

**Sun Pharmaceutical Industries Ltd.**

Sun House, Plot No. 201 B/1,  
Western Express Highway, Goregaon (E),  
Mumbai - 400 063, Maharashtra, INDIA  
Tel. (91-22) 4324 4324  
Fax (91-22) 4324 4343  
www.sunpharma.com  
CIN L24230GJ1993PLC019050



**August 31, 2017**

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| 1. National Stock Exchange of India Ltd,<br>Exchange Plaza, 5th Floor,<br>Plot No. C/1, G Block,<br>Bandra Kurla Complex,<br>Bandra (East), Mumbai – 400 051.<br>Scrip Name: SUNPHARMA | 2. BSE Ltd,<br>Market Operations Dept.<br>P. J. Towers, Dalal Street,<br>Mumbai - 400 001.<br>Scrip Code:524715 |
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**Sub: Notice of the 25<sup>th</sup> Annual General Meeting of the Company for the financial year ended March 31, 2017 and details of book closure date.**

Dear Sirs,

This is to inform you that the 25<sup>th</sup> Annual General Meeting of the shareholders of the Company would be held Tuesday, September 26, 2017 at 10:45 a.m. at Sir Sayajirao Nagargruh, Akota, Vadodara, Gujarat 390 020.

Further, in accordance with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Register of Members and Share Transfer Books of the Company will be closed from Wednesday, September 20, 2017 to Tuesday, September 26, 2017 (both days inclusive) for the purpose of holding of the 25<sup>th</sup> Annual General Meeting of the Company and declaration and payment of dividend.

Dividend shall be paid to the equity shareholders of the Company whose name stand in the register of members as beneficial owners at the close of the business as on Tuesday, September 19, 2017, as per the list provided by NSDL & CDSL in respect of shares held in electronic form and as members in the register of members of the Company after giving effect to valid transfers in physical form lodged with the Company on or before Tuesday, September 19, 2017.

We are enclosing herewith the Notice of the 25<sup>th</sup> Annual General Meeting of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,  
For Sun Pharmaceutical Industries Limited

  
Ashok Bhuta  
Compliance Officer



# Sun Pharmaceutical Industries Limited

Registered Office: SPARC, Tandalja, Vadodara – 390 020, India.

Tel: 0265-6615500/600/700 Fax: 0265-2354897

Corporate Office: Sun House, Plot No. 201 B/1, Western Express Highway,  
Goregaon-East, Mumbai - 400 063, India. Tel: 022-43244324 Fax: 022-43244343

CIN : L24230GJ1993PLC019050

Website: www.sunpharma.com Email: secretarial@sunpharma.com

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty-Fifth Annual General Meeting** of the Members of **SUN PHARMACEUTICAL INDUSTRIES LIMITED** will be held on **Tuesday, September 26, 2017, at 10:45 a.m. at Sir Sayajirao Nagargruh, Akota, Vadodara - 390 020, Gujarat** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend on Equity Shares.\*
3. To appoint a Director in place of Mr. Sailesh T. Desai (DIN: 00005443), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Israel Makov (DIN: 05299764), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and appoint Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration and in this regard to consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:  
“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), S R B C & Co LLP, Chartered Accountants (Firm’s Registration No. 324982E / E300003) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years to hold office from the conclusion of this 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company, at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors of the Company in consultation with them.”

### SPECIAL BUSINESS:

6. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the Company hereby ratifies the remuneration as set out in the Explanatory Statement annexed to this Notice payable to M/s. Kailash

Sankhlecha & Associates, Cost Accountants, appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2017-18;

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

7. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Kalyanasundaram Subramanian (DIN: 00179072), who was appointed as an Additional Director by the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, relevant provisions of the Articles of Association of the Company and subject to such sanction(s) as may be necessary under law, Mr. Kalyanasundaram Subramanian (DIN: 00179072), be and is hereby appointed as the Whole-time Director of the Company for a period of two years effective from his initial date of appointment i.e. February 14, 2017 to February 13, 2019, without any remuneration, on such terms and conditions as stated below and as set out in the draft Agreement, which draft Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or draft Agreement, in such manner as may be agreed to between the Board of Directors and Mr. Kalyanasundaram Subramanian within and in accordance with the provisions of the Act or any amendment thereto and if necessary, as may be prescribed by the Central Government and agreed to between the Board of Directors and as may be acceptable to Mr. Kalyanasundaram Subramanian;

The main terms of appointment of Mr. Kalyanasundaram Subramanian ("Mr. Kal") as a Whole-time Director as recommended by Nomination and Remuneration Committee and approved by the Board of Directors are as under:

1. Subject to the supervision and control of the Board of Directors and subject to the provisions of the Companies Act, 2013, the Whole-time Director will carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors and the Managing Director. He will report to Mr. Dilip S. Shanghvi, Managing Director, of the Company. He is further authorised to do all such acts, deeds, things and matter as may be required to do, as the Whole-time Director. The Appointee shall perform such duties and exercise such powers as are additionally entrusted to him by the Board.
2. **Remuneration:** No remuneration shall be payable to Mr. Kal for his appointment as Whole-time Director of the Company, His Appointment would be at Nil remuneration, however, he will be entitled for reimbursement of expenses incurred while discharging his duties as the Director of the Company.
3. **Other Terms and Conditions: The appointment of Mr. Kal as the Whole-time Director of the Company would be subject to the provisions of Section 152 (6) of the Companies Act, 2013, i.e. Mr. Kal would be liable to retire by rotation.**

The appointment as Whole-time Director will be terminable as per the terms of agreement to be executed between the Company and Mr. Kal or upon Mr. Kal ceasing to be a Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps as they may deem fit, expedient or desirable to give effect to this Resolution."

**9. To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, relevant provisions of Articles of Association of the Company and subject to such sanction(s) as may be necessary under law, Mr. Dilip S. Shanghvi (DIN: 00005588), be and is hereby re-appointed as the Managing Director of the Company for a further period of 5(five) years from the expiry of his present term of office i.e. with effect from April 1, 2018 to March 31, 2023, on such terms and conditions (including the remuneration to be paid to him) as stated below and as set out in the draft Agreement, which draft Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or draft Agreement, in such manner as may be agreed to between the Board of Directors and Mr. Dilip S. Shanghvi within and in

accordance with Act or such other applicable provisions or any amendment thereto and, if necessary, as may be prescribed by the Central Government and agreed to between the Board of Directors and as may be acceptable to Mr. Dilip S. Shanghvi;

**"RESOLVED FURTHER THAT** further to the resolutions passed at the 20th Annual General Meeting of the Company held on November 8, 2012, 22nd Annual General Meeting held on September 27, 2014 and 24th Annual General Meeting of the Company held on September 17, 2016 for remuneration payable to Mr. Dilip S. Shanghvi, Managing Director (DIN:00005588), and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V to the Act(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be necessary under law, the consent of the Members of the Company, be and is hereby accorded for remuneration to be paid to Mr. Dilip S. Shanghvi, Managing Director of the Company for a period of 3(three) years from the expiry of his present term of office i.e. with effect from April 1, 2018 to March 31, 2021, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period, as stated below and as set out in the above mentioned draft Agreement which is hereby specifically sanctioned with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the remuneration, in such manner as may be agreed to between the Board of Directors and Mr. Dilip S. Shanghvi within and in accordance with the limits prescribed in Schedule V to the Act or any amendment thereto and if necessary, as may be prescribed by the Central Government and agreed to between the Board of Directors and as may be acceptable to Mr. Dilip S. Shanghvi;

- a. Salary (including bonus and perquisites) upto ₹ 8,10,00,000/- (Rupees Eight Crore Ten Lakhs Only) per annum.  
Perquisites: He will be entitled to furnished/non-furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to ₹ 75,00,000/- (Rupees Seventy Five Lakhs only) per annum
- b. Commission : Subject to availability of profit and at the rate of not more than 1% of the net profit for the year, the Board of Directors will determine the commission payable within the overall ceiling laid down under sections 197 and 198 of the Companies Act, 2013 and Schedule V to the Companies Act, 2013 as may be applicable from time to time. He shall not be entitled to any sitting fees as is payable to other Non-Executive Directors.

- c. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure, though payable, shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.
- d. Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, Mr. Dilip S. Shanghvi shall be entitled to receive a total remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration, subject to receipt of such approvals as may be required, if any.
- e. Other terms and conditions: Subject to the control and supervision of the Board of Directors and subject to the provisions of the Act, Mr. Dilip S. Shanghvi shall have the general conduct and management of the affairs of the Company and he shall be entitled to exercise all such powers and to do all such acts and things the Company is authorised to exercise and all such powers, acts or things which are directed or required by the Act or any other Law or by the Articles of Association of the Company except such powers/acts/things which can be exercised or done by the Company in General Meeting or by the Board of Directors at their Meeting only. Mr. Dilip S. Shanghvi to perform such duties and exercise such powers as are additionally entrusted to him by the Board and/ or the Chairman. He is further authorised to do all such acts, deeds, things and matters as he may be required or permitted to do, as a Managing Director.

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), i.e. the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft Agreement between the Company and Mr. Dilip S. Shanghvi be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required under law;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps as they may deem fit, expedient or desirable to give effect to this Resolution."

**10. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ('the Act') read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and other applicable provisions of the Listing Regulations, if any

(including any statutory modification(s) or re-enactment(s) to any of the foregoing, for the time being in force), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, approval of the shareholders be and is hereby accorded to the Company to enter / continue to enter into transactions of sales and/ or purchase of products or other transactions as the Board of Directors of the Company may deem fit and proper, from time to time with Aditya Medisales Limited having CIN: U24230GJ1990PLC014535, (hereinafter referred to as "AML"), which in the near future will become a related party of the Company in terms of section 2(76) of the Act and regulation 2(zb) of the Listing Regulations, on such terms and conditions as may be mutually agreed to between the Company and AML, subject to each transaction with AML being entered on an arm's length basis irrespective of whether the same is in the ordinary course of business or not;

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any other person(s) authorised by them, be and are hereby authorised to execute, deliver and perform such agreements, contracts, deeds and other documents and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient and to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with AML, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution, in the best interest of the Company."

By order of the Board of Directors  
For Sun Pharmaceutical Industries Ltd.

Sunil R. Ajmera  
Company Secretary

Place: Mumbai  
Date: May 26, 2017

**Registered Office:**  
SPARC, Tandalja  
Vadodara - 390 020.  
CIN: L24230GJ1993PLC019050  
Website: www.sunpharma.com

\* The actual equity dividend to be declared by the shareholders at the 25th Annual General Meeting will be for only equity shares other than the equity shares in respect of which the equity shareholder(s) has/have waived/forgone his/their right to receive the dividend for the financial year ended March 31, 2017 in accordance with the Rules framed by the Board as per Note No.14 hereinafter appearing.

**NOTES:**

1. The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the 25th Annual General Meeting of the Company (the "Meeting" or "AGM") under Item Nos. 6 to 10 and for resolution relating to Appointment of Auditors

under Item No. 5 of this Notice, is annexed hereto. The relevant details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), in respect of the persons seeking appointment / re-appointment as Director and/or relating to remuneration of Directors is given under the heading "PROFILE OF DIRECTORS" forming part of this Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time appointed for holding the Meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
5. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
6. Corporate members intending to send their authorized representatives to attend and vote on their behalf at the Meeting are requested to send to the Company a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing their representative(s) to attend along with specimen signature of authorized representative(s).
7. Members/ proxies / Authorised Representatives should bring their attendance slips duly filled in for attending the Meeting.
8. The Proxies should carry their identity proof i.e. a Pan Card / Aadhaar Card / Passport / Driving License / Voter ID Card or such other proof(s) to prove their identity.
9. The Register of Members and Share Transfer Books of the Company will be closed from **Wednesday, September 20, 2017 to Tuesday, September 26, 2017** (both days inclusive) for the purpose of the 25th AGM and for the payment of Dividend.
10. The Notice of this 25th Annual General Meeting (AGM) along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Physical copies of the Notice of AGM along with Annual Report are being sent, by the permitted mode, to those members whose email addresses are not registered and the members who have specifically requested for the physical copy in addition to e-mail. A copy of the Notice of the Meeting along with the Annual Report 2016-17 is also available for download on the website of the Company [www.sunpharma.com](http://www.sunpharma.com). To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with our Registrar & Share Transfer Agent, Link Intime India Private Limited / Depositories.
11. Relevant documents / agreements referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company and copies thereof at the Corporate Office of the Company on all working days, except Saturdays, between 11:00.a.m. and 1:00.p.m. upto the date of the Meeting and at the venue of the Meeting during Meeting hours.
12. The Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms, subject to availability of such facility at the respective location of such shareholders. The Company is also providing the facility of National Electronic Clearing Service (NECS) introduced by Reserve Bank of India, to all shareholders holding shares in electronic and physical forms with the data available/provided by shareholders with 15 digit bank account number for ECS, which offers all India coverage and enable the sponsor bankers to upload the data files more efficiently and effectively.
13. The Board of Directors at its Meeting held on May 26, 2017, recommended a Dividend of ₹ 3.50/- (Rupees Three and paise fifty only) per Equity Share of ₹ 1/- each of the Company for the year ended March 31, 2017 and the same if declared at the Meeting will be paid on or before Friday, September 29, 2017 to the Company's Equity Shareholders whose name stand on the Register of Members as beneficial owners at the close of business hours on Tuesday, September 19, 2017 as per the list provided by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of shares held in electronic form and as Members in the Register of Members of the Company after giving effect to valid transfers in physical form lodged with the Company on or before Tuesday, September 19, 2017.
14. At the Extra Ordinary General Meeting of the members of the Company held on Monday, September 1, 2003, the Members had approved, by way of a Special Resolution, certain amendments whereby few Articles were inserted in the Articles of Association of the Company relating to enabling the Company to implement any instruction from Member(s) of the Company to waive/forgo his/their right to receive the dividend (interim or final) from the Company for any financial year. The above referred amendments as approved at the aforesaid Extra Ordinary General Meeting have been retained and are *inter alia* forming part of new set of Articles of Association adopted at the last Annual General Meeting of the Company held on Saturday, September 17, 2016. Thus the Members of the Company can waive/forgo, if he/they so desire(s), his/their right to receive the dividend (interim or final) for any financial year effective from the dividend recommended by the Board of Directors of the Company for the year ended March 31,

2004 on a year to year basis, as per the rules framed by the Board of Directors of the Company from time to time for this purpose. The Shareholder, if so wishes to waive/forgo the right to receive Dividend for the year ended March 31, 2017 shall fill up the form and send it to the Company's Registrars on or before Tuesday, September 19, 2017. The form prescribed by the Board of Directors of the Company for waiving/forgoing the right to receive Dividend for any year shall be available for download on the Company's website www.sunpharma.com under section "Investor - Shareholder's Information- Statutory Communication" or can also be obtained from the Company's Registrars and Share Transfer Agents, Link Intime India Private Limited.

THE BOARD OF DIRECTORS OF THE COMPANY AT ITS MEETING HELD ON SEPTEMBER 1, 2003 HAVE FRAMED THE FOLLOWING RULES UNDER OLD ARTICLE 190A (CORRESPONDING ARTICLE NO. 142 AS PER THE NEW SET OF ARTICLES OF ASSOCIATION) OF THE ARTICLES OF ASSOCIATION OF THE COMPANY FOR EQUITY SHAREHOLDERS WHO WANT TO WAIVE/FORGO THE RIGHT TO RECEIVE DIVIDEND IN RESPECT OF FINANCIAL YEAR 2002-2003 OR FOR ANY YEAR THEREAFTER.

- I. A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) to which he is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date/ Book-closure Date fixed for determining the names of Members entitled for such dividend. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).
- II. The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend for any year shall inform the Company in the form prescribed by the Board of Directors of the Company only.
- III. In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form their decision of waiving/forgoing their right to receive the dividend from the Company.
- IV. The Shareholder, who wishes to waive/forgo the right to receive the dividend for any year shall send his/her irrevocable instruction waiving/ forgoing dividend so as

to reach the Company before the Record Date /Book Closure Date fixed for the payment of such dividend. Under no circumstances, any instruction received for waiver/ forgoing of the right to receive the dividend for any year after the Record Date /Book Closure Date fixed for the payment of such dividend for that year shall be given effect to.

- V. The instruction once given by a Shareholder intimating his waiver/forgoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable and cannot be withdrawn for that particular year for such waived/ forgone the right to receive the dividend. But in case, the relevant Shares are sold by the same Shareholder before the Record Date/Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier Shareholder intimating his waiver/forgoing the right to receive dividend will be invalid for the next succeeding Shareholder(s) unless such next succeeding Shareholder(s) intimates separately in the prescribed form, about his waiving/ forgoing of the right to receive the dividend for the particular year.
- VI. The Equity Shareholder who wish to waive/forgo their right to receive the dividend for any year can inform the Company in the prescribed form only after the beginning of the relevant financial year for which the right to receive the dividend is being waived/forgone by him.
- VII. The instruction by a Shareholder to the Company for waiving/ forgoing the right to receive dividend for any year is purely voluntary on the part of the Shareholder. There is a no interference with a Shareholder's Right to receive the dividend, if he does not wish to waive/forgo his right to receive the dividend. No action is required on the part of Shareholder who wishes to receive dividends as usual. Such Shareholder will automatically receive dividend as and when declared.
- VIII. The decision of the Board of Directors of the Company or such person(s) as may be authorized by Board of Directors of the Company shall be final and binding on the concerned Shareholders on issues arising out of the interpretation and/or implementation of these Rules.
- IX. These Rules can be amended by the Board of Directors of the Company from time to time as may be required.

15. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). The Company will be transferring the unclaimed dividends during the financial years ending March 31, 2018 to March 31, 2024 as given below:

Pertaining to Sun Pharmaceutical Industries Limited

Dividend for Financial Year	Date of Declaration of Dividend entitled	Rate of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEP Fund
2009-2010	24.09.2010	₹ 13.75 per share of ₹ 5/- each	23.09.2017	22.10.2017
2010-2011	16.09.2011	₹ 3.50 per share of ₹ 1/- each	15.09.2018	14.10.2018
2011-2012	10.08.2012	₹ 4.25 per share of ₹ 1/- each	09.08.2019	07.09.2019
2012-2013	30.09.2013	₹ 2.50 per share of ₹ 1/- each	26.09.2020	25.10.2020
2013-2014	27.09.2014	₹ 1.50 per share of ₹ 1/- each	27.09.2021	26.10.2021
2014-2015	31.10.2015	₹ 3.00 per share of ₹ 1/- each	30.10.2022	29.11.2022
2015-2016	17.09.2016	₹ 1.00 per share of ₹ 1/- each	16.09.2023	15.10.2023

Pertaining to erstwhile Ranbaxy Laboratories Limited

Dividend for Financial Year Ended	Date of Declaration of Dividend entitled	Rate of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEP Fund
31.12.2010	09.05.2011	₹ 2 per share of ₹ 5/- each	08.05.2018	06.06.2018

Members who have not encashed their dividend warrants, for the financial year ended March 31, 2010 and onwards are requested to approach the Company's Registrar & Share Transfer Agents, Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400083, Maharashtra, India for revalidating the warrants / obtaining duplicate warrants to claim their Dividend. The Dividend declared for the financial year ended March 31, 2010 and remaining unpaid and unclaimed, will be transferred to the Investor Education and Protection Fund (IEPF) by October 22, 2017. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 17, 2016 (date of the last Annual General Meeting of the Company) on the website of the Company viz., [www.sunpharma.com](http://www.sunpharma.com) under head "Investor" sub-head "Shareholder Information" as well as on the website of the Ministry of Corporate Affairs viz., [www.iepf.gov.in](http://www.iepf.gov.in).

The Shareholders may note that pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ("the Rules"), the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account created by the IEPF Authority. The details of Shares liable to be transferred to the IEPF Authority are available on website of the Company [www.sunpharma.com](http://www.sunpharma.com) under head "Investor" sub-head "Shareholder Information" These shares will be transferred to the IEPF Authority as per the requirements of Rules.

As mentioned above, the dividend / shares, post transfer to IEPF Authority (including dividend already transferred to IEPF Authority), may be claimed by the shareholder(s) directly from the IEPF Authority by following the steps/procedure mentioned hereunder:

- i) Download the form IEPF-5 from the website of IEPF (<http://www.iepf.gov.in>) for filing the claim for refund. Read the instructions provided on the website/ instruction kit along with the e-form carefully before filling the form.
- ii) After filling the form save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading an acknowledgement will be generated indicating the SRN. Please note the SRN for future tracking of the form.

- iii) Take a printout of the duly filled IEPF-5 and the acknowledgement issued after uploading the form.
- iv) Submit indemnity bond in original, copy of acknowledgement and self-attested copy of e-form along with the other documents as mentioned in the Form IEPF-5 to Mr. Ashok Bhuta, Nodal Officer (IEPF) of the Company at its registered office in an envelope marked "Claim for refund from IEPF Authority".
- v) Claim forms completed in all aspects will be verified by the Company and on the basis of Company's verification report, refund will be released by the IEPF Authority in favor of claimants' Aadhaar linked bank account through electronic transfer.

16. The Members of erstwhile Tamilnadu Dadha Pharmaceuticals Limited, erstwhile Gujarat Lyka Organics Limited, erstwhile Phlox Pharmaceuticals Limited and erstwhile Ranbaxy Laboratories Limited, who have not yet sent their share certificates of erstwhile Tamilnadu Dadha Pharmaceuticals Limited, erstwhile Gujarat Lyka Organics Limited, erstwhile Phlox Pharmaceuticals Limited and erstwhile Ranbaxy Laboratories Limited, respectively for exchange with the share certificates of Sun Pharmaceutical Industries Limited are requested to do so at the earliest, since share certificates of the erstwhile Tamilnadu Dadha Pharmaceuticals Limited, erstwhile Gujarat Lyka Organics Limited, erstwhile Phlox Pharmaceuticals Limited and erstwhile Ranbaxy Laboratories Limited are no longer tradable/ valid.
17. The Members may be aware that the Equity Shares of the Company had been subdivided from 1 (One) equity share of ₹ 5/- each to 5 (Five) equity shares of ₹ 1/- each on November 29, 2010 based on the Record Date of November 29, 2010 in terms of the Resolutions passed by the Shareholders of the Company by way of postal ballot conducted during November, 2010, the results of which were announced on November 12, 2010. The Members who have yet not sent their share certificates of ₹ 5/- each of the Company for exchange with new equity shares of ₹ 1/- each are requested to send the same to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited since the old share certificates of ₹ 5/- each are no longer tradable.
18. Please note that as per the Notification of SEBI, Company's shares are under compulsory Demat trading with effect from November 29, 1999 for all the investors. You may, therefore, demat your equity share holdings if not already dematted, to avoid any inconvenience.
19. Route map along with prominent landmark to the Venue of the Meeting is provided at the end of this Notice.

20. Voting through electronic means – remote E-voting.

- 1) In accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 ('the Rules') including any amendments thereto, the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 25th Annual General Meeting. The Company has appointed Central Depository Services (India) Limited (CDSL) to provide e-voting facility to its members.
- 2) The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut-off date Tuesday, September 19, 2017.
- 3) The remote e-voting period begins on **Saturday, September 23, 2017 at 09.00 a.m.** and ends on **Monday, September 25, 2017 at 05.00 p.m.** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 19, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- 4) The facility for voting through electronic means shall also be made available at the Meeting and Members of the Company as of cut-off date, attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 5) Mr. Chintan Goswami, proprietor of M/s C. J. Goswami and Associates, Practicing Company Secretaries, Mumbai, has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting process (remote e-voting and e-voting at the venue) in a fair and transparent manner and has communicated his willingness to be appointed as such and that he is available for the said purpose.
- 6) The Procedure and instructions for e-voting are as under:

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Saturday, September 23, 2017 at 09.00 a.m.** and ends on **Monday, September 25, 2017 at 05.00 p.m.** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Tuesday, September 19, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

- (vii) If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

Any person who becomes a member of the Company after dispatch of the Notice and holds shares of the Company as on the cut-off date ie. Tuesday, September 19, 2017 and whose PAN is not registered with the Company may obtain the sequence number detail by writing to the Company at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or [secretarial@sunpharma.com](mailto:secretarial@sunpharma.com) or contact Mr. Ashok Bhuta, Compliance Officer.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.



- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Sun Pharmaceutical Industries Limited to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same and send the scan copy of the Board resolution/ POA to [scrutinizer@sunpharma.com](mailto:scrutinizer@sunpharma.com).
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- Any person having any grievances in connection with remote e-voting may write to:
- Name: Mr. Rakesh Dalvi,  
 Designation: Deputy Manager  
 Address: Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Fort, Mumbai – 400001.  
 Email id: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
 Phone number: 18002005533
- 7) The Scrutinizer will, immediately after the conclusion of e-voting at the Meeting, start scrutinizing the votes cast at the Meeting by electronic means and votes cast through remote e-voting and prepare a consolidated Scrutinizer's Report and submit thereafter to the Chairman of the Meeting or any person authorised by him in writing. The result declared along with the consolidated Scrutinizer's Report will be placed on the Company's website at [www.sunpharma.com](http://www.sunpharma.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) within 48 hours of the conclusion of the Meeting. The Company will simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

## PROFILE OF DIRECTORS

### (Details of Directors proposed to be appointed/ reappointed and/or whose remuneration is proposed to be increased)

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard on General Meetings issued by the institute of Company Secretaries of India (SS - 2), the particulars of Directors who are proposed to be appointed / reappointed and/or whose remuneration is proposed to be increased at this 25th Annual General Meeting, are given below:

The details of Board and Committee Meetings attended by these Directors during the year 2016-17 are stated in the Corporate Governance Report which forms part of the Annual Report.

The details of remuneration, wherever applicable, are provided in the respective resolution(s) and/or in the respective Explanatory Statement(s).

Particulars	Mr. Sallish T. Desai	Mr. Israel Makov	Mr. Dilip S. Shanghvi	Mr. Kalyanasundaram Subramanian ("Mr. Kal")
Age:	62 Years	78 Years	61 Years	63 Years
Brief resume of the Director including nature of expertise in specific functional areas:	Mr. Sallish T. Desai is a science graduate from Kolkata University and is a successful entrepreneur with more than three decades of wide industrial experience including more than two decades in the pharmaceutical industry.	Mr. Israel Makov is a Non-executive Chairman of the Company since May 29, 2012. He is also the former President and CEO of Teva Pharmaceutical Industries Ltd. He joined Teva in 1995 and led the company's global expansion, managing over 12 acquisitions, two of which were the largest M&A deals in the Israeli history at the time. Under Mr. Makov's leadership, Teva became the undisputed global leader in the generic pharmaceutical industry and a global leader in the treatment of Multiple sclerosis.	Mr. Dilip S. Shanghvi is a graduate in commerce from the Kolkata University. He is the Managing Director of the Company and Chairman & Managing Director of Sun Pharma Advanced Research Company Ltd. He is the founding partner of Sun Pharmaceutical Industries, a firm which was later converted into Sun Pharmaceutical Industries Limited (SPL) in 1993. Under his leadership, SPL has recorded an all-round growth in business. He has extensive experience in the pharmaceutical industry. As the promoter of SPL, he has been actively involved in international pharmaceutical markets, business strategy, business development and research and development functions in the Company.	Mr. Kal joined Sun Pharmaceutical Industries Limited (SPL) in January 2010 after 22 years with GSK in various parts of the world. Mr. Kal is a Chemistry graduate and a Chartered Accountant from India with 37 years of experience of which some 30 years in the pharmaceutical industry. Mr. Kal's career in Pharma industry began when he joined Burroughs Wellcome, in New Zealand as Commercial Advisor in 1988. His long and varied career with Burroughs Wellcome in New Zealand which was acquired by Glaxo to become GlaxoWellcome and finally GlaxoSmithKline, includes assignments as Vice President, head of Classic Brands business of Emerging Markets; Area Director South Asia & Managing Director, GSK India; Managing Director - GlaxoWellcome, Singapore (Singapore, Indochina & Myanmar), Commercial Director - Burroughs Wellcome, New Zealand. In 2010, Mr. Kal joined SPL as the Chief Executive Officer to manage India and Emerging Markets (EM) and was a board member of the Company. Mr. Kal was instrumental in Merck (MSD) and SPL's collaboration and spearheaded opening of SPL operations in few important markets such as Japan, MENA. In 2012, Mr. Kal moved to USA to assume responsibility for Taro operations in North America. In Jan 2017, Mr. Kal moved back to India to manage India and EM regions of SPL.
Date of First appointment on the Board:	March 25, 1999	May 29, 2012	March 1, 1993	February 14, 2017
Directorship held in other companies (excluding foreign companies & section 8 companies):	Sun Pharma Laboratories Limited Sun Pharmaceutical Medicare Limited Universal Enterprises Private Limited	NIL	Sun Pharma Advanced Research Company Limited Sun Petrochemicals Private Limited Alfa Infraprop Private Limited Aditya Clean Power Ventures Private Limited	Sun Pharma Laboratories Limited
Membership / Chairmanships of Committees of other public Companies:	1. Member - Nomination and Remuneration Committee of Sun Pharma Laboratories Limited	NIL	1. Member - Corporate Social Responsibility Committee of Sun Pharma Advanced Research Company Limited 2. Chairman - Fund Management Committee of Sun Pharma Advanced Research Company Limited 3. Chairman - Rights Issue Committee of Sun Pharma Advanced Research Company Limited	1. Member - Corporate Social Responsibility Committee of Sun Pharma Laboratories Limited
Inter-se Relationship between Directors:	-	-	Mr. Dilip S. Shanghvi is Brother-in-law of Mr. Sudhir V. Valia	-
No. of Shares held in the Company (singly or jointly as first holder) as on March 31, 2017:	3740747 Equity Shares	NIL	230285690 Equity Shares	NIL

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the special business set out at Item Nos. 6 to 10 of the accompanying Notice dated May 26, 2017.

Explanatory Statement setting out the material facts for resolution set out at Item No. 5 of the accompanying Notice relating to appointment of Auditors is also given hereunder.

### Item No. 5:

Pursuant to provisions of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 and on completion of the term (including the cooling period of three years granted under the Act) of the existing Statutory Auditors namely, Deloitte Haskins and Sells, LLP, Chartered Accountants, the Audit Committee and the Board of Directors of the Company has recommended appointment of S R B C & Co. LLP, Chartered Accountants (Registration No. 324982E / E300003) as the Statutory Auditors of the Company for a term of 5(five) consecutive years to hold office from the conclusion of this 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors of the Company in consultation with them. Their appointment shall be subject to ratification by the members as may be applicable under the provisions of the Act or rules made thereunder from time to time.

S R B C & Co. LLP, Chartered Accountants have consented to act as Statutory Auditors and have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed, that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board recommends the Resolution as set out at item no. 5 of the Notice for approval of the Members as an Ordinary Resolution.

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

### Item No. 6:

M/s. Kailash Sankhlecha & Associates, Cost Accountants, has been appointed as the Cost Auditors by the Board of Directors of the Company on recommendation of the Audit Committee for conducting audit of cost records pertaining to the formulations and bulk drugs activities of the Company for the financial year ending March 31, 2018 at a remuneration of ₹ 19,12,000/- (Rupees Nineteen Lakhs Twelve Thousand Only) excluding reimbursement of out of pocket expenses and applicable taxes.

In terms of provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, members ratification is required for remuneration payable to the Cost Auditors.

Therefore, consent of the members of the Company is sought for passing of an Ordinary Resolution as set out at Item No. 6 for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

The Board recommends the Resolution as set out at item no. 6 of the Notice for approval of the Members as an Ordinary Resolution.

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

### Item No. 7 and 8

Mr. Kalyanasundaram Subramanian ('Mr. Kal') had been appointed as an Additional Director effective from February 14, 2017 by the Board of Directors of the Company at its meeting held on February 14, 2017 on recommendation of the Nomination and Remuneration Committee of the Company. In terms of Section 161(1) of the Companies Act, 2013, Mr. Kal holds office upto the date of the ensuing Annual General Meeting. The Board of Directors at the same meeting had also appointed Mr. Kal as a Whole-time Director, for a period of two years effective from February 14, 2017 to February 13, 2019 without any remuneration, subject to approval of the members of the Company.

As required under section 160 of the Companies Act, 2013, the Company has received a Notice along with requisite deposit from a member proposing the candidature of Mr. Kal for his appointment as Director of the Company.

Mr. Kal fulfils all the conditions given under section 196(3) and Schedule -V to the Companies Act, 2013 for being eligible for his appointment. He is not disqualified in terms of section 164 of the Companies Act, 2013 from being appointed as Director and has given his consent to act as Director.

The brief terms of appointment of Mr. Kal as recommended by Nomination and Remuneration Committee and approved by the Board of Directors are provided in the Resolution set out at Item No. 8 of this Notice.

This explanatory statement and the Resolution set out at Item No. 8 of this Notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The copy of the agreement to be entered into with Mr. Kalyanasundaram Subramanian is available for inspection by any member of the Company at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and at the venue of the Annual General Meeting during Meeting hours.

Profile and other particulars of Mr. Kal, as required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, are provided under heading "PROFILE OF DIRECTORS" forming part of this Notice.

The members' approval is being sought for appointment of Mr. Kal as a Whole-time Director of the Company for a period of two years effective from February 14, 2017 to February 13, 2019 without any remuneration, in terms of applicable provisions of the Companies Act, 2013 and rules made thereunder.

Further the Members may note that, Mr. Kal has also been appointed as the CEO & Whole-time Director of Sun Pharma Laboratories

Limited (SPLL), a wholly owned subsidiary of the Company at its Board meeting held on February 13, 2017 for a period of two (2) years i.e. from February 13, 2017 to February 12, 2019 and Mr. Kal will be drawing such remuneration as may be approved by the shareholders of SPLL at the ensuing Annual General Meeting of SPLL.

The Board recommends the Resolutions set out at item no. 7 and 8 of the Notice for approval of the Members as an Ordinary Resolutions.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Kalyanasundaram Subramanian to whom the resolutions relate, are in anyway concerned or interested in the above resolutions.

#### Item No. 9

Mr. Dilip S. Shanghvi was re-appointed as the Managing Director by way of a special resolution passed by the members at the 20th Annual General Meeting of the Company held on November 8, 2012, for a period of 5(five) years effective from April 1, 2013 upto March 31, 2018.

On recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Directors of the Company at its meeting held on May 26, 2017, subject to approval of shareholders, re-appointed Mr. Dilip S. Shanghvi as Managing Director of the Company for a further term of 5 (five) years from the expiry of his present term i.e. from April 1, 2018 upto March 31, 2023.

Further the Members, subject to the approval of the Central Government, at the 24th Annual General Meeting of the Company held on September 17, 2016, by way of a special resolution, had approved the revision in remuneration to be paid to Mr. Dilip S. Shanghvi, Managing Director with effect from April 1, 2016 for the remaining period of his present term of appointment i.e. upto March 31, 2018, including the remuneration to be paid to him in event of loss or inadequacy of profits in any financial year during the aforesaid period, as recommended by the Audit Committee and Nomination and Remuneration Committee and approved by the Board of Directors.

The brief terms of re-appointment (including remuneration) of Mr. Dilip S. Shanghvi as recommended by Nomination and Remuneration Committee and approved by the Board of Directors are provided in the Resolution set out at Item No. 9 of this Notice.

Mr. Dilip S. Shanghvi, fulfils all the conditions given under section 196(3) and Schedule V of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified in terms of section 160 of the Companies Act, 2013 from being appointed as Director.

This explanatory statement and the Resolution set out at Item No. 9 of this Notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The copy of the agreement to be entered into with Mr. Dilip S. Shanghvi is available for inspection by any member of the Company at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and at the venue of the Annual General Meeting during Meeting hours.

Profile and other particulars, as required under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of Mr. Dilip S. Shanghvi are provided under heading "PROFILE OF DIRECTORS" forming part of this Notice.

The members' approval is being sought for re-appointment of Mr. Dilip S. Shanghvi as the Managing Director of the Company for a further term of 5 (five) years, from the expiry of his present term i.e. from April 1, 2018 upto March 31, 2023 and for approving his remuneration for a period of 3 (Three) years from the expiry of his present term i.e. from April 1, 2018 upto March 31, 2021 as provided in the resolution set out at Item no. 9 of this Notice.

The Board recommends the Resolution as set out at Item no. 9 of the Notice for approval of the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Dilip S. Shanghvi to whom this resolution relates and Mr. Sudhir V. Valia, being brother-in-law of Mr. Dilip S. Shanghvi, are in any way concerned or interested in the Resolution as set out at Item no. 9 of the Notice.

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

#### I. GENERAL INFORMATION

##### 1. Nature of industry:

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

##### 2. Date of commencement of commercial production:

The Company carries on pharmaceutical business since its incorporation.

##### 3. Financial performance based on given indicators:

Standalone Financial Results:

(₹ in Crores except EPS)		
Particulars	2016-17	2015-16
Profit (Loss) after tax	(34.95)	(1087.51)
Net Worth (including balance in Profit & Loss Account)	17,198.81	18,212.45
Earnings Per Share	₹ (0.1)	₹ (4.5)
Turnover	7523.79	7254.09

Consolidated Financial Results:

(₹ in Crores except EPS)		
Particulars	2016-17	2015-16
Profit (Loss) after tax	6,964.37	4,545.71
Net Worth (including balance in Profit & Loss Account)	35,632.88	30,820.02
Earnings Per Share	₹ 29.00	₹ 18.90
Turnover	30,264.23	27,888.07

#### 4. Foreign investments or collaboration, if any:

For details of investment made by the Company, please refer the schedule nos. 5,6,7 and 14 of the Standalone Balance sheet forming part of the Annual Report for 2016-17 being sent along with this Notice.

As on March 31, 2017, the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies, in the Company is detailed as under:

Particulars	No. of Shares	%
Foreign Portfolio Investors	510650573	21.28
Foreign Nationals	23000	0.00
Non Resident Indians (Repat)	4394659	0.18
Non Resident Indians (Non Repat)	2281621	0.10
Foreign Companies	813562	0.03
Overseas Bodies Corporate	59440	0.00
Foreign Bank	25422	0.00
<b>Total</b>	<b>518248277</b>	<b>21.59</b>

The Company has not entered into any material foreign collaboration.

## II. INFORMATION ABOUT THE APPOINTEE

### 1. Background details:

The background details and profile of Mr. Dilip S. Shanghvi are stated in "PROFILE OF DIRECTORS" to this Notice.

### 2. Past remuneration:

The remuneration paid to Mr. Dilip S. Shanghvi, Managing Director for the last financial year 2016-17 subject to approval of the Central Government is as follows:

Name of the Director	₹ in crores)	
	Actual Remuneration paid for 2016-17 (including contribution to PF) (excluding Perquisites such as reimbursement of electricity charges, motor vehicle charges, etc. which shall be taken at actuals)	Maximum limit of remuneration approved by the Board of Directors subject to approval of Central Government for 2016-17 (including contribution to PF)
Mr. Dilip Shanghvi	3.18	5.64

Pursuant to the approval of the Shareholders at the 22nd Annual General Meeting, the Company had applied to the Central Government under Section 197(3) read with Schedule V to the Companies Act, 2013 for approval of

maximum limit of remuneration as approved by members for the period from April 01, 2014 to March 31, 2017. The approval granted by the Central Government was for ₹ 60,00,000 (Rupees Sixty Lacs only) per annum for a period of three years with effect from April 01, 2014 to March 31, 2017. Pursuant to calculation as per Part-A of Section II of Schedule V of the Companies Act 2013 read with Ministry of Corporate Affairs (MCA) circular dated September 12, 2016, in case of inadequate profits, based on the calculation of effective capital of the Company as on the last day of financial year preceding the financial year of the respective year of appointment of the Managing Director for the financial year 2016-17 the Managing Director is eligible for remuneration upto ₹ 3.04 crores per annum, without approval of the Central Government. Accordingly the Company had made several representations to the Central Government to approve the remuneration of the Managing Director upto the limit of Schedule V to the Companies Act, 2013. However the Ministry of Corporate Affairs/Central Government reiterated the approval for remuneration of ₹ 60 lakhs each per annum for the years from April 01, 2014 to March 31, 2017 for the Managing Director and the Whole-time Directors. The Company has made further representation, to the Central Government for reconsidering the approval on additional grounds for which the response from the MCA is awaited.

Further at the 24th AGM, the members' approval was also obtained for revision in the remuneration of the Managing Director from April 01, 2016 for the remaining period of his current term of appointment upto March 31, 2018. Consequently during the year, an application for revision in the remuneration of the Managing Director has been made by the Company to the Ministry of Corporate Affairs. The approval in respect of the foregoing application for revision is also awaited from the MCA.

In view of the approval for application of revision in remuneration being awaited, for the year 2016-2017, the Company has paid remuneration within the ceiling limit of ₹ 3.04 crores. On receipt of the approval from the Central Government of India, the balance amount of remuneration for the year 2016-17, if any, as per his entitlement, shall be paid to the Managing Director and the same shall be given effect to in the year in which the approval is received. Excess remuneration, if any, after final approval in respect of the application for revision is received, shall be refunded by the Managing Director.

The details of Remuneration that the Managing Director is entitled, the remuneration actually paid to him and maximum limit of remuneration as approved by the members are detailed below:

(₹ in crores)				
Name of the Director	Amount of remuneration (including contribution to PF) entitled for the year 2016-17, as approved by the Board within the limit as approved by the members (excluding Perquisites such as reimbursement of electricity charges, motor vehicle charges, etc. which shall be taken at actuals)	Actual Amount Paid out of the amount entitled for the year 2016-17, (including contribution to PF and Perquisites such as reimbursement of electricity charges, motor vehicle charges, etc. at actuals)	Amount of Remuneration paid for 2016-17, after excluding Contribution to PF which is excluded for calculation of limit as per Schedule V of the Companies Act, 2013	Maximum Remuneration p.a. as approved by Board and by Members at the 24th AGM, subject to approval of the Central Government, for the current tenure of appointment*
Mr. Dilip Shanghvi**	3.93	3.18	2.80	5.64

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

\*\*Commission to Managing Director: Subject to availability of profit and at the rate of not more than 1% of the net profit for the year, the Board of Directors will determine the commission payable within the overall ceiling laid as per the Act, as may be applicable from time to time. However no commission is paid to the Managing Director.

### 3. Recognition or awards:

1. Mr. Dilip S. Shanghvi, Managing Director has been awarded the following awards:

Year	Awards
2017	1. Entrepreneur of the year AIMA (All India Management Association)
2016	1. Padma Shri - 2016 (Fourth Highest Civilian Award - Government of India) 2. NDTV Business Leadership Award - Pharmaceutical - 2016
2014	1. JRD TATA Corporate Leadership Award AIMA (All India Management Association) 2. Economic Times Business Leader of the Year Award 3. CNBC-TV18, Outstanding Business Leader of the Year 4. Forbes Entrepreneur For The Year
2011	1. World Entrepreneur of the Year Ernst And Young 2. Indian of the Year (Business) CNN IBN 3. Businessman of the Year Business India
2010	1. Entrepreneur of the Year Ernst And Young
2008	1. Entrepreneur of the Year Economic Times 2. CEO of the Year Business Standard
2007	1. First Generation Entrepreneur of the Year CNBC TV 18 2. Pharmaceutical Company IMC Juran Quality Medal
2005	1. Entrepreneur of the Year (Healthcare And Life Sciences) Ernst And Young

### 4. Job Profile and his suitability:

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

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

### 5. Remuneration Proposed:

Details of remuneration proposed for approval of the Shareholders at this 25th Annual General Meeting of the Company are as provided in the resolution as set out at Item No. 9 of this Notice.

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

The current remuneration being paid to the Managing Director (looking at the profile of the position and person) is lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

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

Apart from the remuneration and perquisites paid to Mr. Dilip S. Shanghvi as Managing Director as stated above and his shareholding held directly or indirectly in the Company and Mr. Sudhir V. Valia being the brother in law of Mr. Dilip S. Shanghvi, he does not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

**III. OTHER INFORMATION**

**1. Reasons of loss or inadequate profits and steps taken or proposed to be taken for improvement:**

The Company has reported a net loss on standalone basis due to various factors including due to supply constraints and increased compliance / remediation issues / costs. However, during the current year, the Company had taken various initiatives including optimisation programs, and as a result of which the loss for the current year has considerably reduced in comparison to last year.

However, the Company continues to earn profit on consolidated basis and hence there are no specific steps required to take and proposed to be taken for improvement other than working towards resolving some of the aforementioned constraints. Some of the Company's subsidiaries in India & overseas are engaged in substantial business activities. In view of this, the Company's standalone revenues & profits are lower without affecting adversely the revenues and profits on consolidated basis.

**2. Expected increase in productivity and profits in measurable terms:**

The Company has earned the profit of ₹ 94.63 Crores during the quarter ended March 31, 2017 and the Company is taking appropriate measures to increase productivity and improve profitability.

**IV. Disclosures:**

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of

fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made under "Report of Corporate Governance" forming part of the Annual Report for 2017-18.

**Item No. 10**

Shanghvi Finance Private Limited ("SFPL") in which Mr. Dilip S. Shanghvi, the Promoter and Managing Director of the Company, along with his spouse is having 100% shareholding, has initiated a merger of certain entities with SFPL (hereinafter referred to as 'Merger') out of which, some entities are *inter alia* shareholders of Aditya Medisales Limited.

Aditya Medisales Limited ("AML"), having CIN: U24230GJ1990PLC014535 is a public limited company, incorporated on October 16, 1990 under the Companies Act, 1956 having its registered office at 402, 4th Floor, R.K. Centre, Fatehgunj Main Road, Vadodara - 390 002. AML is primarily engaged in the trading of pharmaceutical products.

Subsequent to receipt of approval(s) of Merger by the regulatory authorities and completion of necessary formalities of merger, AML will become a direct subsidiary of SFPL. On AML becoming a direct subsidiary of SFPL, it will become a related party of the Company from the effective date of the Merger as defined under Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 2(76) of the Companies Act, 2013 ('the Act'). The Merger is expected to be completed before the end of financial year 2017-18.

Presently the Company is having transactions with AML, and on AML becoming a related party, the Company is expected to continue having transactions with AML which may fall within the ambit of material related party transactions.

The Company in its ordinary course of business, sells its products to AML, on an arm's length basis which further sells the same in Indian domestic market to wholesalers, stockist and others. In the Financial year 2016-17, transactions with AML amounted to around ₹ 2600 Crore (Rupees Two Thousand Six hundred Crore) comprising predominantly of sales. The material transaction threshold as provided under Listing Regulations and as per the Company's Policy on materiality of related party transaction, is 10% of the consolidated turnover of the Company as per the last audited financial statements for any transaction(s) with the related party(ies). The consolidated turnover of the Company as per the last audited financial statements of the Company for the financial year 2016-17 was ₹ 30264 crores. Considering the turnover of 2016-17, any related party transaction in excess of ₹ 3026 crore (i.e.10% of consolidated turnover) will require approval from the members of the Company. In case the volume of transaction(s) with AML crosses the above mentioned threshold, the transaction(s) with AML will qualify as material related party transaction in terms of Listing Regulations and as per the Company's Policy on materiality of related party transaction and hence the said transaction(s) will require approval from the shareholders of the Company in terms of Regulation 23 of the Listing Regulations.

The transactions with AML will be carried out on the basis of business requirements and will be entered on an arm's length basis irrespective of whether the said transactions are in the ordinary course of business or not and hence the approval from the shareholders of the Company is required in terms of Section 188 of the Act.

Therefore, pursuant to provisions of Regulation 23(4) of Listing Regulations and Section 188 of the Act, it is proposed to obtain prior approval of the shareholders by way of an ordinary resolution for material transactions entered/ to be entered with AML, on AML becoming a related party of the Company.

The particulars of the transaction(s) pursuant to the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Sr. no.	Particulars	Information
1	Name of the Related Party	Aditya Medisales Limited
2	Name of Director(s) or Key Managerial Personnel who is related	Mr. Dilip S. Shanghvi and Mr. Sudhir V. Valia being brother in law of Mr. Dilip S. Shanghvi may be considered as interested in the Resolution.
3	Nature of Relationship	Shanghvi Finance Private Limited ("SFPL") in which Mr. Dilip S. Shanghvi, the Promoter and Managing Director of the Company, along with his spouse is having 100% shareholding, has initiated a Merger of certain entities with SFPL, out of which, some entities are <i>inter alia</i> shareholders of Aditya Medisales Limited which is also forming part of promoter group of the Company, as a person acting in concert. Subsequent to receipt of approval(s) of Merger by the regulatory authorities and completion of necessary formalities of merger, AML will become a direct subsidiary of SFPL. On AML becoming a direct subsidiary of SFPL, it will become a related party of the Company from the effective date of the Merger.
4	Nature, material terms and particulars of the contract or arrangement	Nature of transactions: All transactions to be carried out based on business requirements of the Company shall be entered on an arm's length basis irrespective of whether the same is in the ordinary course of business or not. The transactions to be carried out between the Company and AML will be predominantly of sales, and other nominal transactions such as purchases of goods or materials, availing or rendering of services, leasing of property of any kind or other transaction as may be deemed fit by the Audit Committee and Board of Directors of the Company.  Term of the approval: For a period of five years from the date of this 25th Annual General Meeting till the date of 30th Annual General Meeting.
5	Monetary Value	The transactions upto ₹ 5000 crores in the first financial year to be ended on March 31, 2018 with increase in value and volume of the transactions in the subsequent financial years.
6	Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
7	Any other information relevant or for the Members to make a decision on the proposed transactions	None

The Board is of the opinion that the aforesaid related party transaction(s) is in the best interest of the Company.

The members' approval is being sought for approval of the transactions to be entered with AML pursuant to Regulation 23(4) of Listing Regulations and Section 188 of the Act or any other provisions of any of the Act and / or Listing Regulations. Further, in terms of provisions of the Act and Regulation 23(4) of the Listing Regulations, all related party(ies) will abstain from voting on this resolution as set out at Item no. 10 of the Notice.

The Board recommends the Resolution as set out at Item No.10 of the Notice for the approval of the Members as an Ordinary Resolution.

Mr. Dilip S. Shanghvi, Managing Director and Mr. Sudhir V. Valia, Whole-time Director, being brother-in-law of Mr. Dilip S. Shanghvi are concerned or interested in this resolution. Relatives of Mr. Dilip S. Shanghvi and Mr. Sudhir V. Valia may also be deemed to be interested in this resolution.

Save and except the above, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the Resolution as set out at Item no. 10 of the Notice.



**ROUTE MAP TO SIR SAYAJIRAO NAGARGRUH, THE AGM VENUE**  
Prominent Landmark: Beside D-Mart, Akota

