

NEWS RELEASE

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SUN PHARMA TO SET UP NEW RESEARCH CAMPUS IN CHENNAI

Sun Pharmaceutical Industries Ltd, the Mumbai-based speciality pharmaceuticals company, has announced plans to establish a campus earmarked entirely for new drug research in Chennai with an initial investment of Rs.40 crores.

The centre's thrust would be in three therapy areas where it expects to develop research leads for therapeutic alternatives. This will be the third research centre of the company, in addition to the research capability the company has built up at its research centres SPARC in Baroda and in Kalina in Mumbai.

Sun Pharma expects to put in place a scientific advisory board shortly and initiate projects with educational institutions of repute such as Indian Institute of Technology (IIT) and Indian Institute of Science (IISc).

The Chennai campus, three km away from the airport, located besides the Adyar river, will offer an atmosphere for world-class pharmaceutical research in tranquil, university-like surroundings.

The company expects to staff the lush, treelined 30-acre site with a totally new 150 strong team of scientists, which it expects to recruit from centres of excellence in industry and academic institutions in India and abroad.

The campus, to be operational by July next year, will have state of the art equipment, a world class library and 24-hour net access.

This initiative will double the research strength at Sun Pharma. The company started investing in research in 1993 and has so far invested over Rs.430 million (at 4 percent of turnover every year) at the R&D centre SPARC in Baroda.

Here, a 150 strong team of scientists has brought to market over 30 bulk actives and 70 dosage forms. This 37,000 sq. ft site has modern facilities across process development, peptide synthesis, dosage form and analytical development. New dosage forms and bulk actives developed at SPARC have been a major driver of growth and account for close to 40 percent of the turnover.

SPARC has helped Sun Pharma compete with a technology edge in closely guarded markets. It is one of only a handful of producers of the bulk actives ornidazole and tizanidine, processes for which were developed at SPARC. Sun Pharma was the first Indian company to develop and market the potent and technically complex peptides Lupride (leuprolide) and Octride (octreotide).

The 30 person strong research centre in Mumbai has developed and transferred 21 products to the company's U.S. associate Caraco Pharm Labs, Detroit. Six ANDAs (abbreviated new drug applications) are awaiting approval from the USFDA.

Sun Pharma (FY99 profit Rs.700 million, turnover Rs.3,550 million) is India's leading speciality pharma company. Sun Pharma now ranks among the top 10 pharma companies in India, up from 18th rank a year ago and 34th rank in 1994, at the time of its IPO. The company continues to show a higher than industry growth rate on an increasing base.

Since the company's initial public offer in 1994, turnover has increased over 6 fold from Rs. 531 million to Rs.3550 million and ranking has moved up twenty-four places to 10th rank. Sun Pharma is currently rated as one of the top five companies by its specialist consultant groups such as psychiatrists, neurologists cardiologists and gastroenterologists.