

## **Press Release**

### **Sun Pharma reports strong growth in net profit**

# **PAT up 28%, Sales up 22%**

**Mumbai, April 26**

Sun Pharmaceutical Industries Ltd., the speciality pharmaceutical company reported numbers for the year ending 31/3/2002 with PAT up 28% to Rs.172cr., Total Sales up 22% to Rs.748 cr. These unaudited results were taken on board at a meeting held in Mumbai today.

For the 4th quarter, sales were up 10% to Rs.180cr and PAT up 29% to Rs40cr.

**Breakups:**

For the year, Domestic formulations at Rs.468cr (Rs370cr) is up 26%. Total Exports at Rs140cr (Rs.118 cr) is up 18% Export of speciality bulk active was Rs.107cr (Rs84cr), up by 27%. Formulation exports recorded a negative growth by 16% to Rs28cr (Rs34cr)

For the 4th quarter, domestic formulation sales at Rs.110cr is up 24%(Rs.89cr), Total Exports Rs36cr (Rs35cr) and Exports of speciality bulk actives Rs27cr. (Rs.26cr)

The bulk active turnover for the year reflects reduced sales after discontinuation of the cephalosporin business.

The company has been working to reengineer its export strategy with a new team and a select product basket in each of the markets that it operates in.

**Recognition:**

Sun Pharma was recently adjudged the best company by the Express Pharma Pulse for overall performance for 2002 (in the category A-market share over 2.5%).

The company's USFDA approved bulk active plant at Ahmednagar received ISO 9002 and ISO 14001 approvals. The Panoli plant received ISO9002 approval, and a European approval for Metoprolol tartrate bulk active recently, a number of filings are awaiting approval.

Four manufacturing sites also won the prestigious IDMA awards-Silvas 1, Silvas2, Vapi and Ahmednagar, of these 2 were gold medals.

**Rankings:**

Sun Pharma continues to be ranked 5th with a significantly higher than industry growth rate (ORG Retail Chemist Audit March 2002). Market share is at 2.8%, up from 2.57% last year and 1.74 % in 1998. (ORG Retail Chemist Audit Data March 2002, February 2001 and December 1998, MAT).

As per the C MARC data for Nov 2001- Feb 2002, Sun Pharma continues to build on its lead across therapy areas and is ranked 1st with psychiatrists and 1st with neurologists. Among significant rank changes -the company is now ranked 3rd with cardiologists, up from 4th rank in the preceding quarter. The company is ranked 3rd with gastroenterologists, and 6th with orthopedics,17th with oncologists and 4th with ophthalmologists. The company is ranked 8th overall among all companies according to C MARC.

**Market Performance:**

6 of Sun Pharma's speciality brands feature in the top 300 list of pharma brands (ORG Retail Chemist Audit, March 2002). 4 of the company's new launches feature among the list of the top 30 brands introduced in 2001-Edegra, Clopilet, Mozax, Mirtaz (data from ORG Retail Chemist Audit for 2001)

According to data from the ORG for March 2002, Sun Pharma ranked 2nd in terms of the value of new launches (37 new products were launched totaling Rs.18.59cr. and accounting for 5.67% MS of new products).

**New brands:**

Across Sun Pharma's 9 speciality divisions over 35 new products were launched during the year. In the CNS area 11 new products were launched and 6 in the area of asthma/allergy.

**Manufacturing:**

The company set up and began production at a new 5-acre large site in Dadra, in a record 10month span. This 120,000sq.ft, 240crore tablets-per-year capacity plant with a Rs25cr investment is designed and built to exacting international regulatory standards including the USFDA and UKMCA.

Additional production capacity was created at Ahmednagar (Rs.5cr investment) and Silvas 1 (Rs.3cr).

**New research sites:**

A new, state of the art, drug discovery campus is being built in Baroda, with an estimated outlay of Rs40cr in the projects planned. This 16-acre site, housing 150 additional scientists will be commissioned over the next two years.

A new site is being purchased for expansion of the product development labs in Bombay. This R&D center with a proposed area of 50,000 sq.ft will service the North American and European markets, a high priority area.

**International markets:**

International markets continues to be a high priority area for the company. Across 36 markets, 1025 active filings have been made and 255 approvals received. With the patent filings made by the IP team last year, the total number of patents submitted now stands at 76.

The expenditure on overseas marketing, promotion and registration has increased by over 30% in 2001-02 over the previous year.

The Detroit, USA based Caraco Pharm Labs currently has 5 ANDAs filed and awaiting FDA approval. In the 2001-2002 period, the USFDA approved 5 ANDAs and issued 1 approvable letter for the products that Caraco had filed using the product development technology transferred from Sun Pharma. Caraco has been manufacturing and selling all the approved products, month after month subsequent to approval. Metformin, an interesting product for the company, was approved on the 29th of January and a reasonable level of sales booked every month after that. Caraco's performance is improving subsequent to the new approvals.

According to Dilip Shanghvi, Managing Director of the company, "Increasing competition even more firmly validates the need for a customer centric growth agenda. Every step that we take in the area of research and our painstaking effort to establish a presence in the international markets adds to our strength for the long term."

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