

## Press Release

### Q3 Turnover up 25%, PAT up 36% To commission a new dosage form plant at Dadra

Mumbai, January 22, 2002

Sun Pharmaceutical Industries Ltd, the speciality pharmaceutical Company announced third quarter results with PAT increased 36% to Rs 464mill (Q3-00/01 Rs 341mill) and turnover increased 25% to Rs 1968mill (Q3-00/01 Rs 1578 mill). Domestic formulation sale for the quarter was up 27% to Rs 1203mill (Q3-00/01 Rs 949mill). Exports were up by 33% to Rs 376mill (Q3-00/01 Rs 282mill). EPS for the quarter was up by 40% to Rs 9.9 after the preference shares were fully redeemed during the quarter.

For the nine months ending 31st December 2001, PAT increased 31% to Rs 1353mill (nine months 00/01 Rs 1036 mill) and turnover increased 25% to Rs 5602mill (nine months 00/01 Rs 4499mill). Domestic formulation sales was up 27% to Rs 3582mill (nine months 00/01 Rs 2817mill). Exports crossed Rs 1035mill up by 25% as against Rs 827 mill.

The third quarter results were taken on board at a meeting held in Mumbai today.

Key among important announcements was the one about an additional facility in the union territory of Dadra for solid oral dosage forms (tablets and capsules). This 1.2lac square ft plant is being built to comply with all international regulatory approvals such as the UKMCA, USFDA; and have a capacity of 150mill units per month. The total capex on the plant is estimated at Rs 250mill; the plant is expected to be commissioned phasewise by the end of February this year.

With a view to exiting the low margin bulk cephalosporins business, the Company's Ankleshwar plant (the erstwhile Gujarat Lyka plant) is being converted into a 600tpa capacity facility for high value speciality intermediates after a completely validated decontamination process, at a capex of Rs 35mill.

The company, ranked 5th by domestic prescription product sales, has been consistently adding to market share from 2.47% in November 2000 to 2.78% in November 2001(ORG Retail Chemist Audit, November 2000 and 2001).

Forbes Global, the prestigious international magazine recently rated Sun Pharma among the best 200 global companies for 2002 (turnover less than \$500mill).

4 of the Company's plants- Vapi, Silvas1, Silvas2 and Ahmednagar recently won the prestigious IDMA quality excellence awards (as against 2 awards won last year). Ahmednagar and Silvas2 won gold medals while the Vapi and Silvas1 plants won the certificate of merit in their turnover category.

During the course of the year, the Ahmednagar bulk drug plant received USFDA approval as well as ISO14001 for Environment Management Systems. The Panoli bulk drug plant received ISO9002 approval.

Across Sun Pharma's 9 divisions more than 30 new speciality products (last year same period-25) developed at SPARC were launched in the first nine months this year. Of these, the asthma metered dose inhaler Combitide, the allergy medication Deslor/Dazit, the antiepileptic Oxetol are expected to emerge as primary brands of choice in their therapy areas.

Analysis of data for November 2001 MAT indicates that 4 of the Company's speciality products list among the 20 best performing new products launched in the last year-Susten(progestrone), Edegra (sildenafil), Pioglit (pioglitazone), and Veniz (venlafaxine).

Sun Pharma continues to be the top rated Company with psychiatrists, neurologists, gastroenterologists (2nd), cardiologists (4-as a consequence of industry merger s) orthopedicians (4th); chest physicians and consultant physicians (6th). (CMARC July- October 01)

At the Company's R&D Centre SPARC in Baroda, the progress of projects in NCE in three specific therapy areas; as well as that of platform NDDS technologies is fairly satisfactory.

Mr. Dilip Shanghvi, Chairman and Managing Director, "Bringing the same intent and focus to the international dosage form business remains our first priority, and we are concerned about the delay in reaching a turnaround"

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