

CLARIFICATION: No such proposal, says Sun Pharma Bloomberg story titled " Sun Pharma Plans to Acquire Remaining Stake in Caraco"

There is NO active proposal with the board of directors of Sun Pharma to consider acquisition of the shares of Caraco Pharm labs (AMEX CPD) in order to take it private.

Sun Pharma had recently shared its intent to raise funds not over \$350mill by issue of an equity linked instrument -debentures/bonds/securities/foreign currency convertible bonds, secured or unsecured. This is subject to requisite shareholder approval and approval from authorities/ regulatory bodies.

The company has yet to take a firm decision on several alternatives for the deployment of these funds.

Sun Pharma is ranked 5th among all Indian pharma companies with a 3.09 %MS (ACN -ORG Retail Chemist Audit, Feb 2004). 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 Nov03- Feb04). The company has strong initiatives planned in research, with additional 250,000 sq ft of research floor area across 2 new sites, a planned strength of 500 scientists, and continuing commitments of \$15 mill to R&D for each of the next two years.

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