

PUBLIC ANNOUNCEMENT UNDER REGULATION 15(1) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Open Offer (“Open Offer” / “Offer”) by Sun Pharmaceutical Industries Limited (“Sun Pharma” / “Acquirer”) to acquire up to 9,693,332 fully paid up equity shares of face value of Rs. 10 each from the shareholders of Zenotech Laboratories Limited (“Zenotech” / “Target Company”).

Background

On April 6, 2014, the Board of Directors of the Acquirer and Ranbaxy Laboratories Limited (“**Ranbaxy**”) have approved a scheme of arrangement under the provisions of sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013 (“**Scheme**”) whereby Ranbaxy shall merge into Sun Pharma (“**Primary Acquisition**”). Ranbaxy, Sun Pharma and their respective promoters have also executed certain documents to implement the Scheme (“**Transaction Documents**”).

As on March 31, 2014, Ranbaxy holds 16,127,293 equity shares representing 46.79% of the fully diluted equity and voting capital of Zenotech (“**Voting Capital**”). The Primary Acquisition and the consequential implementation of the Scheme are subject to customary closing conditions including the approval of the shareholders of Ranbaxy and Sun Pharma, High Court approvals, and other regulatory approvals. In the event that such approvals are received and the Primary Acquisition is consummated, the merger of Ranbaxy into Sun Pharma pursuant to the Scheme will result in Sun Pharma indirectly acquiring 46.79% of the voting rights held by Ranbaxy in, and control over, the Target Company, although the acquisition of voting rights in or control over the Target Company is not the objective of the Primary Acquisition.

Accordingly, this public announcement (“**Public Announcement**” / “**PA**”) is being issued pursuant to Regulation 3(1) and Regulation 4 read with Regulation 5(1) and Regulation 13(2)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the “**SEBI (SAST) Regulations**”) for and on behalf of the Acquirer to the public shareholders of the Target Company excluding the Acquirer, person acting in concert with the Acquirer, Ranbaxy, person acting in concert with Ranbaxy or such other persons as are excluded by law (“**Public Shareholders**”). Under Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Citigroup Global Markets India Private Limited as the manager to the Offer (“**Manager**”).

In terms of the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, this Open Offer is subject to the completion of the Primary Acquisition as provided in the Scheme and the Transaction Documents. It is clarified that in the event the Acquirer is unable to exercise or

direct the exercise of voting rights in, or control over the Target Company on account of the Primary Acquisition having failed, the Acquirer shall not proceed with this Open Offer.

All shareholding percentages in this PA and the number of the equity shares to be acquired in the Offer have been computed on the basis of the shareholding pattern of the Target Company as on March 31, 2014 available on the website of BSE Limited, and assuming full conversion of 42,500 employee stock options granted by the Target Company as disclosed in the annual report of the Target Company for the financial year 2013.

1. Offer Details

Size: Up to 9,693,332 fully paid up equity shares of face value of INR 10 (Indian rupees ten only) each of the Target Company (“**Offer Shares**”), constituting 28.1 % of the fully diluted voting share capital of the Target Company as of the 10th (tenth) working day from the date of closure of the tendering period, at a price of INR 19 (Indian rupees nineteen only) per Offer Share (“**Offer Price**”) aggregating to INR 184,173,308 (Indian rupees one hundred and eighty four million one hundred and seventy three thousand three hundred and eight only), subject to the terms and conditions mentioned in this Public Announcement, the detailed public statement (“**DPS**”) and the letter of offer that may be issued in accordance with the SEBI (SAST) Regulations.

Price / Consideration: INR 19 (Indian rupees nineteen only) per Offer Share determined by the Acquirer and the Manager taking into account the provisions of Regulation 8(3) and Regulation 8(4) of the SEBI (SAST) Regulations and the valuation report dated April 10, 2014 issued by M/s Bansi S. Mehta & Co., Chartered Accountants. The equity shares of the Target Company are infrequently traded as per Regulation 2(1)(j) of the SEBI (SAST) Regulations.

The DPS to be issued under the SEBI (SAST) Regulations shall be published no later than 5 (five) working days from the date of completion of the Primary Acquisition pursuant to the Scheme and the Transaction Documents in accordance with explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations. Interest computed at the rate of 10 per cent per annum on the Offer Price from April 6, 2014 being the date on which the Primary Acquisition was contracted and disclosed in the public domain until the date of the DPS will be paid together with the Offer Price in accordance with Regulation 8(12) of the SEBI (SAST) Regulations.

Mode of Payment: The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

Type of Offer: Offer triggered under Regulation 3(1), Regulation 4 read with Regulation 5(1) of the SEBI (SAST) Regulations.

2. Transaction which has triggered the open offer obligations (Underlying Transaction)

Details of Underlying Transaction						
Type of Transaction (direct/ indirect)	Mode of Transaction (Agreement/ Allotment/ Market Purchase)	Shares / Voting rights acquired/ proposed to be acquired		Total Consideration for Shares /Voting Rights (VR) acquired (in Millions)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis-à-vis total equity / voting capital			
Indirect acquisition	Scheme (as defined above)	Indirect acquisition of 16,127,293 equity shares of the Target Company.	Indirect acquisition of 46.79 % of the Voting Capital.	Not applicable since this is an indirect acquisition.	Not applicable since this is an indirect acquisition.	Regulation 3, Regulation 4 read with Regulation 5 (1) of the SEBI (SAST) Regulations.

3. Acquirer(s)/ PAC

Details	Acquirer	Total
Name of Acquirer(s)/ PAC(s)	Sun Pharmaceutical Industries Limited	-
Address	Registered Office: Sparc, Tandalja, Akota Road, Vadodra 390020, Gujarat Corporate Office: Acme Plaza, Andheri Kurla Road, Andheri (East) Mumbai- 400059	-
Name(s) of persons in control/promoters of Acquirers/ PAC where Acquirers/PAC are companies	1. Dilip Shantilal Shanghvi 2. Viditi Investment Pvt Ltd 3. Tejaskiran Pharmachem Industries Pvt Ltd 4. Family Investment Pvt Ltd 5. Quality Investment Pvt Ltd 6. Virtuous Finance Pvt Ltd 7. Virtuous Share Investments Pvt Ltd 8. Aditya Medisales Ltd	-

	9. Raksha Sudhir Valia 10. Sholapur Organics Pvt Ltd 11. Sudhir Vrundavandas Valia 12. Unimed Investments Ltd 13. Jayant Shantilal Sanghvi 14. Vibha Dilip Shanghvi 15. Kumud Shantilal Shanghvi 16. Aalok Dilip Shanghvi 17. Vidhi Dilip Shanghvi 18. Jeevanrekha Investrade Pvt Ltd 19. Kumud S Shanghvi Trustee of Shanghvi Family & Friends Benefit Trust 20. Package Investrade Pvt Ltd 21. Varsha Kiran Doshi 22. Shanghvi Finance Pvt Ltd 23. Dipti Nirmal Modi 24. Asawari Investment & Finance Pvt Ltd 25. Flamboyawer Finance Pvt Ltd 26. Sanghvi Properties Pvt Ltd 27. Gujarat Sun Pharmaceutical Industries Pvt Ltd 28. Nirmat Exports Pvt Ltd	
Name of the Group, if any, to which the Acquirer/PAC belongs to	N. A.	-
Pre Transaction shareholding in the Target Company • Number • % of total share capital	NIL	-
Proposed shareholding in the Target Company after the acquisition of shares (including the Offer Shares) which triggered the Open Offer	74.91% of the Voting Capital (assuming full acceptance under the Open Offer)	74.91% (assuming full acceptance under the Open Offer)

Any other interest in the Target Company	None	None
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Note: In accordance with the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the Open Offer to the Public Shareholders is subject to the completion of the Primary Acquisition as contemplated in the Scheme and the Transaction Documents. Accordingly, the proposed shareholding of the Acquirer in the Target Company after the Open Offer would include the current shareholding of Ranbaxy in the Target Company.

4. Details of selling shareholders

This being an indirect acquisition through the Scheme, there are no selling shareholders for the purpose of this Open Offer.

5. Target Company

Name:	Zenotech Laboratories Limited
Registered Office:	Survey No. 250-252, Turkapally Village, Shameerpet Village, RR District, 500078 - Andhra Pradesh
Exchanges where listed:	Equity shares of Zenotech are listed on the BSE Limited

6. Other Details

The DPS to be issued under the SEBI (SAST) Regulations shall be published no later than 5 (five) working days from the date of completion of the Primary Acquisition pursuant to the Scheme and the Transaction Documents in accordance with the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations. The DPS shall contain details of the Offer including detailed information on the Offer Price, the Acquirer, and the Target Company, background to the Offer, statutory approvals for the Offer and details of financial arrangements, and other terms and conditions of the Offer.

The Acquirer undertakes that it is aware of and will comply with its obligations under the SEBI (SAST) Regulations and that it has adequate financial resources to meet its obligations under the Open Offer.

The Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19(1) of SEBI (SAST) Regulations. However, this Open Offer is subject to the completion of the Primary Acquisition as stated above.

This PA is not being issued pursuant to a competing offer under the terms of Regulation 20 of the SEBI (SAST) Regulations.

All information in relation to the Target Company contained in this PA is based on publicly available information.

Issued by the Manager to the Offer

Citigroup Global Markets India Private Limited

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Contact Person: Varun Chokhani

SEBI Registration Number: INM000010718

On behalf of the Acquirer

Sun Pharmaceutical Industries Limited

Acme Plaza, Andheri Kurla Road,

Andheri (E) Mumbai- 400059

Place: Mumbai

Date: April 11, 2014