



NOTICE OF MEETING OF THE PREFERENCE SHAREHOLDERS

NOTICE is hereby given that a Meeting of the Preference Shareholders of Sun Pharmaceutical Industries Limited will be held at Marigold, Hotel Taj Residency, Akota Gardens, Akota, Vadodara – 390 020 on Tuesday, 30th day of September, 2003, at 11.15 A.M. or immediately after conclusion of the Eleventh Annual General Meeting of the Company whichever is later to transact the following business:

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

"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulation) Act, 1956, and the Rules framed thereunder, Listing agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by the Resolution), the consent of the Company be and is hereby accorded to the Board to de-list the preference shares of the Company from Vadodara Stock Exchange Ltd., the Regional Stock Exchange of the Company.

RESOLVED FURETHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby authorised severally to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

By order of the Board of Directors

Kamlesh H. Shah
Company Secretary

Place : Mumbai

Date : 1st September, 2003

Registered Office:

SPARC, 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.

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.

2. **Listing of Preference Shares :**

The Preference Shares of the Company are listed at the Stock Exchanges at Vadodara, Mumbai and the National Stock Exchange. The Stock Exchange listing fee has been paid to each of the Exchanges within the

stipulated time.

3. The Register of Members and Share Transfer Books of Preference Shares of the Company will be closed from 26th September,2003 to 30th September,2003 (both days inclusive) .
4. The Board of Directors at their Meeting held on 3rd May, 2003 fixed the next redemption option period for redeeming Preference Shares at par from 1st October, 2003 to 31st December, 2003 in respect of 6% Cumulative Redeemable Preference Shares of Re.1/- each. The form of redemption for use of those Preference Shareholders, who wish to exercise the option of redemption, is enclosed here with.
5. Members/proxies should bring the attendance slip duly filled in for attending the meeting.

Explanatory Statement under Section 173(2) of the Companies Act, 1956

Presently, the Company's 6 % Cumulative Redeemable Preference Shares of Re.1/- each are listed at the following three Stock Exchanges in India:

- i. The Stock Exchange, Mumbai.
- ii The National Stock Exchange of India Limited, Mumbai.
- iii Vadodara Stock Exchange Limited (the Regional Stock Exchange).

With the extensive networking of the Stock Exchange, Mumbai (BSE) and the National Stock Exchange of India Limited (NSE) and the extension of the BSE/NSE terminals to other cities as well, investors have access to online dealings in the Company's Preference Shares across the country. The trading in the Company's preference shares in any case takes place on the NSE and the depth and liquidity of trading in the Company's preference shares on Vadodara Stock Exchange is Nil.

It is also observed that the listing fee paid to the other Stock Exchange is disproportionately higher, and there is no trading in the Preference Shares of the Company since its listing at Vadodara Stock Exchange compared to some trading at NSE.

As a part of its cost reduction measures, the Company has proposed this resolution, which will enable it to de-list its preference shares from Vadodara Stock Exchange Limited.

Under the Securities and Exchange Board of India (De-listing of Securities) Guidelines, 2003 issued by the Securities and Exchange Board of India on February 17, 2003, a company may voluntarily de-list from stock exchange (including the Regional Stock Exchange) where its securities are listed provided that:

- (i) the securities of the company have been listed for a minimum period of 3 years on any stock exchange.
- (ii) an exit opportunity has been given to the investors for the purpose at the exit price to be decided in accordance with the "book building process".

However in the cases, where the securities to be de-listed continue to be listed in a stock exchange having nation wide trading terminals, the exit opportunity need not be given.

Although the preference shares of the Company are listed in Nov.'02 at Vadodara Stock Exchange Ltd., the Company's equity shares were listed with Vadodara Stock Exchange Ltd. in the year 1994-95. In line with the SEBI regulations and approval, if any required, members' approval is being sought by a Special Resolution for enabling voluntary de-listing of its Preference shares from the said Stock Exchange. The Company is also seeking the approval of the equity shareholders for delisting of the Company's equity shares & preference shares by way of a special resolution at the ensuing Eleventh Annual General Meeting of the Company.

The Company will also separately give wherever required Notice of the proposed enabling resolution for the said de-listing in the news paper. The proposed de-listing of the Company's Preference Shares from the Vadodara Stock Exchange Limited, as and when the same takes place, will not adversely affect the investors. The Company's Preference Shares will continue to be listed on BSE and the NSE. The de-listing will take effect after all approvals, permissions and sanctions are received.

Your Directors recommend the Special Resolution for approval of members.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

By order of the Board of Directors

Place : Mumbai
Date: 1st September, 2003

Kamlesh H. Shah
Company Secretary

Registered Office:
SPARC, Akota Road,
Akota, Vadodara – 390 020.

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



ATTENDANCE SLIP

I hereby record my presence at the MEETING OF THE PREFERENCE SHAREHOLDERS of the Company at Marigold, Hotel Taj Residency, Akota Gardens, Akota., Vadodara – 390 020 on Tuesday , 30th September, 2003, at 11.15 A.M. or immediately after the conclusion of the 11th Annual General Meeting of the Company which ever is later.

Name: _____ Ref. Folio/D.P & Client I.D. No. _____

SIGNATURE OF THE ATTENDING MEMBER/PROXY No. of Pref. Shares held _____

NOTES:

- (1) Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
- (2) Shareholder/Proxyholder desiring to attend the meeting should bring his/her copy of the Notice for reference at the meeting.

.....Cut here



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

PROXY FORM

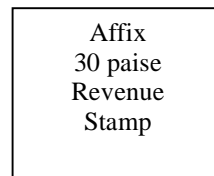
I/We _____ of _____ in the district of _____ being Member of the above named Company, hereby appoint _____ of _____ in the district of _____ of failing him, _____ of _____ in the district of _____

As my/our proxy to attend and vote for me/us and on my/our behalf at the MEETING OF THE PREFERENCE SHAREHOLDERS of the Company, at Marigold, Hotel Taj Residency, Akota Gardens, Akota., Vadodara – 390 020 on Tuesday , 30th September, 2003, at 11.15 A.M. or immediately after the conclusion of the 11th Annual General Meeting of the Company which ever is later and any adjournment thereof.

Signed this _____ day of _____, 2003

Reference Folio / D.P & Client I.D.No. _____

No. of Preference shares held _____



Signature

Note: The Proxy form must be returned so as to reach the Registered Office of the Company at SPARC, Akota Road, Akota, Vadodara - 390 020, not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.