

Report Generated on : 20th March 2007

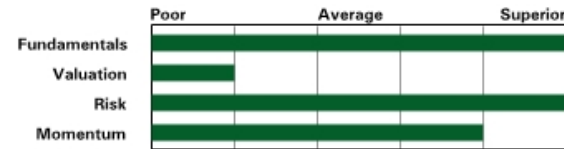
Score Card as of 20th March 2007

Sun Pharmaceutical Industries Ltd. (SUNPHARMA)

Overview

Price as of 3/20/2007 Rs. 991.10
 Industry Pharmaceuticals and health care
 52 Week High / Low Rs. 1080.80 / 636.60
 Asset Class Large Cap

Company Background : Sun Pharmaceutical Industries Ltd. (SPIL), formed as a partnership firm in 1983 by Dilip Shanghvi, manufactures formulations and bulk drugs. Initially operating with a plant at Vapi, Gujarat, it set up two more plants, at Silvassa and Panoli. SPIL has used a combination of organic growth and acquisitions to drive growth; important among its mergers were those of the USFDA approved Caraco Pharma Labs and UKMCA approved MJ Pharma. It ranks 9th and 2nd in terms of turnover and market value respectively. SPIL operates in select therapeutic segments like psychiatric, neurology, cardiology and gastro-enterology, and now has become a leader in this niche segment. The company has so far taken over companies and brands like Knoll Pharma's bulk drug facility, Gujarat Lyka Organics, M.J. Pharma, Natco's brands, Milmet Labs. As on 31/12/06, the promoters of the company held 69.60% shares; institutional investors held 19.90%, other investors 3.93% and general public held 6.58% shares in the company.



Current Consensus Opinion

Analyst Opinion	No. of Ratings
Buy	3
Buy/Hold	4
Hold	3
Weak/Hold	0
Sell	2
No Opinion	0
Total	12

Fundamental Information

	SUNPHARMA	Industry	Market
Revenue (Rs. Crores)	1292.85	39590.21	657196.63
Market Cap (Rs. Crores)	18836.85	152102.95	1830227.51
Price / Sales	14.57	3.84	2.78
Profit Margin (%)	25.7	12.32	12.05
Return on Equity (%)	31.51	18.87	20.6
LT Debt / Equity	1.19	0.79	0.37
Return on Assets (%)	12.79	8.27	4.7
Dividend Yield	0.55	--	--
Beta	0.76	--	--

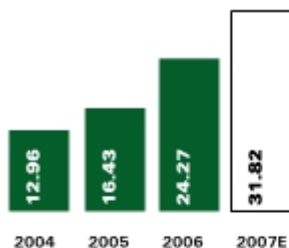
Peer Analysis

	Revenue (Rs. Crores)	Growth (%)	P/E	Analyst Consensus
Cipla Ltd.	2981.35	51.51	29.49x	Buy
Dr. Reddy's Laborator	2003.25	20.41	54.24x	Sell
Sun Pharmaceutical In	1292.85	95.01	40.84x	Buy/Hold

The peers listed are the companies within the same industry. The P/E numbers are of the last financial year.

Growth Expectations and Valuation Measures

Annual EPS Trend



EPS numbers in solid background are actuals. The bars in white background are projected figures.

Current P/E Multiples

Company	Trailing	31.97x
	2007E	31.15x
Industry	Trailing	18.82x
	2007E	30.21x
Market	Trailing	17.59x
	2007E	18.08x

Price/Earnings ratio measures a stock's price relative to its earnings. Trailing indicates last 4 quarters.

Valuing Potential Growth

	P/E	1 Year Projected Earning Growth	PEG Ratio
Company	31.97x	31.11	1.03
Industry	18.82x	-16.23	-1.16
Market	17.59x	25.23	0.70

The PEG ratio indicates how expensive a stock is given its price, earnings, and expected long term growth. It is calculated as the P/E ratio, divided by the expected growth rate. Theoretically, the higher the ratio the more expensive the stock.