIN: 00005443) pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act including any statutory modification or re-enactment thereof and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be required, the consent/ratification of the members of the Company be and is hereby accorded for payment to Mr. Sailesh T. Desai, Whole-time Director, such remuneration as approved in the said resolution (reproduced in the Explanatory Statement), as minimum remuneration in case Company has no profits or the profits of the Company are inadequate during any of the 3 years upto 31st March, 2017 out of the remaining tenure of appointment of Mr. Sailesh T. Desai as Whole-time Director.”

“RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals as may be required by law;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this Resolution.”

18. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

“RESOLVED THAT subject to the approval of the Central Government and in conformity with the provisions of Article 142 of the Articles of Association of the Company and pursuant to the provisions of Section 197 of the Companies Act, 2013 (“the Act”) and such other applicable provisions, if any, of the Act and the rule made thereunder, (including provisions of Section 198 and 309 of the Companies Act, 1956 to the extent applicable) consent/ratification of the members be and is hereby accorded for Commission paid to the Non-Executive Directors of the Company (other than the Managing Director and/or Whole-time Directors) for the financial year 2013-14 which is in excess of the limits prescribed under Companies Act, 1956 in view of the absence of profits for financial year 2013-14.”

19. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the earlier resolution passed in the regard and in conformity with the provisions of Article 142 of the Articles of Association of the Company and pursuant to the provisions of the Section 197 of the Companies Act, 2013 (“the Act”) and rules made thereunder, the authority be and is hereby accorded to the payment of commission to Non-Executive Directors of the Company (other than the Managing Director and/or Whole-time Directors) to be determined by the Board of Directors for each Non-Executive Director for each financial year over a period of five years from the current financial year ending on 31.03.2015 up to and including financial year

of the Company ending on 31.03.2019 to be calculated in accordance with the provisions of Section 198 of the Act, and distributed between such Directors in such a manner as the Board of Directors may from time to time determine, within the maximum limits of 1 (One) percent of the net profits of the Company in addition to the sitting fees being paid by the Company for attending the Board/Committee Meetings of the Company.”

20. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the earlier resolution passed and pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and on the recommendation/approval of Nomination & Remuneration Committee and the Board of Directors at their respective meeting held on 12th August, 2014 and such approvals as may be required, the consent of the Company be and is hereby accorded to Mr. Aalok D. Shanghvi, who is relative of Director to hold office or place of profit under the Company with its present designation as Senior General Manager - International Business or with such designation as the Board of Directors of the Company may, from time to time, decide, for his appointment for a period of five years from 1st April, 2014, and remuneration (excluding reimbursement of expenses, if any) of ₹ 15,000,000/- (Rupees One Crore Fifty Lakhs Only) per annum as set out in the explanatory statement attached hereto which shall be deemed to form part hereof with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and remuneration from time to time, within the limits approved by the Members and subject to such approvals, as may be necessary.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and any person/authority authorized by the Board of Directors of the Company be and is hereby authorised to promote him to higher cadres and/or to sanction him increments and/or accelerated increments within the said cadre or higher cadre as and when the Board of Directors deem fit, subject, however, to the rules and regulations of the Company, in force, from time to time, as may be required in this regard.

“RESOLVED FURTHER THAT any of Directors of the Company, the Company Secretary and the Compliance

Officer of the Company be and are hereby authorized severally to execute and perform such acts, deeds, matters and things as may be necessary to give such directions as may be desirable that may arise in giving effect to this resolution.”

By order of the Board of Directors
For **SUN PHARMACEUTICAL INDUSTRIES LTD.**

Sd/-

Sunil R. Ajmera

Company Secretary

Place: Mumbai

Date: 12th August, 2014

Registered Office:

SPARC, Tandalja

Vadodara - 390 020.

* The actual equity dividend to be declared by the shareholders at the 22nd Annual General Meeting will be for only equity shares other than the equity shares in respect of which the equity shareholder(s) has/have waived/forgone his/their right to receive the dividend for the financial year ended 31st March, 2014 in accordance with the Rules framed by the Board as per Note No.10 hereinafter appearing.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time appointed for holding the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. An Explanatory Statement under Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. **PARTICULARS REQUIRED FOR APPOINTMENT / RE-APPOINTMENT OF DIRECTORS PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:**

At the ensuing Annual General Meeting Mr. Israel Makov, is liable to retire by rotation and being eligible offers himself for re-appointment. Further at the ensuing Annual General Meeting, Ms. Rekha Sethi, Mr. S. Mohanchand Dadha, Mr. Keki Mistry, Mr. Ashwin Dani and Mr. Hasmukh Shah, are being appointed as Independent Directors pursuant to requirements of the Companies Act, 2013. The brief profile of the

aforesaid Directors being appointed/re-appointed are given below:

1) Mr. Israel Makov

Mr Israel Makov (75 years) is Chairman of BioLight – a company that invests, manages and commercializes biomedical innovations grouped into “clusters” around defined medical conditions, Chairman of Micromedic Technologies Ltd. - a cluster of companies engaged in cancer diagnostics and Chairman of Eltav - the pioneer and world leader in wireless monitoring of industrial valves.

Mr Makov is the former Chairman of Given Imaging - the developer and world’s leading provider of capsule endoscopy and Netafim - the pioneer and global leader in smart irrigation solutions.

Mr. Makov is the former President & CEO of Teva Pharmaceutical Industries Ltd. He led the company’s global expansion and under his leadership Teva became the undisputed global leader in the generic pharmaceutical industry and a global leader in the treatment of Multiple sclerosis.

Mr. Israel Makov holds a B.Sc. in Agriculture and M. Sc in Economics from the Hebrew University, Jerusalem.

He does not hold any shares in the Company.

2) Ms. Rekha Sethi

Ms. Rekha Sethi (50 years) is the Director General of the All India Management Association (AIMA), the apex body for management in India. She took charge of AIMA in June 2008. She is on the Executive Council of the National Board of Accreditation.

She is the member of the Indo-Netherlands Joint Working Group on Corporate Governance and Corporate Social Responsibility set up by Ministry of Corporate Affairs, Government of India. She is also a member of the Advisory Board of the Switzerland based St. Gallen Foundation think tank, Leaders of Tomorrow - Knowledge Pool. Prior to joining AIMA, Ms. Sethi had worked with the Confederation of India (CII) for over 17 years. Ms. Sethi graduated in English Literature from St. Stephens College, Delhi and has a post-graduate diploma in Advertising and Management.

Ms. Rekha Sethi is also Director in Sun Pharma Laboratories Ltd., and CESC Ltd.

She does not hold any shares in the Company.

3) Mr. S. Mohanchand Dadha

Mr. S. Mohanchand Dadha (77 years) is a successful entrepreneur with more than five decades of wide experience in Pharma Industry and has competent knowledge and experience in financial and accounting areas. Mr. Dadha was Managing Director and Promoter of erstwhile Tamilnadu Dadha Pharmaceuticals Ltd. He is also trustee of many Charitable Trusts. He was the Member of Tamilnadu Government constituted Drug Committees, namely The Drug Advisory Committee and the Committee for the development of Drug Industries in Tamil Nadu. He is a Director in the following companies: Sun Pharma Advanced Research Company Ltd., Sun Pharma Laboratories Ltd, Wardex Pharmaceuticals Pvt. Ltd., Dadha Pharma Pvt. Ltd., Abhaya Education Pvt. Ltd. and RX Distribution India Ltd.

He holds 74,280 Equity Shares in the Company (including Shares held jointly as first holder).

4) Mr. Keki Mistry

Mr. Keki M. Mistry (59 years), joined the Board on 28th August, 2002. At present, he is the Vice Chairman & Chief Executive Officer of Housing Development Finance Corporation Limited (HDFC). He joined HDFC in October, 1981 and prior to joining HDFC, he worked with the Indian Hotels Co. Ltd.

Mr. Mistry is a fellow member of the Institute of Chartered Accountants of India and a Member of the Michigan Association of Certified Public Accountants, USA. He has rich experience in Finance and worked as a consultant to the Commonwealth Development Corporation in Bangkok, Thailand, Mauritius, Caribbean Islands & Jamaica, Asian Development Bank and Mauritius Housing Company.

Presently, he is the Chairman of Gruh Finance Limited, Vice Chairman & CEO of Housing Development Finance Corporation Limited, and is on the Board of HDFC Bank Ltd., HDFC Asset Management Co. Ltd., HDFC Standard Life Insurance Co. Ltd., HDFC ERGO General Insurance Co. Ltd., The Great Eastern Shipping Co. Ltd.,

Greatship (India) Ltd., Next Gen Publishing Ltd., Shrenuj & Company Ltd., Torrent Power Ltd., BSE Ltd., HCL Technologies Limited. and India Value Fund Advisors Pvt. Ltd.

He is presently holding 41,350 Equity Shares of the Company (including shares held jointly as first holder).

5) Mr. Ashwin Dani

Mr. Ashwin S. Dani (71 years), joined the Board on 28th January, 2004. Mr. Ashwin Dani is a B.Sc. (Hons) from the Institute of Science, University of Mumbai and B.Sc. (Tech.) (Pigments & Varnishes) from U.D.C.T. University of Mumbai. He also holds a Master Degree in Polymer Science from University of Akron, Ohio, USA and Diploma in Colour Science from Rensselaer Polytechnic, Troy, New York.

At present, he is a Director in the following companies: Asian Paints Ltd., Gujarat Organics Ltd., ACC Limited, Hitech Plast Ltd., Resins & Plastics Ltd., Rangudyan Insurance Broking Services Ltd., Geetanjali Trading & Investments Pvt. Ltd., Smiti Holding and Trading Company Private Limited, Rayirth Holding and Trading Company Private Limited, Isis Holdings and Trading Company Private Limited, Hydra Trading Private Limited, Canes Venatici Trading Private Limited, Avinash Holding and Trading Company Pvt. Ltd., and Rituh Holding and Trading Company Pvt. Ltd.

He is a Member of the National Productivity Council. He does not hold any shares in the Company.

6) Mr. Hasmukh Shah

Mr. Hasmukh S. Shah (79) is a Director of the Company since 22nd March, 2001. Mr. Hasmukh Shah is a B.A. Economics (Hons) and M.A. with Sociology with first rank in the University. Mr. Hasmukh Shah is also a Director in the following companies:

Supreme Petrochem Ltd., Atul Ltd., and Flexican Bellows & Hoses Pvt. Ltd.

Mr. Hasmukh Shah is a former Chairman of Indian Petrochemicals Corporation Ltd. and Gujarat Industrial Investment Corporation. He has held senior positions in Government of India including that of Joint Secretary to the Prime Minister.

He does not hold any shares in the Company.

7. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 13th September, 2014, to Saturday, 27th September, 2014 (both days inclusive) for the purpose of the Twenty-Second Annual General Meeting of the Company and for the payment of Dividend.
8. The Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms, subject to availability of such facility at the respective location of such shareholders. The Company is also providing the facility of National Electronic Clearing Service (NECS) introduced by Reserve Bank of India, to all shareholders holding shares in electronic and physical forms with the data available/provided by shareholders with 15 digit bank account number for ECS, which offers all India coverage and enable the sponsor bankers to upload the data files more efficiently and effectively.
9. The Board of Directors at their Meeting held on 12th August, 2014, recommended a Dividend @ ₹ 1.50 (Rupees One and Fifty Paise) per Equity Share of ₹ 1/- each of the Company for the year ended 31st March, 2014 and the same if declared at the Meeting will be paid on or before 30th September, 2014 to the Company's Equity Shareholders whose name stand on the Register of Members as beneficial owners at the close of business as on Friday, 12th September, 2014 as per the list provided by NSDL & CDSL in respect of shares held in electronic form and as Members in the Register of Members of the Company after given effect to valid transfers in physical form lodged with the Company on or before Friday, 12th September, 2014.
10. At the Extra Ordinary General Meeting of the members of the Company held on Monday, 1st September, 2003, the Members had approved, by way of Special Resolution, certain amendments to the Articles of Association of the Company relating to enabling the Company to implement any instruction from a Member(s) of the Company to waive/forgo his/their right to receive the dividend (interim or final) from the Company for any financial year. Thus the Members of the Company can now waive/forgo, if he/they so desire(s), his/their right to receive the dividend (interim or final) for any financial year effective from the dividend recommended by the Board of Directors of the Company for the year ended 31st March, 2004 on a year to year basis, as per the rules framed by the Board of Directors of the Company from time to time for this purpose. The Shareholder, if so wishes to waive/forgo the right to receive Dividend for the year ended

31st March, 2014 shall fill up the form and send it to the Company's Registrars on or before 12th September, 2014. The form prescribed by the Board of Directors of the Company for waiving/forgoing the right to receive Dividend for any year shall be available by downloading from the Company's website www.sunpharma.com under section "Investor - Shareholder's Information-Statutory Communication") or can also be obtained from the Company's Registrars and Transfer Agents, Link Intime India Pvt. Limited.

THE BOARD OF DIRECTORS OF THE COMPANY AT ITS MEETING HELD ON 1st SEPTEMBER, 2003 HAVE FRAMED THE FOLLOWING RULES UNDER ARTICLE 190 A OF THE ARTICLES OF ASSOCIATION OF THE COMPANY FOR EQUITY SHAREHOLDERS WHO WANT TO WAIVE/FORGO THE RIGHT TO RECEIVE DIVIDEND IN RESPECT OF FINANCIAL YEAR 2002-2003 OR FOR ANY YEAR THEREAFTER.

- I A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) to which he is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date/ Book-closure Date fixed for determining the names of Members entitled for such dividend. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).
- II The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend for any year shall inform the Company in the form prescribed by the Board of Directors of the Company only.
- III. In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form their decision of waiving/forgoing their right to receive the dividend from the Company.
- IV. The Shareholder, who wishes to waive/forgo the right to receive the dividend for any year shall send his irrevocable instruction waiving/ forgoing dividend so as to reach the Company before the Record Date /Book Closure Date fixed for the payment of such dividend. Under no circumstances, any instruction received for waiver/ forgoing of the right to receive the dividend for any year after the Record Date /Book Closure Date fixed for the payment of such dividend for that year shall be given effect to.
- V. The instruction once given by a Shareholder intimating his waiver/forgoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable and can not be withdrawn for that particular year for such waived/ forgone the right to receive the dividend. But in case, the relevant Shares are sold by the same Shareholder before the Record Date/Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier Shareholder intimating his waiver/forgoing the right to receive dividend will be invalid for the next succeeding Shareholder(s) unless such next succeeding Shareholder(s) intimates separately in the prescribed form, about his waiving/ forgoing of the right to receive the dividend for the particular year.
- VI. The Equity Shareholder who wish to waive/forgo their right to receive the dividend for any year can inform the Company in the prescribed form only after the beginning of the relevant financial year for which the right to receive the dividend is being waived/forgone by him.
- VII. The instruction by a Shareholder to the Company for waiving/ forgoing the right to receive dividend for any year is purely voluntary on the part of the Shareholder. There is a no interference with a Shareholder's Right to receive the dividend, if he does not wish to waive/forgo his right to receive the dividend. No action is required on the part of Shareholder who wishes to receive dividends as usual. Such Shareholder will automatically receive dividend as and when declared.
- VIII. The decision of the Board of Directors of the Company or such person(s) as may be authorised by Board of Directors of the Company shall be final and binding on the concerned Shareholders on issues arising out of the interpretation and/or implementation of these Rules.
- IX. These Rules can be amended by the Board of Directors of the Company from time to time as may be required.
11. Pursuant to Section 205A and Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed for a period of seven years shall be transferred

to the Investor Education and Protection Fund (IEP Fund). The Company will be transferring the unclaimed dividends during the financial years ending 31st March, 2015 to 31st March, 2017 as given below:

Dividend for Financial Year Ended	Date of Declaration of Dividend entitled	Rate of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEP Fund
2007-08	25.10.2007	6% Preference (Pro-rata)	24.10.2014	23.11.2014
2007-08	06.09.2008	135% Equity	05.09.2015	04.10.2015
2008-09	11.09.2009	275% Equity	10.09.2016	09.10.2016
2009-10	24.09.2010	275% Equity	23.09.2017	22.10.2017

Members who have not encashed their dividend warrants, for the financial year ended 31st March, 2008 and onwards may approach the Company's Registrar & Transfer Agents, M/s Link Intime India Pvt. Ltd., C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078 for revalidating the warrants or for obtaining duplicate warrants. It may also be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim can be made by the respective shareholders for the same. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has unloaded the details of unpaid and unclaimed amounts (as referred to in Section 205C(2)) lying with the Company as on 30th September, 2013 (date of the last Annual General Meeting of the Company) on the website of the Company viz., www.sunpharma.com under head "Investor" sub-head "Shareholder Information" as well as on the website of the Ministry of Corporate Affairs viz., www.iepf.gov.in.

12. The Members of erstwhile Tamilnadu Dadha Pharmaceuticals Limited, erstwhile Gujarat Lyka Organics Limited and erstwhile Phlox Pharmaceuticals Limited, who have yet not sent their share certificates of erstwhile Tamilnadu Dadha Pharmaceuticals Limited, Chennai, Gujarat Lyka Organics Limited and erstwhile Phlox Pharmaceuticals Limited respectively for exchange with the share certificates of Sun Pharmaceutical Industries Limited are requested to do so at the earliest, since share certificates of the erstwhile Tamilnadu Dadha Pharmaceuticals Limited, erstwhile Gujarat Lyka Organics Limited and erstwhile Phlox Pharmaceuticals Limited held by them are no longer tradable/ valid.
13. The Members may be aware that the Equity Shares of the Company had been subdivided from equity share of ₹ 5/- each to 5 equity shares of ₹ 1/- each on 29th November, 2010 based on the Record Date of 26th November, 2010 in terms of the Resolutions passed by the Shareholders of the Company by way of postal ballot conducted during November, 2010, the results of which were announced on 12th November, 2010. The Members who have yet not sent their share certificates of ₹ 5/- each of the Company for exchange with new equity shares of ₹ 1/- each shall send the same to the Company's Registrar & Transfer Agents, M/s. Link Intime India Pvt. Ltd since the old share certificates of ₹ 5/- each are no longer tradable.
14. Please note that as per the Notification of SEBI, Sun Pharmaceutical Industries Limited's shares are under compulsory Demat trading with effect from 29th November, 1999 for all the investors. You may, therefore, demat your equity share holdings if not already dematted, to avoid any inconvenience.
15. The Company has implemented the "Green Initiative" to enable electronic delivery of Notices/Documents and Annual Reports to shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) Accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving Notices/Documents including those covered under the provisions of the Companies Act, 2013. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialised form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrars & Shares Transfer Agent, Messrs. Link Intime India Pvt. Ltd., Mumbai.

16. Voting through electronic mean (E-voting).
- 1) In accordance with the applicable provisions of the Listing Agreement and Companies Act 2013, read with Companies (Management and Administration) Rules, 2014 (the Rules), the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 22nd Annual General Meeting of the Company. The Company has appointed Central Depository Services (India) Ltd. (CDSL) to provide e-voting facility to its members.
 - 2) The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut-off date 22nd August, 2014.
 - 3) The voting period begins on **Thursday, 18th September, 2014 at 09.00 a.m.** and ends at **on Saturday, 20th September, 2014 at 6.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **22nd August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - 4) **Mr. Jatin N. Thakkar, Partner, M/s. S. H. Bathiya & Associates, Mumbai** has been appointed by

the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- 5) The procedure and instructions for e-voting are as under:
 - (i) Log on to the e-voting website www.evotingindia.com, during the voting period
 - (ii) Click on "Shareholders" tab.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ☉ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. ☉ In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth (DOB) as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date in the Dividend Bank details field.**

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **Sun Pharmaceuticals Industries Limited** to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- ☉ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - ☉ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - ☉ After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - ☉ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ☉ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and send the scanned copy of the Board Resolution/ POA to scrutinizer@sunpharma.com.
- (xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- 6) The results of e-voting shall be declared on or after the AGM of the Company. The results declared along with the scrutinizer's report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 1956

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 5 to 20 of the accompanying Notice dated 12th August, 2014.

Item Nos. 5, 6, 7, 8 and 9

Ms. Rekha Sethi was appointed as Additional Director on 13th February, 2014, in terms of Section 161 (1) of the Companies Act, 2013, as Non-Executive and Independent Director. Pursuant to the provisions of the aforesaid section of the Companies Act, 2013, Ms. Rekha Sethi holds office upto to the conclusion of this Annual General Meeting.

Further Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. S. Mohanchand Dadha, Mr. Ashwin Dani, Mr. Keki Mistry, Mr. Hasmukh Shah and Ms. Rekha Sethi being Independent Directors of the Company, are proposed to be appointed as Independent Directors pursuant to the requirement of the Companies Act, 2013, for a term of 2 years, upto the conclusion of the 24th Annual General Meeting and during this term they shall not be liable to retire by rotation.

The Company has received declarations from all the Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions specified in the said Act for appointment as Independent Directors.

The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the candidature for appointment of aforesaid Independent Directors.

The brief profile of all the Directors is mentioned in the Notes forming part of this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are in any way concerned or interested in the Resolutions, as set out at item nos. 5, 6, 7, 8 & 9 of the Notice.

The Board recommends the Resolutions as set out at item nos. 5, 6, 7, 8 & 9 of the Notice for approval of the Members.

Item No. 10

The Members of the Company, at the Annual General Meeting of the Company held on 30th September, 2013, had approved by means of a Special Resolution, the limits upto ₹ 500 Billion for authorising the Board of Directors of the Company for making investments in shares, debentures, securities of the other bodies corporate and/or various schemes of Mutual Funds and/or other funds, to give loans to any other body corporate, to give any other guarantee and/or provide any other security pursuant to section 372A of the Companies Act, 1956. The said earlier special resolution under section 372A of the Companies Act, 1956 will be valid upto 31st March, 2015.

Under the provisions of Section 186 of the Companies Act 2013 which was made effective from 1st April, 2014, the powers to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and to make investments in shares, debentures and/or any other securities of other body corporates or person whether Indian or

overseas and/or in various schemes of Mutual Funds or such other funds, in excess of the limits prescribed, can be exercised by the Board with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution at a general meeting, for the authorizing the Board to exercise aforesaid powers, in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum limit of ₹ 500 Billion notwithstanding that investments along with Company's existing loans or guarantee/ security or investments shall be in excess of the limits prescribed under Section 186 or up to the limits so prescribed under Section 186, whichever is higher.

The Board recommends the Resolution as set out at Item no. 10 of the Notice as a Special Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolution.

Item No. 11

The Members of the Company at the Annual General Meeting, held on 30th September, 2013, had approved by means of an Ordinary Resolution, the limits upto which the Company can borrow in excess of the aggregate paid-up capital and its free reserves, as per requirements of the Section 293(1)(d) of the Companies Act, 1956.

Now, under the provisions of Section 180(1)(c) of the Companies Act, 2013, which was made effective from 12th September, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Therefore, it is necessary to obtain approval of the shareholders by means of Special Resolution(s) to enable the Board of Directors of the Company under Section 180(1)(c) of the said Act to borrow monies, provided that the total amount so borrowed by the Board shall not to exceed ₹ 500 Billion or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, and also to enable the Company under Section 180(1)(a) of the Companies Act, 2013 for creation of charges/mortgages/ hypothecations for the said purpose.

The Board recommends the Resolution as set out at Item no. 11 of the Notice as a Special Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolution.

Item No. 12

The Company in order to enhance its presence in global markets as also to expand existing business lines in drugs, pharmaceuticals and/or to take over any potential target so as to capture emerging business opportunities for growth, has to strengthen its financial position and net worth by augmenting long term resources substantially from time to time, it is thought prudent for the Company to have enabling approvals to raise full or a part of the funding requirements for the said purposes.

In this reference, taking into account the significant liquidity, low interest rates, consistent performance of your Company, positive outlook for the Pharmaceutical Industry and particularly, for your Company, the Board recommends raising of resources from domestic and/or international capital markets in one or more tranches, by issue of appropriate instruments as stated in the Special Resolution. The issue of Securities will be in accordance with the appropriate guidelines for the same and the price of the securities shall be fixed at the time of actual offer depending upon the then prevailing market conditions in consultations with the Lead Managers/ Advisors and other such intermediaries and as per the applicable regulations.

Section 62 and of the Companies Act, 2013 provides inter alia that the Company in the first instance should offer all shares to be issued by the Company for subscription, pro-rata to the existing Equity Shareholders unless decided otherwise in a General Meeting by a Special Resolution and accordingly consent of the shareholders is being sought pursuant to provisions of the said section to issue and allot the said securities, to the members or other persons as may be decided by the Board of Directors.

The Members at the Twenty-first Annual General Meeting held on 30th September, 2013, by way of a special resolution authorised the Board to issue, offer and allot from time to time in one or more tranches and in consultation with the Lead Managers and/or Underwriters and/or other Advisors, Convertible Bonds, Debentures and/or Securities convertible into Equity Shares and/or Bonds or Foreign Currency Convertible Bonds or Securities through Global Depository Receipts, American Depository Receipts or Bonds or Financial Derivates to such Indian or Foreign Institutional Investors/Foreign Mutual Funds/ Overseas Corporate bodies/Foreigners/other Foreign parties/ Indian Financial Institutions/ Alternative Investment Funds/ Qualified Institutional Buyers/Companies/ Individuals for an aggregate amount (inclusive of such premium as may be fixed on the securities) not exceeding ₹ 120 Billions (Rupees One Hundred Twenty Billions only).

Accordingly the consent of the shareholders is being sought as an enabling resolution pursuant to the provisions of Section 41, 42, 62, 71 and all other applicable provisions of the Companies Act, 2013 and also in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges at BSE Ltd. (BSE), Mumbai and National Stock Exchange of India Ltd. (NSE), Mumbai where the Company's Securities are presently listed, by way of a special resolution authorising the Board to issue, offer and allot from time to time in one or more tranches and in consultation with the Lead Managers and/or Underwriters and/or other Advisors, such Securities (as defined in the resolution) to such Indian or Foreign Institutional Investors/Foreign Mutual Funds/ Overseas Corporate bodies/Foreigners/other Foreign parties/ Indian Financial Institutions/ Alternative Investment Funds/ Qualified Institutional Buyers/Companies/ Individuals/other persons or investors, whether or not they are members of the Company for an aggregate amount (inclusive of such premium as may be fixed on the securities) not exceeding ₹ 120 Billion (Rupees One Hundred Twenty Billion only).

In case of QIP Issue the relevant date for determination of the floor price of the Equity Shares to be issued shall be –

- i) In case of allotment of Equity Shares, the date of meeting in which the Board decides to open the proposed issue.
- ii) In case of allotment of eligible convertible securities, either the date of the meeting in which the board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (the "SEBI Regulations") for raising capital. The pricing of the such Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Act deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 also states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special

resolution only once in a year for all the offers or invitations for such debentures during the year. Accordingly, consent of the members is sought for passing a Special Resolution as set out in the resolution. This resolution also enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

The said Securities may be secured by way of first mortgage/hypothecation of the Company's assets in favour of the security holders. As the documents to be executed between the security holders and the Company may contain, as per normal practice, the power to take over the management of the Company in certain events' of default, it is necessary for the Company to obtain shareholders' approval through a resolution under Section 180(1)(a) of the Act, before creation of the said mortgage or charge.

The proposed Special Resolution is intended to give authority to the Board of Directors for the issue of such securities in terms of the Resolution.

Your Directors recommend the passing of the Resolution in Item No. 12 of the Notice as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives of the Company are in anyway concerned or interested in this Resolution except the Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of securities that may be subscribed by the companies/institutions of which they are Directors and/or Members.

Item No. 13

Section 181 of the Companies Act, 2013 enables the Company to make contributions to bona fide charitable and other funds, subject to the approval of the members in general meeting in case such contribution exceeds 5 per cent of the Company's average net profits for 3 immediately preceding financial years. Consequently, the Board of Directors of the Company proposes the above resolution as an Ordinary Resolution for approval of the members for making contribution exceeding the limits as set out in section 181 in case of loss or inadequate profit by a sum of ₹ 100,000,000/- (Rupees Ten Crores only) as increased by an additional amount equivalent to the amount of dividend in respect of which the right to receive the dividend has been waived/forgone by any Shareholder(s) for any financial year(s), to the extent such equivalent amount has not been considered for the purpose of calculating the maximum amount permissible which is utilised /contributed / subscribed for any financial year.

The activities under Corporate Social Responsibilities (CSR) and some contributions/expenditure may come under purview of Section 181 of the Companies Act, 2013. In view of absence of profit for financial year 2013-14, the consent of the members is sought to enable the Company to carry out such CSR activities also.

The Board recommends the Resolution as set out at Item no. 13 of the Notice as an Ordinary Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the above resolution.

Item No. 14

The Board of Directors, on recommendation of the Audit Committee have appointed M/s. Kailash Sankhlecha & Associates, Cost Accountants, as the Cost Auditors for audit of cost accounting records pertaining to the formulations and bulk drugs activities of the Company for the financial year ended 31st March, 2015, at a remuneration amounting to ₹ 600,000/- (Rupees Six Lakhs Only) excluding reimbursement of out of pocket expenses and applicable service tax. In terms of provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, members ratification is required for remuneration payable to the Cost Auditor.

Therefore, consent of the members of the Company is sought for passing of an Ordinary Resolution as set out in Item No. 14 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the above resolution.

Item No. 15, 16 & 17

At the 20th Annual General Meeting, Mr. Dilip S. Shanghvi was re-appointed as Managing Director with effect from 1st April, 2013 for further period of five years. Mr. Sudhir V. Valia and Mr. Sailesh T. Desai were re-appointed with effect from 1st April, 2014 for a further period of five years at the 21st Annual General Meeting of the Company.

The remuneration paid during the financial year 2013-14 in accordance with the terms of appointment of the above Directors is in excess of the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII thereto, due to absence of profits during the said financial year.

As per requirement of Schedule V of the Act (including Schedule XIII of the Companies Act, 1956 to the extent applicable), members approval by way of special resolution is required for payment of remuneration to Whole-time Directors in excess of limits prescribed under the Companies Act, 2013, in case of absence of profits in any financial year.

During the year, Scheme of Arrangement and Reconstruction in the nature of Demerger and Transfer of Specified Undertaking of Sun Pharma Global FZE to the Company with effect from 1st May, 2013 has been sanctioned by the High Court of Gujarat.

Consequently, in view of the loss in the revised stand alone accounts due to merger of specified undertaking of Sun Pharma Global FZE with effect from 1st May, 2013, with the Company, the remuneration of Managing Director and Whole-time Directors have exceeded the limits specified under Schedule XIII by ₹ 44.7 million, approval/ratification of the members is sought for managerial remuneration paid for financial year 2013-14, in excess of the limits specified in the provisions of the Section 198 read with Schedule XIII of Companies Act, 1956 and section 197 and Schedule V of the Companies Act, 2013 (to the extent applicable), subject to the approval of Central Government, as may be required.

The Nomination & Remuneration Committee and Board of Directors of the Company at their meeting held on 12th August, 2014, have approved/ratified remuneration paid to the Whole-time Directors for the financial year 2013-14 which is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 in view of the absence of profits in the financial year 2013-14 and such remuneration as may be approved by the Board of Directors from time to time (as the case may be) upto the maximum remuneration as mentioned below under Clause 5 of II here in below, as minimum remuneration in case Company has no profits or the profits of the Company are inadequate during any financial years during the remaining tenure of the Managing Director and for Whole-time Directors upto 31st March, 2017, subject to the approval of the shareholders by way of Special Resolution at this general meeting and subject to the approval of the Central Government as may be required.

STATEMENT OF INFORMATION FOR THE MEMBERS
PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO
THE COMPANIES ACT, 2013.

I. GENERAL INFORMATION

(1) Nature of industry:

The Company is engaged into development, manufacture, sale, trading, marketing and export of various pharmaceutical products.

(2) Date of commencement of commercial production:

The Company carries pharmaceutical business since its incorporation.

(3) Financial performance based on given indicators:

Standalone Financial Results:

(₹ in Million)		
Particulars	2013-14	2012-13
Profit (Loss) after Tax	(28,285.2)	5165.5
Net Worth (including balance in Profit & Loss Account)	74,078.8	77,888.8
Earnings Per Share	₹ (13.7)	₹ 2.5
Turnover	28,237.7	23,297.5

Consolidated Financial Results:

(₹ in Million)		
Particulars	2013-14	2012-13
Profit (Loss) after Tax	31,414.7	29,830.6
Net Worth (including balance in Profit & Loss Account)	185,249.5	149,897.3
Earnings Per Share	₹ 15.2	₹ 14.4
Turnover	161,995.1	114,087.1

(4) Export performance based net foreign exchange collaborations:

(₹ in Million)		
	Year ended 31st March, 2014	Year ended 31st March, 2013
Earnings	23,168.0	19,615.2
Outgo	12,628.6	7,876.6

(5) Foreign investments or collaboration, if any:

For details of investment made by the Company, please refer the schedule no. 12 of the Standalone Balance sheet forming part of this Annual Report being sent along with this Notice. Details of foreign investments in the Company are as follows:

As on 31st March, 2014, the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies is as under:

Particulars	No. of Shares	%
Foreign Institutional Investors	466,237,186	22.51
Foreign Nationals		
⊙ Non Resident Indians (Repat)	1,222,344	0.06
⊙ Non Resident Indians (Non Repat)	760,610	0.04
Foreign Companies	617,160	0.03
Total	468,837,300	22.64

The Company has not entered into any material foreign collaboration.

II. INFORMATION ABOUT THE APPOINTEE

1. Background details:

1. Mr. Dilip S. Shanghvi

Mr. Dilip S. Shanghvi (58 years) is a graduate in commerce from the Kolkata University and had launched Sun Pharmaceutical Industries in 1982. He is the Managing Director of the Company and Chairman & Managing Director of Sun Pharma Advanced Research Company Ltd. He has also been appointed as the Chairman & Director of Taro Pharmaceutical Industries Ltd. He has extensive experience in the pharmaceutical industry. Under his leadership, Sun Pharmaceutical Industries Ltd. has recorded an all-round growth in business.

2. Mr. Sudhir V. Valia

Mr. Sudhir V. Valia (58 years) is a Chartered Accountant with more than three decades of experience in Finance and Taxation, representing the Board since 31st January, 1994 and at present, he is Whole-time Director of the Company.

3. Mr. Sailesh T. Desai

Mr. Sailesh T. Desai (60 years) is a science graduate from Kolkata University and is a successful entrepreneur with more than three decades of wide industrial experience including more than two decades in the pharmaceutical industry itself.

2. Past remuneration:

The remuneration paid to for the financial years 2013-14 & 2012-13 is as follows:

Sr. No.	Particulars	(Amount in ₹)	
		2013-14	2012-13
1.	Mr. Dilip S. Shanghvi	27,353,369	22,381,641
2.	Mr. Sudhir V. Valia	27,201,270	22,293,137
3.	Mr. Sailesh T. Desai	9,983,752	8,563,391

3. Recognition or awards:

1. Mr. Dilip S. Shanghvi

Year	Awards
2014	JRD TATA Corporate Leadership Award AIMA (All India Management Association)
2011	1. WORLD ENTREPRENEUR OF THE YEAR ERNST AND YOUNG 2. INDIAN OF THE YEAR (BUSINESS) CNN IBN 3. BUSINESSMAN OF THE YEAR BUSINESS INDIA
2010	ENTREPRENEUR OF THE YEAR ERNST AND YOUNG
2008	1. ENTREPRENEUR OF THE YEAR ECONOMIC TIMES 2. CEO OF THE YEAR BUSINESS STANDARD
2007	1. FIRST GENERATION ENTREPRENEUR OF THE YEAR CNBC TV 18 2. PHARMACEUTICAL COMPANY IMC JURAN QUALITY MEDAL
2005	1. ENTREPRENEUR OF THE YEAR (HEALTHCARE AND LIFE SCIENCES) ERNST AND YOUNG

2. Mr. Sudhir V. Valia

2011 & 2012	1. BEST CFO IN PHARMA AND HEALTHCARE CNBC TV 18 CFO Awards
2009	1. BEST CFO IN PHARMA AND HEALTHCARE CNBC TV 18 CFO Awards 2. The Adivasi Sevak Puraskar (2008-09) by the Government of Maharashtra for his contribution towards the welfare of tribals in the field of education.

4. Job Profile and his suitability:

- Mr. Dilip S. Shanghvi, Managing Director of the Company, is highly experienced and controls the affairs of the Company as a whole under the direction of the Board of Directors of the Company. He has successfully and in a sustained way contributed significantly towards growth in performance of the Company. He has extensive experience in the pharmaceutical industry.

He is actively involved in international pharmaceutical markets, business strategy, business development functions of the Company.

- Mr. Sudhir V. Valia is serving as Whole-time Director of the Company is having rich experience in the taxation and finance and he has successfully contributed towards the growth of the Company.

- Mr. Sailesh T. Desai is serving as Whole-time Director of the Company is highly experienced and provided significant contribution in some of the marketing areas for the products of the Company.

5. Remuneration Proposed:

Details of remuneration as approved by the shareholders in earlier general meetings for appointments/re-appointments:

1) Mr. Dilip S. Shanghvi

Remuneration:

- Salary (including bonus) upto ₹ 3,350,000/- (Rupees Thirty Three Lakhs Fifty Thousand only) per month.
- Commission:
Subject to availability of profit and at the rate of not more than 1% of the net profit for the year, the Board of Directors will determine

the commission payable within the overall ceiling laid down in section 198 and 309 of the Companies Act, 1956 and Schedule XIII as may be applicable from time to time.

c. Perquisites

He will be entitled to furnished/non furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concessions for self and family, club fees, personal accident insurance, Company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to ₹ 6,000,000/- (Rupees Sixty Lakhs only) per annum.

d. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

2) Mr. Sudhir V. Valia

Remuneration:

a. Salary (including bonus) upto ₹ 3,350,000/- (Rupees Thirty Three Lakhs Fifty Thousand only) per month.

b. Perquisites:

He will be entitled to furnished/non furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concessions for self and family, club fees, personal accident insurance, Company maintained car, telephone and such other perquisites in accordance with the Company's

rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to ₹ 6,000,000/- (Rupees Sixty Lakhs only) per annum.

c. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

3) Mr. Sailesh T. Desai

Remuneration:

a. Salary (including bonus) upto ₹ 835,000/- (Rupees Eight Lakhs Thirty Five Thousand only) per month.

b. Perquisites:

He will be entitled to furnished/non furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concessions for self and family, club fees, personal accident insurance, Company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to ₹ 1,800,000/- (Rupees Eighteen Lakhs only) per annum.

c. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

The amount of excess remuneration managerial remuneration paid to the Managing Director and Whole-time Directors for the year ended 31st March, 2014 is as follows:

(Amount in ₹)

Sr. No.	Name	Remuneration Paid/ Payable for 2013-14	Max limit of Remuneration as per Schedule XIII	Excess Remuneration for the year 2013-2014 (after excluding amounts exempt under Schedule XIII)
1.	Mr. Dilip S. Shanghvi	27,353,369	4,800,000	20,245,049
2.	Mr. Sudhir V. Valia	27,201,270	4,800,000	20,092,950
3.	Mr. Sailesh T. Desai	9,983,752	4,800,000	4,333,144

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The current remuneration being paid to the Managing Director and Whole-time Directors (looking at the profile of the position and person) is equal or lower than the remuneration being paid by the companies comparable size in the industry in which the Company operates.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Directors does not have any pecuniary relationship with the Company except remuneration paid to them as Managing Director/ Whole-time Directors and as a shareholder to the extent of their respective shareholding directly and indirectly in the Company.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

The Company had adequate profits upto the financial year ended 31st March, 2013 and the remuneration paid to the Managing and Whole-time Directors was well within the applicable limits prescribed under the Companies Act, 2013.

However, consequent to giving effect to the Scheme of Arrangement, for merger of Specified Undertaking of Sun Pharma Global FZE, into the Company effective from 1st May, 2013, resulting in the absence of net profits in the Company for the year remuneration to the Managing Director and the Whole-time Directors of the Company, for the year ended 31st March, 2014 has exceeded the limits specified under Schedule XIII of the Companies Act, 1956, by ₹ 44.7 million.

On standalone basis, the Company has incurred the loss of ₹ 28,285.2 million, however on consolidated basis, the Company has earned the substantial amount of profit amounting to ₹ 31,414.7 million.

2. Steps taken or proposed to be taken for improvement:

The Company has been earning profits in the past consistently on standalone basis and we expect to do well in future also however in this year, consequent to giving effect to the Scheme of Arrangement, for merger of Specified Undertaking of Sun Pharma Global FZE, into the Company

effective from 1st May, 2013, has resulted in the absence of net profits in the Company for the year. However, the Company has earned profit on the consolidated basis and hence there are no specific steps required to take and proposed to be taken for improvement.

At present the Company's structure is such that the Company's subsidiaries in India & abroad like Sun Pharma Laboratories Limited, Taro Pharmaceutical Industries Limited, Sun Pharma Global FZE etc. are engaged in substantial business activities in consolidated scenario. In view of this, the Company's standalone revenues & profits are lower without affecting adversely the revenues and profits on consolidated basis.

3. Expected increase in productivity and profits in measurable terms:

The Company has earned the profit of ₹ 47.56 crore during the quarter ended 30th June, 2014 and Company is expected to do well in the subsequent quarters and the year.

IV. DISCLOSURES:

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Directors' Report under the heading "Corporate Governance" attached to in this Annual Report.

The Board recommends the Resolutions as set out at Item no. 15, 16 & 17 of the Notice as Special Resolutions, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, other than Mr. Dilip S. Shanghvi, Managing Director, Mr. Sudhir V. Valia, Whole-time Director and Mr. Sailesh T. Desai, Whole-time Director of the Company and their relatives in respect of their own appointments only, are concerned or interested in this resolution.

Item No. 18

At the 20th Annual General Meeting of the Company, the Members had approved of the payment of commission to Non-executive Directors (apart from the Managing Director and Whole-time Directors) of the Company for a period of five years from the financial year ended 31st March, 2013 upto and including financial year of the Company ending as on 31st March, 2017.

The remuneration by way of commission has been paid to the Non-executive Directors of the Company for the financial year 2013-14 in accordance with the above said resolution.

However, consequent to giving effect to the Scheme of Arrangement, for merger of Specified Undertaking of Sun Pharma Global FZE, into the Company effective from 1st May, 2013, resulting in the absence of net profits in the Company for the year. The Commission of ₹ 6.4 million for the year ended 31st March, 2014, to the Non-Executive Directors of the Company has exceeded in terms of Section 309(4) read with Section 309(5) of the Companies Act, 1956. The Company is hereby seeking approval from the shareholders and subject to the approval of the Central Government in respect of the commission paid.

The amount of commission paid to Non-Executive Directors is as follows:

Sr. No.	Particulars	Actual Amount Paid 2013-2014
1.	Mr. S. Mohanchand Dadha	1,500,000
2.	Mr. Hasmukh S. Shah	1,500,000
3.	Mr. Keki M. Mistry	1,500,000
4.	Mr. Ashwin S. Dani	1,500,000
5.	Ms. Rekha Sethi	375,000 #

Appointed w.e.f 13th February, 2014 so amount of commission mentioned herein above is for the period from 13th February, 2014 to 31st March, 2014.

The Board of Directors at its meeting held on 12th August, 2014 has approved /ratified commission paid to the Non-executive Directors for the year 2013-14, subject to the approval/ratification of the shareholders by way of Special Resolution at general meeting and subject to the approval of the Central Government as may be required.

Therefore, the consent of the members of the Company is sought for passing of a Special Resolution as set out in Item No. 18.

None of the Directors or Key Managerial Personnel or their relatives, other than all the above referred Directors of the Company, and their relatives, are deemed to be concerned or interested in this resolution.

Item No. 19

Pursuant to (4) of Section 309 of the Companies Act, 1956, the Shareholders by way of a special resolution

passed at the 20th Annual General Meeting of the Company, approved the payment of commission to Non-Executive Directors of the Company (other than the Managing Director and/or Whole-time Directors) within the maximum limit of 0.10 per cent of net profits of the Company to be determined by the Board of Directors for each Non-Executive Director for each financial year over a period of five years from the financial year ended 31st March, 2013 up to 31st March, 2017.

Pursuant to the provisions of the Section 196 and 197 of the Companies Act, 2013, the remuneration by way of commission can be paid to the Non-Executive Directors to the extent of 1% (One per cent) of net profits of the Company. Considering the fact that the Company's subsidiaries carries on substantial businesses, consolidated profits of the Company are higher than the standalone results of the Company, the Board of Directors excluding the relevant Independent Directors thought it fit to obtain approval of the members, in supersession of the earlier resolution passed for increase of upper limit of percentage of Commission payable to Non-Executive Directors from 0.10 % to 1% of net profits of the Company to be determined by the Board of Directors for each Non-Executive Director for each financial year over a period of five years from the financial year ended 31st March, 2015 up to and including financial year of the Company ending as on 31st March, 2019. Apart from the Commission on the net profits as aforesaid, presently each Non-Executive Director of the Company is entitled to a fee of ₹ 5,000/- per meeting of the Board of Directors/Committee attended by them.

The resolution at Item No. 19 of the Notice seeks the approval of the Members by way of a Special Resolution.

The Board of Directors recommends the passing of the resolution at Item No. 19 of the Notice convening the Meeting for the approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, other than all the Non-Executive Directors of the Company, and their relatives, are deemed to be concerned or interested in this resolution.

Item No. 20

At the 21st Annual General Meeting of the Company, the members had approved by way of Special Resolution, the appointment of Mr. Aalok Shanghvi, relative (son) of the Managing Director of your Company, presently employed as Senior General Manager - International Business in your Company and remuneration payable to him upto

a maximum of ₹ 15,000,000/- (Rupees One Crore Fifty Lakhs only) per annum subject to the approval of the Central Government pursuant to Section 314 (1B) of the Companies Act, 1956, for the period of five years from 1st April, 2014.

After the enactment of the Companies Act, 2013, the provisions of Section 188 of the Companies Act, 2013 ("the Act"), were made effective from 1st April, 2014. According to provisions of Section 188 of the Companies Act, 2013, the appointment of Mr. Aalok Shanghvi to hold office or place of profit in the Company no longer requires approval of Central Government. Hence the Company is hereby seeking approval of the members by way of Special Resolution in accordance with the provisions of section 188 of the Act.

The Audit Committee and Nomination & Remuneration Committee have recommended the appointment and remuneration of Mr. Aalok D. Shanghvi at their respective meetings held on 12th August, 2014.

Given below is a statement of disclosures as required under the Companies (Meetings of Board and its Powers) Rules, 2014:

- i. Name of the related party: Mr. Aalok D. Shanghvi
- ii. Name of the director or key managerial personnel who is related, if any: Mr. Dilip S. Shanghvi.
- iii. Nature of relationship: Mr. Aalok Shanghvi, relative (son) of Mr. Dilip S. Shanghvi, Managing Director.
- iv. Nature, material terms, monetary value and particulars of the contract or arrangement: Appointment of Mr. Aalok Shanghvi as Senior General Manager - International Business on a remuneration payable upto maximum limit of ₹ 15,000,000/- (Rupees One Crore Fifty Lakhs Only) per annum as may be approved by the Board or any person authorised by the Board.
- v. Any other information relevant or important for the members to take a decision on the proposed resolution:

Mr. Aalok D. Shanghvi, B.Sc. had joined the Company as Management Trainee on 1st October, 2006 and was later designated as a Product Executive in the Company.

At present he is designated as Senior General Manager International Business. He is entitled to the remuneration of ₹ 58.37 lakhs as against maximum ₹ 100 lakhs (Rupees Hundred Lakhs) p.a. approved by the shareholders for the year ended 31st March, 2014 at their meeting held on 16th September, 2011. However pending approval by Central Government pursuant to section 314(1B) of the Companies Act, 1956, the payment of remuneration was restricted to ₹ 30 lakhs per annum.

The Board of Directors recommends the passing of the resolution at Item No. 20 of the Notice convening the Meeting for the approval of the Members under Section 188 of the Companies Act, 2013 by way of a Special Resolution.

No member of the company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party in the context of this resolution.

None of the Directors or Key Managerial Personnel or their relatives, other than Mr. Dilip S. Shanghvi, Managing Director and his relatives, are deemed to be concerned or interested in this resolution.

By order of the Board of Directors
For **SUN PHARMACEUTICAL INDUSTRIES LTD.**

Place: Mumbai

Date: 12th August, 2014

Registered Office:

SPARC, Tandalja

Vadodara - 390 020.

Sunil R. Ajmera

Company Secretary