

Exhibit No. 2

**SCHEME OF ARRANGEMENT AND RECONSTRUCTION  
BETWEEN  
SUN PHARMA GLOBAL FZE- TRANSFEROR COMPANY  
AND  
SUN PHARMACEUTICAL INDUSTRIES LIMITED- TRANSFEREE COMPANY  
AND THEIR RESPECTIVE MEMBERS AND CREDITORS  
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**

This Scheme of Arrangement provides for the demerger of the Specified Undertaking (as defined hereinafter) of Sun Pharma Global FZE, a foreign Limited Liability Company incorporated and licensed under Sharjah Airport International Free Zone ("SAIF") pursuant to Emiri Decree No. 2 of 1995. (hereinafter referred to as the "Transferor Company") as a going concern into Sun Pharmaceutical Industries Ltd., an Indian Company incorporated under the Companies Act, 1956 incorporated pursuant to certificate of incorporation dated 1st March, 1993 issued by the Registrar of Companies, Gujarat (Company Registration No. 04-19050 having CIN L24230GJ1993PLC019050)(hereinafter referred to as the "Transferee Company") pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 for the Transferee Company and provisions of SAIF Zone of United Arab Emirates as may be applicable to Sun Pharma Global FZE

**I. PREAMBLE**

**A. Description of Companies:**

**(a) The Transferor Company**

- a. is an unlisted company licensed under the SAIF- free trade zone of UAE and engaged in the business of manufacturing, general trading and exporting pharmaceutical formulations including investment, financing and other related activities. The products of the Transferor Company are sold in USA and various regulated markets of the world.
- b. has, as part of its pharmaceutical business an undertaking catering to the ulcer therapeutic activities and other allied / related / incidental business.
- c. is also carrying on activities of investment in shares and securities

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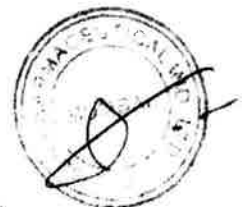
- (b) The Transferee Company was incorporated on 1st March, 1993 as a public limited company under Part IX of the Companies Act, 1956. The Transferee Company's main objects clause include development, manufacture, sale, trading, and export of various generic drug formulations, manufacture of drugs and pharmaceutical products and also carries out related investment and financing activities. It is currently listed on the BSE Limited and National Stock Exchange of India Limited.

**B. Rationale for the Scheme of Arrangement:**

- (a) The Transferor Company's business of Specified Undertaking and the Remaining Undertaking (both as defined hereunder) are continuously growing both horizontally and vertically. The Company needs to give focused and strategic attention to various parts/aspects of both the undertakings for maintaining this growth momentum as the same is an opportunity as well as a challenge.

The Specified Undertaking (as defined hereinafter) of the Transferor Company had shown good growth. In order to strengthen and sustain the long term growth, profitability, market share, customer service, and face the competitive regulatory environment, risks and policies etc. it requires focused management attention, different skill sets and resources. Similarly, the Remaining Undertaking (as defined hereinafter) of the Transferor Company has different profile requiring different kind of focus and attention to meet the ever expanding market / geography and growth opportunities, varied regulatory requirements, risks, litigation etc.

The Transferor Company intends to reorganise the Specified Undertaking to consolidate and integrate its' operations with the activities of the Transferee Company as a part of group restructuring and hence it is proposed to demerge its Specified Undertaking to the Transferee Company by way of demerger under this Scheme (as defined herein).



- (b) The Transferee Company is also engaged in export of pharmaceutical formulations to various regulated markets including USA. Hence such reorganisation will help to further strengthen and consolidate its operations for the regulated markets.
- (c) As the activities of Specified Undertaking and that of the Transferee Company are similar in nature, it would, therefore, be advantageous to combine the activities and operations into a single company for synergistic linkages and the benefit of financial and other resources of each other.
- (d) The proposed demerger of the Specified Undertaking of the Transferor Company is likely / expected to allow a focused strategy in operations of both the Companies along with faster decision making, which would be in the best interests of the Transferor Company and its shareholders and other stakeholders.
- (e) Arrangement and reconstruction will result in cost saving for both the companies as they are engaged in related activities which is expected to result in higher profitability levels through faster and effective decision making and avoiding duplication of efforts for both the Companies. It is believed that the faster decision making of the Companies would be in the best interests of the shareholders, employees and other stakeholders of both the Companies.
- (f) The Transferee Company will have the benefit of the combined resources of Specified Undertaking of the Transferor Company and Transferee Company i.e. reserves, investments, and other assets, finances, customers, distributors, brands etc. The Transferee Company would be in a position to consolidate operations through optimum utilization of its resources and avoidance of duplication.
- (g) The demerger may also provide scope for independent collaboration and expansion of the Remaining Undertaking / business of the Transferor Company without committing the existing organization in its



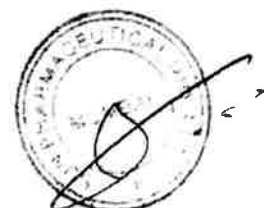
entirety.

- (h) The Transferee Company would also have a larger network base, and greater borrowing capacity, which would provide it a competitive edge over others, especially in view of the increasing competition due to liberalization and globalization, which will be beneficial in more than one ways to the Transferee Company, its shareholders and other stakeholders.
- (i) The Boards of Transferor Company as well as Transferee Company believe that this demerger will contribute to smooth integration of relevant undertakings of both the Companies and would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.

With the aforesaid objectives, it is proposed to demerge the Specified Undertaking of the Transferor Company to the Transferee Company.

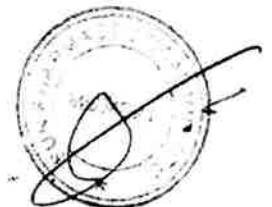
**C. Operation of the Scheme:**

- (a) It is, therefore, proposed that Specified Undertaking of Sun Pharma Global FZE (as defined here under) be demerged, pursuant to the provisions of UAE Commercial Companies Law, and/or any other applicable laws and a Scheme of Arrangement and Reconstruction under Sections 391 to 394 of the Companies Act, 1956 and transferred to the Transferee Company for achieving the above mentioned objectives. The Transferor Company will continue its interests in the Remaining Undertaking as is presently being carried out but with greater focus, attention to the growth opportunities, and the regulatory requirements, risks, etc. specific to its business.
- (b) With the aforesaid objectives and to give effect to the terms of this Scheme of Arrangement and Reconstruction, the Transferor Company and Transferee Company have segregated the activities and operations of the Transferor Company between the Transferor and Transferee Company for synergistic linkages, focused attention



besides the benefit of financial resources to them.

- (c) In furtherance of the aforesaid, this Scheme of Arrangement and Reconstruction provides for:
- i. the demerger of the Specified Undertaking from the Transferor Company to the Transferee Company;
  - ii. various other matters consequential or otherwise integrally connected herewith, including the reorganization of the capital and/or reserves of the Transferor Company and the Transferee Company.
- (d) The demerger of the Specified Undertaking under this Scheme of Arrangement and Reconstruction will be effected under the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant and applicable laws of UAE.
- (e) The demerger complies with the provisions of the Indian Income Tax Act, 1961, such that:
- (i) All the properties of the Specified Undertaking (as defined hereinafter) being transferred by the Transferor Company immediately before the demerger become the properties of the Transferee Company by virtue of the demerger;
  - (ii) All the liabilities relating to the Specified Undertaking being transferred by the Transferor Company, immediately before the demerger become the liabilities of the Transferee Company by virtue of the demerger;
  - (iii) The properties and the liabilities, of the Specified Undertaking being transferred by the Transferor Company are transferred to the Transferee Company at the values appearing in the books of account of the aforesaid Transferor Company immediately before the demerger; and
  - (iv) The transfer of the Specified Undertaking will be on a going concern basis.
- (f) The demerger of the Specified Undertaking under this Scheme of

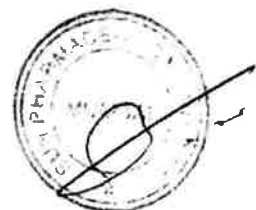


Arrangement and Reconstruction will be effected as a Scheme and / or as a contract under the provisions of UAE and other applicable laws and under section 391 to 394 of the Companies Act, 1956.

## 1. DEFINITIONS:

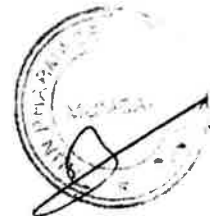
In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meaning given hereunder: -

- (a) **"Act"** means the Companies Act, 1956 as may be applicable, including any statutory modifications, re-enactments or amendments thereof and shall include the relevant and corresponding sections under Companies Act, 2013, as and when the same are made applicable before the effective date of the Scheme.
- (b) **"Appointed Date"** means 1<sup>st</sup> May, 2013 or such other date as may be approved by the High Court of Gujarat at Ahmedabad and any regulatory authority or other Governmental Authority, if applicable, at UAE.
- (c) **"Applicable Laws"** means any statute, notification, bye-laws, rules, regulations, guidelines, Common law, policy code, directives, ordinance, schemes, notices, orders or instructions, laws enacted or issued or sanctioned by any appropriate authority in India and UAE including any modifications or re-enactment thereof for the time being in force.
- (d) **"Court" or "High Court"**, means Hon'ble High Court of Gujarat at Ahmedabad, as applicable, and shall include the National Company Law Tribunal, if applicable in case of Transferee Company and any other Court or authorities involved for the Transferor Company such as court, governmental or regulatory authorities at United Arab Emirates(UAE).
- (e) **"Demerged Company" or "Transferor Company"** means Sun Pharma Global FZE incorporated under the laws of UAE and having its Registered Office at Office # 43, Block Y, SAIF Zone, P.O.Box # 122304, Sharjah, UAE.
- (f) **"Effective Date"** means the last of the dates on which the sanctions / approvals or orders as specified in Clause No. 18 of this Scheme has been obtained and / or filed by the Transferor Company and the Transferee Company with the Registrar of Companies and other Governmental Authorities.
- (g) **"Governmental Authority"** means any applicable Central, State or local Government, statutory, regulatory, departmental or public body or authority of



relevant jurisdiction, legislative body or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Directors, Foreign Investment Promotion Board , Reserve Bank of India, or arbitration or arbitral body having jurisdiction, Courts and other government and regulatory authorities of United Arab Emirates and India in each case.

- (h) **“Intellectual Property Rights”** means patents, trademarks, service marks, registered designs, data base rights, trade or business names, know-how, drug licenses (including the Abbreviated New Drug Application (“ANDA”) filed with the United States Food and Drug Authority relating to the Products), copyright (including but not limited to rights in software), design rights, domain name rights and any other intellectual property rights and rights of a similar or corresponding nature in any part of the world (in each case whether registered or not and whether capable of registration or not) in relation to the Products possessed/used by the Transferor Company in relation to the Specified Undertaking's Activities.
- (i) **“Products”** means the formulations developed by using the active pharmaceutical ingredients of which the ANDA to market the formulation is owned by the Transferor Company which are identified as belonging to the Specified Undertaking.
- (j) **“Remaining Undertaking”** means all the businesses and activities of the Transferor Company other than the Specified Undertaking.
- (k) **“Scheme”** means this Scheme of Arrangement and Reconstruction in its present form including any modifications or amendments thereto, approved or imposed or directed by the Hon'ble High Court of Gujarat at Ahmedabad or any other Governmental Authority and High Court and with all the Schedules appended thereto.
- (l) **“Specified Undertaking's Activities”** means:  
all activities of the Transferor Company relating to the business of developing, researching, manufacturing, processing, buying, selling, importing, trading, marketing, storing, distribution of pharmaceutical products for ulcer therapeutics and items related thereto such as packing materials, packaging materials, raw materials, finished goods, inventory, stores, spares, etc. along with certain investment and financing activities.

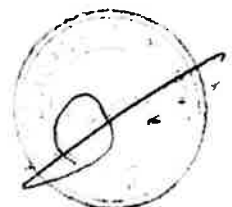


(m) **"Specified Undertaking"** shall mean and include on commencement of 1st May, 2013:

I) All the assets, movable, immovable, tangible and intangible of the Specified Undertaking's Activities of the Transferor Company (hereinafter referred to as 'the said Assets');

II) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of every kind and nature whatsoever and howsoever accruing or arising out of and all loans or borrowings raised and incurred and utilized for the Specified Undertaking of the Transferor Company, along with any charge, encumbrance, lien or security thereon, of the Transferor Company as on the Appointed Date (hereinafter referred to as 'the said Liabilities').

III) Without prejudice to the generality of sub-clause (I) and (II) mentioned above, the Specified Undertaking of the Transferor Company shall include all business and/or operations specific to the Specified Undertaking's Activities comprising of assets including investments, loans and advances, claims, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights and tenancies, and other intangible rights, hire purchase contracts and assets, lending contracts, employment contracts, distribution contracts, clearing and forwarding agency contracts, benefit of any security arrangements, reversions, permits, quotas, entitlements, registrations, licences (industrial or otherwise), registrations under all applicable laws and regulations, municipal/ local permissions, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different taxation and other laws as may belong to or be available to or be used by the Specified Undertaking or the Specified Undertaking's Activities of the Transferor Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, tenancies, advantages, and approval of whatsoever nature and wherever situated, belonging to or in ownership, including but without being limited to trade and services marks, patents, copyrights, brand names, drug licenses, Intellectual Property Rights, technical know-how, goodwill, benefits and advantages of carrying on the business, availing any facilities of the Transferor Company for the Specified Undertaking's Activities





on mutually acceptable terms, enterprise resource planning software, accounting and other software, software licenses, permissions and connections, drawings, formulae, artwork secret processes, notings, website/web page and any other Intellectual Property Rights of any nature whatsoever, authorizations, permits, all records, files, papers, computer programs, books of accounts, corporate records, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or in relation to the Specified Undertaking' Activities and all other interests of whatsoever nature belonging to or in the ownership, power, possession, or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Specified Undertaking's Activities;

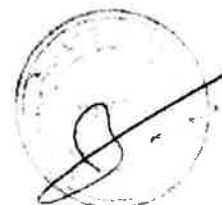
- (n) "Transferee Company" means Sun Pharmaceutical Industries Limited, a public limited company incorporated under the Companies Act, 1956 having its Registered Office at Sun Pharma Advanced Research Centre, Tandalja, Vadodara, Gujarat-390020, India.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 1956, and other applicable laws, rules, regulations, bye-laws as the case may be or any statutory modifications or re-enactment thereof from time to time.

## 2. SHARE CAPITAL

- A. The Share Capital of the Transferor Company as per the audited Statement of Financial Position as on March 31, 2013 is as under:

Authorised Share Capital:	(Amount)	
101 Equity Shares of AED 150,000 each	AED 15,150,000	USD 4,124,694
<b>Total</b>	<b>AED 15,150,000</b>	<b>USD 4,124,694</b>



**Issued, Subscribed and Paid up Share Capital:**

(Amount)

101 Equity Shares of AED 150,000 each	AED 15,150,000	USD 4,124,694
<b>Total</b>	<b>AED 15,150,000</b>	<b>USD 4,124,694</b>

Presently Sun Pharma Global Inc., the 100% subsidiary of the Transferee Company holds 100% of the Issued, Subscribed and Paid up Equity Share Capital of the Transferor Company and hence the Transferor Company is an indirect Wholly Owned Subsidiary of the Transferee Company.

There is no change in the Share Capital of the Transferor Company as on the date of this Scheme.

- B. The Share Capital of the Transferee Company as per the Audited Balance Sheet as on March 31, 2013 is as under:

**Authorised Share Capital:**

(Amount in Rs.)

1,500,000,000 Equity Shares of Re.1/- each	Rs. 1,500,000,000
<b>Total</b>	<b>Rs. 1,500,000,000</b>

**Issued, Subscribed and Paid-up Share Capital:**

(Amount in Rs.)

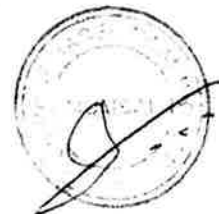
1,035,581,955 Equity Shares of Re. 1/- each	Rs. 1,035,581,955
<b>Total</b>	<b>Rs. 1,035,581,955</b>

In terms of the resolution passed by shareholders by way of Postal Ballot on July 15, 2013, the Company has allotted 1,035,581,955 bonus equity shares on August 3, 2013 in the ratio of 1 equity share of Re. 1/- each fully paid up for every equity share of Re. 1/- each held. Pursuant to such issue of bonus shares the present position of Share Capital of the Transferee Company is as follows:

**Authorised Share Capital:**

(Amount in Rs.)

3,000,000,000 Equity Shares of Re.1/- each	Rs. 3,000,000,000
<b>Total</b>	<b>Rs. 3,000,000,000</b>

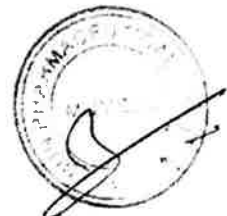


<b>Issued, Subscribed and Paid-up Share Capital:</b>	<b>(Amount in Rs.)</b>
2,071,163,910 Equity Shares of Re. 1/- each	Rs. 2,071,163,910
<b>Total</b>	<b>Rs. 2,071,163,910</b>

The Transferee Company presently holds 100% of the Issued, Subscribed and Paid Up Equity capital of Sun Pharma Global Inc., the 100% holding company of the Transferor Company and hence the Transferor Company is an indirect Wholly Owned Subsidiary of the Transferee Company. Consequently, upon the Scheme of Arrangement and Reconstruction becoming finally effective, the Transferee Company will not be required to issue Equity Shares in terms of this Scheme to the shareholders of the Transferor Company.

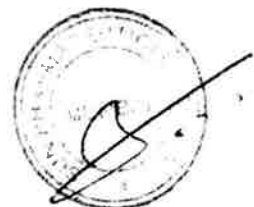
**3. DEMERGER AND VESTING/TRANSFER OF SPECIFIED UNDERTAKING:**

- (a) On and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Section 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws and in relation to the mode of transfer and vesting, the Specified Undertaking of the Transferor Company shall without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, authorizations, titles and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable, that of the Transferee Company .
- (b) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the Liabilities (including the contingent liabilities) of the said Specified Undertaking of the Transferor Company shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of Section 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws so as to become as and from the Appointed Date, the debts, liabilities (including contingent liabilities), duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or



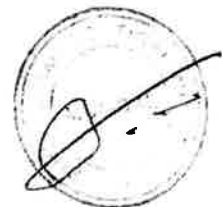
arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- (c) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the Assets (both the tangible and the intangible assets) of the said Specified Undertaking of the Transferor Company shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of Section 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws so as to become as and from the Appointed Date, the assets of the Transferee Company.
- (d) With effect from the Appointed date, all taxes paid, taxes refund due or receivable, carried forward losses, depreciation, capital losses, pending balances of amortizations etc., under the UAE laws including application for rectification, appeals filed with tax authorities of the Specified Undertaking of the Transferor Company shall also, pursuant to Section 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become as from the Appointed Date the direct taxes paid, direct taxes refund due or receivable, (whether as per Books or as per Income Tax) of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person, in order to give effect to the provision of this Sub-Clause.
- (e) All the employees of the Specified Undertaking shall, without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of Section 394 of the Companies Act, 1956 and other applicable provisions of the Act and the Applicable Laws, become as and from the Appointed Date, the employees of the Transferee Company and further that it shall not be necessary to obtain consent of any person, in order to give effect to the provisions of this Clause.
- (f) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Specified Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such



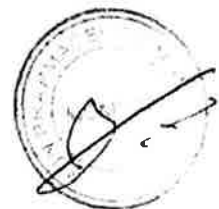
deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- (g) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, powers of attorney given by, claims, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights and tenancies, and other intangible rights, hire purchase contracts and assets, lending contracts, employment contracts, distribution contracts, clearing and forwarding agency contracts, benefit of any security arrangements, reversions, permits, quotas, entitlements, registrations, licences (industrial or otherwise), registrations under the applicable laws, municipal/local permissions, etc. issued to or executed in favour of the Transferor Company shall stand transferred to the extent it relates to and pertains to the Specified Undertaking, to the Transferee Company in which the Specified Undertaking shall vest by way of the demerger hereunder, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to and obtain relevant approvals, etc. from the concerned authorities and / or parties as may be necessary in this behalf and the Transferor Company shall cooperate and provide the required support wherever required.
- (h) It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Specified Undertaking, which the Transferor



Company owns or to which the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets etc. in trust for the benefit of the Transferee Company to which the Specified Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected and till such time the Transferee Company shall be entitled to utilise, operate, avail the same for the Specified Undertaking's Activities without any consideration.

- (i) Where any of the debts, liabilities (including contingent liabilities), loans raised and used, liabilities and obligations incurred, duties and obligations of Specified Undertaking of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by Specified Undertaking of the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (j) All Intellectual Property Rights of the Transferor Company in relation to the Specified Undertaking's Activities as on the Appointed Date including those developed by the Transferor Company in relation to the Specified Undertaking's Activities for the period from the Appointed Date and upto the Effective Date, shall stand transferred by the Court Orders to the Transferee Company and the Transferee Company shall be entitled to undertake all such actions as may be necessary to procure the assignment of the Intellectual Property Rights in its favour.
- (k) All loans raised and used and all liabilities and obligations incurred by the Transferor Company for the operations of Specified Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Specified Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (l) Without prejudice to clause (a) above, it is expressly provided that in respect of such assets belonging to and specific to the Specified Undertaking of the



Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 and other applicable provisions of the said Act.

- (m) The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or depositor as the case may be that pursuant to the Governmental Authority sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto and that the right of the Transferor Company to recover or realise the same stands extinguished.
- (n) The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court of Gujarat, Ahmedabad, India having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company.
- (o) With effect from the Appointed Date, the existing securities / charges created over assets of the Specified Undertaking by the Transferor Company in favour of consortium of banks or banks and financial institutions, if any, shall extinguish and shall cease to have any effect over the said assets to be transferred to the Transferee Company and such said assets shall be automatically available to the Secured Creditors of the Transferee Company as extended security upon approval of the Scheme.
- (p) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the relevant regulatory authority and Governmental Authorities to give formal effect to the above provisions, if required.
- (q) Upon the coming into effect of this Scheme, the Transferor Company alone shall be liable to perform all obligations in respect of the liabilities as on the Appointed Date, which have not been transferred to Transferee Company in

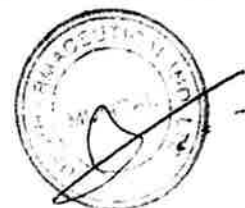


terms of the Scheme, and the Transferor Company alone shall have all obligations in respect of such liabilities, and the Transferor Company shall indemnify the Transferee Company in relation to any claim, at any time, against the Transferee Company in respect of the liabilities which have been retained by the Transferor Company.

- (r) Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities (including contingent liabilities) from the Appointed Date, which have been incurred by the Transferor Company for and on behalf of the Transferee Company and in relation to the Specified Undertaking in terms of the Scheme, and the Transferor Company shall not have any obligation in respect of such liabilities and the Transferee Company shall indemnify the Transferor Company in relation to any claim, at any time, against the Transferor Company in respect of such liabilities.
- (s) It is expressly provided that no other term or condition of the liabilities not transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (t) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of the clause 3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions with effect from the Appointed Date or such other date as is specified herein above, as the case may be.

#### **4. CONTRACTS, DEEDS AND OTHER INSTRUMENTS:**

Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature in relation to the Specified Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee





Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause, if so required or become necessary.

**5. LEGAL PROCEEDINGS:**

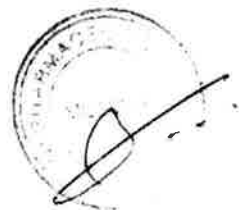
- (a) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Transferor Company, pertaining to the Specified Undertaking of the Transferor Company, arising after the Appointed Date but before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.
- (b) The Transferee Company will undertake to have all legal, judicial or other proceedings initiated and /or to be initiated after the Effective Date by or against the Specified Undertaking of the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company. The Transferor Company and the Transferee Company shall make relevant applications in that behalf and the Transferor Company and the Transferee Company shall co-operate with each other in respect of any such legal and other proceedings.
- (c) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Specified Undertaking of the Transferor Company pending on or pertaining to the period prior to the Appointed Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.

**6. OPERATIVE DATE OF THE SCHEME:**

This Scheme though effective from the Appointed Date shall be operative from the Effective Date.

**7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEE COMPANY TILL EFFECTIVE DATE:**

With effect from the Appointed Date, and upto the Effective Date:



- (a) The Transferor Company shall carry on and shall be deemed to have carried on all the business and activities of the Specified Undertaking as hitherto and shall be deemed to have held and stood possessed of the undertaking on account of, and for the benefit of and in trust for the Transferee Company.
- (b) All the profits or income accruing or arising to the Specified Undertaking of the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Specified Undertaking of the Transferor Company shall, for all purposes be treated and be deemed to be accrued as the profits or income or incurred as the expenditure or losses or taxes of the Transferee Company, as the case may be.
- (c) The Transferor Company shall carry on its business and activities of the Specified Undertaking with reasonable diligence and business prudence.  
The Transferor Company shall not vary the terms and conditions and employment of permanent employees of the Specified Undertaking except in the ordinary course of business or with prior written approval of the Transferee Company.
- (d) The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the Specified Undertaking except in the ordinary course of business.
- (e) The Transferor Company and the Transferee Company shall co-operate with each other for smooth transfer of the Specified Undertaking from the Transferor Company to the Transferee Company and any director of the Transferor Company and any director of the Transferee Company shall be empowered to give effect to the scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding.

It is hereby agreed and clarified that whenever under this Scheme, the approval of the Transferor Company is required to be obtained, it shall be the approval of any one of the directors of the Transferor Company and whenever under this Scheme, the approval of the Transferee Company is required to be obtained, it shall be the approval of any one of the directors of the Transferee Company.

**8. CONSIDERATION BY THE TRANSFEE COMPANY:**



The Transferor Company is a wholly owned subsidiary of Sun Pharma Global Inc. which is the wholly owned subsidiary of the Transferee Company i.e. the only shareholder of the Transferor Company is the wholly owned subsidiary of the Transferee Company. The Scheme is intended to restructure the Specified Undertaking's Activities in more efficient and focussed manner in the Transferee Company consistent with the diverse needs of the business and does not involve any movement of assets to any company outside the group controlled by the Transferee Company. Also, the shareholder of the Transferor Company being a 100% subsidiary of the Transferee Company, the Transferee Company can not issue shares to shareholder of the Transferor Company being its 100% subsidiary, pursuant to Applicable Laws in India and the Scheme being an internal group restructuring between the Transferee Company and the Transferor Company, the Transferee Company shall not pay any consideration to the shareholder of the Transferor Company. Hence, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or to its shareholders. Accordingly, no consideration shall be payable by the Transferee Company under the Scheme.

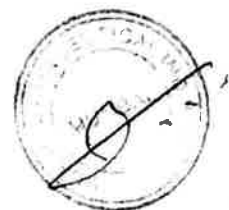
**9. ACCOUNTING BY TRANSFEROR COMPANY AND THE TRANSFEE COMPANY IN RESPECT OF TRANSFER OF SPECIFIED UNDERTAKING:**

**(i) Accounting treatment in the books of the Transferor Company:**

- (a) The assets and liabilities of the Specified Undertaking of the Transferor Company which are being transferred to the Transferee Company shall be recorded at values appearing in the books of accounts of the Transferor Company as on the Appointed Date.
- (b) An amount equivalent to the book value of net assets [i.e. Total Assets minus the Total Liabilities pertaining to the Specified Undertaking] transferred to the Transferee Company by the Transferor Company in terms of this Scheme, shall be adjusted first to the Capital Reserve account of the Transferor Company and the balance remaining if any shall be adjusted to the Retained Earnings account of the Transferor Company.

**(ii) Accounting treatment in the Books of the Transferee Company:**

- (a). Upon coming into effect of this Scheme and upon the arrangement



becoming operative, the Transferee Company shall record the assets and liabilities transferred to and vested in them pursuant to this Scheme, at the book values of the respective assets and liabilities as recorded in the books of account of the Transferor Company as on the Appointed Date.

- (b). As on the Appointed Date, and subject to any corrections and adjustments as may be considered necessary, in the opinion of the Board of Directors of the Transferor Company, the assets and liabilities pertaining to Specified Undertaking of the Transferor Company will be merged with the assets and liabilities of the Transferee Company in the same form as they appeared in the financial statements of the Specified Undertaking of the Transferor Company except those which are not in compliance with the applicable accounting standards in India and the same will be merged as per the policies adopted and acceptable as per the applicable accounting standards in India.
- (c). The total of Net Assets [i.e. Total Assets minus Total Liabilities] pertaining to the Specified Undertaking recorded at book values as recorded in the books of account of the Transferor Company shall be credited to Capital Reserve Account or debited to the Goodwill account, as the case may be, in the books of the Transferee Company.

#### 10. TRANSFEROR COMPANY'S EMPLOYEES:

On the Scheme taking effect as aforesaid, all officers and employees of the Transferor Company, engaged in the Specified Undertaking's Activities, if any, as identified by the Transferor Company and in employment on the Effective Date, shall become the officers and employees of the Transferee Company on such date as if they were in continuous service without any break or interruption in service and on the terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date. All funds and benefits accumulated in respect of the above officers and employees shall also be transferred the Transferee Company



#### **11. TAX CREDIT/DUTIES/CESS ETC.**

If the Transferor Company is entitled to any benefits under Incentive Schemes and Policies relating to the Specified Undertaking, it is declared that the benefits under all such Incentive Schemes and Policies shall be transferred to and vested in the Transferee Company.

Upon this Scheme being effective, both the Transferor Company and the Transferee Company, if required, are expressly permitted to revise and file their respective income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

#### **12. REMAINING UNDERTAKING:**

The Remaining Undertaking of the Transferor Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

#### **13. APPLICATION TO THE HIGH COURT AND GOVERNMENTAL AUTHORITY:**

The Transferor Company shall make its application for such arrangement and reconstruction to such Governmental Authorities as may be prescribed by the applicable laws of UAE, if required and the Transferee Company shall make all applications/petitions under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws to the High Court and the Governmental Authority, as applicable, for sanctioning of this Scheme for carrying this Scheme into effect and obtain all approvals as may be required under law.

#### **14. SAVING OF CONCLUDED TRANSACTIONS:-**

The transfer of the Specified Undertaking above and the continuance of proceedings by or against the Transferor Company pertaining to Specified Undertaking or the Transferee Company above shall not affect any transaction or proceedings already concluded in Transferor Company, in relation to the Specified Undertaking on or after the Appointed Date till the Effective Date, if any, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things



done and executed by Transferor Company, in relation to the Specified Undertaking in respect thereto as done and executed on their behalf.

**15. MODIFICATIONS, AMENDMENTS TO THE SCHEME:**

The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may in their full and absolute discretion assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or limitations which the Hon'ble High Court of Gujarat at Ahmedabad or such other Courts and Governmental Authority and authorities of UAE or any authorities under the Law may deem fit to approve of or impose and / or to resolve any doubt or difficulties (including ascertainment of assets and liabilities of Specified Undertaking) that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.

For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, any of the Directors of the Transferor Company and any of the Directors of the Transferee Company may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

Further any of the Directors of the Transferor Company and any of the Directors of the Transferee Company shall be entitled to modify any of the terms of this Scheme in future to settle any of the difficulties or to implement the provisions of this Scheme smoothly and hassle free manner, if such need arises and for all purposes the Effective Date for such subsequent modified scheme shall be the same as specified in this Scheme.

**16. SEVERABILITY**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**17. SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS:**

This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme under Securities and Exchange



Board of India Regulations and Guidelines and by the requisite majorities of such classes of persons, members and creditors of the Transferor Company and the Transferee Company as may be directed by the Regulatory Authorities of UAE, if any and Hon'ble High Court of Gujarat at Ahmedabad or such other Governmental Authorities on the applications made for directions under Section 391 of the said Act for calling meetings or otherwise and necessary resolutions being passed / consents obtained under the applicable Act for the purpose .

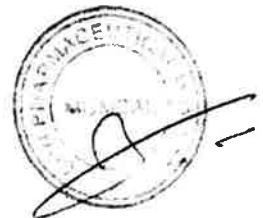
- (b) The sanctions of the Hon'ble High Court of Gujarat at Ahmedabad being obtained under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 or any other Governmental Authorities for the Transferee Company and such laws as applicable in UAE, if so required on behalf of the Transferor Company and the Transferee Company.
- (c) The certified copies of the High Court orders referred to in this Scheme being filed with the Registrar of Companies, Ahmedabad, Gujarat, as applicable and Governmental Authority of UAE, if required.
- (d) The decision of the Board of Directors of the Companies with respect to approval and/or filing whether required or not with the Governmental Authorities shall be final and binding.

**18. EFFECTIVE DATE OF THE SCHEME:**

This Scheme although to come into operation from the Appointed Date shall not come into effect until the last date viz.:

- (a) The date on which the last of all the consents, approvals, permissions resolutions sanctions and/or orders as are hereinabove referred to have been obtained or passed; and
- (b) The date on which all necessary certified copies of the order under sections 391 and 394 of the Companies Act, 1956 are duly filed with the Registrar of Companies, Ahmedabad, Gujarat and Governmental Authority as applicable at UAE, if required and such date shall be referred to as Effective Date for the purpose of the Scheme.

However the Effective Date shall not be affected by any of the modifications that might be required to be made as provided under clause 15 and the Effective Date for such modified scheme shall be the same as mentioned in the above paragraphs. It is the intention and understanding of the parties hereto that the economic effect of



the Scheme shall take effect from the Appointed Date despite the Scheme becoming effective from Effective Date under the relevant laws.

**19. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION:**

In the event of any of the said sanctions and/or approvals referred to in the preceding Clause No. 17 above not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court or any other Governmental Authorities and/or the Order(s) not being passed or sanctions not being granted as aforesaid before December 31, 2014 or within such further period(s) as may be agreed upon from time to time by the Transferor Company (by its Directors) and the Transferee company (by its Directors), and the Board of the Directors of the Transferor Company and the Transferee company are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their power through and by its delegates, this Scheme shall stand revoked, cancelled and be of no effect save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per Law.

**20. EXPENSES CONNECTED WITH THE SCHEME:**

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms of this Scheme shall be borne and paid by the Transferee Company.

CERTIFIED TRUE COPY







## Sun Pharmaceutical Industries Ltd.

Acme Plaza, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059, INDIA.  
Tel. : (91-22) 2823 0102, 2821 2128, 6696 9696, 6696 9600  
Fax : (91-22) 2821 2010

Report on Recommendations of the Audit Committee on the draft Scheme of Arrangement and Reconstruction between Sun Pharmaceutical Industries Limited (the "Company") and Sun Pharma Global FZE.

### Members

Mr. Keki M. Mistry	Chairperson
Mr. S. MohanchandDadha	Member
Mr. Hasmukh S. Shah	Member
Mr. Ashwin S. Dani	Member

### In Attendance

Mr. Keki M. Mistry	Chairperson
Mr. S. MohanchandDadha	Member
Mr. Hasmukh S. Shah	Member
Mr. Ashwin S. Dani	Member

## 1. Background

- 1.1. A draft Scheme of Arrangement and Reconstruction between Sun Pharma Global FZE (Transferor Company) and Sun Pharmaceutical Industries Limited (the "Company" / "Transferee Company") has been placed before the Audit Committee by the management for it to consider recommending the said draft Scheme of Arrangement and Reconstruction for demerger of Specified Undertaking of the Transferor Company into the Transferee Company to the Board taking into account, in terms of Securities and Exchange Board of India ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 ('Circular').
- 1.2. In light of above Circular of SEBI, the Audit Committee at its meeting held on 13<sup>th</sup> November, 2013 examined the draft Scheme of Arrangement and Reconstruction for demerger of "Specified Undertaking" of the Transferor Company and thereby transfer and vesting of "Specified Undertaking" of Transferor Company into Transferee Company ("the Scheme").
- 1.3. In view of the above, members of the Audit Committee of the Company have discussed and recommends the Scheme vide resolution passed at its meeting held on November 13, 2013 and have made this report, after perusing the following necessary documents:



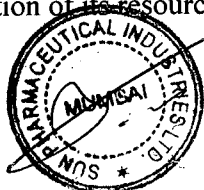
### 1.3.1. Draft Scheme.

- 1.4. The Audit Committee, in light of the SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013, further took note of the fact that the "Valuation Report from an Independent Chartered Accountant and Fairness Opinion by Merchant Banker" need not be required as there is no change in the shareholding pattern of the listed Company pursuant to the Scheme.

This report of Audit Committee is issued in terms of the Circular.

## 2. Proposed Scheme of Arrangement and Reconstruction

- 2.1. The Audit Committee noted the rationale of the proposed arrangement, which is, inter alia, as follows:
- 2.1.1. Focused and strategic attention to various parts/aspects of both the undertaking for maintaining the growth momentum as the same is an opportunity as well as a challenge. The Transferor Company intends to reorganise the Specified Undertaking to consolidate and integrate its' operations with the activities of the Transferee Company as a part of group restructuring and hence it is proposed to demerge its Specified Undertaking to the Transferee Company by way of demerger under this Scheme.
- 2.1.2. The Transferee Company is also engaged in export of pharmaceutical formulations to various regulated markets including USA. Hence such reorganization will help to further strengthen and consolidate its operations for the regulated markets.
- 2.1.3. It will be advantageous to combine the activities and operations into a single company for synergistic linkages and the benefit of financial and other resources of each other.
- 2.1.4. The proposed demerger of the Specified Undertaking of the Transferor Company is likely / expected to allow a focused strategy in operations of both the Companies along with faster decision making, which would be in the best interests of the Transferor Company and its shareholders and other stakeholders.
- 2.1.5. It will result in cost saving for both the companies as they are engaged in related activities which is expected to result in higher profitability levels through faster and effective decision making and avoiding duplication of efforts for both the Companies.
- 2.1.6. The Transferee Company would be in a position to consolidate operations through optimum utilization of its resources and avoidance of duplication.



2.1.7. The demerger may also provide scope for independent collaboration and expansion of the Remaining Undertaking / business of the Transferor Company without committing the existing organization in its entirety.

2.1.8. The Transferee Company would also have a larger net-worth base, and greater borrowing capacity, which would provide it a competitive edge over others, especially in view of the increasing competition due to liberalization and globalization, which will be beneficial in more than one ways to the Transferee Company, its shareholders and other stakeholders.

2.1.9. The demerger will contribute to smooth integration of relevant undertakings of both the Companies and would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.

**3. The salient features of the draft Scheme are, inter alia, as under**

3.1.1. The draft scheme provides for the demerger of the Specified Undertaking (as defined in the Scheme) of Sun Pharma Global FZE., a foreign Limited Liability Company into Sun Pharmaceutical Industries Ltd., an Indian Company.

3.1.2. The Appointed Date for the draft Scheme is fixed as opening of business hours on May 01, 2013.

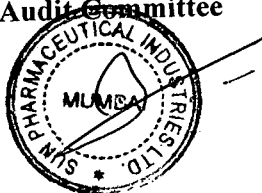
3.1.3. All the properties of the Specified Undertaking (as defined in the Scheme) being transferred by the Transferor Company immediately before the demerger become the properties of the Transferee Company by virtue of the demerger.

3.1.4. All the liabilities relating to the Specified Undertaking being transferred by the Transferor Company, immediately before the demerger become the liabilities of the Transferee Company by virtue of the demerger.

3.1.5. The transfer of the Specified Undertaking will be on a going concern basis.

3.1.6. The shareholder of the Transferor Company being a 100% subsidiary of the Transferee Company, the Transferee Company cannot issue shares to shareholder of the Transferor Company being its 100% subsidiary (the Transferor Company is a step down subsidiary of the Transferee Company), pursuant to Applicable Laws in India and the Scheme being an internal group restructuring between the Transferee Company and the Transferor Company, the Transferee Company shall not pay any consideration to the shareholder of the Transferor Company. Hence, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or to its shareholders.

**4. Recommendations of the Audit Committee**



- 4.1. The Audit Committee recommends the draft Scheme and aforementioned documents for favorable consideration by the Board of Directors, Stock Exchange(s) and SEBI.
- 4.2. The Audit Committee has authorised the Board of Directors or any such person as authorized by the Board of Directors, to carry out such modifications, alterations and changes in the Scheme of Arrangement and Reconstruction as may be expedient or necessary.

Date: 13<sup>th</sup> November, 2013

Place: Mumbai

Sd/-  
Chairman, Audit Committee

Certified True Copy.

For Sun Pharmaceutical Industries Limited

A I B



Compliance Officer

**Statement showing Shareholding Pattern Pre & Post Arrangement as per Clause 35 of Listing Agreement**

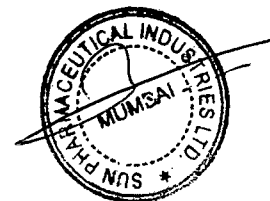
*Note: Since no Shares to be issued in terms of the Scheme of Arrangement and Reconstruction by the Transferee Company, Shareholding Pattern Post Scheme will remain same.*

<b>Name of the Company: Sun Pharmaceutical Industries Ltd. (Transferee Company)</b>			
<b>Scrp Code : 524715</b>		<b>Quarter Ending : September 2013</b>	
<b>Partly paid-up shares</b>	<b>No. of partly paid-up shares</b>	<b>As a % of total no. of partly paid-up shares</b>	<b>As a % of total no. of shares of the company</b>
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
<b>Total</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Outstanding convertible securities</b>	<b>No. of outstanding securities</b>	<b>As a % of total no. of outstanding convertible securities</b>	<b>As a % of total no. of shares of the company assuming full conversion of the convertible securities</b>
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
<b>Total</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Warrants</b>	<b>No. of warrant</b>	<b>As a % of total no. of warrants</b>	<b>As a % of total no. of shares of the company assuming full conversion of warrants</b>
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
<b>Total</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Paid-up capital of the company assuming full conversion of warrants and convertible securities</b>	<b>2,07,11,63,910</b>		

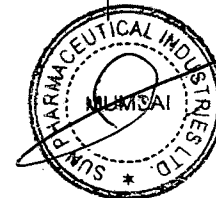


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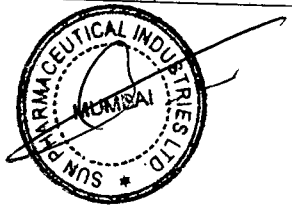
Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
<b>(A) Shareholding of Promoter and Promoter Group</b>							
<b>(1) Indian</b>							
Individuals / Hindu Undivided Family	10	30,40,37,200	30,40,37,200	14.68	14.68	28,50,000	0.94
Bodies Corporate	17	1,01,30,24,000	1,01,30,24,000	48.91	48.91	0	0.00
Any Others (Specify)	1	12,80,200	12,80,200	0.06	0.06	0	0.00
Trusts	1	12,80,200	12,80,200	0.06	0.06	0	0.00
<b>Sub Total</b>	<b>28</b>	<b>1,31,83,41,400</b>	<b>1,31,83,41,400</b>	<b>63.65</b>	<b>63.65</b>	<b>28,50,000</b>	<b>0.22</b>
<b>(2) Foreign</b>							
<b>Total shareholding of Promoter and Promoter Group (A)</b>	<b>28</b>	<b>1,31,83,41,400</b>	<b>1,31,83,41,400</b>	<b>63.65</b>	<b>63.65</b>	<b>28,50,000</b>	<b>0.22</b>
<b>(B) Public Shareholding</b>							
<b>(1) Institutions</b>							
Mutual Funds / UTI	210	2,54,17,104	2,29,21,784	1.23	1.23	0	0.00
Financial Institutions / Banks	38	3,97,67,327	3,97,64,487	1.92	1.92	0	0.00
Central Government / State Government(s)	4	5,25,971	5,25,971	0.03	0.03	0	0.00
Foreign Institutional Investors	777	47,17,82,863	47,17,70,863	22.78	22.78	0	0.00



Qualified Investor	Foreign	1	30,000	30,000	0.00	0.00	0	0.00
<b>Sub Total</b>		<b>1,030</b>	<b>53,75,23,265</b>	<b>53,50,13,105</b>	<b>25.95</b>	<b>25.95</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>								
Bodies Corporate		1,484	10,04,72,432	10,02,69,922	4.85	4.85	0	0.00
<b>Individuals</b>								
Individual shareholders holding nominal share capital up to Rs. 1 lakh		85,879	7,21,64,254	6,10,83,965	3.48	3.48	0	0.00
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh		60	3,19,25,415	3,18,00,415	1.54	1.54	0	0.00
<b>Any Others (Specify)</b>		<b>2,892</b>	<b>1,07,37,144</b>	<b>1,05,92,854</b>	<b>0.52</b>	<b>0.52</b>	<b>0</b>	<b>0.00</b>
Non Resident Indians		2,297	16,84,351	15,40,061	0.08	0.08	0	0.00
Clearing Members		561	15,46,949	15,46,949	0.07	0.07	0	0.00
Trusts		28	13,82,098	13,82,098	0.07	0.07	0	0.00
Bodies								
Foreign Corporate		2	12,07,896	12,07,896	0.06	0.06	0	0.00
Directors & their Relatives & Friends		3	48,69,850	48,69,850	0.24	0.24	0	0.00
Overseas Corporate Bodies		1	46,000	46,000	0.00	0.00	0	0.00
<b>Sub Total</b>		<b>90,315</b>	<b>21,52,99,245</b>	<b>20,37,47,156</b>	<b>10.40</b>	<b>10.40</b>	<b>0</b>	<b>0.00</b>
<b>Total Public shareholding (B)</b>		<b>91,345</b>	<b>75,28,22,510</b>	<b>73,87,60,261</b>	<b>36.35</b>	<b>36.35</b>	<b>0</b>	<b>0.00</b>
<b>Total (A)+(B)</b>		<b>91,373</b>	<b>2,07,11,63,910</b>	<b>2,05,71,01,661</b>	<b>100.00</b>	<b>100.00</b>	<b>28,50,000</b>	<b>0.14</b>
<b>(C) Shares held by Custodians and against which Depository Receipts</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>



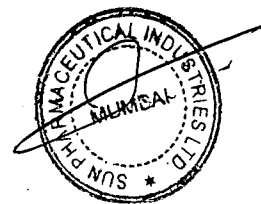
have been issued							
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total	0	0	0	0.00	0.00	0	0.00
Total (A)+(B)+(C)	91,373	2,07,11,63,910	2,05,71,01,661	0.00	100.00	28,50,000	0.14



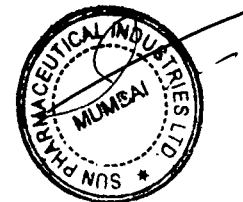


**Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group.**

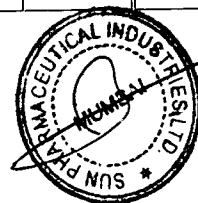
Sr.No.	Name of the Shareholder	Details of Shares held		Encumbered shares			Details of warrants	Details of convertible securities	Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital	
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)				
						Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
1	Dilip Shantilal Shanghvi	23,11,40,480	11.16	0	0.00	0	0.00	0	0.00	11.16
2	Viditi Investment Pvt Ltd	20,13,85,320	9.72	0	0.00	0	0.00	0	0.00	9.72



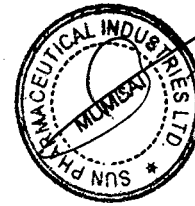
3	Tejaskiran Pharmachem Industries Pvt Ltd	19,53,43,760	9.43	0	0.00	0.00	0	0.00	0	0.00	9.43
4	Family Investment Pvt Ltd	18,29,27,440	8.83	0	0.00	0.00	0	0.00	0	0.00	8.83
5	Quality Investment Pvt Ltd	18,28,68,640	8.83	0	0.00	0.00	0	0.00	0	0.00	8.83
6	Virtuous Finance Pvt Ltd	9,71,04,040	4.69	0	0.00	0.00	0	0.00	0	0.00	4.69
7	Virtuous Share Investments Pvt Ltd	8,39,76,000	4.05	0	0.00	0.00	0	0.00	0	0.00	4.05
8	Aditya Medisales Ltd	4,02,03,960	1.94	0	0.00	0.00	0	0.00	0	0.00	1.94
9	Raksha Sudhir Valia	3,47,72,000	1.68	0	0.00	0.00	0	0.00	0	0.00	1.68
10	Sholapur Organics Pvt Ltd	1,60,35,080	0.77	0	0.00	0.00	0	0.00	0	0.00	0.77
11	Sudhir Vrundavandas Valia	1,53,84,000	0.74	0	0.00	0.00	0	0.00	0	0.00	0.74
12	Unimed Investments Ltd	1,04,28,760	0.50	0	0.00	0.00	0	0.00	0	0.00	0.50
13	Jayant Shantilal Sanghvi	74,16,840	0.36	28,50,000	38.43	0.14	0	0.00	0	0.00	0.36



14	Vibha Dilip Shanghvi	57,84,000	0.28	0	0.00	0.00	0	0.00	0	0.00	0.28
15	Kumud Shantilal Shanghvi	32,80,000	0.16	0	0.00	0.00	0	0.00	0	0.00	0.16
16	Aalok Dilip Shanghvi	28,80,000	0.14	0	0.00	0.00	0	0.00	0	0.00	0.14
17	Vidhi Dilip Shanghvi	28,30,000	0.14	0	0.00	0.00	0	0.00	0	0.00	0.14
18	Jeevanrekha Investrade Pvt Ltd	14,62,720	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
19	Kumud S Shanghvi Trustee of Shanghvi Family & Friends Benefit Trust	12,80,200	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
20	Package Investrade Pvt Ltd	8,97,440	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
21	Varsha Kiran Doshi	3,22,000	0.02	0	0.00	0.00	0	0.00	0	0.00	0.02
22	Shanghvi Finance Pvt Ltd	2,83,360	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
23	Dipti Nirmal Modi	2,27,880	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
24	Asawari Investment & Finance Pvt	49,600	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00

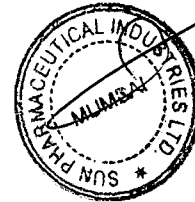


	Ltd											
25	Flamboyawer Finance Pvt Ltd	20,920	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	
26	Sanghvi Properties Pvt Ltd	15,520	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	
27	Gujarat Sun Pharmaceutical Industries Pvt Ltd	14,400	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	
28	Nirmit Exports Pvt Ltd	7,040	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	
	<b>Total</b>	<b>1,31,83,41,400</b>	<b>63.65</b>	<b>28,50,000</b>	<b>0.22</b>	<b>0.14</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>63.65</b>	



**Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Public and holding more than 1% of the total number of shares**

Sl. No.	Name of the Shareholder	No. of Shares held	Shares as % of Total No. of Shares	Details of warrants		Details of convertible securities		Total shares underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Genesis Indian Investment Company Ltd General Sub Fund	5,01,01,219	2.42	0	0.00	0	0.00	2.42
2	Lakshdeep Investments & Finance Pvt Ltd	2,22,26,000	1.07	0	0.00	0	0.00	1.07
	<b>Total</b>	<b>7,23,27,219</b>	<b>3.49</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3.49</b>



**Shareholding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company**

Sl. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	No. of Shares	Shares as % of Total No. of Shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Nil	0	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

**Details of Locked-in Shares**

Sl. No.	Name of the Shareholder	No. of Shares	Locked-in Shares as % of Total No. of Shares
1	Nil	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>



**Details of Depository Receipts (DRs)**

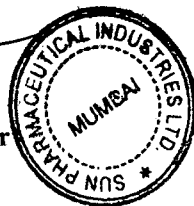
Sl. No.	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Outstanding DRs	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as % of Total No. of Shares
1	Nil	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Holding of Depository Receipts (DRs), where underlying shares held by 'promoter / promoter group' are in excess of 1% of the total number of shares.**

Sl. No.	Name of the DR Holder	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as a % of Total No. of Shares
1	Nil	Nil	0.00	0.00
	<b>Total</b>		<b>0.00</b>	<b>0.00</b>

For Sun Pharmaceutical Industries Limited

A ZDG  
Compliance Officer



Date:

Exhibit 4

44

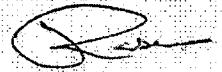
Statement showing Shareholding Pattern Pre & Post Arrangement as per Clause 35 of Listing Agreement

Name of the Company: Sun Pharma Global FZE. (Transferor Company) (Unlisted)

*Note: Since no Shares to be issued in terms of the Scheme of Arrangement and Reconstruction by the Transferee Company, Shareholding Pattern Post Scheme will remain same.*

Sr. No.	Name of the Shareholder / Promoter	No. of Shares	% of holding
1	Sun Pharma Global Inc.	101	100
	<b>Total</b>	<b>101</b>	<b>100</b>

For Sun Pharma Global FZE.



Authorised Signatory



**Sun Pharmaceutical Industries Ltd.**

Acme Plaza, Andheri - Kurla Road,  
 Andheri (East) Mumbai - 400 059, INDIA.  
 Tel : (91-22) 2823 0102, 2821 2128, 6696 9696, 6696 9600  
 Fax : (91-22) 2821 2010

The financial details of the Transferee Company (Sun Pharmaceutical Industries Limited) for the previous 3 years as per the audited statement of Accounts:

**Name of the Company: Sun Pharmaceutical Industries Limited**

(Rs. in Crores)

Particulars	As Half yearly Published Results 30 <sup>th</sup> September, 2013	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year (Re-grouped as per Revised Schedule VI)
	2013-14	2012-13	2011-12	2010-11
Equity Paid up Capital	207.12	103.56	103.56	103.56
Reserves and surplus	7633.76	7685.32	7774.56	6576.97
Carry forward losses	0.00	0.00	0.00	0.00
Net Worth	7840.88	7788.88	7878.12	6680.53
Miscellaneous Expenditure	0.00	0.00	0.00	0.00
Secured Loans	29.18	43.13	40.30	50.53
Unsecured Loans	0.00	0.00	0.00	0.00
Fixed Assets	1551.26	1483.83	1226.17	990.04
Income from Operations	1295.98	2432.14	4015.56	3107.57
Total Income	1295.98	2668.31	4358.41	3301.70
Total Expenditure	1213.43	2005.28	2332.66	1847.72
Profit before Tax	82.55	663.03	1725.83	1453.98
Profit after Tax	52.00	516.55	1697.49	1383.80
Cash profit*	100.19	602.37	1773.21	1448.03
EPS**	0.25	5.00	16.40	13.40
Book value	7840.88	7788.88	7878.12	6680.53

\*Cash Profit= PAT + Depreciation

\*\* Not Annualised for half year.

\*\*\* All figures are in Rs. Crores except EPS.

**For Sun Pharmaceutical Industries Limited**

A I Bk



**Compliance Officer**

# Deloitte Haskins & Sells

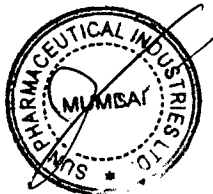
Chartered Accountants  
Tower 3, 27th - 32nd Floor  
Indiabulls Finance Centre  
Elphinstone Mill Compound  
Senapati Bapat Marg  
Elphinstone (W), Mumbai - 400 013  
India  
Tel: +91 (22) 6185 4000  
Fax: +91 (22) 6185 4501/4601

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SUN PHARMACEUTICAL INDUSTRIES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of SUN PHARMACEUTICAL INDUSTRIES LIMITED ("the Company") for the Quarter and Half Year ended September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We have not reviewed the consolidated financial results / information being submitted to the Stock Exchanges and published by the Company and accordingly, our report is restricted to the standalone unaudited financial results of the Company.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 5 on the Statement regarding the figures for the Quarter and Half Year ended September 30, 2013 not being comparable with the figures for the Quarter and Half Year ended September 30, 2012 for the reason stated in the said Note.

Our review report is not qualified in respect of this matter.

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# Deloitte Haskins & Sells

- 6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Half Year Ended September 30, 2013 of the Statement, from the details furnished by the Management / Registrars.

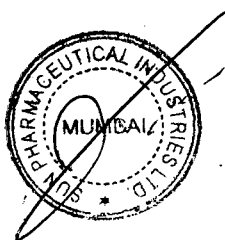
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 117366W)

*B. P. Shroff*  
B. P. Shroff  
Partner  
(Membership No. 034382)

MUMBAI, November 13, 2013

EH

*g* *ml*



CERTIFIED TRUE COPY

**Sun Pharmaceutical Industries Limited**  
 Regd. Office : Sun Pharma Advanced Research Centre, Tandajja, Vadodara - 390020  
 Corporate Office : Acme Plaza, Andheri-Kurla Road, Andheri (E), Mumbai - 400059

**Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended September 30, 2013**

Part I Particulars	Quarter ended (Refer Note 5)			Half year ended (Refer Note 5)		Year ended 31.03.2013 Audited
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
<b>Income from Operations</b>						
Net Sales / Income from Operations (Net of Excise Duty)	65,870	58,829	60,568	124,699	156,629	224,340
Other Operating Income	1,904	2,935	22,966	4,899	47,426	18,874
<b>Total Income from Operations (Net)</b>	<b>67,774</b>	<b>61,764</b>	<b>83,534</b>	<b>129,598</b>	<b>204,055</b>	<b>243,214</b>
<b>Expenses</b>						
Cost of materials consumed	21,359	20,470	24,229	41,829	52,345	70,579
Purchases of stock-in-trade	5,814	4,150	8,878	9,964	17,170	20,096
Changes in inventories of finished goods, work-in-progress and stock-in-trade	393	75	1,666	468	(3,061)	(1,053)
Employee benefits expense	6,988	6,906	9,881	13,894	19,508	23,487
Depreciation and amortisation expense	2,455	2,364	2,178	4,819	4,290	8,582
Other expenses	25,855	17,727	26,234	43,382	49,775	73,616
<b>Total Expenses</b>	<b>62,664</b>	<b>51,692</b>	<b>73,046</b>	<b>114,366</b>	<b>140,028</b>	<b>195,307</b>
<b>Profit from Operations before Other Income and Finance Costs</b>	<b>5,110</b>	<b>10,072</b>	<b>10,488</b>	<b>15,232</b>	<b>64,027</b>	<b>47,907</b>
Other Income (net of impact of MTM loss on forward foreign exchange contracts)	(3,460)	(3,510)	11,459	(6,970)	9,403	18,440
<b>Profit before Finance Costs</b>	<b>1,650</b>	<b>6,562</b>	<b>21,947</b>	<b>8,262</b>	<b>73,430</b>	<b>66,347</b>
Finance costs	9	8	20	17	31	44
<b>Profit before tax</b>	<b>1,701</b>	<b>6,554</b>	<b>21,927</b>	<b>8,245</b>	<b>73,399</b>	<b>66,303</b>
Tax expense	1,071	1,984	4,865	3,055	7,074	14,648
<b>Net Profit for the period / year</b>	<b>630</b>	<b>4,570</b>	<b>17,062</b>	<b>5,190</b>	<b>66,325</b>	<b>51,655</b>
<b>Paid-up Equity Share Capital</b>	<b>630</b>	<b>4,570</b>	<b>37,062</b>	<b>5,200</b>	<b>66,325</b>	<b>51,655</b>
Equity Shares - Face Value ₹ 1 each						
Reserves excluding Revaluation Reserve	20,712	10,356	10,356	20,712	10,356	10,356
<b>Earnings Per Share of ₹ 1 each - in ₹ (Basic &amp; Diluted) (Refer Note 6)</b>	<b>0.03</b>	<b>0.22</b>	<b>1.79</b>	<b>0.26</b>	<b>3.20</b>	<b>2.49</b>

**Select Information for the Quarter and Half year ended September 30, 2013**

Particulars	Quarter ended			Half year ended		Year ended 31.03.2013
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	
<b>Public Shareholding</b>						
Number of Equity Shares of ₹ 1 each	752,822,510	376,103,755	376,053,755	752,822,510	376,053,755	376,103,755
Percentage of Shareholding	38.35	36.32	36.31	38.35	36.31	36.32
<b>Promoters and Promoter Group Shareholding</b>						
a) Pledged / Encumbered						
Number of Equity Shares of ₹ 1 each	2,850,000	2,845,417	2,387,625	2,850,000	2,387,625	1,928,077
Percentage of Equity Shares (as a % of the total shareholding of promoter and promoter group)	0.22	0.43	0.36	0.22	0.36	0.29
Percentage of Equity Shares (as a % of the total share capital of the Company)	0.14	0.27	0.23	0.14	0.23	0.19
b) Non-encumbered						
Number of Equity Shares of ₹ 1 each	1,315,491,400	656,632,783	657,140,575	1,315,491,400	657,140,575	657,550,123
Percentage of Equity Shares (as a % of the total shareholding of promoter and promoter group)	99.78	99.57	99.64	99.78	99.64	99.71
Percentage of Equity Shares (as a % of the total share capital of the Company)	63.51	63.41	63.48	63.51	63.48	63.48
<b>Research &amp; Development Expenses incurred (Included above)</b>	<b>9,431</b>	<b>6,313</b>	<b>5,808</b>	<b>15,744</b>	<b>11,638</b>	<b>27,250</b>
<b>Investor Complaints</b>						
Pending at the beginning of the quarter	-	-	-	-	-	-
Received during the quarter	-	-	-	-	-	-
Disposed of during the quarter	-	-	-	-	-	-
Remaining unresolved at the end of the quarter	-	-	-	-	-	-

Notes :  
 1 Statement of Assets and Liabilities

Particulars	As at 30.09.2013		As at 31.03.2013	
	Unaudited		Audited	
<b>A EQUITY AND LIABILITIES</b>				
<b>I Shareholders' Funds</b>				
(a) Share Capital	20,712		10,356	
(b) Reserves and Surplus	763,376	784,088	768,532	776,868
<b>II Non-current Liabilities</b>				
(a) Long-term Borrowings	464		464	
(b) Deferred Tax Liabilities (Net)	17,695		16,541	
(c) Other Long-term Liabilities	228		101	
(d) Long-term Provisions	28,486	46,873	13,149	30,255
<b>III Current Liabilities</b>				
(a) Short-term Borrowings	2,454		3,849	
(b) Trade Payables	42,293		36,251	
(c) Other Current Liabilities	151,401		14,515	
(d) Short-term Provisions	1,023	197,171	60,891	115,506
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1,028,132</b>		<b>924,649</b>
<b>B ASSETS</b>				
<b>I Non-current Assets</b>				
(a) Fixed Assets	155,126		148,383	
(b) Non-current Investments	300,876		337,649	
(c) Long-term Loans and Advances	56,031		49,109	
(d) Other Non-current Assets	12	512,045	783	535,924
<b>II Current Assets</b>				
(a) Current Investments	224,687		94,105	
(b) Inventories	89,381		86,876	
(c) Trade Receivables	92,217		73,753	
(d) Cash and Cash Equivalents	29,842		43,112	
(e) Short-term Loans and Advances	64,904		84,950	
(f) Other Current Assets	15,056	616,087	5,829	388,725
<b>TOTAL - ASSETS</b>		<b>1,028,132</b>		<b>924,649</b>

EH  
**For Identification**  
**Deloitte Haskins & Sells**



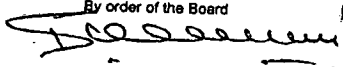
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**Sun Pharmaceutical Industries Limited**  
 Regd. Office : Sun Pharma Advanced Research Centre, Tandajja, Vadodara - 390020  
 Corporate Office : Acme Plaza, Andheri-Kurla Road, Andheri (E), Mumbai - 400059

**Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended September 30, 2013**

- 2 The above financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 13, 2013 and have been subjected to a Limited Review by the Statutory Auditors of the Company.
- 3 Other Operating Income for the quarter and half year ended September 30, 2012 and year ended March 31, 2013 mainly represents Income from Partnership Firms. With effect from August 31, 2012, these Partnership Firms have been converted under Part IX of the Companies Act, 1956 into Private Limited companies, being wholly owned subsidiaries of the Company and accordingly, the corresponding figures for other quarters / periods are not comparable.
- 4 The Company has only one reportable business segment namely 'Pharmaceuticals'.
- 5 The Scheme of Arrangement in the nature of spin off and transfer of Domestic Formulation undertaking of the Company to Sun Pharma Laboratories Ltd., wholly owned subsidiary, from the close of the business hours on March 31, 2012, being the appointed date, was approved by the Hon'ble High Courts of Gujarat and Bombay vide their Orders dated May 03, 2013 and the said Scheme became effective from May 27, 2013 upon filing of the said Orders with the Registrar of Companies. Accordingly, the effect of the Scheme was given in the financial results for the year ended March 31, 2013 only on an annual basis and approved by the Board of Directors at their meeting held on May 28, 2013. However, the financial results for quarterly periods during the year ended March 31, 2013 had been so approved without giving effect to the said Scheme and have not been restated in these results. In view of this, the figures for the quarter and half year ended September 30, 2013 are not comparable with the figures for the quarter and half year ended September 30, 2012 due to effect of spin off and transfer of Domestic Formulation undertaking of the Company.
- 6 In terms of the resolution passed by the shareholders by way of Postal Ballot on July 15, 2013, the Company has allotted 1,035,581,955 bonus equity shares on August 03, 2013 in the ratio of 1 equity share of ₹ 1 each fully paid up for every equity share of ₹ 1 each held. Consequently, the Earnings Per Share of ₹ 1 each have been restated for all the periods presented based on the number of equity shares post bonus issue, i.e. 2,071,183,910 equity shares, in accordance with Accounting Standard (AS-20) on 'Earnings Per Share' as notified under the Companies (Accounting Standards) Rules, 2006.
- 7 The Board of Directors of the Company at their meeting held today, approved the Scheme of Arrangement for spin off of specified therapeutic and investment business undertakings of Sun Pharma Global FZE, a wholly owned subsidiary, into the Company w.e.f. May 1, 2013, without any consideration on a going concern basis consisting of all the assets and liabilities pertaining to the said business undertakings. The scheme being subject to approval by the shareholders and the relevant regulatory authorities, no effect thereof has been given in above results.
- 8 Figures for the previous periods / year have been regrouped wherever considered necessary, other than as referred in Note 5 above.

Mumbai, November 13, 2013

By order of the Board  
  
 Dilip S. Shanghvi  
 Managing Director

EM  
**For Identification**  
**Deloitte Haskins & Sells**



**CERTIFIED TRUE COPY**

Sun Pharma Global FZE  
Office # 43, Block Y,  
SAIF Zone,  
P.O.Box# 122304,  
Sharjah,  
United Arab Emirates  
Tel. +971 4 3997569



The financial details of the Transferor Company (Sun Pharma Global FZE) for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Sun Pharma Global FZE

(Rs. in Crores)

Particulars***	As per Half Yearly Provisional Results	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year (Regrouped as per Revised Schedule VI)
	30 <sup>th</sup> September, 2013	2012-13	2011-12	2010-11
Equity Paid up Capital	25.81	22.39	20.98	18.36
Reserves and surplus	5,748.52	3,175.01	2,215.64	1,492.36
Carry forward losses	0.00	0.00	0.00	0.00
Net Worth	5,774.33	3,197.40	2,236.63	1,510.72
Miscellaneous Expenditure	0.00	0.00	0.00	0.00
Secured Loans	2,542.17	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00	0.00
Fixed Assets	234.60	218.40	141.12	121.85
Income from Operations	1,541.42	2,046.80	933.61	647.29
Total Income	1,725.18	2,047.09	935.82	648.91
Total Expenditure	2,930.73	1,235.05	455.49	324.48
Profit before Tax	(1,205.55)	812.04	480.33	324.42
Profit after Tax	(1,205.55)	812.04	480.33	324.42
Cash profit*	(1,169.61)	871.08	521.89	352.26
Book value	5,774.33	3,197.40	2,236.63	1,510.72
Exchange Rate Conversion**	Cl. rate : 62.575 Avg rate: 58.9706	Cl. rate : 54.28 Avg rate:54.36	Cl. rate : 50.87 Avg rate:47.87	Cl. rate : 44.52 Avg rate:45.50

\*Cash Profit = PAT + Depreciation

\*\*The conversion rate is being considered as per the rate available on www.reuters.com as on this date. For balance sheet items closing rate is consider and for profit and loss items average rate consider.

\*\*\* Sun Pharma Global FZE (the Company), UAE prepares its financial statement in US dollar. The above financial statement in INR (India Rupee) has been prepared at the request of main parent company, Sun Pharmaceutical Industries Limited (SPIL), for the purpose of various filling by them in India in connection with proposed Scheme of Arrangement and Reconstruction ("the Scheme") for demerger Specified Undertaking of the Company as defined in the Scheme into SPIL. For the said purpose the Company is required to convert the figures in US Dollar as appearing in the financial statement into INR.

For Sun Pharma Global FZE

Authorised Signatory



**SUN  
PHARMA**

Annexure II

**Sun Pharmaceutical Industries Ltd.**

Acme Plaza, Andheri - Kurla Road,

Andheri (East), Mumbai - 400 059, INDIA.

Tel. : (91-22) 2823 0102, 2821 2128, 6696 9696, 6696 9600

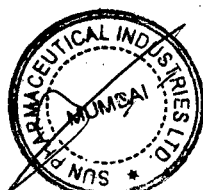
Fax : (91-22) 2821 2010

**Quarterly Compliance Report on Corporate Governance**

**Name of the Company:** Sun Pharmaceutical Industries Limitedp

**Quarter Ended on:** 31<sup>st</sup> December, 2013

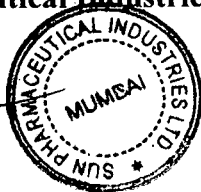
<b>Particulars</b>	<b>Clause of Listing agreement</b>	<b>Compliance Status Yes/No</b>	<b>Remarks</b>
<b>I Board of Directors</b>	49 I		
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
D) Code of Conduct	49 (ID)	Yes	
<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	



(D) Role of Audit Committee	49 (IID)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
<b>III. Subsidiary Companies</b>	49 (III)	Yes	
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	NA	
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	
<b>VII. Compliance</b>	49 (VII)	Yes	

For Sun Pharmaceutical Industries Limited

A Z B C



Compliance Officer





**SUN  
PHARMA**

**Sun Pharmaceutical Industries Ltd.**

Acme Plaza, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059, INDIA.  
Tel. : (91-22) 2823 0102, 2821 2128, 6696 9696, 6696 9600  
Fax : (91-22) 2821 2010

**Annexure III**

**Complaints Report:**

**Note: Details regarding the particulars of the complaints will be submitted within 7 days of expiry of 21 days from the date of filing of Draft Scheme**

**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	
2.	Number of complaints forwarded by Stock Exchange	
3.	Total Number of complaints/comments received (1+2)	
4.	Number of complaints resolved	
5.	Number of complaints pending	

**Part B**

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)

**For Sun Pharmaceutical Industries Limited**

*A Z D G*  
Compliance Officer



**Sun Pharmaceutical Industries Ltd.**

Acme Plaza, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059, INDIA.  
Tel : (91-22) 2823 0102, 2821 2128, 6696 9696, 6696 9600  
Fax : (91-22) 2821 2010



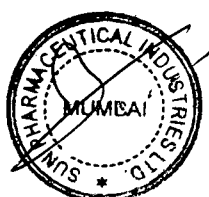
**Annexure IV**

Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Arrangement and Reconstruction between Sun Pharma Global FZE and Sun Pharmaceutical Industries Limited pursuant to Sections 391 to 394 of the Companies Act, 1956.**

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	Complied BSE Limited is appointed as the Designated Stock Exchange for the purpose of coordinating with SEBI.
<b>Compliance as per Part A, Annexure I to the Circular</b>		
2.	Documents to be submitted:	
2.a	Draft Scheme of Arrangement and Reconstruction	Complied and copy of Scheme attached.
2.b	Valuation Report from Independent Chartered Accountant	Not obtained & attached since pursuant to the Scheme, no shares of the Transferee Company would be issued and as per SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21 <sup>st</sup> May, 2013, "Valuation Report from an Independent Chartered Accountant need not be required in cases where there is no change in the shareholding pattern of the listed company/resultant company."
2.c	Report from the Audit Committee recommending the Draft Scheme	Complied and copy of Report of Audit Committee attached.
2.d	Fairness opinion by merchant banker	N.A for reasons mentioned in point 2.b above.
2.e	Pre and post amalgamation shareholding pattern of unlisted company	Attached
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Attached



2.g	Compliance with Clause 49 of Listing Agreement	Complied and copy of the Compliance Attached.
2.h	Complaints Report	As per SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 the same shall be filed within 7 days from the expiry of 21 days from the date of filing of Draft Scheme with the Stock Exchanges. In this regard, the Company hereby confirms that the Compliant Report shall be submitted within the prescribed time limit.
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956	The Transferee Company is a listed company, and as no shares will be issued pursuant to the Scheme of Arrangement and Reconstruction, hence not applicable.
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Complied as there is no change in the shareholding pattern.  The holding of public shareholders in the Transferee Company, post-arrangement is 36.35%. (Please also refer the post arrangement shareholding pattern).
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	The Transferee Company will not issue / reissue any shares, not covered under the Draft scheme.
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	Complied.  As on date, there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the Transferee Company at any future date.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not applicable. No shares of the Transferor Company are locked in.



Date:

Compliance Officer

# Deloitte Haskins & Sells LLP

Chartered Accountants  
Indiabulls Finance Centre  
Tower 3, 27th - 32nd Floor  
Senapati Bapat Marg  
Elphinstone Road (West)  
Mumbai - 400 013  
Maharashtra, India

Tel: +91 (022) 6185 4000  
Fax: +91 (022) 6185 4501/4601

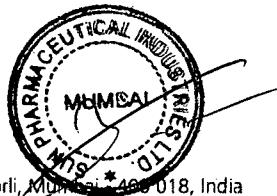
Ref: RKH/2013-14/108

The Board of Directors  
Sun Pharmaceutical Industries Limited,  
SPARC, Tandalja,  
Vadodara - 390 020

Certificate as required under Para 5.16(b) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) ("SEBI Circulars") regarding non-applicability of approval of the Proposed Scheme through postal ballot and e-voting by the shareholders of Sun Pharmaceutical Industries Limited ("the Company")

1. We, Deloitte Haskins & Sells LLP, Mumbai, Chartered Accountants (Firm Registration No.117366W/W-100018), the Statutory Auditors of the Company, having its Registered Office at SPARC, Tandalja, Vadodara - 390 020, for the purpose of certifying the attached "Undertaking of the Company in relation to non-applicability of requirements of Para 5.16(a) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) in respect of Scheme of Arrangement" (the "Undertaking"), prepared by the Company and approved by the Board of Directors of the Company at their meeting held on November 13, 2013, and duly signed by the Company Secretary of the Company, have examined:
  - (i) the Proposed Scheme of Arrangement and Reconstruction between Sun Pharma Global FZE ("FZE") and the Company and their respective members and creditors under sections 391 to 394 of the Companies Act, 1956 ("the Proposed Scheme") for demerger of Specified Undertaking (as defined in the Proposed Scheme) of FZE in to the Company, approved by the Board of Directors of the Company at their meeting held on November 13, 2013;
  - (ii) the confirmation dated January 3, 2014, obtained from FZE and provided to us by the Management of the Company stating that FZE was promoted and incorporated as a wholly owned subsidiary by Sun Pharma Global Inc. ("SPG") on November 25, 2008 and since the date of incorporation, continue to be a wholly owned subsidiary of SPG; and

**CERTIFIED TRUE COPY**



...2

**Deloitte  
Haskins & Sells LLP**

(iii) the confirmation dated January 3, 2014, obtained from SPG and provided to us by the Management of the Company stating that: FZE was promoted and incorporated as a wholly owned subsidiary by SPG on November 25, 2008 and since the date of incorporation, FZE continue to be a wholly owned subsidiary of SPG; and as at the date of incorporation of FZE, SPG was a wholly owned subsidiary of the Company and continue to be a wholly owned subsidiary of the Company.

2. The Management of the Company is responsible for the preparation of the Undertaking that is free from material misstatement and for ensuring compliance with the requirements of the SEBI Circulars including providing proper reasons in the Undertaking for non-applicability of approval of the Proposed Scheme through postal ballot and e-voting by the shareholders of the Company.

Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Undertaking on the basis of our examination of the Proposed Scheme and the confirmations provided to us, as stated in paragraphs 1(ii) and (iii) above. Our examination did not include the evaluation of the adherence by the Company with all applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards of Auditing issued by the Institute of Chartered Accounts of India.

3. On the basis of our verification as stated above and according to the information and explanations provided to us by the Management of the Company, we certify that the requirements of Para 5.16(a) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) regarding approval of the Proposed Scheme through postal ballot and e-voting by the shareholders of the Company are not applicable in relation to the Proposed Scheme in view of the reasons mentioned in the Undertaking.

4. A certified copy of the Undertaking, the Proposed Scheme duly authenticated on behalf of the Company and a certified copy of the resolution of the Board of Directors of the Company approving the Scheme form Annexures I, II and III, respectively, to this certificate.

*Handwritten signature*

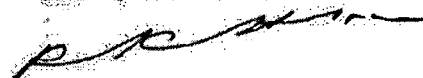
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**Deloitte  
Haskins & Sells LLP**

- 5. This Certificate is issued at the request of the Management of the Company in accordance with Para 5.16(b) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) for onward submission to the BSE Limited and the National Stock Exchange of India Limited and should not be used for any other purpose without our prior written consent.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
ICAI Regn. No. 117366W/ W-100018



**Rajesh K Hiranandani**  
Partner  
Membership No. 038920

Mumbai, January 3, 2014



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**Sun Pharmaceutical Industries Ltd.**

17-B, Mahal Industrial Estate,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093, INDIA.  
Tel. : (91-22) 6645 5645  
Fax : (91-22) 6645 5685

**CERTIFIED COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE  
BOARD OF DIRECTORS OF SUN PHARMACEUTICAL INDUSTRIES LTD., ON  
10<sup>th</sup> JANUARY 2014.**

---

**To approve the Auditors' Certificate for Non-Applicability of Para 5.16 (A) pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 ("Original SEBI Circular") read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 in relation to the Scheme of Arrangement and Reconstruction for Demerger of Specified Undertaking of Sun Pharma Global FZE into the Company.**

**"RESOLVED THAT** the Board hereby approves the Auditors' Certificate in relation to non-applicability of requirements in Para 5.16(b) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) ("SEBI Circulars") regarding the approval of the Proposed Scheme through postal ballot and e-voting by the shareholders of the Company.

**"RESOLVED FURTHER THAT** any Whole-time Director, Mr. Dilip Shanghvi, Mr. Sudhir Valia and Mr. Sailesh Desai, Mr. Uday Baldota, Sr. Vice President (Finance & Accounts), Mr. Sunil Ajmera, the Company Secretary, and Mr. Ashok Bhuta, the Compliance Officer be and are hereby authorized severally to sign and execute necessary documents and other papers, documentation, undertakings as may be required by stock exchanges and any authority/party for implementing the above and complying with the necessary procedures for demerger and to take such other actions as may be required in this regard.

**For Sun Pharmaceutical Industries Ltd.,**

  
**Ashok Bhuta**  
**Compliance Officer**



**Date: 15<sup>th</sup> January, 2014**

# VIVRO VIVRO FINANCIAL SERVICES PRIVATE LIMITED

(MERCHANT BANKER SEBI Reg. No. INM000010122, AMBI Reg. No. AMBI/086)

Vivro House, 11 Shashi Colony, Opp. Suvridha Shopping Centre, Paldi, Ahmedabad - 380007.

Tel.: 079-2665 0670, 3299 3244, 3299 3233, Fax: 079 - 2665 0570 E-mail : ahmedabad@vivro.net website : www.vivro.net

Private & Confidential

To  
The Board of Directors,  
Sun Pharmaceutical Industries Limited  
17 B, Mahal Industrial Estate,  
Mahakali Caves Road,  
Ahdheri (East),  
Mumbai - 400 093, India

Dear Sirs,

**Subject: Fairness Opinion for the proposed demerger of the Specified Undertaking of Sun Pharma Global FZE, UAE in to Sun Pharmaceutical Industries Limited, India pursuant to the Scheme of Arrangement and Reconstruction in terms of Clause 24 (f) and 24 (h) of the Listing Agreement.**

Please refer to the engagement letter dated 23rd January 2014 regarding the Fairness Opinion in terms of Clause 24 (f) and 24 (h) of the Listing Agreement, for the proposed demerger of the Specified Undertaking of Sun Pharma Global FZE, UAE in to Sun Pharmaceutical Industries Limited pursuant to the Scheme of Arrangement and Reconstruction in terms of the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and/or Rules/Regulations made thereunder.

In connection with the same, please find attached the Fairness Opinion issued by us.

Thanking you

For Vivro Financial Services Private Limited



Jayesh Vithlani  
(Sr. Vice President & Co. Secretary)



Date: January 30, 2014

Place: Ahmedabad

Vivro Financial Services Private Limited

1



**FAIRNESS OPINION**  
**IN THE MATTER OF SCHEME OF ARRANGEMENT AND**  
**RECONSTRUCTION**  
**BETWEEN**  
**SUN PHARMACEUTICAL INDUSTRIES LIMITED**  
**AND**  
**SUN PHARMA GLOBAL FZE, UAE**

**STRICTLY PRIVATE AND CONFIDENTIAL**

Prepared By:

**VIVRO**

**Vivro Financial Services Private Limited**

<b>Ahmedabad</b>	Vivro House, 11, Shashi Colony, Opp. Suvidha Shopping Center, Paldi, Ahmedabad-380007.
<b>Mumbai</b>	Manu Mansion, 16-18, Shahid Bhagatsingh Road, Opp. Old Custom House, Fort, Mumbai- 400023.
<b>Chennai</b>	Flat No. 5, 2nd Floor, "Muchachi Mansion", No.- 10, Kasturi Estate, III Street, Poes Garden, Chennai - 600086.
<b>Vadodara</b>	2, Maruti Flats, 31, Haribhakti Colony, Race Course Circle, Baroda – 390007



## Table of Contents

1. ASSIGNMENT .....	4
2. DISCLAIMER .....	5
3. LIMITATIONS.....	6
4. SOURCES OF INFORMATION.....	8
5. HISTORY AND BACKGROUND.....	9
6. KEY FACTS AND OBJECTIVE OF DEMERGER AND RECONSTRUCTION .....	11
7. PURCHASE CONSIDERATION .....	12
8. CONCLUSION.....	13



## 1. ASSIGNMENT

Sun Pharmaceutical Industries Ltd., a Company incorporated in the state of Gujarat, India vide its Corporate Identity Number L24230GJ1993PLC019050 having its Registered Office at SPARC, Tandalja, Vadodara – 390 020, Gujarat, India has approached 'Vivro Financial Services Private Limited', Category I Merchant Banker registered with SEBI having its Registration No. INM000010122 (referred to in this document as "Vivro"), for issue of a Fairness Opinion Report in respect of the Scheme of Arrangement and Reconstruction (**'the Scheme'**) between Sun Pharmaceutical Industries Ltd. (referred to in this document as the "Transferee Company" or "SPIL") and Sun Pharma Global FZE, UAE (referred to in this document as the "Transferor Company" or "SPG") for demerger of Specified Undertaking of SPG into SPIL.

Fairness Opinion Report is issued in terms of Clause 24 (f) and 24 (h) of the Listing Agreement and the same can be used as guidance for purchase consideration in respect of the Scheme of Arrangement and Reconstruction proposing the demerger of Specified Undertaking of SPG (an indirect Wholly Owned Subsidiary of SPIL) into SPIL whose Equity Shares are listed on the BSE Limited and the National Stock Exchange of India Limited ("**Stock Exchanges**").



## 2. DISCLAIMER

This Fairness Opinion Report is prepared by Vivro Financial Services Private Limited under an engagement from Sun Pharmaceutical Industries Ltd. on the basis of information, documents, papers, and explanations given by the management, officers and staff of SPIL to Vivro.

In preparing the Fairness Opinion Report, Vivro has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and financial data provided by SPIL. Vivro has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information.

Vivro has also considered Scheme of Arrangement and Reconstruction as furnished. It is assumed that the Scheme will be consummated in accordance with the expected terms.

Vivro shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly on account of the use of or reliance on the information set out herein in this report.

Vivro has not provided any accounting, tax or legal advice to SPIL or SPG or any other company involved in the transaction. Fairness Opinion Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in any of the companies involved in the transaction.

This Opinion is furnished on a strictly confidential basis. Neither this Opinion nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above or as may be required under applicable laws and regulation.

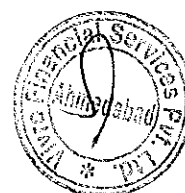
This Report is necessarily based on various factors and conditions as of the date hereof, and the written and oral information made available to us until January 30, 2014. It is understood that subsequent developments may affect the conclusions of the Report and of the Opinion and that, in addition, Vivro has no obligation to update, revise, or reaffirm the Opinion.



### 3. LIMITATIONS

Our report is subject to the scope limitations detailed hereinafter. The report should be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

1. In course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financial statements and the information and representations furnished to us without carrying out any audit or other tests to verify the accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the companies that they have not omitted any relevant facts and material factors. Accordingly, we do not express any opinion in any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the companies and their impact on the present exercise.
2. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.
3. Our work does not constitute an audit or certification or due diligence of the past financials of SPIL and SPG used in the study and we have relied upon the information provided to us by SPIL as regards such working results.
4. We express no opinion whatsoever and make no recommendation at all to the companies underlying decision to effect the proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have expressed any view on the terms of the proposed Scheme and also do not express any opinion and accordingly accept no responsibility as to the prices at which the equity shares of Sun Pharmaceutical Industries Limited will trade following the announcement of the proposed Scheme or as to the financial performance of Sun Pharmaceutical Industries Limited following the consummation of the proposed Scheme.
5. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
6. No investigation of the companies claim to the title of assets or property owned by the companies has been made for the purpose of the fairness opinion. With regard to the companies claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for the purpose of this report.
7. Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of considering the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed merger, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date of the proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.



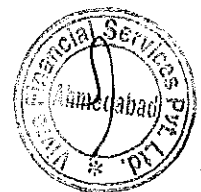
8. The Net-worth of SPIL has been arrived as on March 31, 2013 and on the Appointed Date being May 1, 2013 for the fairness opinion. For this purpose, we have relied upon the Audited Accounts of SPIL for the year ended on March 31, 2013. We have also relied upon the Net-worth Certificate of SPIL issued by M/s. Jignesh Goradia & Associates, Chartered Accountants and NAV Certificate of SPG issued by M/s. Shah & Alshamali Associates, Chartered Accountants, UAE.
9. We have not independently verified the transactions carried out by SPIL and SPG during the Financial Year ended on March 31, 2011, March 31, 2012, March 31, 2013 and for the ongoing period and rely on audited accounts of the Company. We do not take any responsibility as to correctness or completeness in any of the financials of these companies.



#### 4. SOURCES OF INFORMATION

We have relied on the following information made available to us by SPIL for the purpose of this report:

1. Scheme of Arrangement and Reconstruction between SPG and SPIL as submitted with the Stock Exchanges.
2. Memorandum and Articles of Association of Sun Pharmaceutical Industries Ltd.
3. Charter Documents of Sun Pharma Global FZE, UAE.
4. Shareholding pattern of Sun Pharma Global FZE and Sun Pharmaceutical Industries Limited.
5. Net Worth Certificate of Sun Pharmaceutical Industries Ltd. before and after giving the effect of the Scheme as issued by M/s. Jignesh Goradia & Associates, Chartered Accountants dated January 15, 2014.
6. Net Asset Value ("NAV") Certificate of Sun Pharma Global FZE, UAE issued by M/s. Shah & Alshamali Associates, Chartered Accountants, UAE dated January 19, 2014.
7. Audited Accounts of SPIL for the Financial Year ended on March 31, 2011, March 31, 2012 and March 31, 2013 and half yearly results for 6 months ended on September 30, 2013.
8. Audited Accounts of SPG for the Financial Year ended on March 31, 2013.
9. Such other information and explanations as we required and which have been provided by the management of SPIL, which were considered relevant for the purpose the Fairness Opinion.



## 5. HISTORY AND BACKGROUND

### Sun Pharmaceutical Industries Limited

SPIL was incorporated in the year 1993 with the Registrar of Companies, Gujarat. Registered Office of SPIL is located at SPARC, Tandalja, Vadodara – 390 020. The equity shares of SPIL are listed on The BSE Limited and National Stock Exchange of India Limited. SPIL is engaged in the business of manufacturing and marketing of various drugs and pharmaceutical products. The main objects of the company are development, manufacture, sale, trading and export of various generic drug formulations, manufacture of drugs and pharmaceutical products. It is also engaged in export of pharmaceutical formulations to various regulated markets including USA. The Board of Directors of SPIL is as follows:

Name of the Directors	Designation
Mr. Dilip Shanghvi	Managing Director
Mr. Sailesh Desai	Whole- Time Director
Mr. Sudhir Valia	Whole- Time Director
Mr. Keki Mistry	Director
Mr. Ashwin Dani	Director
Mr. Mohan chand Dadha	Director
Mr. Hasmukh Shah	Director
Mr. Israel Makov	Director & Chairman

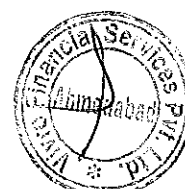
- SPIL is having Authorized Share Capital of Rs. 1,500,000,000 divided into 1,500,000,000 equity shares of Re. 1/- each and the Issued, Subscribed and Paid up Share Capital of Rs. 1,035,581,955 comprising of 1,035,581,955 equity shares of Re. 1/- each as on March 31, 2013.
- SPIL has allotted 1,035,581,955 equity shares of Re. 1/- each as bonus issue in the ratio of 1:1 on August 3, 2013. The Authorized Share Capital of SPIL was increased to Rs. 3,000,000,000 divided into 3,000,000,000 equity shares of Re. 1/- each and pursuant to the bonus issue, the Issued, Subscribed and Paid up Share Capital was increased to Rs. 2,071,163,910 comprising of 2,071,163,910 equity shares of Re. 1/- each as on September 30, 2013.

The Shareholding pattern of Sun Pharmaceutical Industries Limited as on December 31, 2013 is as under:

Categories	Number of Shares	Shareholding Percentage (%)
Promoters	1,31,83,41,400	63.65%
Public	75,28,22,510	36.35%
<b>Total</b>	<b>2,07,11,63,910</b>	<b>100.00%</b>

### Sun Pharma Global FZE

SPG was incorporated and licensed as a Foreign Limited Liability Company under the provisions of Sharjah's Emini Decree Number (2) of 1995 of UAE. It is engaged in the business of manufacturing, general trading and exporting pharmaceutical formulations and other investment and financing related activities.





SPG is a Wholly Owned Subsidiary Company of Sun Pharma Global Inc., BVI which in turn is a wholly owned subsidiary of Sun Pharmaceutical Industries Limited.

The Board of Directors of SPG is as follows:

Name	Designation
Mr. Harin Mehta	Director
Mr. Rajesh K Shah	Director
Mr. Surendra Joshi	Director

Shareholding pattern of Sun Pharma Global FZE as on September 30, 2013 is as under:

Category	Number of Shares	Shareholding Percentage (%)
Promoter	101	100.00%
<b>Total</b>	<b>101</b>	<b>100.00%</b>



## 6. KEY FACTS AND OBJECTIVE OF DEMERGER AND RECONSTRUCTION

Based on the information provided to us, a Specified Undertaking of Sun Pharma Global FZE, UAE (Transferor Company) which is, an undertaking catering to the ulcer therapeutic activities and other allied / related / incidental business along with activities of investment in shares and securities ("Specified Undertaking") and shall be demerged into Sun Pharmaceutical Industries Limited.

We understand that the Specified Undertaking of SPG shall demerge into SPIL without any consideration on account of the holding subsidiary relationship of the companies.

The objectives of this demerger as outlined in the Scheme are as under:

- In order to strengthen and sustain the long term growth, profitability, market share, customer service, and face the competitive regulatory environment, risks and policies etc. of the Specified Undertaking, it requires focused management attention, different skill sets and resources. The demerger of the Specified Undertaking is expected to allow a focused strategy in operations of both the Companies which would be in the interests of the Transferor Company and its shareholders and stakeholders.
- The Transferor Company intends to reorganize the Specified Undertaking to consolidate and integrate the operations with the Transferee Company's business as a part of group restructuring. As the activities of Specified Undertaking are similar to the activities carried on by Transferee Company, therefore it is advantageous to combine the activities and operations into a single company for synergy gain and benefits of financial and other resources of each other.
- The Transferee Company will have the benefit of the combined resources of Specified Undertaking of the Transferor Company and Transferee Company i.e. reserves, investments, and other assets, finances, customers, distributors, brands etc. The Transferee Company would be in a position to consolidate operations through optimum utilization of its resources and avoidance of duplication.
- The arrangement and reconstruction will result in cost saving for both the companies as they are engaged in the same line of business activities which results in higher profitability and avoiding duplication of efforts for both the companies. It is believed that the faster decision making of the Companies would be in the best interests of the shareholders, employees and other stakeholders of both the Companies.
- The Transferee Company will have the benefit of combined resources of Specified Undertaking and its own such as reserves, investments, other assets, finances, customers, distributors, brands etc. which would provide the Transferee Company a competitive edge over others and will be beneficial for shareholders and other stakeholders. The Transferee Company would also have a larger Net Worth base pursuant to the scheme.



## 7. PURCHASE CONSIDERATION

Sun Pharma Global FZE, UAE is a Wholly Owned Subsidiary Company of Sun Pharma Global Inc., BVI which in turn is a Wholly Owned Subsidiary of Sun Pharmaceutical Industries Ltd. Under the Scheme proposed, as stipulated by Clause 8 of the Scheme, consideration to be discharged is discussed as follows:

*"The Transferor Company is a wholly owned subsidiary of Sun Pharma Global Inc. which is the wholly owned subsidiary of the Transferee Company i.e. the only shareholder of the Transferor Company is the wholly owned subsidiary of the Transferee Company. The Scheme is intended to restructure the Specified Undertaking's activities in more efficient and focused manner in the Transferee Company consistent with the diverse needs of the business and does not involve any movement of assets to any company outside the group controlled by the Transferee Company. Also, the shareholder of the Transferor Company being a 100% subsidiary of the Transferee Company, the Transferee Company cannot issue shares to shareholder of Transferor Company being its 100% subsidiary, pursuant to Applicable Laws in India and the Scheme being an internal group restructuring between the Transferee Company and the Transferor Company, the Transferee Company shall not pay consideration to the shareholder of the Transferor Company. Hence, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or to its shareholders. Accordingly, no consideration shall be payable by the Transferee Company under the Scheme."*

In view of this, no consideration has been worked out under the scheme.



**8. CONCLUSION**

With reference to the above and based on the information provided to us by the management of the entities forming part of the scheme of arrangement and reconstruction as well as taking into consideration the Scheme we understand that the present Scheme proposes to demerge a Specified Undertaking of Sun Pharma Global FZE into Sun Pharmaceutical Industries Limited.

The shareholder of the Transferor Company being a 100% subsidiary of the Transferee Company, the Transferee Company cannot issue shares to shareholder of the Transferor Company being its 100% subsidiary (the Transferor Company is a step down subsidiary of the Transferee Company), pursuant to Applicable Laws in India and the Scheme being an internal group restructuring between the Transferee Company and the Transferor Company, the Transferee Company shall not pay any consideration to the shareholder of the Transferor Company. Hence, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or to its shareholders. Accordingly, no exchange ratio for the proposed demerger has been arrived at by the independent chartered accountant.

The transaction does not involve any movement of assets or liabilities outside the group as the demerger is between Sun Pharmaceutical Industries Limited and its wholly owned step down subsidiary Sun Pharma Global FZE, UAE.

There is no change in the promoter or public shareholding pattern of the public listed company i.e. Sun Pharmaceutical Industries Limited.

In the light of the foregoing and subject to the exclusions and limitations detailed hereinabove, we state that in our opinion the proposed demerger of SPG in to SPIL under the Scheme of Amalgamation and Reconstruction seems fair and reasonable.

**For Vivro Financial Services Private Limited**



Jayesh Vithlani

(Sr. Vice President & Co. Secretary)



**Date: January 30, 2014**

**Place: Ahmedabad**



**Sun Pharmaceutical Industries Ltd.**

17-B, Mahal Industrial Estate,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093, INDIA.  
Tel. : (91-22) 6645 5645  
Fax : (91-22) 6645 5685

**Details of Promoters and Directors of Transferee and Transferor Company**

<b>Particulars</b>	<b>Transferee Company</b>	<b>Transferor Company</b>
<b>Names of the Promoters</b>	<b>Promoter</b> 1. Mr. Dilip Shanghvi  <b>Promoter Group</b> 1. Viditi Investment Pvt. Ltd. 2. Tejaskiran Pharmachem Industries Pvt. Ltd. 3. Family Investment Pvt. Ltd. 4. Quality Investment Pvt. Ltd. 5. Virtuous Finance Pvt Ltd. 6. Virtuous Share Investments Pvt. Ltd. 7. Aditya Medisales Ltd 8. Raksha Sudhir Valia 9. Sholapur Organics Pvt. Ltd. 10. Sudhir Vrundavandas Valia 11. Unimed Investments Ltd 12. Jayant Shantilal Sanghvi 13. Vibha Dilip Shanghvi 14. Kumud Shantilal Shanghvi 15. Aalok Dilip Shanghvi 16. Vidhi Dilip Shanghvi 17. Jeevanrekha Investrade Pvt. Ltd. 18. Kumud S Shanghvi Trustee Of Shanghvi Family & Friends Benefit Trust	<b>Promoter</b> 1. Sun Pharma Global Inc.

	19. Package Investrade Pvt. Ltd. 20. Varkha Kiran Doshi 21. Shanghvi Finance Pvt. Ltd. 22. Dipti Nirmal Modi 23. Asawari Investment & Finance Pvt. Ltd. 24. Flamboyawer Finance Pvt. Ltd. 25. Sanghvi Properties Pvt. Ltd. 26. Gujarat Sun Pharmaceutical Industries Pvt. Ltd. 27. Nimit Exports Pvt. Ltd.	
<b>Names of the Board of Directors</b>	1. Mr. Israel Makov (Chairman) 2. Mr. Dilip Shanghvi (Managing Director) 3. Mr. Sudhir Valia (Whole-time Director) 4. Mr. Sailesh Desai (Whole-time Director) 5. Mr. S. Mohanchand Dadha (Independent Director) 6. Mr. Hasmukh Shah (Independent Director) 7. Mr. Keki Mistry (Independent Director) 8. Mr. Ashwin Dani (Independent Director)	1. Mr. Surendra Joshi 2. Mr. Harin Mehta 3. Mr. Rajesh Shah

**For Sun Pharmaceutical Industries Limited**

*A I Bh*

**Ashok I. Bhuta  
Compliance Officer**

Date: 11<sup>th</sup> February, 2014