NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-first Annual General Meeting of the Members of Sun Pharmaceutical Industries Limited will be held on Monday, September 30, 2013, at 11.30 a.m or immediately after the conclusion of the Twentieth Adjourned Annual General Meeting, being held on the same day, whichever is later at Sir Sayajirao Nagargruh, Akota, Vadodara – 390 020, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2013, the Profit & Loss Account 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. Dilip S. Shanghvi, who retires by rotation and being eligible, offers himself for reappointment.

4. To appoint a Director in place of Mr. Sailesh T. Desai, who retires by rotation and being eligible, offers himself for reappointment.

5. To appoint a Director in place of Mr. Hasmukh S. Shah who retires by rotation and being eligible, offers himself for reappointment.

6. To re-appoint Messrs. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, having ICAI Registration No.117366W, as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution, a Special Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 310, 311, 314 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 and subject to such sanction(s) as may be necessary in law, the Company hereby approves, in partial modification of Resolution No.8 passed at the Sixteenth Annual General Meeting of the Company held on September 6, 2008, the revision in the remuneration of Mr. Sudhir V. Valia, Whole-time Director of the Company with effect from April 1, 2013 for remaining period upto March 31, 2014 as set out in the draft agreement submitted for approval to this Meeting and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to between the Board of Directors and Mr. Sudhir V. Valia within and in accordance with the limits prescribed in Schedule XIII of the Companies Act, 1956 or any amendment thereto and if necessary, as may be agreed to between the Central Government and the Board of Directors and acceptable to Mr. Sudhir V. Valia;

   RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, 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 or ceiling and the aforesaid draft agreement between the Company and Mr. Sudhir V. Valia be suitably amended to give effect to such modification, relaxation or variation, 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."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution, a Special Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 310, 311, 314 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 and subject to such sanction(s) as may be necessary in law, Mr. Sudhir V. Valia, be and is hereby re-appointed as the Whole-time Director of the Company for a further period of five years effective from April 1, 2014 to March 31, 2019, on the terms and conditions (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the draft agreement submitted for approval to this Meeting and for identification initialled by the Chairman, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to between the Board of Directors and Mr. Sudhir V. Valia within and in accordance with the limits prescribed in Schedule XIII of the Companies Act, 1956 or any amendment thereto and if necessary, as may be agreed to between the Central Government and the Board of Directors and acceptable to Mr. Sudhir V. Valia;

   RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, 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 or ceiling and the

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aforesaid draft agreement between the Company and Mr. Sudhir V. Valia be suitably amended to give effect to such modification, relaxation or variation, 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."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution, a Special Resolution:

"**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 310, 311and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 and subject to such sanction(s) as may be necessary in law, Mr. Sailesh T. Desai, be and is hereby re-appointed as the Whole-time Director of the Company for a further period of five years effective from April 1, 2014 to March 31, 2019, on the terms and conditions (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the draft agreement submitted for approval to this Meeting and for identification initialled by the Chairman, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to between the Board of Directors and Mr. Sailesh T. Desai within and in accordance with the limits prescribed in Schedule XIII of the Companies Act, 1956 or any amendment thereto and if necessary, as may be agreed to between the Central Government and the Board of Directors and acceptable to Mr. Sailesh T. Desai;

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, 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 or ceiling and the aforesaid draft agreement between the Company and Mr. Sailesh T. Desai be suitably amended to give effect to such modification, relaxation or variation, 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."

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

"**RESOLVED FURTHER THAT** pursuant to Section 314 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time read with the Directors' Relatives (Office or Place of Profit) Rules, 2011 and on the recommendation/ approval by the Selection Committee and the Board of Directors at their respective Meetings held on August 9, 2013 and subject to such approvals including the approval of the Central Government, as may be required, the consent of the Company be and is hereby accorded to Mr. Aalok D. Shanghvi, who is a relative of a Director to hold an office or place of profit under the Company with his 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 and remuneration for a period of five years from April 1, 2014, upto a maximum remuneration (excluding reimbursement of expenses, if any) of ₹1,50,00,000/- (Rupees One Crore Fifty Lacs 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."

"**FURTHER RESOLVED THAT** 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, including with the approval of the Central Government, as may be required, pursuant to the provisions of Section 314(1B) and other applicable provisions of the Companies Act, 1956."

"**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 make such applications to the Central Government or such statutory authorities as required, to agree to such modification and/or variation as may be suggested by the regulatory authorities while granting the approval, and further authorised severally to execute and perform such further steps, acts, deeds, matters and things as may be necessary, proper and expedient and to take all such actions and to give such directions as may be desirable and to settle any questions or difficulties that may arise in giving effect to this resolution."

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

"**RESOLVED THAT** in accordance with the provisions of Sections 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 or 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 of the Government of India, Reserve Bank of India, Securities and Exchange Board of India and 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, Debentures 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 Receipts or Bonds or Financial Derivatives (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 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provisions of 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 for up to the 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, 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 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.

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 (which expression includes any committee thereof constituted or to be constituted) decides to open the issue of NCDs in accordance with the SEBI ICDR Regulations as mentioned above.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded, in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to all other necessary approvals, to the Board to secure, if necessary, all or any of the above mentioned Securities to be issued, by the creation of a mortgage and/or charge on all or any of the Company's immovable and/or moveable assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

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 for the purpose of giving effect to the above resolution, the Board or a committee thereof or any of the working 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 in respect of the securities on the whole or in part of the undertaking of the Company under Section 293(1)(a) of the Companies Act,1956 and to execute such documents or writing as may consider necessary or proper and incidental to this resolutionand 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 and empowered to delegate all or any of the powers herein conferred to any Committee of Directorsand/or any Whole-time Director(s) and/or any Officer(s) of the Company."

12. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** in supersession of all earlier resolutions passed and in terms of Section 293(1)(d) of the Companies Act, 1956 and all other enabling provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow 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 or to be obtained from the Company's bankers in the ordinary course of business) exceed the aggregate paid up capital of the Company and its free reserve, 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 Billions (Rupees Five Hundred Billions only)."

13. 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 372A and any other applicable provisions, if any, of the Companies Act, 1956, ('the Act') 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, whether Indian or overseas and/or in various schemes of Mutual Funds or such other funds, 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 of the Company or 100% of Free Reserves of the Company whichever is more, as prescribed under section 372A of the Companies Act, 1956 from time to time, in one or more tranches, upto maximum amount of ₹500 Billions (Rupees Five Hundred Billions 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 372A aforesaid.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above investment including the timing, amount and other terms and conditions of such 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 investment."

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

Place : Mumbai
Date : August 9, 2013

Sunil R. Ajmera
Company Secretary

Registered Office:
SPARC, Tandalja
Vadodara - 390 020.

*The actual equity dividend to be declared by the shareholders at the 21st 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 March 31, 2013 in accordance with the Rules framed by the Board as per Note No.6 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. Re-appointment of Directors:

   At the ensuing Annual General Meeting Mr. Dilip S. Shanghvi, Mr. Sailesh T. Desai and Mr. Hasmukh S. Shah retire by rotation and being eligible offer themselves for re-appointment as Directors liable to retire by rotation. The information or details to be provided for the aforesaid Directors under Corporate Governance Code are as under:

   (a) Mr. Dilip S. Shanghvi (57years) is a graduate in commerce from the Kolkatta 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. He is a Director in the following companies:

   Sun Pharma Advanced Research Company Ltd., Taro Pharmaceutical Industries Ltd., Sun Petrochemicals Pvt. Ltd., ShantilalShanghvi Foundation, Aditya Thermal Energy Pvt. Ltd., Alfa Infraprop Pvt. Ltd., Caraco Pharmaceutical Laboratories Ltd., SunPharma De Mexico SA DE CV, SPIL De Mexico SA DE CV, Sun Pharma Laboratories Ltd., Taro Research Institute Ltd. & MSD-Sun FZ-LLC.

   (b) Mr. Sailesh T. Desai (59 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. He is a Director on the Board of the following companies:

   Sun Pharmaceutical (Bangladesh) Ltd., SPIL De Mexico SA DE CV, Shantilal Shanghvi Foundation, M.J. Pharmaceuticals Ltd., Universal Enterprises (P) Ltd., Sun Pharma Laboratories Ltd., Shree Hi Tech Clinics Pvt. Ltd., New Vision Laser Center (Kolkata) Pvt. Ltd., Othello Projects Pvt. Ltd., & Othello Developers Pvt. Ltd. He is a trustee of Shree Uvasaggahar Sadhna Trust, Kalpataru Sadhha Kendra Trust & Nirmalaben Trambaklal Desai Trust.

   (c) Mr. Hasmukh S. Shah (78) is a Director of the Company since March 22, 2001. Mr. Hasmukh Shah is a B.A. Economics (Hons) and M.A. with Sociology with first rank in the University. He is the Chairman of Gujarat Gas Company Ltd. Mr. Hasmukh Shah is also a Director in the following companies:

   Supreme Petrochem Ltd., Atul Ltd., Micro Inks 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 also serves as the Chairman of Audit Committee of Micro Inks Ltd., Chairman of Remuneration Committee of Atul Ltd. & Supreme Petrochem Ltd.

   He is presently holding 12,000 Equity Shares of the Company.(including shares held jointly, if any).

   (d) Mr. Sudhir V. Valia (57 years) is a Chartered Accountant with more than two decades of experience in Finance and Taxation, representing the Board since January 31, 1994 and at present, he is the Whole-time Director of the Company. He is also a Director in the following companies.

   Sun Pharma Advanced Research Company Ltd., Caraco Pharmaceutical Laboratories Ltd., Sun Petrochemicals Pvt. Ltd., Shantilal Shanghvi Foundation, Sun Pharma De Mexico SA DE CV, SPIL De Mexico SA DE CV, Lakshdeep Investments & Finance Pvt. Ltd., Karad Chemicals & Allied Products Pvt. Ltd., Minaxi Fiscal Services Pvt. Ltd., Nisha Capital Services Ltd., Sejraj Financial Services Ltd., Universal Enterprises (P) Ltd., Eklavya Securities Ltd., Alkaloida Chemical Company Exclusive Group Ltd., Aditya Acquisition Company Ltd., Taro Development Corporation USA, Sun Pharma Industries Eurpoe BV, Suraksha Realty Ltd., Sun Pharmaceuticals (SA) (PTY) Ltd., Chattem Chemicals Inc., Sun Global Canada Pty Ltd., Aditya Thermal Energy Pvt. Ltd., Alfa Infraprop Pvt. Ltd., Caraco Pharma Inc., Taro Pharmaceutical Industries Ltd., Taro Pharmaceutical North America Inc, Taro Pharmaceuticals Inc, Taro Pharmaceuticals USA Inc, Taro International Ltd., Sun Pharma Laboratories Ltd., Telewings Communications Services Pvt. Ltd. & Krishna Vrundavan Pratishthan

   He also serves as the Chairman of Investors Grievance Committee and Member of Executive Committee & Fund Mobilising Committee of Sun Pharma Advanced Research Co. Ltd.

3. The Register of Members and Share Transfer Books of the Company will be closed from Monday, September 23, 2013 to Monday, September 30, 2013 (both days inclusive) for the purpose of the Twenty-first Annual General Meeting of the Company and for the payment of Dividend.

4. 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.

5. The Board of Directors at their Meeting held on May 28, 2013, recommended a Dividend @ ₹5.00 per Equity Share of ₹1/- each of the Company (pre bonus) i.e. a Dividend @ ₹2.50 per Equity Share of ₹1/- each of the Company post bonus for the year ended March 31, 2013 and the same if declared at the Meeting will be paid on or after October 4, 2013 to the Company's Equity Shareholders whose name stand on the Register of Members as beneficial owners at the close of business as on September 22, 2013 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 September 22, 2013.

6. At the Extra Ordinary General Meeting of the members of the Company held on Monday, September 1, 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 March 31, 2003 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 March 31, 2013 shall fill up the form and send it to the Company's Registrars on or before September 22, 2013. 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 - Shareholders Information-Statutory Communications - 2013") 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 SEPTEMBER 1, 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.

7. 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 March 31, 2014 to March 31, 2016 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
2005-06	20.09.2006	110% Equity/ 6% Preference	19.09.2013	18.10.2013
2006-07	10.03.2007	135% Equity/ 6% Preference	09.03.2014	08.04.2014
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

Members who have not encashed their dividend warrants, for the financial year ended March 31, 2006 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 November 8, 2012 (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.

8. 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, erstwhile 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.

9. 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 November 29, 2010 based on the Record Date of November 26, 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 November 12, 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.

10. 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.

11. The Company has implemented the "Green Initiative" as per Circular Nos.17/ 2011 & 18/2011 dated April 21, 2011 & April 29, 2011 respectively issued by the Ministry of Corporate Affairs (MCA), 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 Section 219 of the Companies Act, 1956. 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.

12. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 7 to 13 of the accompanying Notice dated August 9, 2013.

ITEM Nos. 7 & 8:

Mr. Sudhir V. Valia was initially appointed as the Whole-time Director of the Company by the Shareholders at the Second Annual General Meeting of the Company for a period of five years from April 1, 1994 and was thereafter re-appointed from time to time. At the Sixteenth Annual General Meeting of the Company held on September 6, 2008, the shareholders had approved the re-appointment of Shri Sudhir V. Valia as Whole-time Director of the Company for a further period of five years, effective from April 1, 2009 to March 31, 2014. As the existing actual remuneration payable to Mr. Sudhir V. Valia has almost reached the maximum upper limit approved by the Shareholders, the Board of Directors decided to revise the upper remuneration limit of Mr. Sudhir V. Valia. Your Directors recommend the approval of the increase in upper remuneration limit of Mr. Sudhir V. Valia to be effective from April 1, 2013 for the remaining period upto March 31, 2014.

The revised remuneration of Mr. Sudhir V. Valia shall be as under:

The remuneration payable shall be determined by the Board of Directors, from time to time within, however, the maximum limits set forth below:

a. Salary (including bonus) up to ₹22,00,000/- (Rupees Twenty Two Lacs only) per month.

b. Perquisites:

He will be entitled to furnished/non furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession 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 ₹40,00,000/- (Rupees Forty Lacs 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.

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to him by way of salary and perquisites shall not exceed the maximum limit prescribed under Schedule XIII of the Companies Act, 1956.

The Board shall have the discretion and authority to modify the forgoing terms and remuneration within, however, the limit prescribed under Schedule XIII of the Companies Act, 1956.

The appointment will be for a period of five years from April 1, 2009 which may be terminated by either party giving to the other thirty days notice in writing or upon Mr. Sudhir V. Valia's ceasing to be a Director of the Company.

In compliance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the details of remuneration payable to Mr. Sudhir V. Valia are placed before the members, in general meeting, for their approval by way of a Special Resolution.

The terms and conditions of Mr. Sudhir V. Valia's appointment as set out above may also be treated as an abstract of the terms of the draft Agreement between Mr. Sudhir V. Valiaand the Company under Section 302 of the Companies Act, 1956.

Further, the present term of Mr. Sudhir V. Valia as the Whole-time Director shall expire on March 31, 2014. Mr. Sudhir V. Valia has provided dedicated and meritorious services and significant contribution to the growth of the Company. The Board of Directors at their meeting held on August 9, 2013, re-appointed Mr. Sudhir V. Valia, as the Whole-time Director of the Company for a further period of five years effective from April 1, 2014 to March 31, 2019, subject to the approval of the Shareholders.

The main terms and conditions of Mr. Sudhir V. Valia's re-appointment shall be as under:

I. Mr. Sudhir V. Valia to perform such duties and exercise such powers as are entrusted to him by the Board and/or the Chairman and/or the Managing Director. He is further authorized to do all such acts, deeds, things and matters as he may be required to do, as the Whole-time Director.

II. REMUNERATION:

The remuneration payable shall be determined by the Board of Directors, from time to time within, however, the maximum limits set forth below:

a. Salary (including bonus) up to ₹33,50,000/-(Rupees Thirty Three Lacs 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 concession 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 ₹60,00,000/- (Rupees Sixty Lacs 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.

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to him by way of salary and perquisites shall not exceed the maximum limit prescribed under Schedule XIII of the Companies Act, 1956.

The Board shall have the discretion and authority to modify the forgoing terms and remuneration within, however, the limit prescribed under Schedule XIII of the Companies Act, 1956.

The appointment will be for a period of five years from April 1, 2014 which may be terminated by either party giving to the other thirty days notice in writing or upon Mr. Sudhir V. Valia's ceasing to be a Director of the Company.

In compliance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the details of remuneration payable to Mr. Sudhir V. Valia are placed before the members, in general meeting, for their approval by way of a Special Resolution.

The terms and conditions of Mr. Sudhir V. Valiai's appointment as set out above may also be treated as an abstract of the terms of the draft Agreement between Mr. Sudhir V. Valiaand the Company under Section 302 of the Companies Act, 1956.

Mr. Sudhir V. Valia himself and Mr. Dilip S. Shanghvi, being his relative are concerned or interested in the resolution at Item Nos. 7 & 8 of the Notice.

The Board of Directors recommends the passing of the resolutions at Item Nos. 7 & 8 of the Notice convening the meeting for the approval of the members.

The draft of the agreements to be entered into with Mr. Sudhir V. Valia is available for inspection by any member of the Company at the Registered Office of the Company on any working day (except Sundays and Public Holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and at the venue of the Annual General Meeting on the date of the Meeting during the Meeting hours.

ITEM No. 9:

Mr. Sailesh T. Desai was initially appointed as the Whole-time Director of the Company by the Shareholders at the Seventh Annual General Meeting of the Company for a period of five years from April 1, 1999 and was thereafter re-appointed from time to time. At the Sixteenth Annual General Meeting held on September 6, 2008, the Shareholders approved the re-appointment of Mr. Sailesh T. Desai as the Whole-time Director of the Company for a further period of five years from April 1, 2009. The present term of Mr. Sailesh T. Desai as the Whole-time Director shall expire on March 31, 2014.
Mr. Sailesh T. Desai has provided dedicated and meritorious services and significant contribution to the growth of the Company. The Board of Directors at their meeting held on August 9, 2013, re-appointed Mr. Sailesh T. Desai, as the Whole-time Director of the Company for a further period of five years effective from April 1, 2014 to March 31, 2019, subject to the approval of the Shareholders.

The main terms and conditions of Mr. Sailesh T. Desai's re-appointment shall be as under:

I. Mr. Sailesh T. Desai to perform such duties and exercise such powers as are entrusted to him by the Board and/or the Chairman and/or the Managing Director. He is further authorized to do all such acts, deeds, things and matters as he may be required to do, as the Whole-time Director.

II. REMUNERATION:

The remuneration payable shall be determined by the Board of Directors, from time to time within, however, the maximum limits set forth below:

a. Salary (including bonus) up to ₹8,35,000/- (Rupees Eight Lacs 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 concession 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 ₹18,00,000/- (Rupees Eighteen Lacs 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.

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to him by way of salary and perquisites shall not exceed the maximum limit prescribed under Schedule XIII of the Companies Act, 1956.

The Board shall have the discretion and authority to modify the forgoing terms and remuneration within, however, the limit prescribed under Schedule XIII of the Companies Act, 1956.

The appointment will be for a period of five years from April 1, 2014 which may be terminated by either party giving to the other thirty days notice in writing or upon Mr. Sailesh T. Desai ceasing to be a Director of the Company.

In compliance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the details of remuneration payable to Mr. Sailesh T. Desai are placed before the members, in general meeting, for their approval by way of a Special Resolution.

The terms and conditions of Mr. Sailesh T. Desai's appointment as set out above may also be treated as an abstract of the terms of the draft Agreement between Mr. Sailesh T. Desai and the Company under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Sailesh T. Desai is concerned or interested in the resolution at Item No. 9 of the Notice.

The Board of Directors recommends the passing of the resolutions at Item No. 9 of the Notice convening the meeting for the approval of the members.

The draft of the agreement to be entered into with Mr. Sailesh T. Desai is available for inspection by any member of the Company at the Registered Office of the Company on any working day (except Sundays and Public Holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and at the venue of the Annual General Meeting on the date of the Meeting during the Meeting hours.

ITEM No. 10:

As you are aware, Mr. Aalok Shanghvi, relative (son) of the Managing Director of your Company, is presently employed as Senior General Manager – International Business in your Company and his appointment and remuneration payable upto a maximum of ₹1,00,00,000/- (Rupees One Crore only) per annum along with Director's remuneratiion from Taro Pharmaceutical Industries Ltd., the Company's subsidiary Company had been approved by the Selection Committee and the Board of Directors at their respective Meetings held on May 28, 2011 and by the Members by way of a special resolution passed at the Nineteenth Annual General Meeting held on September 6, 2011 for the period April 1, 2011 to remaining period upto March 31, 2014. However, as against his salary of ₹45,58,008/- for the year 2012-2013 , the actual amount paid to him by Sun Pharmaceutical Industries Ltd. during the financial years 2011-2012 & 2012-2013 was restricted to ₹30,00,000/- per annum which does not require the approval of the Central Government pursuant to section 314 (1B) of The Companies Act, 1956. He has resigned as the Director of Taro Pharmaceutical Industries Ltd. with effect from July 18, 2013 so he does not now receive any Director's remuneration from Taro Pharmaceutical Industries Ltd.

Also, the Board of Directors and the Selection Committee of the Company have at their respective Meeting approved the increase in upper limit of remuneration payable to Mr. Aalok Shanghvi from ₹1,00,00,000/- (Rupees One Crore only) per annum to ₹1,50,00,000/- (Rupees One Crore Fifty Lacs only) per annum, subject to the approval of the Shareholders and as per the provisions of Section 314(1B) of the Companies Act, 1956 for a further period of five years from April 1, 2014, approval of the Members of the Company is required by way of a special resolution.

The Board of Directors recommends the passing of the resolution at Item No.10 of the Notice convening the Meeting for the approval of the Members under Section 314 of the Companies Act, 1956 by way of a special resolution.

The Company shall file appropriate application(s) with the Central Government for Approval.

Mr. Dilip S. Shanghvi and Mr. Sudhir V. Valia being relatives are concerned or interested in the resolution at Item No.10 of the Notice.

ITEM No. 11:

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