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**SUN PHARMA
ADVANCED RESEARCH
COMPANY LTD.**



January 24, 2013

National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051.

BSE Ltd,
Market Operations Dept.
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sirs,

Sub: Outcome of Board Meeting for Consideration of Audited Financial Results for the quarter ended 31st December, 2012

The Board of Directors of the Company at their meeting held today transacted the following business:

1. Taken on record and duly approved the Unaudited Financial Results for the quarter and nine months ended 31st December, 2012 which are enclosed herewith alongwith the Limited Review report.
2. Considered and decided to make the Final Call on the partly paid Equity Shares of the Company allotted pursuant to the Rights Issue, for balance amount of Rs.27 per share (comprising of Re. 0.40 per share towards face value and the balance of Rs. 26.60 towards the premium) and fixed February 18, 2013 as the Record date for the purpose of determining the shareholders eligible for payment of Final Call. The period for payment of the Final Call money has been fixed from March 1, 2013 to March 21, 2013.
3. Considered and decided to seek the approval of members by Special Resolution by way of Postal Ballot pursuant to Section 192A of the Companies Act, 1956 for carrying out amendments /variations in the objects of the issue and the schedule of deployment / utilisation of proceeds / funds raised by way of Rights Issue of Equity Shares of the Company as stated in the Letter of Offer dated August 10, 2012.

This is for your information and records.

Thanking you,

Yours faithfully,
For Sun Pharma Advanced Research Company Ltd


Meetal S. Sapat
Company Secretary

Encl: as above

Sun Pharma Advanced Research Company Limited

Regd Office: Sun Pharma Advanced Research Centre,
Akota Road, Akota, Vadodara – 390 020.

Part I

Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2012

Particulars	Quarter ended			Nine Months ended		₹ in Lakhs
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	Year Ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Income from Operations						
Total Income	422	485	451	1,545	2,476	2,898
Expenditure	422	485	451	1,545	2,476	2,898
Cost of Materials Consumed						
Employee Benefits Expense	200	238	184	704	484	742
Clinical Trials and Professional Charges	887	870	791	2,662	2,315	3,043
Depreciation Expense	1,131	1,262	881	3,169	3,540	4,651
Other Expenses	86	85	80	254	235	316
Total Expenses	438	389	353	1,256	1,004	1,456
Profit / (Loss) from Operations before Other Income and Finance Costs	2,742	2,844	2,289	8,045	7,578	10,208
Other Income	(2,320)	(2,359)	(1,838)	(6,500)	(5,102)	(7,310)
Profit / (Loss) before Finance Costs and Tax	34	20	54	55	58	115
Finance Costs	(2,286)	(2,339)	(1,784)	(6,445)	(5,044)	(7,195)
Profit / (Loss) after Finance Costs but before Tax	123	73	6	208	20	27
Tax Expense	(2,409)	(2,412)	(1,790)	(6,653)	(5,064)	(7,222)
Profit / (Loss) After Tax for the period / year from Ordinary activities	(2,409)	(2,412)	(1,790)	(6,653)	(5,064)	(7,222)
Paid-up Equity Share Capital - Face Value ₹ 1 each	2,249	2,071	2,071	2,249	2,071	2,071
Reserves excluding Revaluation Reserve						
Earnings Per Share of ₹ 1 each – in ₹ (Basic and Diluted)	(1.07)	(1.15)	(0.85)	(3.09)	(2.41)	(3.43)

Part II

Select information for the Quarter and Nine Months ended December 31, 2012

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
Particulars of Shareholding						
Public Shareholding						
No. of Equity Shares	77,811,251	70,032,116	70,032,116	77,811,251	70,032,116	70,032,116
Percentage of Shareholding	32.87	33.81	33.81	32.87	33.81	33.81
Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
No. of Equity Shares	675,000	675,000	675,000	675,000	675,000	675,000
Percentage of Equity Shares (as a % of the total shareholding of promoter and promoter group)	0.42	0.49	0.49	0.42	0.49	0.49
Percentage of Equity Shares (as a % of the total share capital of the Company)	0.29	0.33	0.33	0.29	0.33	0.33
b) Non-encumbered						
No. of Equity Shares	158,218,196	136,409,275	136,409,275	158,218,196	136,409,275	136,409,275
Percentage of Equity Shares (as a % of the total shareholding of promoter and promoter group)	99.58	99.51	99.51	99.58	99.51	99.51
Percentage of Equity Shares (as a % of the total share capital of the Company)	66.84	65.86	65.86	66.84	65.86	65.86
Investor Complaints						
Pending at the beginning of the quarter	-	-	-	-	-	-
Received during the quarter	1	1	1	1	1	1
Disposed of during the quarter	1	1	1	1	1	1
Remaining unresolved at the end of the quarter	-	-	-	-	-	-

Notes :

- The above financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 24, 2013 and have been subjected to a limited review by the Statutory Auditors of the Company.
- The Company has only one reportable business segment namely 'Pharmaceutical Research & Development'.
- As at December 31, 2012, the accumulated losses at ₹ 18,783 Lakhs has exceeded the aggregate of general reserve, securities premium and paid up equity share capital of the Company, resulting in the net worth being negative at ₹ 1,479 Lakhs and also that the Company's current liabilities have exceeded its current assets by ₹ 7,876 Lakhs. However, having regard to: (i) the nature of the Company's business; (ii) status of various projects of the Company, some of which are at advanced stage of activity, which if successful could generate adequate cash flows; and (iii) the allotment of 29,588,056 equity shares of ₹ 1 each, during the quarter, to its shareholders on rights basis in the ratio of 1 equity share of ₹ 1 each for every 7 equity shares of ₹ 1 each held, at a premium of ₹ 66 per equity share, of which ₹ 40 per share aggregating ₹ 11,835 Lakhs (₹ 178 Lakhs towards equity capital and ₹ 11,657 Lakhs towards securities premium) has been received; the Board of Directors at their meeting held today made the final call of ₹ 27 per share, which would contribute ₹ 118 Lakhs towards share capital and ₹ 7,871 Lakhs towards securities premium, these financial results have been prepared on the basis that the Company is a going concern and no adjustments are required to the carrying value of assets and liabilities.
- Consequent to the issue of equity shares, during the quarter, to its shareholders on rights basis, the Earnings Per Share for all the periods prior to the rights issue have been restated in accordance with Accounting Standard (AS – 20) on "Earnings Per Share" as notified under the Companies (Accounting Standards) Rules, 2006. Paid-up Equity Capital comprises 207,116,391 Equity Shares having paid-up value of ₹ 1 each and 29,588,056 Equity Shares having paid-up value of ₹ 0.60 each.
- Status of Utilisation of rights issue proceeds :

Particulars	Total Projected utilisation as per Letter of Offer	Actual utilisation upto 31.12.2012
	₹ in Lakhs	₹ in Lakhs
Pharmaceutical research and development activities - clinical trials	10,298	584
Repayment of identified loans availed from Group Entities	6,100	6,100
General corporate purposes	3,256	2,655
Issue expenses	170	161
Funds utilised		9,500
Un-utilised rights issue proceeds *		2,335
		11,835
Pending final call proceeds		7,989
Total	19,824	19,824

* temporarily invested in liquid mutual funds

- Figures for the previous periods / year have been regrouped / reclassified, wherever considered necessary.

Mumbai, January 24, 2013

For Identification
Deloitte Haskins & Sells



By order of the Board
Dilip S. Shanghvi
Dilip S. Shanghvi
Chairman and Managing Director

Deloitte Haskins & Sells

Chartered Accountants
Tower 3, 27th - 32nd Floor
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (W), Mumbai - 400 013
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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED** ("the Company") for the quarter and nine months ended December 31, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. Without qualifying our review report, we draw attention to Note 3 to the Statement which indicates that, as at December 31, 2012, the accumulated losses at ₹ 18,783 lakhs (including net loss of ₹ 6,653 lakhs incurred for the nine months ended December 31, 2012) has exceeded the aggregate of general reserve, securities premium and paid up equity share capital of the Company, resulting in the net worth being negative at ₹ 1,479 lakhs and also that the Company's current liabilities have exceeded its current assets by ₹ 7,876 lakhs. Notwithstanding the foregoing, the accompanying Statement of Unaudited Financial Results has been prepared on a going concern basis for the reasons stated in the said Note. Our audit report for the year ended March 31, 2012 and review reports for the quarters ended June 30, 2012 and September 30, 2012 contained a similar 'Emphasis of Matter' paragraph.
4. Based on our review conducted as stated above, read with the matter stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrars/Management of the Company.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 117366W)



Rajesh K Hiranandani

Partner

(Membership No. 36920)

GOA, January 24, 2013

