

# GlaxoSmithKline Pharmaceuticals Limited



## Notice

NOTICE IS HEREBY GIVEN THAT the Eighty-Ninth Annual General Meeting of GlaxoSmithKline Pharmaceuticals Limited will be held at the Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020, on **Thursday, 17<sup>th</sup> April, 2014 at 3.00 p.m.** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> December, 2013 and the Profit and Loss Account for the year ended as on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended 31<sup>st</sup> December, 2013.
3. To appoint a Director in place of Ms. A. Bansal who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Mr. P. V. Nayak who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. D. Sundaram who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint M/s. Price Waterhouse & Co., Bangalore, Chartered Accountants (Membership No. FRN 007567S), as Auditors of the Company (including all its branches) to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Audit Committee to fix their remuneration.

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF SUCH MEMBER. A PROXY NEED NOT BE A MEMBER.  
The proxy form in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Transfer books of the Company will be closed from 7<sup>th</sup> April, 2014 to 17<sup>th</sup> April, 2014 (both days inclusive).
3. Payment of dividend as recommended by the Directors, if approved at the Meeting, will be made to those members whose names are on the Company's Register of Members on 16<sup>th</sup> April, 2014 and those whose names appear as Beneficial Owners as at the close of the business hours on 5<sup>th</sup> April, 2014 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
4. Please quote your Folio number and our Company's name in all the correspondence with Karvy Computershare Private Limited, located at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, who are acting as our Registrars & Share Transfer Agents. Your Folio Number is stated in the Share Certificate and also on the attendance slip sent with this Annual Report.
5. Members are requested to immediately intimate change of address, if any, to the Company/Registrars & Share Transfer Agents quoting reference of the Registered Folio Number.
6. If you have shares registered in the same name or in the same order of names but in several Folios, please let us know so that we may consolidate them into one Folio.
7. You may now avail of the facility of nomination by nominating, in the prescribed form, a person to whom your shares in the Company shall vest in the event of your death. Interested members may write to the Company / Registrars & Share Transfer Agents for the prescribed form.

8. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends up to the 2<sup>nd</sup> interim dividend for the financial year ended 31<sup>st</sup> December 1995 have been transferred to the General Revenue Account of the Central Government. Prior to such transfer, the Company had individually informed the members concerned about the particulars of the unclaimed dividend together with warrants for the dividend remained unencashed. Members who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Mumbai, Maharashtra.
9. Please encash your dividend warrants immediately on their receipt by you, as dividends remaining unclaimed for seven years are now required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the amended provisions of the Companies Act, 1956. Once transferred, members will be unable to claim any unpaid dividend either from the said Fund or from the Company.
10. Action required to be taken by the members in case of non-receipt/ non-encashment of dividends:  
In case of non-receipt / non-encashment of dividend warrants, members are requested to correspond with the Company's Registered Office / the Registrar of Companies, as mentioned hereunder:

Dividend Year	Contact Office	Action to be taken
2006-2012	Registered Office	Letter on a plain paper
2005	Registered Office	Letter on a plain paper. Members are requested to apply before 30 <sup>th</sup> April, 2014
1969 to 1995	Office of the Registrar of Companies CGO Complex, 'A' Wing, 2nd floor, Next to RBI, CBD-Belapur, Navi Mumbai-400 614, Maharashtra. Tel.: 2757 6802	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978.

11. The Ministry of Company Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Amendment to the Listing Agreement with the Stock Exchanges permit companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.
12. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made available at the Meeting.
13. Members are requested to bring their personal copy of the Annual Report to the Meeting.

By Order of the Board of Directors  
A. A. Nadkarni  
Company Secretary

Mumbai, 18<sup>th</sup> February 2014  
Registered Office:  
Dr. Annie Besant Road,  
Mumbai 400 030



## Aligning actions and values



**GlaxoSmithKline Pharmaceuticals Limited**  
Annual Report for the year ended 31st December 2013



## A word from the Managing Director

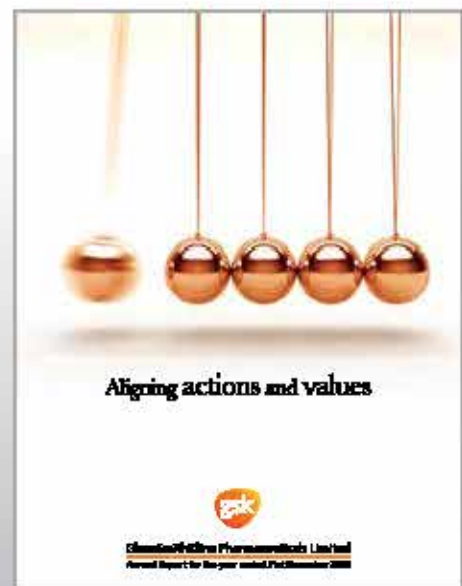
The mission of your company is to improve the quality of human life by enabling people to do more, live longer and feel better. This mission is underpinned by the values which we put ahead of everything else. These are values of patient focus, transparency, integrity and respect for people and these are in the heart of every decision we make. We focus on integrating these values into the culture of the organisation, the decision making and how we work.

The year 2013 was unprecedented in the recent history of GSK in India. Your company encountered a number of challenges. The new price control regime was notified. Your company having some of the biggest products in the industry, therefore, had to face the brunt of this impact. Your company's results were also impacted by a segment of the trade refusing to buy our products, towards the end of the third quarter and through the bulk of the fourth quarter. These two events have significantly impacted the company's results. However, in every adversity lies an opportunity and the resilience of the team has allowed it to focus on improving the prescription generation for your company's products given the reduction in price. This will be consistent with our values of patient focus and enabling access of our medicines to as many people as possible.

Your company globally is also a pioneer, wherein it recently announced its intention of moving itself away from sales based incentives for its frontline employees and to refocus the incentives on those behaviours which improved patient focus and transparency of our communication to our customers to enable them to make an informed choice in the interest of the patient. The healthcare industry is about building trust and the initiatives that we are overlaying on top of our strategic decisions which I have shared with you over the last few years will enable your company to continue to build on the significant trust that it enjoys among patients and customers alike. In doing so, we would also as an outcome, be able to improve our returns to other stakeholders. The long term commitment of the parent organisation to India is reflected in the announcement to invest over Rs. 850 crores in a new greenfield site for manufacturing our products, and which will be of world class standards. All these initiatives put together will undoubtedly enable your company to continue to be a benchmark in serving the healthcare needs of the country appropriately.

At GSK, how we deliver success is just as important as what we achieve. We are driven by **our values – transparency, respect for people, integrity and patient-focus** in everything we do, helping people do more, feel better and live longer.

We believe that operating in a responsible and ethical manner is essential to our business. This belief underlies everything we do, and supports the delivery of our business strategy. Values are the essence of an organisation's identity and it is important to align actions and values into our culture, decision making and how we work.





# Aligning Values & Actions to business

Driven by our values in everything we do and backed by robust policies and strong compliance processes, in GlaxoSmithKline, we put the interest of patients and consumers first. In line with our patient focus approach, GSK provides healthcare solutions to patients and continues to enjoy a pre-eminent position in several therapy areas.

With offerings like Uricostat for gout, Gefspan, an anti-infective, Lilo, a statin for lowering blood cholesterol and the Glaxo nutrition range being marketed by GSK Pharmaceutical for GSK's Consumer business, Mass Markets comprise the major portion of patients for the company. Calpol remains as the number one prescribed brand of the Indian Pharmaceutical Industry. To meet the mounting healthcare needs of rural India, the rural marketing initiative REACH further expanded its patient base across geographies with an increased portfolio of products. With coverage of 6000 villages and 20000 healthcare professionals, GSK's efforts at enhancing the knowledge base of healthcare professionals continued. Keeping in mind the benefit of healthcare professionals, 140 knowledge enhancement programs were conducted.

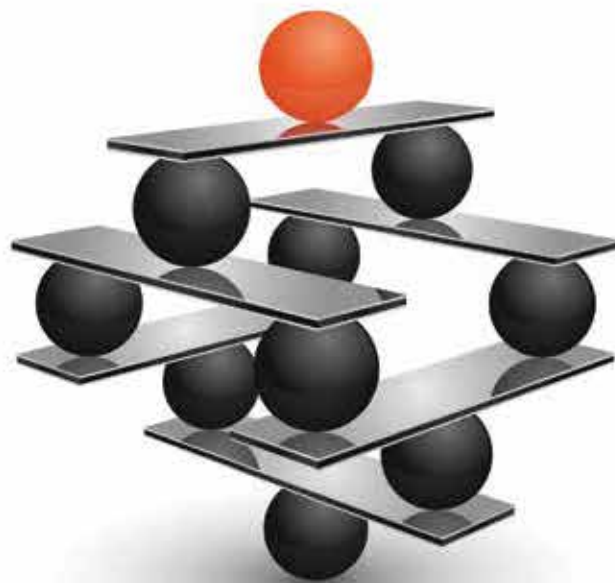
The Mass Specialty business recorded a market competitive growth in the prescriber base with their sustained and focused efforts. This has resulted in benefits to the patient base. Augmentin has gained significantly in market share.

To help patients address health concerns pertaining to hypothyroidism, two additional forms of Eltroxin were launched which have been well received. A disease awareness campaign on congenital hypothyroidism and early screening has enabled better patient outcomes.

The need for calcium supplements to address Osteoporosis has been rising out of improper nutrition and sedentary lifestyles in Urban India. Brand GCM has ensconced its position as the second largest product in the therapeutic area, becoming one of the top 300 products in the pharmaceutical industry in India.

Besides, Mycamine for fungal infections has become the second largest product in this therapeutic area.

In the Specialty business, GSK's leadership in the therapeutic area of Dermatology continues. In clinical dermatology, products like Betnovate N, Betnovate C,



T Bact, Tenovate and cosmetology products like Ansolar and Oilatum sustained growth, benefiting increased number of patients.

GSK Oncology division's vision to improve patients care in cancer management at an affordable price has benefited almost 6000 patients in 2013. The range of products is Tykerb, Hycamtin, Revolade and Votrient. Keeping our commitment to patients as the highest priority and to enhance patient access, two patient support and management programs for Tykerb and Votrient patients - "Swasti" has been initiated. Besides, XGEVA, licensed from Amgen, USA, launched in 2013 for the prevention of Skeletal Related Events in the management of bone metastasised solid tumours, has helped treat more than 1000 patients. GSK has been ranked as the sixth largest MNC in the Oncology segment.

The launch of CardioCheck in the diagnostics segment has further strengthened the Cardio Vascular portfolio. The device helps establish the patient's lipid profile in a few minutes. In the Respiratory division, Seretide Evohaler has made a mark in the category. Lamictal, from the CNS division has become the third largest prescribed Lamotrigine in treating Anti-Epileptic Disease.

GSK Vaccines division relentlessly continued its efforts to raise consumer awareness on vaccines preventable diseases. Synflorix, GSK's pneumococcal conjugate vaccines became the biggest brand in the Vaccines portfolio and was the fastest growing Rs. 100 crore brand in the Indian Pharmaceutical Industry. In the area of preventive healthcare, GSK Vaccines continues to lead the private market for vaccines in India.



# New products in 2013

In GSK, the interest of the patient is of prime importance. In line with our patient focus approach, there were new product launches in 2013.

**PHYSIOGEL**  
HYPOALLERGENIC

**Physiogel** lotion is a hypoallergenic, moisturising lotion that contains natural lipids similar to the skin's physiological lipids and helps in revitalising the skin. The lotion gives protection and relief from dry, sensitive & itchy skin conditions.

**ACNE-AID<sup>®</sup>**  
Wash

**Acne-Aid Wash** is a facial cleansing foam for oily & acne prone skin. With its deep acting cleansing system, it effectively and gently cleanses the skin. A blend of effective emulsifiers that cleanse the skin along with effective skin conditioners and emollient together make Acne-Aid Wash an effective substitute for common soaps. It is a hypoallergenic and dermatologically tested formulation.

**XGEVA** is the first and only RANK Ligand inhibitor approved for the prevention of skeletal related events in patients with advanced malignancies involving bone. XGEVA is a fully human monoclonal antibody that binds to RANK Ligand, a protein essential for the formation, function and survival of osteoclasts (the cells that break down bone).

**XGEVA**  
(denosumab solution for injection)

**CardioChek** analyser device is a multi test diagnostic device for Point-of-care testing, which measures various analytes in blood, including Cholesterol (including HDL Cholesterol and LDL Cholesterol) and Triglycerides. The CardioChek System meets the National Cholesterol Education Program (NCEP) performance criteria for accuracy and precision, as well as meets the stringent Cholesterol Reference Method Laboratory Network (CRMLN) criteria.

**CardioChek** 

**Avamys<sup>®</sup>**  
nasal spray  
(Fluticasone Furoate Nasal Spray)

**Avamys<sup>™</sup>** is fluticasone furoate nasal spray approved for the treatment of seasonal and perennial allergic rhinitis in adults, adolescents, and children above 2 years of age. It relieves nasal and ocular symptoms of allergic rhinitis and improves quality of life. The easy to use Avamys<sup>™</sup> device delivers consistent dose of the drug in a gentle fine mist form that enables even nasal distribution.

## Sustaining excellence

An effective and responsibly managed supply and distribution organisation is critical to get quality products to the right place and at the right time for patients.

The India manufacturing and supply operations continue its long term transformation and improvement programme, while aligning with the global strategy. A series of regional initiatives have been launched including the GSK Production System implementation, the End to End Supply Chain operating model, Strategy Deployment and Performance Management Systems, the Nashik site continues to build capabilities through Quality, Safety, productivity improvements and recruitment of highly skilled professionals.

## Board of Directors

(As on 18.02.2014)

### Chairman

D. S. Parekh

### Vice-Chairman

V. Thyagarajan

### Managing Director

Dr. H. B. Joshipura

### Directors

R. R. Bajaj  
Ms. A. Bansal  
P. V. Bhide  
S. Harford  
M. B. Kapadia  
N. Kaviratne CBE  
R. Krishnaswamy  
P. V. Nayak  
A. N. Roy  
R. C. Sequeira  
D. Sundaram

### General Manager – Administration & Company Secretary

A. A. Nadkarni

### Bankers

Citibank N.A.  
Deutsche Bank  
HDFC Bank Limited  
Hongkong and Shanghai Banking Corporation Limited

### Auditors

Price Waterhouse & Co., Bangalore  
252, Veer Savarkar Marg,  
Shivaji Park, Dadar (West),  
Mumbai 400 028.

### Solicitors

Gagrat & Co.

### Registrars & Share Transfer Agents

Karvy Computershare Private Limited  
Unit: GlaxoSmithKline Pharmaceuticals Limited  
Plot No. 17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad 500 081.  
Tel. No. 040-44655201/44655148  
Email : premkumar.nair@karvy.com

### Share Department

Dr. Annie Besant Road,  
Mumbai 400 030.  
Telephone: 022-24959415/434  
Fax: 022-24981526  
Email: ajay.a.nadkarni@gsk.com

## Management Team

### Managing Director

Dr. H. B. Joshipura

### Senior Executive Director

M. B. Kapadia  
– Finance  
– Secretarial & Administration

### Executive Directors

R. C. Sequeira  
– Human Resources  
R. Krishnaswamy  
– Technical

### Executive Vice-President

H. Buch  
– Pharmaceuticals

### Vice-Presidents

R. Bartaria  
– Pharmaceuticals  
S. Dheri  
– Biologicals  
S. Khanna  
– Finance  
K. Hazari  
– Legal & Corporate Affairs  
C. T. Renganathan  
– Pharmaceuticals

### General Manager

Dr. (Ms.) V. Desai  
– Medical & Clinical Research

### Registered Office

Dr. Annie Besant Road, Mumbai 400 030.  
Telephone: 24959595 • Fax: 24959494  
Website: [www.gsk-india.com](http://www.gsk-india.com)

### Factory

Ambad, Nashik

## Contents

Performance Summary & Charts.....	2
Directors' Report .....	3
Annexure to Directors' Report .....	11
Report on Corporate Governance .....	13
Business Responsibility Report .....	25
Auditors' Report.....	31
Financial Statements .....	34
Statement pursuant to Section 212.....	60
Biddle Sawyer Limited .....	61
Consolidated Financial Statements .....	69

# Performance Summary

(Amounts in Rupees Lakhs)	2013*	2012*	2011*	2010	2009	2008	2007	2006	2005	2004
<b>PROFIT AND LOSS ACCOUNT</b>										
Sales	2593,39	2669,97	2391,73	2155,08	1912,77	1751,56	1712,84	1677,57	1575,89	1479,59
Profit before tax	703,17	994,78	921,60	867,27	758,48	679,90	606,73	555,95	477,91	418,24
Tax	(226,19)	(317,59)	(290,24)	(285,89)	(253,59)	(231,54)	(209,94)	(194,23)	(171,63)	(152,19)
Profit after tax and before exceptional items	476,98	677,19	631,36	581,38	504,89	448,36	396,79	361,72	306,28	266,05
Exceptional items (net of tax)	24,90	(99,93)	(200,76)	(17,69)	7,40	128,21	140,87	183,79	195,80	67,04
Net Profit	501,88	577,26	430,60	563,69	512,29	576,57	537,66	545,51	502,08	333,09
Balance brought forward	1142,95	1110,59	1164,53	1049,23	882,41	759,89	632,75	441,19	259,75	196,93
Dividends	(423,51)	(423,51)	(381,16)	(338,81)	(254,11)	(338,81)	(304,93)	(262,58)	(237,17)	(209,57)
Tax on distributed profit	(71,19)	(63,66)	(60,32)	(53,21)	(40,13)	(57,58)	(51,82)	(36,82)	(33,26)	(27,39)
Transfer to General Reserve	(50,19)	(57,73)	(43,06)	(56,37)	(51,23)	(57,66)	(53,77)	(54,55)	(50,21)	(33,31)
Balance carried forward	1099,94	1142,95	1110,59	1164,53	1049,23	882,41	759,89	632,75	441,19	259,75
<b>BALANCE SHEET</b>										
Equity Capital	84,70	84,70	84,70	84,70	84,70	84,70	84,70	84,70	84,70	87,32
Reserves	1932,49	1925,31	1835,23	1846,11	1674,45	1456,39	1276,21	1110,01	863,91	836,94
Borrowings	4,14	4,59	4,91	5,16	5,42	5,65	5,77	5,54	4,85	3,85
	<b>2021,33</b>	<b>2014,60</b>	<b>1924,84</b>	<b>1935,97</b>	<b>1764,57</b>	<b>1546,74</b>	<b>1366,68</b>	<b>1200,25</b>	<b>953,46</b>	<b>928,11</b>
Fixed Assets	161,93	133,19	115,32	117,65	114,17	100,35	92,90	94,46	96,94	91,49
Investments	57,67	102,58	159,80	160,35	190,91	751,87	1333,32	1139,41	913,06	776,82
Net Deferred Tax	92,11	86,54	61,47	56,40	44,69	29,60	20,14	24,61	29,76	44,86
Net Assets (Current and Non-Current)	1709,62	1692,29	1588,25	1601,57	1414,80	664,92	(79,68)	(58,23)	(86,30)	14,94
	<b>2021,33</b>	<b>2014,60</b>	<b>1924,84</b>	<b>1935,97</b>	<b>1764,57</b>	<b>1546,74</b>	<b>1366,68</b>	<b>1200,25</b>	<b>953,46</b>	<b>928,11</b>

\* 2013, 2012 and 2011 based on Revised Schedule VI

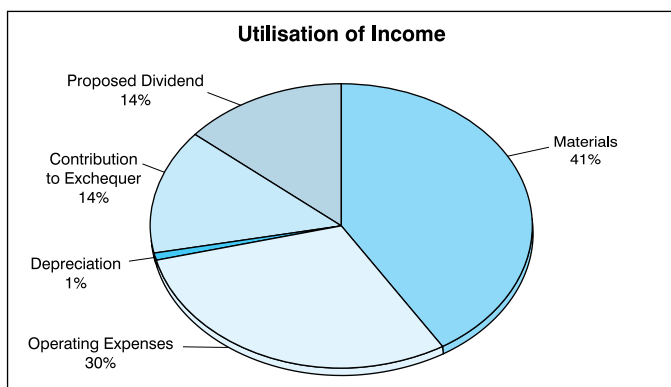
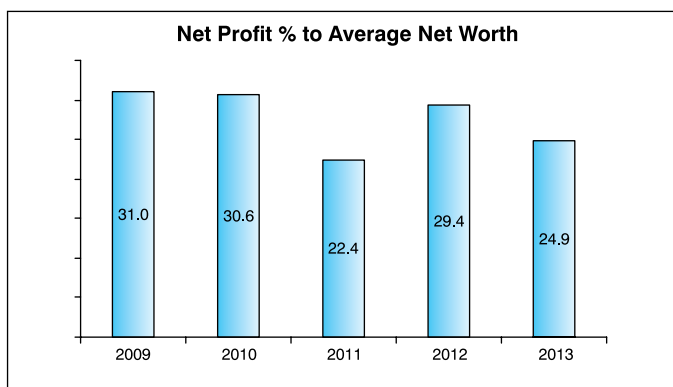
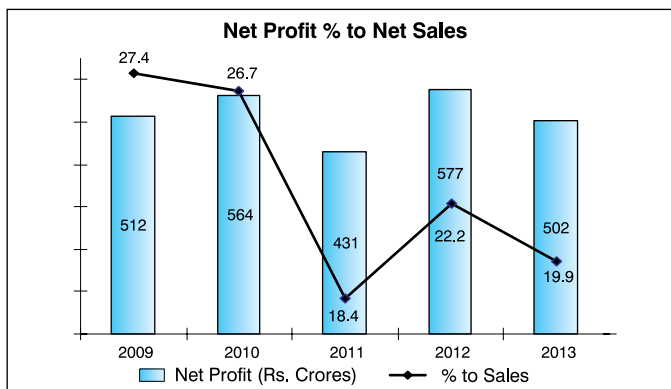
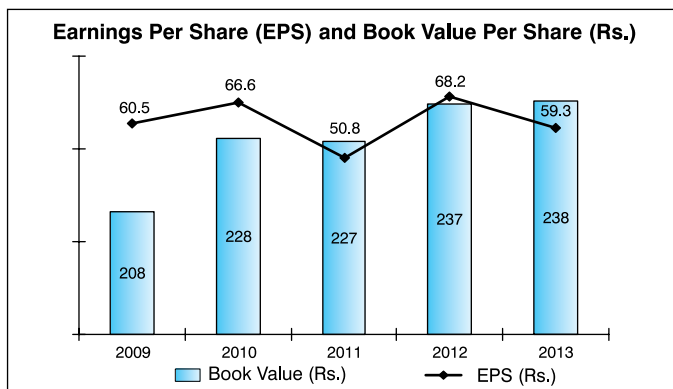
<b>OTHER KEY DATA</b>										
Rupees per Rs.10/- Equity Share										
DIVIDENDS	50.00	50.00	45.00	40.00	30.00	22.00	18.00	17.00	14.00	13.00
SPECIAL ADDITIONAL DIVIDEND	—	—	—	—	—	18.00	18.00	14.00	14.00	11.00
TOTAL	50.00	50.00	45.00	40.00	30.00	40.00	36.00	31.00	28.00	24.00
EARNINGS PER EQUITY SHARE	59.25	68.15	50.84	66.55	60.48	68.07	63.48	64.40	58.51	38.15
BOOK VALUE	238.16	237.31	226.67	227.96	207.69	181.95	160.67	141.05	112.00	105.85

Number of employees	5034	4706	5055	4338	4006	3722	3620	3850	4016	4136
---------------------	------	------	------	------	------	------	------	------	------	------

## NOTES

- The Company has divested its Fine Chemicals business on 30th September, 2007 and its Animal Health business on 31st July, 2006.
- The Company has bought back and extinguished 26,19,529 equity shares during 2005.
- Burroughs Wellcome (India) Limited merged with the Company from 1.1.2004.
- Profit And Loss Account balance brought forward as on 1.1.2004 includes Rs. 533 lakhs transferred from erstwhile Burroughs Wellcome (India) Limited, pursuant to the Scheme of Amalgamation.
- Figures have been adjusted/regrouped wherever necessary in line with the financial statements, to facilitate comparison.

## Charts





## Directors' Report

The Directors have pleasure in submitting their Report for the year ended 31<sup>st</sup> December 2013

### 1. Results & Dividend for the year ended 31<sup>st</sup> December 2013

					Year ended 31 <sup>st</sup> December 2013 Rs. in lakhs	Year ended 31 <sup>st</sup> December 2012 Rs. in lakhs
Sale of Products (Net of Excise Duty)	..	..	..	..	2520,17.24	2599,93.10
Other Operating Revenue	..	..	..	..	25,97.50	26,50.37
Revenue from Operations	..	..	..	..	2546,14.74	2626,43.47
Profit before Exceptional Items and Tax	..	..	..	..	703,16.57	994,77.65
Exceptional Items	..	..	..	..	26,15.46	(148,21.70)
Profit before Tax	..	..	..	..	729,32.03	846,55.95
Tax expense	..	..	..	..	227,43.79	269,30.06
Net Profit for the year	..	..	..	..	501,88.24	577,25.89
Add: Opening Surplus brought forward from the previous year					1142,94.60	1110,59.15
Less: Appropriations:						
Proposed Dividend (including tax on distributed Profits)					494,70.75	487,17.85
Transfer to General Reserve..	..	..	..	..	50,18.82	57,72.59
Closing Surplus carried forward	..	..	..	..	1099,93.27	1142,94.60

### 2. Dividend

The Directors recommend a Dividend of Rs. 50 per Equity Share for the year (previous year: Rs. 50 per Equity Share). If approved by the Shareholders at the Annual General Meeting, the Dividend will absorb Rs. 424 crores. The Dividend Distribution Tax borne by the Company will amount to Rs. 71 crores.

### 3. Management Discussion and Analysis

#### (a) Finance and Accounts

Sale of Products (net of Excise Duty) declined by 3.1% as compared with the previous year, with sales of the Pharmaceutical business being lower than last year by 4.3%. The introduction of the revamped Drugs (Prices Control) Order extending coverage to the National List of Essential Medicines impacted sales in the second half of the year. The Pharmaceuticals business was also affected by significant supply constraints through the year. In addition, during the second half of the year, a segment of the trade did not buy the Company's products and the Company believes that, having regard to its internal plans, it would have lost a sales opportunity on this account in the region of Rs.180 crores. The maximum impact of the above developments was felt in the Mass Markets and Mass Speciality businesses, each of which declined by 12% compared to last year. Sales in the Speciality segments which include dermatologicals and oncology grew by 9%, and Vaccines sales recorded a growth of 12% compared to the previous year.

The above factors, coupled with material cost escalations and the adverse exchange rate movement, had its inevitable impact on Gross Margin which declined by 9.3% compared to last year. Incremental investments were required on the manufacturing side in manpower and other spends and in costs associated with outsourcing finished products from third parties. Field force recruitment was restricted to segments that required resourcing for growth. Significant investments were made for the consumer brands Iodex and Ostocalcium which are managed by GSK's Consumer Healthcare business in India. Profit after Exceptional items and Tax amounted to 20% of Net Sales (previous year: 22%) and declined by 13.1% as compared to the previous year.

Cash generation from Operations continued to remain favourable this year and is in line with business performance. Your Company continues to look for ways and means of deploying accumulated cash balances which remain invested largely in bank deposits.

Your Company has not accepted any fixed deposits during the year. There was no outstanding towards unclaimed deposit payable to depositors as on 31<sup>st</sup> December 2013.

**(b) Pharmaceuticals Business performance and outlook**

Your Company continues to enjoy a leadership position in the therapy areas in which it provides health care solutions to patients.

Your Company has strategically decided to expand its presence in the Specialty segment six years back. The initiative continues to reflect in its outcome. The growing trend from Specialty contribution to Sales continued in 2013 and has reached 23%.

Your Company's leadership in the therapeutic area of Dermatology has been maintained. In clinical dermatology, most of the steroid products like Betnovate N, Betnovate C, T Bact, Tenovate and the cosmetology products like Ansolar and Oilatum sustained market competitive growth, thereby benefiting increased number of patients.

Your Company's Oncology division's vision to improve patient care in cancer management by offering access to breakthrough medicine from GSK's pipeline at an affordable price (Tiered Pricing Policy) has benefited almost six thousand patients with our range of products – Tykerb, Hycamtin, Revolade & Votrient in 2013. Your Company has also initiated two patient support and management programs “Swasti” for Tykerb and Votrient to enhance patients access. Patient care is the basic mantra of Oncology and the mission has reflected in its competitive performance, ranked as the 6<sup>th</sup> largest MNC in Oncology segment (source: IPSOS MAT JUNE 13). In June 2013, your Company has launched XGEVA licensed from Amgen, USA for the prevention of SRE (Skeletal Related Events) in the management of bone metastasised solid tumors. The XGEVA launch has helped treat more than one thousand patients within six months of its introduction. Oncology division's ability to differentiate from competition has reflected in an independent survey conducted by McCANN Health & GFK in the Asia Pacific Region which rated your Company as the number one company to provide medical education to Health Care Providers especially, Oncologists, Diabetologists and Consulting Physicians.

Your Company's Cardio Vascular presence was strengthened by launching “Cardio Check” in the diagnostics segment. The device helps establish the patient's lipid profile in a few minutes. The point of care addresses the unmet need of the physician to diagnose the lipid profile in the Doctor's clinic itself to improve the patient outcome. This strategic expansion is aimed at improving the Company's equity among the physicians in the cardiology segment. This will help your Company to leverage for its existing range of products.

The revitalised Respiratory division focus has become strong with the launch of a dose counter supported Seretide Evohaler. The new product has achieved 5% of the market share in the SFC Inhaler segment in 2013. Your Company's recently launched CNS division has begun making its impact with Lamictal becoming the 3<sup>rd</sup> largest prescribed Lamotrogine in treating Anti Epileptic Disease as per SMSRC Prescription Track.

The Mass Speciality business saw constraints on Augmentin on account of limitations at the site of the overseas supplier. Limitations of supply from a local contract manufacturer impacted the antibiotic Ceftum in the first half of the year. Sustained and focused efforts have helped the Mass Speciality business record a market competitive growth in the prescriber base resulting in benefits to a larger pool of patients.

Market competitive growth has helped some dosage forms of Augmentin to record significant gain in share, thereby benefiting a much larger patient pool. To help patients with hypothyroidism, two additional put ups of Eltroxin were launched and were well received by patients and prescribers. A focused campaign to increase awareness of congenital hypothyroidism has helped increase disease awareness and resulted in early treatment of patients, thereby enabling better patient outcomes.