

Merger hurts Sun

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Mumbai, May 29: Sun Pharmaceutical Industries today reported disappointing numbers for the fourth quarter ended March, mainly because of its merger with Ranbaxy Laboratories and price erosion in some products in the US.

The consolidated net profit of the drug major was Rs 888.05 crore in the reporting quarter against Rs 1,587.12 crore a year ago. Net sales stood at Rs 6,144.90 crore against Rs 4,043.57 crore a year ago.

The financials for the quarter include the impact of the company's merger with Ranbaxy and, therefore, are not comparable with that of the same period last year, the

DEAL PAIN

March-quarter figures

(in Rs cr)	2014	2015
Net sales	4,043.6	6,144.9
Net profit	1,587.1	888.05
EPS (Rs)	7.66	3.69



company said.

The company's net profit during 2014-15 stood at Rs 4,540.60 crore against Rs 3,141.47 crore a year ago.

Sun Pharma MD Dilip Shanghvi said, "Our performance has been impacted because of various one-time charges, mainly on account of the Ranbaxy merger and price

erosion for some of our products in the US."

Shanghvi said the company had now commenced the process of cultural integration of Ranbaxy. Also, it is pledged to being 100 per cent compliant on good manufacturing practices.

He added that Sun Pharma continued to target synergy benefits of \$250 million in three years and was also implementing corrective steps to address observations raised by the US Food and Drug Administration (FDA) with regard to its Halol plant.

The company's sales in the US stood at \$488 million for the quarter, accounting for 49 per cent of the total sales.

For the full year, sales in the US were \$2,244 million, or 50 per cent of the total sales.

Company