

Press Release
Sun Pharma announces Bonus Preference
Shares carrying coupon of 6% in ratio of 4 shares
of Rs1/- each per 1 equity share held

June 28, Mumbai:

The board of directors met today to recommend the terms of the redeemable preference bonus shares of the company.

The board recommended that bonus preference shares, with a face value of Rs.1/- be issued in the ratio of 4 preference shares for one equity share held in the company. The preference shares would bear a coupon of 6%, and would be redeemable after 5 years. However, there would be no lock in, and the company would redeem these on a preannounced date every year starting from the first year itself.

These bonus preference shares will be listed at the stock exchanges where the equity shares of the company are listed, subject to approvals of the stock exchanges and concerned authorities.

This proposal will have to be approved by the shareholders of the company at the forthcoming AGM on August 28, and the record date fixed by the board subsequently.

Earlier in May this year, the company announced its annual results for the year ended March 2002, with a turnover of Rs7477mill and PAT of Rs1686mill. The company had announced a dividend of 50% (Rs.5 per share) for the year ended 31 March 2002.

Sun Pharma is ranked 5th among all Indian pharma companies with a 2.89 %MS (ORG Retail Chemist Audit, April 2002). Forbes Global recently ranked Sun Pharma among its best small 200 companies for 2002 (turnover <\$500mill).

Sun Pharma ranks among the top 5 companies for specialist consultants in therapy areas such as psychiatry, neurology, cardiology, gastroenterology, ophthalmology and orthopedics.

Manufacturing for formulations and bulk actives is spread across 8 sites, one bulk site is USFDA approved (one site awaits inspection).

The company's R&D center SPARC, in Baroda is manned by 210 scientists who work on process synthesis, dosage form development, NCE and ndds. The 40 person strong Bombay R&D center works on ANDA filings for the US generics market. A 150 -scientist strong research site for innovation (NCE and NDDS) will become operational by 2004. The outlay on innovation based projects is expected to increase to 70% of the research budget by 2004.

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