

Press Release

Sun Pharma board to consider merger of Export subsidiary

Mumbai, March 31

Sun Pharmaceutical Industries Ltd, the speciality pharmaceutical company today announced a board meeting on Saturday April 1, at its registered office in Vadodara. The company is seeking approval to merge Sun Pharma Exports Ltd, its subsidiary into the main company. If ratified, this change will come into effect from the next fiscal, i. e. April 1, 2000.

This move will help in the rationalisation of export business and consolidation of income and net profit in the parent company. The increase in dividend tax from 10% to 20% (with 22% surcharge) also impacted the decision.

Sun Pharma had recently reported 9-month sales of Rs. 328.16 cr. (9-month 98/99-Rs. 243.27 cr.) and a PAT of Rs. 65.71 cr (9 months 98/99-Rs. 42.07 cr.). Sun Pharmaceutical Exports Ltd., had reported sales of Rs. 45.94 cr. and PAT of Rs 7.29 cr. for the 9-month period ending December 1999 (sales of Rs 31.88 cr. and PAT for 9-month period in 1998-99-Rs. 6.32 cr.)

The company is currently ranked 8th by domestic prescription products (5th on monthly rank). The company is growing at 36%, which is significantly higher than the 9.2% reported for the pharma industry (ORG Retail Chemist Audit, February 2000).

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