



Financial Results 2010

Key Highlights

Sales

Net Sales growth at 13%
Pharma Business 14%

Trading Profit

Profit from Operations before
Investment Income growth 14%
Profitability maintained at 35%

Profit

PBT growth 14%
PAT but before exceptional items
growth 15%

EPS

EPS after exceptional items
₹66.60; 15% growth before
exceptionals

Segmental Performance Q4 & Full Year

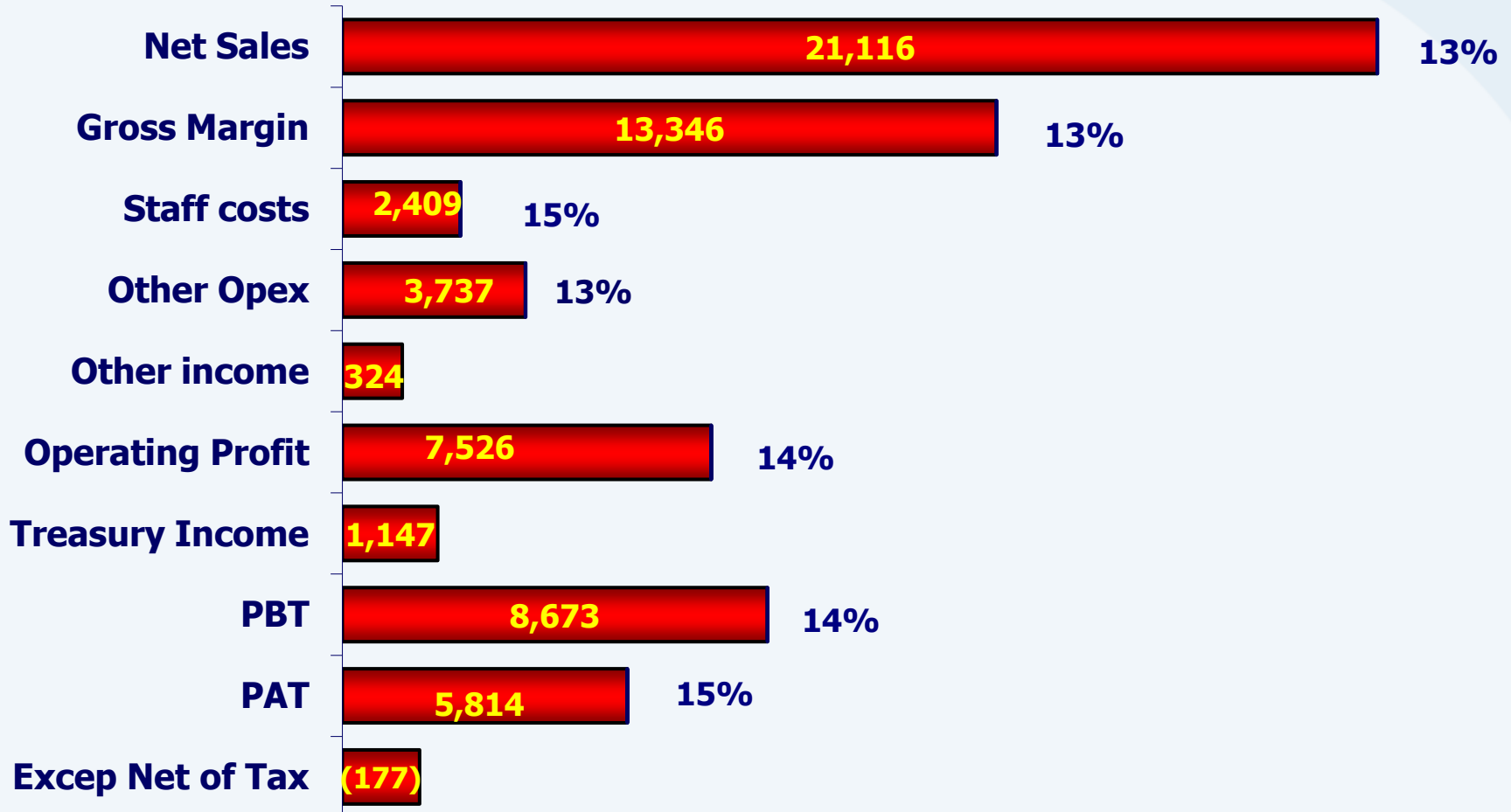
₹ Mn

	Sales			Operating Profit			Operating Profit % to Sales	
	Q4'10	Q4'09	Gr %	Q4'10	Q4'09	Gr %	Q4'10	Q4'09
Pharma	4,564	4,096	11%					
Iodex	182	194	-6%					
Exports	160	154	4%					
Total	4,906	4,444	10%	1517	1391	9%	31%	31%

	Sales			Operating Profit			Operating Profit % to Sales	
	2010	2009	Gr %	2010	2009	Gr %	2010	2009
Pharma	19,603	17,144	14%					
Iodex	882	849	4%					
Exports	631	715	-12%					
Total	21,116	18,708	13%	7526	6586	14%	35%	35%

Financial Summary: 2010

₹ Mn



2010 Performance Summary

% in italics are % of turnover

	Q1 2010 ₹Mn	Q2 2010 ₹Mn	Q3 2010 ₹Mn	Q4 2010 ₹Mn	FY 2010 ₹Mn	% Change
Net Sales	5,411	4,979	5,820	4,906	21,116	12.9
Gross Margin	3,376 <i>62.4%</i>	3,238 <i>65.0%</i>	3,657 <i>62.8%</i>	3,076 <i>62.7%</i>	13,346 <i>63.2%</i>	13.2
Operating expenses	1,412 <i>26.1%</i>	1,462 <i>29.4%</i>	1,611 <i>27.7%</i>	1,660 <i>33.8%</i>	6,145 <i>29.1%</i>	13.7
Other Income	54	97	73	101	324	
Operating Profit	2,018 <i>37.3%</i>	1,872 <i>37.6%</i>	2,119 <i>36.4%</i>	1,517 <i>30.9%</i>	7,526 <i>35.6%</i>	14.3
Treasury Income	383	202	256	306	1,147	
PBT before exceptional items	2,402 <i>44.4%</i>	2,074 <i>41.7%</i>	2,374 <i>40.8%</i>	1,823 <i>37.2%</i>	8,673 <i>41.1%</i>	14.3
Tax	790	678	792	600	2,859	
PAT before exceptional items	1,611 <i>29.8%</i>	1,396 <i>28.0%</i>	1,582 <i>27.2%</i>	1,223 <i>24.9%</i>	5,814 <i>27.5%</i>	15.1

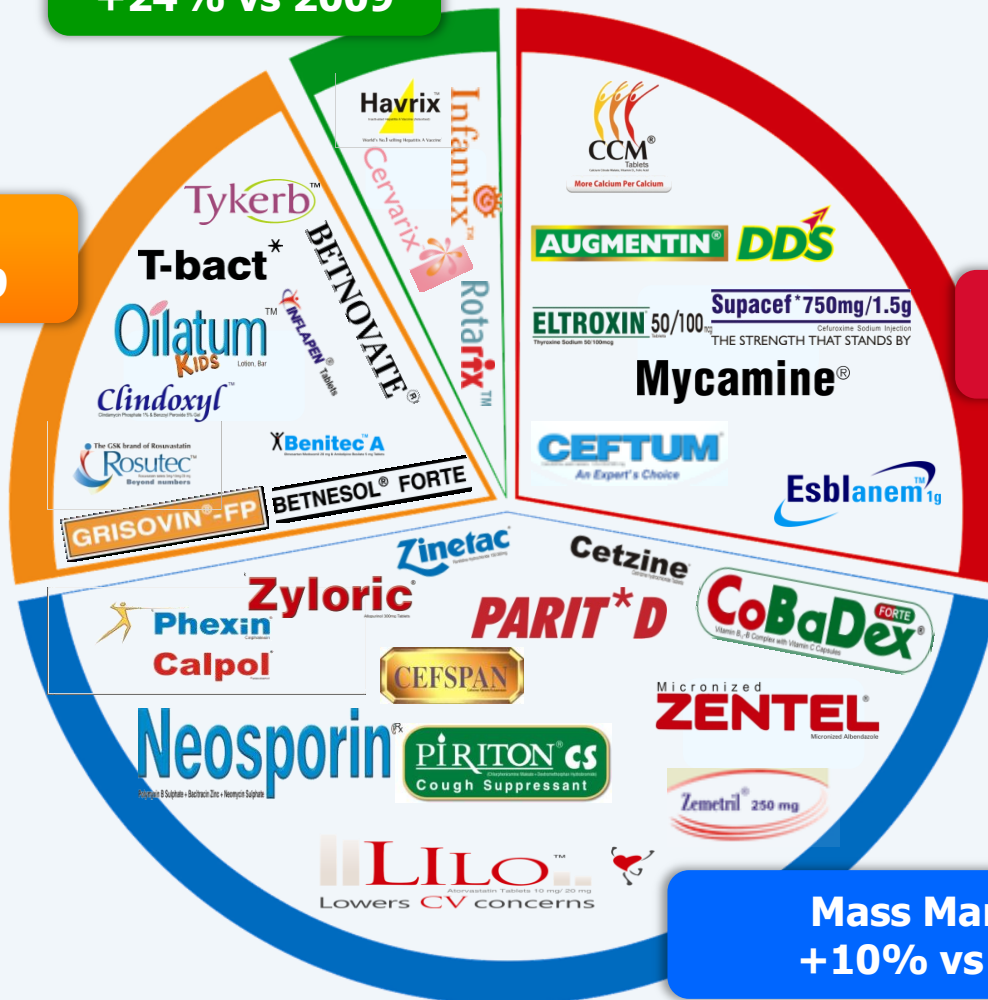
Performance Across Business Verticals

Vaccines
+24% vs 2009

Specialties
+19% vs 2009

Mass Specialty
+16% vs 2009

Mass Markets
+10% vs 2009



Slowing down of Growth in DQ

RANKINGS				MONTH			CUMMULATIVE			12 MONTHS TO DATE			
			CORPORATIONS	VALUES	MS	Gr	VALUES	MS	Gr	VALUES	MS	Gr	EVO
12M	CUM	MON		INR Mn	%	%	INR Mn	%	%	INR Mn	%	%	L
			TOTAL MARKET	40689.7	100.0	5.8	467869	100.0	23.5	467869.3	100.0	16.5	100
1	1	1	CIPLA	2248.4	5.5	5.0	24372.	5.21	21.3	24372.0	5.2	14.4	98
2	2	2	RANBAXY*	1951.2	4.8	3.8	21861.	4.67	17.9	21861.6	4.7	11.2	95
3	3	3	GLAXOSMITH KLINE*	1698.1	4.2	2.5	19794.	4.23	20.3	19794.1	4.2	13.6	97
4	4	4	PIRAMALHEALTHCARE*	1637.3	4.0	2.9	18922.	4.04	18.0	18922.5	4.0	11.4	96
5	5	6	ZYDUS CADILA*	1530.2	3.8	4.4	17475.	3.74	24.7	17475.4	3.7	17.7	101

GSK Achieves Leadership in Vaccines

	QTR ~ 12/2010		QTR ~ 09/2010	MAT ~ 12/2010
	Val In ₹	Val MS	Val MS	Val MS
		Rs %	Rs %	Rs %
Vaccines Market	2,10,31,80,854	100.00	100.00	100.00
GlaxoSmithKline*	48,61,03,343	23.11	22.45	19.86
Sanofi Aventis*	41,58,79,642	19.77	16.66	19.62
Novartis Intl.*	21,18,17,954	10.07	9.69	10.77
Others *	98,93,79,915	47.05	51.20	49.75

Gains in Hospital Market Share

₹ Crores

	QTR ~12/2009	MS%	QTR ~ 06/2010	MS%	QTR ~ 09/2010	MS %	QTR ~ 12/2010	MS%
	1,076		1,160		1,320		1,279	
GLAXOSMITHKLINE*	62	5.75	68	5.82	85	6.44	80	6.25
SUN*	59	5.48	67	5.78	70	5.30	69	5.42
CIPLA	59	5.44	60	5.21	73	5.50	72	5.66
ZYDUS CADILA*	49	4.58	49	4.23	62	4.72	58	4.57
PIRAMALHEALTHCARE*	48	4.44	47	4.03	48	3.61	46	3.59
PFIZER*	47	4.40	51	4.37	56	4.21	57	4.43
SANOFI AVENTIS*	44	4.12	53	4.56	53	4.04	52	4.03
RANBAXY*	41	3.84	45	3.91	52	3.93	48	3.79
LUPIN LIMITED	39	3.65	42	3.66	49	3.71	46	3.61
ALKEM*	33	3.07	38	3.24	48	3.63	43	3.33

Creating a broader portfolio of potential high value assets

New products contributions to growth in 2010 **26%**

New Products contributions to Total Rx Sales **7%**



2007



2008



2009



2010

Exceptional items

	2010 ₹Mn	2009 ₹Mn
Actuarial Gains/(Losses)	(120)	221
Provision for revised Gratuity Limits	(123)	-
Severance Costs	(22)	-
Expenses for rationalisation initiatives	-	(104)
Profit on sale of property	-	89
Compensation for surrender of rental premises	-	13
Expenses for obtaining marketing, sale and distribution rights	-	(71)
Tax thereon	88	(74)
	(177)	74

Cash Flow

	2010 ₹ Mn	2009 ₹ Mn
Profit before taxation and exceptional items	8,673	7,585
Depreciation and other non-cash items	(1,050)	(850)
Increase/(Decrease) in Working Capital	111	222
Cash generated from operations	7,733	6,957
Taxation	(3,047)	(1,774)
Cash flow before exceptional items	4,686	5,183
Exceptional items	(11)	(150)
Net cash from operating activities	4,676	5,033
Net cash from investing activities	1,020	6,548
Net cash used in financing activities	(2,941)	(3,918)
Net increase in cash and cash equivalents	2,755	7,663

2010 Turnover Summary

	2010 ₹Mn	2009 ₹Mn	% Change
Pharmaceuticals	19,603	17,144	14.3
Iodex	882	849	4.0
Exports and Beta	631	715	-11.7
Total	21,116	18,708	12.9

2010 Performance Summary

	2010 ₹Mn	2009 ₹Mn	% Change
Turnover	21,116	18,708	12.9
EPS (in Rs.)	68.64	59.61	15.1
Operating Cashflow	7,733	6,957	11.2

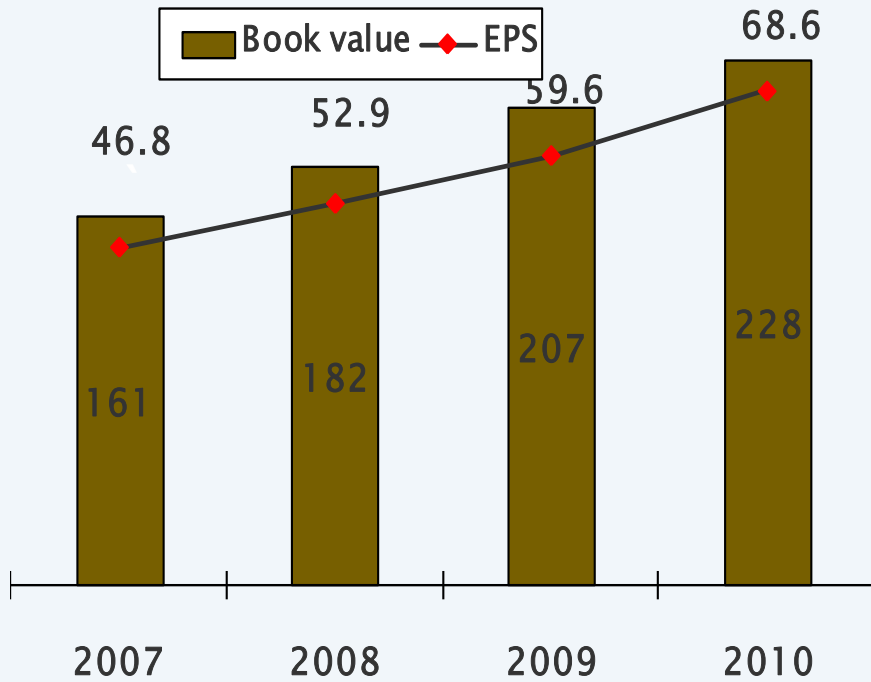
EPS before exceptional items

Full year results after Exceptional items

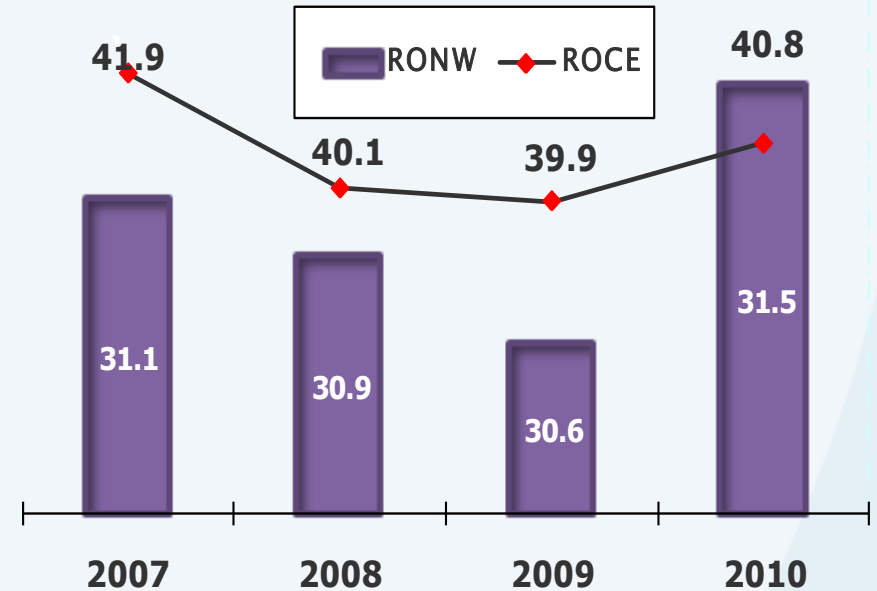
	2010 ₹Mn	2009 ₹Mn	% Change
Profit before exceptional items	5,814	5,049	15.1%
Exceptional expenses	(177)	74	
Net Profit	5,637	5,123	10.0%

Financial performance

EPS and Book Value per share



Return on Average Net Worth and Average Capital Employed (%)





**Do more,
feel better,
live longer**

