

CLARIFICATION

This refers to the news stories on Sun Pharma in

1. Business Standard dated 19th January
2. Financial Express dated 18th January
3. Economic Times, Calcutta Edition dated 19th January

The company draws your attention to the following points:

1. a) "Sun Pharma to drop Chennai R & D center plan"- Business Standard, 19th January.
b) "Sun Pharma to set up R & D unit in Bharuch"- Financial Express, January 18th

Clarification: There are no plans to set up any facility or any R & D unit in Bharuch. We are evaluating the option for Chennai, but are continuing with our plans for investments in research and increasing the research infrastructure. Recruitment for drug discovery also continues for the centre with a clear indication that people may have to move to Baroda or Chennai. A decision on this will be taken by March. In the meanwhile, the NCE/Ndds team at Baroda continues to pursue projects in select therapy areas of interest.

2. "TDPL facility for sale, say industry sources" Business Standard, 19 January
Clarification: This is not true

3. "Delay in the commencement of the research at Chennai" Business Standard, 19 January
Clarification: While there has been a delay in starting projects at Chennai, work from the NCE and NDDS teams at Baroda has been progressing satisfactorily.

4. "Sun Pharma to dilute holding in Caraco." Business Standard, 19 January
Clarification : This is not correct.

5. "Sun Pharma to pump in more funds in the jv" Business Standard, 19 January
Clarification: In fiscal 2000, Caraco took on 2 bank loans totaling \$10million. Further requirements of funds at Caraco will depend on ANDA approvals and beginning of marketing these products when approved. Sun Pharma remains committed to efforts for Caraco's success, and Sun may need to invest additional funds if and when required. However, no immediate fresh funding is planned.

6. "Caraco expects 3 ANDA approvals by the end of this year" Business Standard, 19 January
Clarification: Caraco expects 2-3 ANDA approvals after the plant clears pre approval inspection and registration dossiers are cleared by the USFDA. Caraco is reasonably confident of going through this inspection and having the registration dossiers cleared by the US FDA. However Caraco has no control over such approvals by the USFDA.

7. a) "Sun Pharma may form jv with Bangla co."
b) "Sun Pharma to set up a plant in Sri Lanka"
- Economic Times, Calcutta, January 19th

Clarification: As a part of its long term international plans the company is evaluating investments in jvs in a few countries of which Bangladesh is one such country. However the exact quantum of investments for Bangladesh is not finalized. No such decision for Sri Lanka has been taken.

Contact: Mira Desai, Corporate Communications
Phone No's: 022-8211961/ /8230102/ ext 243

e-mail: corpcomm@sunpharma.com
miradesai@hotmail.com