

Press Release

Sun Pharma reports strong earnings PAT up 49%, Sales up 29%

Mumbai, April 19

Sun Pharmaceutical Industries Ltd., the speciality pharmaceutical company reported numbers for the year ending 31/3/2001 with PAT up 49% to Rs.135cr., Total Sales up 29% to Rs.613 cr. These unaudited results were taken on board at a meeting held in Baroda today.

Breakups:

The company reported a total net profit of Rs.135cr (including that of the erstwhile wholly owned subsidiary Sun Pharma Exports which is now merged into Sun Pharma). This compares with a net profit of Rs.91 cr. and that of the export subsidiary at Rs11cr. for the previous year. This does not include the figures for Pradeep Drugs and Sun Pharmaceutical Advanced Research Centre Ltd., the merger of which are awaiting approval from the BIFR and High Court.

Domestic formulations at Rs370cr. is up 22%. Exports are flat at Rs.118 cr. Formulation exports were significantly higher at Rs.34cr. (previous year Rs.24cr.), after the company put in place a restructuring plan to tailor product baskets to specific country needs.

Recognition:

The USFDA recently visited and cleared the company's Ahmednagar bulk active plant. The formulation facility at Silvas was awarded the prestigious IDMA gold medal for quality excellence for 2000 in its category, while the formulation plant at Vapi received a merit award.

Rankings:

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

As per the C MARC data for July- October 2000, Sun Pharma continues to build prescription share across therapy areas -the company continues to be ranked 1st with psychiatrists and 1st with neurologists. Among significant rank changes -the company is now ranked 2nd with cardiologists, up from 3rd rank last year. The company recently moved to 1st rank with gastroenterologists. The company is now ranked 3rd with orthopedics (up from 4th last year), 17th with oncologists and 4th with ophthalmologists. The company is ranked 6th 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, February 2001). According to ORG's Market Intelligence Report for 1999-2000, Sun Pharma ranked 2nd in terms of the value of new launches (35 new products were launched totaling Rs.25.9cr. and accounting for 8.5% MS of new products). Of these, 2 brands, Celact (celecoxib) and Oleanz (olanzapine) ranked among the top selling new products.

New brands:

Across Sun Pharma's 8 speciality divisions 33 new products were launched during the year. Taking the lead for new products among therapy areas was cardiology (6 products), followed by diabetology (4 products) and ophthalmology (6 products). Likely brand outperformers among these were the antihypertensive Irovel (irbesartan), the antidiabetics RapiLin (repaglinide), Pioglit (pioglitazone), Result (rosiglitazone) and the erectile dysfunction treatment Edegra (sildenafil).

International markets:

The company continues to be optimistic about international business. The continued upturn in formulation exports this year was largely a result of tightened operations across South East Asia.

The Detroit, USA based Caraco Pharm labs currently has 9 ANDAs filed and awaiting FDA approval. After issuance of a warning letter last year, the USFDA commenced reinspection of Caraco's manufacturing site in March 2001. 21 products await transfer at various stages.

According to Dilip Shanghvi, Managing Director of the company, "We persist with our customer centric growth agenda. This, along with every incremental step that we take in the area of innovation based research increases our level of preparedness for the long term."

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