

proceeds from the Rights Issue of Equity Shares made in pursuance of the said Letter of Offer and to utilise the proceeds from the Rights Issue in relation to the funds intended for Funding the pharmaceutical research and development activities - clinical trials as identified in the Letter of Offer to new objects namely, for Funding the 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 Paclitaxel Injection for Nanodispersion ("PICN").

"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
For Sun Pharma Advanced Research Company Ltd.,

Sd/-
Meetal S. Sampat
Company Secretary

Registered Office:
SPARC, Akota Road, Akota,
Vadodara - 390 020

Place: Mumbai
Date: 2nd April, 2013

NOTES:

- 1) The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto.
- 2) The Company has appointed **Mr. Umesh Lakhani, Partner, M/s. S. H. Bathiya & Associates, Mumbai** as the Scrutinizer for conducting the postal ballot process. The Postal Ballot Form and the self-addressed business reply envelope are enclosed for this purpose.
- 3) A member desiring to exercise vote by Postal Ballot/e-voting is requested to carefully read the instructions printed in the Postal Ballot Form, as applicable in case of physical voting by way of Postal Ballot Form, and return the duly completed form in the attached self-addressed business reply envelope, so as to reach the Scrutinizer at **Sun Pharma Advanced Research Company Ltd., 17-B, Mahal Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai - 400 093, on or before 6.00 p.m., on Wednesday, 8th May, 2013.** The Postal Ballot Forms received after this date will be treated as if the reply from the member has not been received.

EXPLANATORY STATEMENT

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

ITEM NO. 1

Pursuant to the Letter of Offer ("LOF") of the Company dated August 10, 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 Rs.26.60 towards share premium) at its meeting held on 24th January, 2013 and the Final Call Money was payable from March 1, 2013 to March 21, 2013.

The Net proceeds of the Rights Issue were marked for the Objects of the Issue more particularly stated and described under section titled 'Objects of the Issue' on Page 78 of the LOF, as were considered appropriate and necessary by the Company at that point of time and as detailed hereunder:-

(₹ in million)

Sr. No.	Fund Requirements	Amount
1.	Pharmaceutical research and development activities - clinical trials	1,029.82
2.	Repayment of identified loans availed from Group Entities	610.00
3.	General corporate purposes	325.58
4.	Issue expenses	17.00
TOTAL		1,982.40

Of the above the Company has utilised as stated in the Objects of the Issue, the entire amount earmarked towards Repayment of identified loans availed from Group Entities, General corporate purposes and Issue expenses, and in respect of the Pharmaceutical research and development activities - clinical trials for the products Baclofen GRS Capsule and Paclitaxel Injection for Nanodispersion ("PICN"), the Company has utilised an amount of ₹ 63.95 millions till February 28, 2013. The total amount spent on the objects of the issue upto February 28, 2013 amounts to ₹ 1016.53 millions, as per details given below:

(₹ in million)

Sr. No.	Fund Requirements	Amount of funds required as per the Letter of Offer	Amount utilised upto February 28, 2013	Balance unutilised Amount
1.	Pharmaceutical research and development activities - clinical trials	1,029.82	63.95	965.87
2.	Repayment of identified loans availed from Group Entities	610.00	610.00	-
3.	General corporate purposes	325.58	325.58	-
4.	Issue expenses	17.00	17.00	-
TOTAL		1,982.40	1016.53	965.87