



## SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

Registered Office: Sun Pharma Advanced Research Centre, Akota Road, Akota, Vadodara – 390 020, Gujarat, India.

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Eighth Annual General Meeting** of the Shareholders of **SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED** will be held at Sir Sayajirao Nagargruh, Akota, Vadodara - 390 020, Gujarat, on Tuesday, 30<sup>th</sup> July, 2013, at 11.30 a.m., to transact the following business:

#### ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Prof. Dr. Andrea Vasella, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Prof. Dr. Goverdhan Mehta, who retires by rotation and being eligible, offers himself for reappointment.
4. To re-appoint Messrs. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, having ICAI registration no. 117366W, as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

#### SPECIAL BUSINESS:

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

**“RESOLVED THAT** in supercession of all earlier Resolutions and pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, approval of the members of the Company be and is hereby accorded and the Board of Directors (hereinafter called the ‘Board’ which term shall be deemed to include any committee authorized to exercise its powers including the powers conferred by this resolution), be and is hereby authorized to vary, alter, modify, revise or amend the terms referred to in the Letter of Offer dated 10<sup>th</sup> August, 2012, filed by the Company with the Securities and Exchange Board of India (SEBI) and to revise/amend the resolution passed by Postal Ballot dated 11<sup>th</sup> May, 2013, including to vary, amend, modify and/ or revise the utilization of the proceeds from the Rights Issue of Equity Shares made in pursuance of the said Letter of Offer and to utilize the proceeds from the Rights Issue for the new objects namely, “Any Research and Development activities/expenses, including incidental, ancillary and/or support activities/ expenses incurred by the Company, directly or indirectly.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to their end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of directors or any director(s)/officer(s) / authorized representative(s) of the Company to give effect to the aforesaid resolution.”

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

Place: Vadodara  
Date: 14<sup>th</sup> May, 2013

#### Registered Office:

**Sun Pharma Advanced Research Centre,  
Akota Road, Akota, Vadodara – 390 020.**

#### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. 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.
3. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 26<sup>th</sup> July, 2013 to Tuesday, 30<sup>th</sup> July, 2013 (both days inclusive).
5. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
6. Particulars required for Appointment / Re-appointment of directors pursuant to Clause 49 of the Listing Agreement.

At the ensuing Annual General Meeting, Prof. Dr. Andrea Vasella and Prof. Dr. Goverdhan Mehta, retire by rotation and being eligible offer themselves for re-appointment as Directors liable to retire by rotation.

The information or details for the aforesaid Directors are as under:

- 1) **Prof. Dr. Andrea Vasella**, aged 70 years, is an Independent Director of our Company. He holds a Masters Degree equivalent in Biology and Chemistry from University of Fribourg, Switzerland, a Doctoral Degree in Natural Science from ETH Zurich and Post-Doctoral fellowships in which he was associated with Prof. Dr. J.E. Baldwin at Kings College, London, and with Prof. Dr. R.B. Woodward at Harvard University.

He has also received an Honorary Doctoral Degree from the INSERM, Rouen, France and an Honorary Fellow of the Chemical Research Society of India (CRSI). He worked as an Oberassistent in ETH Zurich 1974 after which he moved to the University of Fribourg in 1977 as an assistant professor. He joined the University of Zurich in 1981 as an associate professor, and became a full time professor in 1987. He has been associated with ETH Zurich since 1993. He is a member of the Board of Trustees of Janggen Pöhn Foundation and is a consultant/ member of the Scientific Advisory Board of various leading International Companies. He has various research publications and a patent application, to his credit. He is the recipient of the Kern Medal (ETH), the Werner Award of the Swiss Chemical Society, the Roy L. Whistler Award of the International Carbohydrate Organisation and of the Haworth Memorial Lecture and Medal in the year 2009.

Presently, he is Vice President of the Board of Directors of Helvetica Chimica Acta and is also a member of the Swiss Chemical Society and of the Royal Society of Chemistry.

He does not hold any shares in the Company.

- 2) Prof. Dr. Goverdhan Mehta**, aged 70 years, is an Independent Director of our Company. He is presently National Research Professor and Eli Lilly-Jubilant Bhartia Chair at the School of Chemistry, University of Hyderabad. Prof. Dr. Mehta holds a Masters Degree in Science from University of Rajasthan, a Doctoral Degree in Organic Chemistry from University of Poona. He carried out Post-Doctoral research at Michigan State University and the Ohio State University. Professor Mehta has held faculty appointments at the Indian Institute of Technology, Kanpur, University of Hyderabad and the Indian Institute of Science, Bangalore. He has been a visiting Professor in over a dozen Universities worldwide. In the past, he has held important positions as Vice-Chancellor-University of Hyderabad, Ramanujam Research Professor of the Indian National Science Academy, Director of the India Institute of Science, Bangalore and CSIR-Bhatnagar Fellow at the Indian Institute of Science, Bangalore. He has authored nearly five hundred research papers in leading international journals, mentored over a hundred doctoral and post-doctoral students and lectured extensively in different parts of the world. He is on the Editorial Board of many leading international journals and has been honored with over a dozen Honorary Doctorate degrees (D. Sc. h.c). Prof. Dr. Mehta is a Fellow of leading science academies like the Indian National Academy, the Royal Society, London (FRS), the Russian Academy of Sciences, the Third World Academy of Sciences (FTWAS) and Indian Academy of Sciences (FASc). He has also received numerous awards nationally and internationally and the more notable among them are the Medals from Science Academies and Chemical Societies, Trieste Science Prize awarded by TWAS and Humboldt Research Award from Germany and the Centenary Medal and Lectureship of the Royal Society of Chemistry, UK. He has been a President of the Chemical Research Society of India (CRSI) and the Indian National Science Academy (INSA) and has been conferred "Chevalier de la Legion d'Honneur" and Padmashri by the Governments of France and India, respectively.

Presently, he is a Director of Piramal Enterprises Limited and Dr. Reddy's Institute of Life Sciences.

He does not hold any shares in the Company.

## EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

The Explanatory Statement for item No. 5 of the accompanying Notice set out hereinabove is as under:

### ITEM NO. 5 :

Pursuant to the Letter of Offer ("LOF") of the Company dated 10<sup>th</sup> August, 2012, the Company had issued and allotted shares by way of Rights Issue of 29,588,056 Equity Shares of face value of ₹ 1.00 each for cash at a price of ₹ 67.00 each (face value ₹ 1.00/- each and premium ₹ 66.00 per share) for an amount aggregating to ₹ 1,982.40 million, of which the Company had received ₹ 40.00 per share on application (₹ 0.60 per share towards face value and ₹ 39.40 towards share premium) aggregating to ₹ 1183.52 million. The Board has made the final call of ₹ 27 per share (₹ 0.40 per share towards face value and ₹ 26.60 towards share premium) at its meeting held on 24<sup>th</sup> January, 2013 and the Final Call Money was payable from 1<sup>st</sup> March, 2013 to 21<sup>st</sup> March, 2013.

Out of the total proceeds of the Rights Issue which was ₹ 1982.40 million, an amount of ₹ 1029.82 million were earmarked for Pharmaceutical research and development activities - clinical trials, as one of the Objects of the Issue more particularly stated and described under section titled 'Objects of the Issue' on Page 78 of the LOF dated 10<sup>th</sup> August 2012, as were considered appropriate and necessary by the Company at that point of time.

Further, the Company then obtained the approval of its members by way of resolution passed by Postal Ballot on 11<sup>th</sup> May, 2013, for revising the balance of unutilized proceeds of Rights Issue amounting to ₹ 965.87 million out of funds earmarked for 'Clinical Trials for the products Baclofen GRS Capsule and Paclitaxel Injection for Nanodispersion ("PICN")', by including any existing and/or future product/ technology projects for Clinical trials, and the Objects of the issue were amended as follows:

### Objects as per resolution passed by members by Postal Ballot:

₹ in million

Sr. No.	Fund Requirements	Amount
1.	Pharmaceutical research and development activities - Funding clinical trials in India or USA, on any existing and/or future product/technology including S0597 nasal, latanoprost plus timolol combination eye drops, dry powder inhaler, Baclofen GRS Capsule and PICN.	965.87

The Company had anticipated that it shall deploy estimated amount funds towards Funding clinical trials in India or USA, on any existing and/or future product/technology including S0597 nasal, latanoprost plus timolol combination eye drops, dry powder inhaler, Baclofen GRS Capsule and PICN, as follows:

**Objects as per resolution passed by members by Postal Ballot:**

₹ in million

Sr. No.	Fund Requirements	Amount	Proposed/estimated Deployment of Funds		
			March 2013	Fiscal 2014	Fiscal 2015
1.	Pharmaceutical research and development activities - Funding clinical trials in India or USA, on any existing and/or future product/technology including S0597 nasal, latanoprost plus timolol combination eye drops, dry powder inhaler, Baclofen GRS Capsule and PICN.	965.87	35.00	415.00	515.87

However, as you are aware, the field of Research and Development has an inherent unpredictability which results in many projects not getting realized or incurring heavy expenses before being shelved.

The Company undertakes various Research and Development activities in addition to clinical trials. Numerous allied and supporting activities need to be carried out prior to and after conducting such clinical trials. To reach the stage of clinical trials, the Company has to go through various preliminary stages. The Board of Directors therefore deem fit that the unutilised funds of the Rights Issue including unutilised amount of issue expenses would be better utilized for funding other operational demands of this technology- intensive field, in addition to utilising the funds for Clinical Trials. Consequently, on recommendation of the Fund Mobilising and Monitoring Committee and the Audit Committee of the Company and after discussions, the Board of Directors at their meeting held on 14<sup>th</sup> May, 2013, proposed to alter the utilization of unutilised funds out of the proceeds of the Rights Issue to Any Research and Development activities/expenses, including incidental, ancillary and/or support activities/expenses incurred by the Company, directly or indirectly. This variation in the utilization of unutilized proceeds of the Rights Issue would be in the best interests of the Company and its members.

Our Company is developing a pipeline of technology platforms for NDDS including oral, injectables and topical and new compounds in our NCEs portfolio, which are at various stages of development as detailed hereunder:

**Name of Product / technology for which Clinical Trials are presently being conducted with its Status:**
**NDDS PROGRAMS – PIPELINE**

 USA ■ India ■

Technology	Product	Dosage Form	Indication	Research	Preclinical	Phase 1	Phase 2	Phase 3	Pre-registration	Market	
Wrap Matrix	Levetiracetam ER	Oral	Epilepsy								
	Venlafaxine ER (300 mg)	Oral	Depression								
	Skeletal Muscle Relaxant	Oral	Spasticity								
Gastro Retentive Innovative Device (GRID)	Baclofen GRS	Oral	Spasticity								
	Baclofen GRS	Oral	Alcoholism								
Nanoparticle technology Platform	PICN	Injectables	Cancer								
	DICN	Injectables	Cancer								
Biodegradable Depot Injection	Octreotide LAR	Injectables	Acromegaly								
Gel Free Reservoir (GFR)	Timolol OD	Ophthalmic	Glaucoma								
Swollen Micelle Microemulsion (SMM)	Latanoprost BAK free	Ophthalmic	Glaucoma								
SMM+GFR	Latanoprost + Timolol	Ophthalmic	Glaucoma								
Dry Powder Inhaler	Fluticasone + Salmeterol	Dry Powder Inhaler	Asthma								

## NCE PROGRAMS – PIPELINE

Product	Route of Administration	Indication	Research	Preclinical	Phase 1	Phase 2	Phase 3	Market	
SUN-597	Nasal	Rhinitis							
SUN-597	DPI	Asthma							
SUN-597	Dermal	Dermatoses							
SUN-597	Ophthalmic	Allergic Conjunctivitis							
SUN-K706	Oral	Chronic Myelogenous Leukemia (CML)							
SUN-L731	Oral	Asthma/ Allergic Rhinitis							
SUN-1334H	Oral	Allergic Diseases	Under Commercial Evaluation						
SUN-1334H	Ophthalmic	Allergic Conjunctivitis	Under Commercial Evaluation						
SUN-09	Oral	Spasticity	Under Commercial Evaluation						
SUN-44	Oral	Neuropathic Pain	Under Commercial Evaluation						

The deployment of the balance amount of ₹ 940.6 million is therefore now proposed to include utilization for “Any Research and Development activities/expenses, including incidental, ancillary and/or support activities/ expenses incurred by the Company, directly or indirectly.” The unutilised funds as stated below include amount unutilised towards Pharmaceutical Research and Development-Clinical Trials and issue expenses .

### Proposed revised Objects for unutilised funds:

₹ in million

Sr. No.	Fund Requirements	Amount
1.	Any Research and Development activities/expenses, including incidental, ancillary and/or support activities/ expenses incurred by the Company, directly or indirectly.	940.6

### Proposed revised deployment for unutilised funds:

₹ in million

Sr. No.	Fund Requirements	Amount	Proposed/estimated Deployment of Funds	
			Fiscal 2014	Fiscal 2015
1.	Any Research and Development activities/expenses, including incidental, ancillary and/ or support activities/ expenses incurred by the Company, directly or indirectly.	940.6	425.0	515.6

Section 61 of the Companies Act, 1956 provides that the Company shall not vary the terms of a contract under the prospectus or statement in lieu of prospectus, except subject to the approval of, or except on authority given by, the Company in a general meeting. Since the Letter of Offer of the Company is akin to a Prospectus and the objects of the issue are akin to the terms of the contract/agreement, section 61 is applicable here and accordingly the approval of members is being sought to alter the utilisation of funds out of the Proceeds of a Rights Issue. Accordingly, approval of members is sought to confer authority in favour of the Board for utilization of the unutilised portion of the proceeds of the Rights Issue for purposes other than those stated in the Letter of Offer.

Your Directors therefore recommend the resolution proposed at Item no. 5 to be passed as special resolution by the members.

None of the Directors is in any way concerned or interested in the above resolution except to the extent of their respective shareholding, or the shareholdings of the Companies/ Institutions of which they are Directors and/or Members

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

Sd/-  
Meetal S. Sampat  
Company Secretary

Place: Vadodara

Date : 14<sup>th</sup> May, 2013

### Registered Office:

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Akota Road, Akota, Vadodara – 390 020.