

## **Sun Pharma purchases additional stake in Caraco To hold over 60 % equity**

Mumbai, February 3

Sun Pharma entered into an agreement in the third week of January 2004 with 2 large shareholders of Caraco Pharmaceutical Laboratories, Ltd (AMEX: CPD) to acquire most of their common stock and options in the company. This will increase Sun Pharma and its affiliates equity positions in the company to over 60% from 44% on a fully diluted basis including options. This is at a consideration of \$9 per share/option, involving a total outlay of abt \$42 million. Sun Pharma board, in its recent meeting on 28.1.2004, cleared this investment to strengthen the company's base in the high priority US generics market. The requisite permission for these investments has been obtained. Sun Pharma expects to fund this acquisition from internal accruals. "We view this as a firm intent of our long term interest in the US generic market, the potential that we see there and the capability of the management at Caraco to partake of this growth", said Dilip Shanghvi, Chairman and Managing Director, Sun Pharma.

Detroit-based Caraco Pharmaceutical Laboratories, Ltd., develops, manufactures and distributes generic and private-label prescription drugs to some of the nation's largest wholesalers, distributors, drugstore chains, healthcare systems and state and federal agencies.

Sun Pharma is ranked 5th among all Indian pharma companies with a 3.01 %MS (ACN -ORG Retail Chemist Audit, Nov 2003). Forbes Global recently ranked Sun Pharma among its best small 200 companies for 2003 (turnover <\$500mill). In niche therapy areas such as psychiatry, neurology, cardiology, diabetology, gastroenterology, orthopedics, Sun Pharma ranks among the top 3 companies (CMARC July- Oct 2003). The company has strong initiatives planned in research, with additional 250,000 sq ft of research floor area, 220 scientists to be added, and continuing commitments of \$15 mill to R&D for each of the next two years.

**Contact: Mira Desai, Corporate Communications**

**Phone No's: 022-56969510/56969600**

**Alternate no's: 022-28211961/ /28230102/ ext. 243**

**E-mail: [corpcomm@sunpharma.com](mailto:corpcomm@sunpharma.com)**