



SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

**NOTICE FOR
EXTRAORDINARY GENERAL MEETING
OF THE MEMBERS OF SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED
ON FRIDAY, 2ND JUNE, 2017
AT 11:00 A.M.**

SUN PHARMA ADVANCED RESEARCH CENTRE (SPARC)

CIN: L73100GJ2006PLC047837

Akota Road, Akota, Vadodara – 390 020.

Tel No.: +91 265 2330815, **Fax No.:** +91 265 2354897

Website: www.sparc.life

NOTICE

NOTICE is hereby given that an **Extra-Ordinary General Meeting** of the Shareholders of **Sun Pharma Advanced Research Company Limited** will be held at **Sir Sayajirao Nagargruh, Akota, Vadodara - 390 020, Gujarat, on Friday, the 2nd day of June, 2017, at 11.00 a.m.**, to transact the following business as a Special Business:

Item No. 1:

Issue of Warrants convertible into equity shares of the Company on Preferential basis to certain Promoter / Non-Promoter Group Entities:

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

“RESOLVED THAT pursuant to Sections 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on Preferential Issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended (**“SEBI ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**“SEBI LODR Regulations”**), Rules, Regulations and notifications etc. issued by the Reserve Bank of India from time to time and any other Guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of any Statutory / Regulatory Authorities, including but not limited to Securities and Exchange Board of India (**“SEBI”**), stock exchange(s) where the equity shares of the Company are listed, and any other Institutions or Bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the **“Board”**) which terms shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time in one or more tranches, up to 151,51,515 convertible warrants, each convertible into, or exchangeable for, one equity share of face value of ₹ 1/- each (**“Warrants”**) at a price (including the warrant subscription price and the warrant exercise price) of ₹ 330/- each (Rupees Three hundred and thirty only) each aggregating upto ₹ 500 Crores (Rupees five hundred crores only) on a preferential basis to the following entities (**“Warrant Holder(s)” / “Proposed Allottee(s)”**) to the extent detailed below entitling the Warrant Holder to apply for and get allotted one equity share of the face value of ₹ 1/- each fully paid-up against every Warrant held, in one or more tranches within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner, upon such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI ICDR Regulations, or other applicable laws in this respect.

Name of Proposed Allottees	CIN of Proposed Allottees	No. of Warrants
Virtuous Finance Private Limited	U65990MH1989PTC053686	2,272,727
Virtuous Share Investments Private Limited	U67120MH1995PTC087613	2,272,727
Family Investment Private Limited	U67120MH1989PTC053569	3,030,304
Quality Investments Private Limited	U67120MH1989PTC053568	4,303,030
Viditi Investment Private Limited	U67120MH1989PTC053096	2,272,727
Lakshdeep Investments & Finance Private Limited	U67120MH1993PTC072685	1,000,000
TOTAL		151,51,515

“RESOLVED FURTHER THAT the Company hereby notes and takes on record that in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the **“Relevant Date”** for the purpose of calculating the floor price for the issue of equity shares of the Company pursuant to the exercise of conversion of the Warrants was 3rd May, 2017, being 30 days prior to the date of this extraordinary general meeting i.e. 2nd June, 2017, and the floor price for the preferential issue on the aforesaid relevant date pursuant to regulation 76(1) of the SEBI ICDR Regulations is ₹ 323.96 (Rupees three hundred and twenty three and paise ninety six only).

RESOLVED FURTHER THAT the Warrants issued as aforesaid shall be on the following terms:

- (i) In accordance with the provisions of Chapter VII of SEBI ICDR Regulations, 25% (Twenty-Five Per Cent) of the consideration payable for the Warrants (and the equity shares into which they are converted), shall be paid by the Warrant Holders to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) shall be paid at the time of allotment of equity shares pursuant to exercise of option against each such Warrants by the Warrant Holder.
- (ii) The tenure of Warrants shall not exceed eighteen (18) months from the date of allotment.
- (iii) The Warrant Holders shall be entitled to exercise his option to convert any or all of the warrants into equity shares of the Company in one or more tranches after giving a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of equity shares of the Company to the Warrant Holders.
- (iv) If the entitlement against the Warrants to apply for the equity shares of the Company is not exercised within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid by the Warrant Holders on such Warrants shall stand forfeited.
- (v) In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of equity shares that each Warrant converts into and the price payable for such equity shares, shall be adjusted accordingly in a manner and to the extent permitted by applicable laws so that the Warrant Holders: (i) receives such number of equity shares that Warrant Holders would have been entitled to receive; and (ii) pays such consideration for such equity shares to the Company which Warrant Holders would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring.
- (vi) Subject to applicable laws, it is hereby expressly agreed that where, pursuant to a scheme of arrangement, a company issues equity shares or similar securities to the Company's shareholders, then Warrant Holders shall be entitled to receive in lieu of the Warrants held by the Warrant Holders such number of equity shares, warrants or similar securities issued by such company, on the same terms and conditions and with

the same rights as the other equity shareholders of such company, and at such effective price that the Warrant Holders would have been entitled to receive immediately after the occurrence of such scheme of arrangement had the Warrants been exercised immediately prior to the occurrence of such scheme of arrangement.

- (vii) Upon exercise of his option by the Warrant Holders, the Company shall issue and allot appropriate number of equity shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant Holders, evidence of the credit of the equity shares to the depository account of the Warrant Holders and entering the name of Warrant Holders in the records of the Company (including in the register of members of the Company) as the registered owner of such equity shares.
- (viii) The Warrants by itself until exercised and converted into equity shares, shall not give to the Warrant Holders thereof any rights with respect to that of an equity shareholder of the Company.

RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Proposed Allottees, the aforesaid Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as per the provisions of Chapter VII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the equity shares allotted on exercise of Warrants in terms of this resolution shall rank *pari passu* in all respects (including entitlement to voting powers and dividend) with the then existing fully paid-up equity shares of face value of ₹ 1/- each of the Company, subject to the relevant provisions contained in the articles of association of the Company.

RESOLVED FURTHER THAT all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board including any duly constituted committee of the Board with power to delegate to any officer of the Company, as the Board or such committee, for the purpose of giving effect to this resolution, may in its absolute discretion deem necessary, desirable or expedient, including but not limited to making listing application to the stock exchange(s) where the equity shares of the Company are listed, filing of requisite forms with the Registrar of Companies and to resolve and settle any questions and difficulties that may arise in the proposed offer, issue and allotment of aforesaid securities, utilization of issue proceeds, signing of all deeds and documents as may be required and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By order of the Board of Directors
For Sun Pharma Advanced Research Company Limited,

Debashis Dey
Company Secretary

Place: Mumbai
Date: 5th May, 2017

Registered Office:
Sun Pharma Advanced Research Centre (SPARC)
Akota Road, Akota, Vadodara – 390 020.
CIN: L73100GJ2006PLC047837
Website: www.sparc.life

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of Companies Act, 2013 and regulation 73 of the (Issue of Capital and Disclosure Requirements) Regulations 2009, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Proxy form duly completed, in order to be effective, must reach the Registered Office of the Company not later than **forty-eight (48)** hours before the time appointed for holding the meeting.
4. 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 (50) members and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. Members holding more than ten percent (10%) 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. Proxy / Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
5. Only the members of the Company or their duly appointed Proxy / Proxies are entitled to attend and vote at the meeting.
6. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 27th May, 2017. Shareholders shall have one vote for every one fully paid shares of the Company held by them as on the cut-off date. The shareholders can vote for their entire voting rights as per their discretion.
7. For shareholders holding shares in physical mode, Register of Members and Share Transfer Books of the Company shall be closed from Saturday, 27th May, 2017 up to Friday, 2nd June, 2017 (both days inclusive).
8. The Notice of the Extra-Ordinary General Meeting is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless the Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Link Intime / Depositories.
9. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during the business hours upto the date of the Meeting.
10. In case of Joint Holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per Register of members will be entitled to vote.
11. 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.
12. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.

13. Voting through electronic means (E-Voting):

- i. In accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 the resolution proposed at the Extra-Ordinary General Meeting. The Company has appointed Central Depository Services (India) Ltd. (CDSL) to provide e-voting facility to its members.
- ii. 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 27th May, 2017.
- iii. The voting period begins on Tuesday, 30th May, 2017 at 09:00 hours (IST) and ends on Thursday, 1st June 2017 at 17.00 hours (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 27th May 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- iv. The facility for voting by ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- v. Mr. Jatin N Thakkar, Partner, M/s. Bathiya & Associates LLP, Chartered Accountants 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.

vi. The Procedure and Instructions for e-voting are as under:

- a. The shareholders should log on to the e-voting website www.evotingindia.com.
- b. Click on 'SHAREHOLDERS'.
- c. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. 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.
- f. 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 sequence number which is printed/ mentioned on Attendance Slip / email intimation (indicated in the Password field).
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Members holding shares in physical form will then directly reach 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.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for **Sun Pharma Advanced Research Company Ltd.** to vote.
- k. 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.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m. 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.
- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can also download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

r. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- s. 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.

14. The Scrutinizer shall, immediately after the conclusion of voting at the Extra Ordinary General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
15. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.sparc.life immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), where the shares of the Company are listed.

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

Item No. 1

Issue of Warrants convertible into equity shares of the Company on Preferential basis to certain Promoter / Non-Promoter Group Entities:

The Company had raised an amount of ₹ 250 crores through Rights Issue in the previous financial year, *inter alia*, to fund its 'expenditures related to any Pharmaceutical Research & Development (“R&D”)', substantial amount of which has been utilized by the Company as on 31st March 2017 as follows:

₹ in lakhs

Sr. No	Fund Requirements	Amount of funds required as per the Letter of Offer (1)	Amount utilised towards Objects of the Issue (2)	Balance unutilised Amount as on 31st March 2017 (3=1-2)
1	Expenditure related to any Pharmaceutical Research & Development	19,475	13,948	5,527
2	General corporate purposes	5,272	4,823	449
3	Issue expenses	253	167	86
	Total	25,000	18,938	6,062

While the above expenditures are on projected lines, it was planned by the Company, to continue to fund its R&D activities from its internal accruals from the current financial year.

However, the unforeseen shortfall in its projected revenue generation on account of delay in launch of some of its key high revenue generating products (like ‘Xelpros’) due to non-approval of the proposed third party manufacturing sites for the product by USFDA, have given rise to a situation where the Company needs to raise additional funds within a very short period of time to avoid any slowdown / delay in the progress of the ongoing and newly identified research projects of the Company and to adhere to the targeted achievement timeline to stay ahead of competing research firms and realize highest commercial value for the Company’s product/ technology.

In light of the above, the Board of the Company, at its meeting held on Friday, 5th May, 2017, after considering various options for raising additional funds, approved the proposal to issue and allot up to 151,51,515 warrants , each convertible into, or exchangeable for, one equity share of face value of ₹ 1/- each (“Warrants”) at a price (including the warrant subscription price and the warrant exercise price) of ₹ 330/- each (Rupees three hundred and thirty only) each aggregating to ₹ 500 Crores (Rupees five hundred crores only) to the following entities, who have expressed their intention to subscribe to the warrants, (hereinafter referred to as “Warrant Holders” or “Proposed Allottees”) to the extent specified below, on preferential basis, since raising funds through Preferential Issue was found to be most cost effective for raising additional capital which can be completed in the shortest period of time.

Name of Proposed Allottee	CIN of Proposed Allottee	No. of Warrants
Virtuous Finance Private Limited	U65990MH1989PTC053686	2,272,727
Virtuous Share Investments Private Limited	U67120MH1995PTC087613	2,272,727
Family Investment Private Limited	U67120MH1989PTC053569	3,030,304
Quality Investments Private Limited	U67120MH1989PTC053568	4,303,030
Viditi Investment Private Limited	U67120MH1989PTC053096	2,272,727
Lakshdeep Investments & Finance Private Limited	U67120MH1993PTC072685	1,000,000
TOTAL		15,151,515

Pursuant to the provisions of Sections 62(1)(c) and 42 of Companies Act, 2013 (the "Act") and regulation 72(1)(a) of the SEBI ICDR Regulations any preferential allotment of securities needs to be approved by the members of the Company by way of a special resolution. Further, in terms of Regulation 73 of the SEBI ICDR Regulations, certain disclosures are required to be made to the members of the Company which forms part of this explanatory statement.

The issue and allotment of Warrants including resultant equity shares arising out of exercise of option attached to Warrants to the Proposed Allottees has been approved by the Board of the Company on 5th May 2017, subject to the approval of members of the Company and other necessary approval(s) and shall be on the terms and conditions, as mentioned below:

- a. Pursuant to Regulation 74(4) of the SEBI ICDR Regulations, the allotment of the Warrants (including the shares to be allotted on conversion of such warrants) shall be made only in dematerialised form;
- b. In accordance with the provisions of Regulation 71 of Chapter VII of the SEBI ICDR Regulations, the Relevant Date for the issue was Wednesday, 3rd May, 2017 being the date, 30 days prior to the proposed date of passing of this resolution by the members i.e. 2nd June 2017
- c. In accordance with the provisions of Chapter VII of SEBI ICDR Regulations, 25% (Twenty-Five Per Cent) of the consideration payable for the Warrants (including the warrant subscription price and the warrant exercise price), shall be paid by the Warrant Holders on or before the date of allotment of Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) shall be paid at the time of exercise of option against each such Warrants for allotment of equity shares;
- d. The consideration for allotment of Warrants and/or equity shares arising out of exercise of option attached to Warrants shall be paid to the Company from the bank account of the Proposed Allottees;
- e. In case the option to subscribe to equity shares against such Warrants is not exercised by the Proposed Allottee(s) within 18 (eighteen) months, the consideration paid by such Proposed Allottee (s) in respect of such Warrants shall be forfeited by the Company;
- f. The Warrants and the equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis shall remain locked-in from such date and for such periods as specified under Chapter VII of the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Proposed Allottees, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the stock exchange(s) where the equity shares of the Company are listed; and
- g. The equity shares allotted on exercise of Warrants shall rank *pari passu* in all respects (including voting rights and dividend), with the then existing fully paid up equity shares of the Company.

The proposed issue and allotment of the Warrants and the exercise thereof will also be governed by the applicable provisions of the Companies Act, 2013 including the rules made thereunder, the Memorandum and Articles of Association of the Company, the SEBI LODR Regulations, the SEBI ICDR Regulations or any other laws applicable in this respect.

Details of the Issue

1. The allotment of the Warrants is subject to the Proposed Allottees not having sold any equity shares of the Company during the 6 (six) months preceding the Relevant Date. The Proposed Allottees has represented that the Proposed allottees has not sold any equity shares of the Company during the 6 (six) months preceding the Relevant Date.
2. The details of the issue and other particulars and relevant disclosures as required under Companies Act, 2013 and Chapter VII of the SEBI ICDR Regulations are set out below:

(a) **Objects of the Preferential Issue**

The proceeds of the preferential issue of Warrants will be used by the Company for funding its R & D activities and general corporate purposes and for any other purpose as may be approved by the Board.

(b) **Proposal of the Directors / Promoters / Key Managerial Personnel of the Company to subscribe to the preferential issue**

The following Promoter Group Entities registered in India, intends to subscribe to the Warrants by way of preferential issue to the extend specified below:

Name of Proposed Allottees	CIN of Proposed Allottees	No. of Warrants
Virtuous Finance Private Limited	U65990MH1989PTC053686	2,272,727
Virtuous Share Investments Private Limited	U67120MH1995PTC087613	2,272,727
Family Investment Private Limited	U67120MH1989PTC053569	3,030,304
Quality Investments Private Limited	U67120MH1989PTC053568	4,303,030
Viditi Investment Private Limited	U67120MH1989PTC053096	2,272,727

No warrants are being offered to Directors, Key Managerial Personnel or relatives of the Directors or Key Managerial Personnel of the Company.

(c) **Relevant date**

The Relevant date for the purpose of this issue was Wednesday, 3rd May 2017, being the date 30 days prior to the proposed date of passing of special resolution by the members of the Company at the extra-ordinary general meeting, approving the proposed preferential issue, in accordance with the SEBI ICDR Regulations.

(d) **Basis or Justification of Price :**

The issue price has been determined in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations.

Since the Company is listed and frequently traded on BSE Limited and National Stock Exchange of India Limited, the trading volume of securities of the Company on both the stock exchanges have been considered to determine the higher trading volume for computation of issue price. Pursuant to regulation 76(1) of the SEBI ICDR Regulations, the issue of equity shares arising out of exercise of Warrants issued on preferential basis shall be made at a price not less than higher of the following:

- i. the average of the weekly high and low of the volume weighted average price of the equity shares quoted on National Stock Exchange of India Limited (the stock exchange where the maximum volume of trading in the equity shares of the Company is recorded) during the 26 weeks preceding the Relevant Date; or

- ii. the average of the weekly high and low of the volume weighted average price of the equity shares quoted on National Stock Exchange of India Limited (the stock exchange where the maximum volume of trading in the equity shares of the Company is recorded) during the 2 weeks preceding the Relevant Date.

Pursuant to the above the floor price for allotment of shares were determined to be ₹ 323.96 per share.

The proposed issue price approved by the Board is therefore ₹ 6.04 above the minimum price as determined in compliance with the requirements of SEBI ICDR Regulations.

(e) **Undertaking as to re-computation of price and lock-in of specified securities**

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 6 (six) months prior to the Relevant Date, the Company is not required to re-compute the price of the equity shares and therefore, the Company is not required to submit the undertakings specified under Regulations 73(1)(f) and (g) of the SEBI ICDR Regulations.

(f) **Shareholding pattern of the Company before and after the proposed issue**

Category of Shareholders	Pre- Allotment*		Post Allotment **	
	No. of Shares	%	No. of Shares	%
Promoter & Promoter Group				
1. Indian				
a) Individuals/ HUF	3,17,33,020	12.85%	3,17,33,020	12.11%
b) Central/State Govt.	0	0.00%	0	0.00%
c) Financial Institutions/ Banks	0	0.00%	0	0.00%
d) Bodies Corporate	12,30,66,453	49.85%	13,72,17,968	52.36%
e) Promoters Trusts	1,54,922	0.06%	1,54,922	0.06%
f) Person Acting in Concert	1,03,01,320	4.17%	1,03,01,320	3.93%
2. Foreign	0	0.00%	0	0.00%
Total Promoter/ Promoter Group (A)	16,52,55,715	66.93%	17,94,07,230	68.46%
Public Shareholders				
1. Institutions	2,18,61,598	8.85%	2,18,61,598	8.34%
2. Central/ State Govts.	0	0.00%	0	0.00%
3. Non-Institutions	5,97,78,664	24.21%	6,07,78,664	23.19%
Total Public Shareholding (B)	8,16,40,262	33.07%	8,26,40,262	31.54%
TOTAL (A+B)	24,68,95,977	100%	26,20,47,492	100.00%

* As on 31st March 2017

** Assuming exercise by the Proposed Allottee of all the Warrants.

(g) **The time within which the preferential issue shall be completed**

As required under the SEBI ICDR Regulations, the allotment of the Warrants on preferential basis will be completed within a period of 15 (fifteen) days from the date of passing of the special resolution. Provided that where any approval or permission by any regulatory or statutory authority for allotment is pending, the allotment of the Warrants shall be completed within 15 (fifteen) days from the date of receipt of such approval or permission.

(h) **Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post-preferential issued capital that may be held by the said allottees and change in control, if any, in the Company consequent to the preferential issue**

Name of the allottees	Ultimate Beneficial Owners	Pre Issue Equity Holding		No. of Warrants to be allotted	Post Issue Holding (After exercise of Warrants)#	
Virtuous Finance Private Limited**	Mr. Dilip Shanghvi and Ms. Vibha Shanghvi	11805960	4.78%	2,272,727	14,078,687	5.37%
Virtuous Share Investments Private Limited**		12545473	5.08%	2,272,727	14,818,200	5.65%
Family Investment Private Limited**		23668141	9.59%	3,030,304	26,698,445	10.19%
Quality Investments Private Limited**		23832880	9.65%	4,303,030	28,135,910	10.74%
Viditi Investment Private Limited**		24691877	10.00%	2,272,727	26,964,604	10.29%
Lakshdeep Investments & Finance Private Limited	Mr. Sudhir Valia	4080142	1.65%	1,000,000	5,080,142	1.94%

Assuming exercise by the Proposed Allottee of all the Warrants

** The Proposed Allottees (marked with **) along with other promoter group entities have proposed a scheme of arrangement with Shanghvi Finance Private Limited a promoter group entity of the Company, involving amalgamation of Proposed Allottees along with other promoter group entities, inter alia, into Shanghvi Finance Private Limited, for which the process of seeking requisite regulatory approvals including approval from National Company Law Tribunal, Mumbai (NCLT), have been initiated by the Proposed Allottees and other promoter group entities of the Company. It may be noted that consequent to receipt of requisite approvals from the regulatory authorities including from NCLT, as stated in the Scheme of Arrangement, the Proposed Allottees may be dissolved without being wound up and Shanghvi Finance Private Limited shall become the Warrant Holder. Accordingly, the equity shares of the Company pursuant to conversion of warrants may ultimately be held by Shanghvi Finance Private Limited. However, there would be no change in the ultimate beneficial owners of the Proposed Allottees as Shanghvi Finance Private Limited is also beneficially held by Mr. Dilip Shanghvi and Ms. Vibha Shanghvi.

There shall be no change in control of the Company consequent to the proposed issue of Warrants.

(i) **Auditor's Certificate**

A copy of the certificate from M/s Deloitte Haskins & Sells LLP., Chartered Accountants, the Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrants is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations, shall be available for inspection at the Extra-Ordinary General Meeting of the Company to be held on 2nd June, 2017.

(j) **Lock-in Period**

The Warrants and the equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis will be subject to lock-in as provided in the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Proposed Allottees, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the stock exchange(s) where the equity shares of the Company are listed.

The Board recommends passing of the resolution set out at Item No.1 as a Special Resolution.

Mr. Sudhir Valia, Director of the Company, is deemed to be interested in the Proposed Allottee - Lakshdeep Investments & Finance Private Limited, which is non-promoter group entity. Mr. Dilip Shanghvi, Chairman & Managing Director is deemed to be interested in all the other Proposed Allottee's, which are also a part of the promoter group of the Company.

Except Mr. Dilip Shanghvi – Chairman & Managing Director, Mr. Sudhir Valia, Director and their relatives who are part of the Promoter/ Promoter group of the Company, none of the other Directors or Key Managerial Personnel of the Company including their relatives are in anyway, concerned or interested in the resolution.

As per Regulation 23(4) of the SEBI LODR Regulations all related parties shall abstain from voting on all resolutions for approval of material related party transactions, irrespective of the fact whether the entity is a related party to a particular transaction or not. However, section 188 of the Companies Act, 2013 read with relevant rules and other applicable provisions does not list down the proposed preferential issue as a related party transaction and thereby permits the related party to vote on the transaction which are not covered under section 188(1) of the Companies Act, 2013. This notice is given accordingly in terms of the said SEBI LODR Regulations and the said provisions of the Companies Act, 2013 for consideration of the resolution and the related parties votes shall be ignored for compliance with Regulation 23(4) of the SEBI LODR Regulations but shall be taken into consideration for compliance with the provisions of the Companies Act, 2013.

By order of the Board of Directors
For Sun Pharma Advanced Research Company Limited,

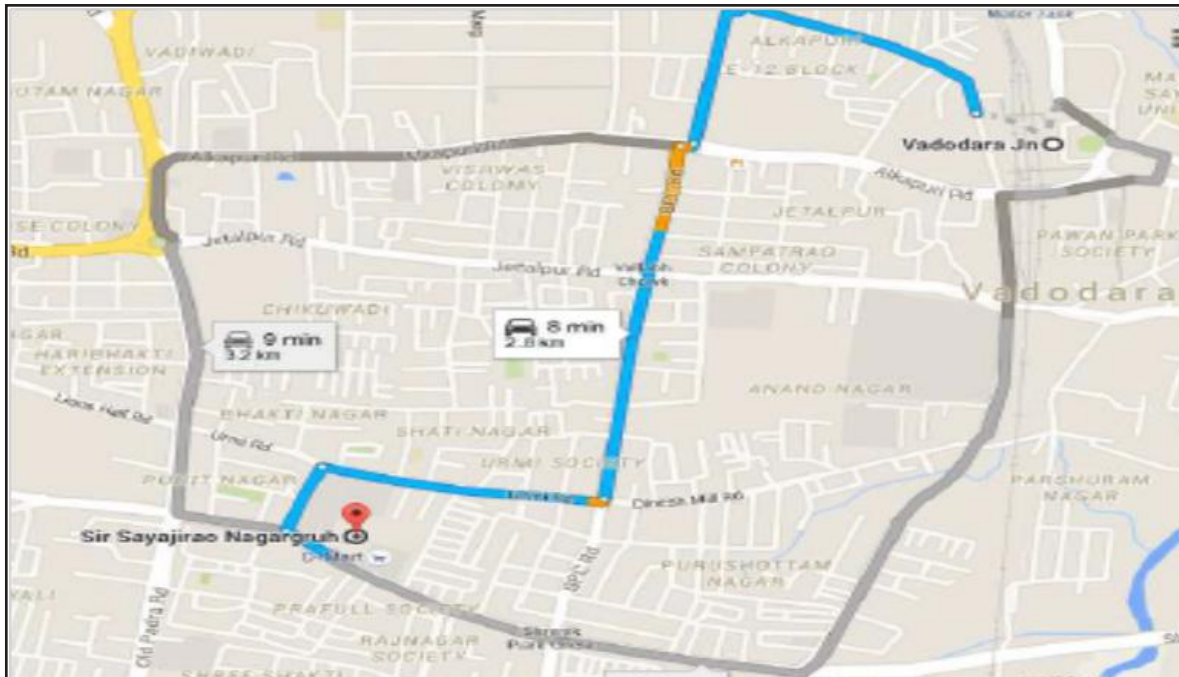
Debashis Dey
Company Secretary

Place: Mumbai
Date: 5th May, 2017

Registered Office:

Sun Pharma Advanced Research Centre (SPARC)
Akota Road, Akota, Vadodara – 390 020.
CIN: L73100GJ2006PLC047837
Website: www.sparc.life

Route Map-EGM Venue:





SUN PHARMA ADVANCED RESEARCH COMPANY LTD.

Registered Office: SPARC, Akota Road, Akota, Vadodara - 390 020. **Tel Nos:** 0265-2330815 / 2339257
Mumbai Office: 17/B, Mahal Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai – 400093
CIN: L73100GJ2006PLC047837, **Website:** www.sparc.life

ATTENDANCE SLIP

EXTRA-ORDINARY GENERAL MEETING ON FRIDAY, 2nd JUNE, 2017, AT 11.00 A.M.

Sr. No. :
Registered Folio No. / DP ID No./ Client ID No. :
Name and Address of the Member(s)

Joint Holder(s) :

I /We hereby record my presence at the **EXTRA-ORDINARY GENERAL MEETING** of the Company at **Sir Sayajirao Nagargruh, Akota, Vadodara - 390020, on Friday, 2nd June, 2017, at 11.00 a.m.**

Signature of the Attending Member: _____ Signature of Proxy : _____

Shareholder/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	*Password
170502002		

*Only Members who have not updated their PAN with the Company / Depository Participant shall use the Password given in the Password field.

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SUN PHARMA ADVANCED RESEARCH COMPANY LTD.

Registered Office: SPARC, Akota Road, Akota, Vadodara - 390 020. **Tel Nos:** 0265-2330815 / 2339257
Mumbai Office: 17/B, Mahal Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai – 400093
CIN: L73100GJ2006PLC047837, **Website:** www.sparc.life

Form No. MGT -11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :
Registered address :
No. of Shares held :
Folio No/ DP Id & Client Id :
Joint Holder (s) :
E-mail Id :

I/We, being the member (s) of _____ shares of Sun Pharma Advanced Research Company Limited, hereby appoint:

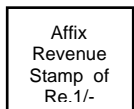
- Name: Address:
E-mail Id: Signature: or failing him / her
- Name: Address:
E-mail Id: Signature: or failing him / her
- Name: Address:
E-mail Id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Extra-Ordinary General Meeting** of the Company, to be held on the **Friday, 2nd June, 2017, at 11.00 a.m.** at **Sir Sayajirao Nagargruh, Akota, Vadodara - 390020** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1.	Allotment of warrants convertible into fully paid-up equity shares of Re. 1 each of the Company to certain entities on Preferential Basis.

Signature of Shareholder: Signed this..... day of 2017

Signature of Proxy holder(s):



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at SPARC, Akota Road, Akota, Vadodara - 390 020, not less than FORTY EIGHT HOURS before commencement of the Meeting.