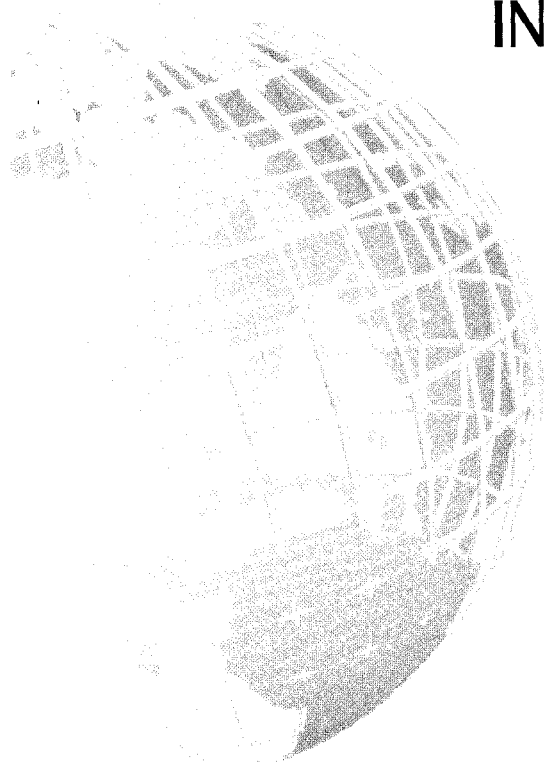


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INVESTING FOR GROWTH



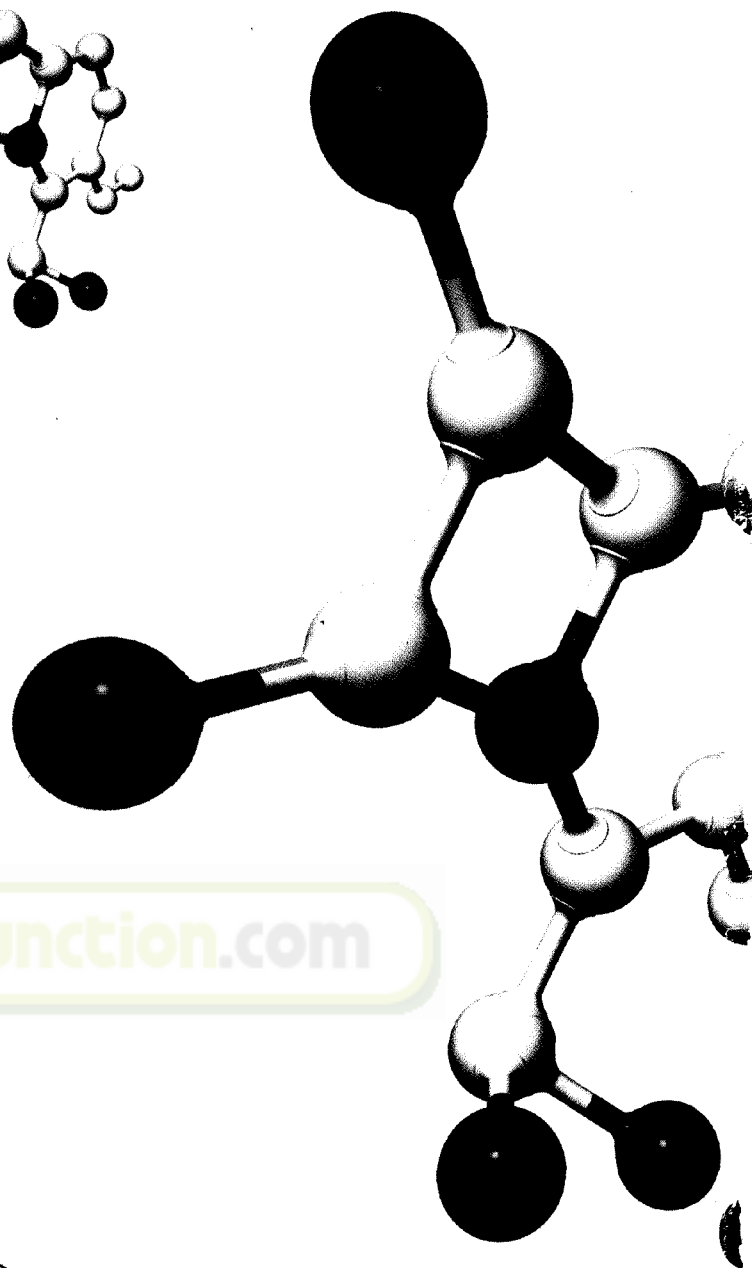
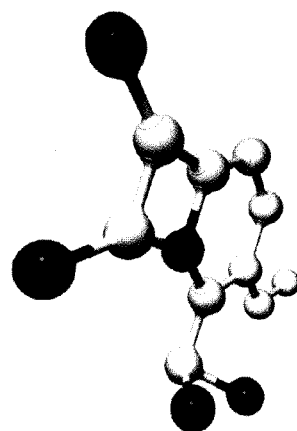
LUPIN

The picture shown is a graphical representation of the 'Ceftriaxone' molecule from its basic structure to its fully engineered form. Lupin is the first Company to receive USFDA approval for its generic version for vials.

'Ceftriaxone' is a third generation injectable cephalosporin antibiotic, having a broad spectrum of activity against bacterial infections. It is used for treating severe infections of the blood and organs associated with breathing, meningitis, preventing post surgical infections etc.

'Ceftriaxone' is a complex molecule involving a very careful selection of the chemical route of synthesis. It entails critical control of process parameters involving highly sophisticated plant design and operations.

As the largest selling Cephalosporin with an estimated market size of around US \$800 million in the US, the Company intends to launch the product in this market after its patent expiry, in July 2005. Lupin has tied up with US-based Baxter Healthcare Corporation for the hospital segment and specialty pharma Company Henry Schein for the doctors' clinic segment. The Company is well set to take advantage of this opportunity.



investing for growth

Our belief in ourselves leads us to
accomplish great things

We believe in our potential
and foresee a promising future.
This belief prompts us to take bold and well
calculated investment decisions today to
fulfil the promise of tomorrow.
The year 2004-05 represents a landmark
year in which we took a quantum leap
in investments into R&D, global marketing
and production infrastructure, stoking our
growth ambitions for the future.

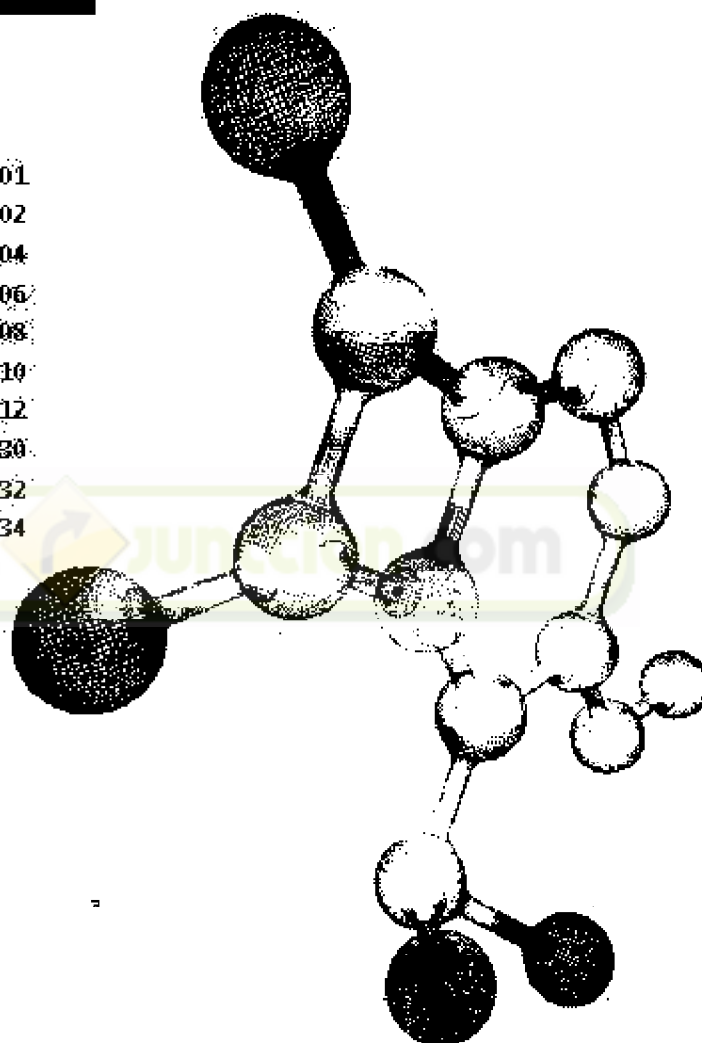
Our R&D vigour and the
prowess of our people drive us to bring
imaginative medicines to fruition
and enable us to expand our business
in all important markets across the globe. It
is our persistent belief in ourselves
that takes us a step closer in
fulfilling our vision of becoming an
**Innovation led Transnational
Pharmaceutical Company.**

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Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate information

DIRECTORS

Dr.DeshBandhuGupta, *Chairman*
 Dr.KamalK.Sharma, *ManagingDirector*
 Mrs.M.D.Gupta, *ExecutiveDirector*
 Mr.D.K.Contractor
 Mr.MarcDesaedeleer
 Mrs.VinitaGupta
 Mr.P.K.Kaul
 Dr.K.U.Mada
 Mr.SunilNair
 Dr.D.P. Sinha

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr.KiranN.Bade

AUDITORS

DeloitteHaskins&Sells
 CharteredAccountants

AUDIT COMMITTEE

Dr.K.U.Mada, *Chairman*
 Mr.D.K.Contractor
 Dr.D.P. Sinha

INVESTORS' GRIEVANCES COMMITTEE

Mr.D.K.Contractor, *Chairman*
 Dr.K.U.Mada
 Dr.D.P. Sinha

REMUNERATION/COMPENSATION COMMITTEE

Mr.P.K.Kaul, *Chairman*
 Mr.SunilNair(alternate-Mr.MarcDesaedeleer)
 Dr.D.P. Sinha

SOLICITORS

CrawfordBayley&Co.
 DSKLegal

BANKERS

ABNAMROBankN.V.
 BankofBaroda
 CentralBankofIndia
 CitibankN.A.
 PunjabNationalBank
 StandardCharteredBank
 StateBankofIndia
 TheHongkongandShanghaiBankingCorporationLtd.
 UTIBankLtd.

MANAGEMENT COMMITTEE

Dr.DeshBandhuGupta, *Chairman*
 Dr.KamalK.Sharma, *ManagingDirector*
 Mr.SatishKhanna, *GroupPresident-API*
 Mr.IndrajitBanerjee, *President-Finance&Planning*
 Mr.SaktiChakraborty, *President-IndiaRegionFormulations*
 Mr.VinodDhawan, *President-BusinessDevelopment*
 Mr.DivakarKaza, *President-HumanResources*
 Mr.HarishNarula, *President-Corporate*
 Dr.HimadriSen, *President-PharmaResearch&RegulatoryAffairs*
 Mr.NileshGupta, *ExecutiveVicePresident-AdvancedMarkets*

Mrs.VinitaGupta, *President&MD-LupinPharmaceuticals,Inc.*

REGISTERED OFFICE

159,C.S.T.Road,Kalina,
 Santacruz(East),
 Mumbai-400098.
 Tel:+912256402323
 Fax:+912226528806

CORPORATE OFFICE

LaxmiTowers,BWing,
 BandraKurlaComplex,
 Bandra(East),
 Mumbai-400051.
 Tel:+912256402222
 Fax:+912256402130

www.lupinworld.com



Financial & Business highlights

(Rs.in million)

Gross Sales- **12,123**

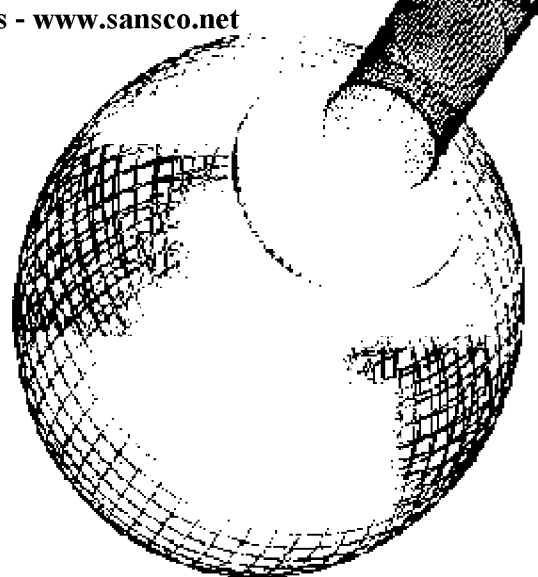
Net Profit- **844**

Operating Profit- **1,458**

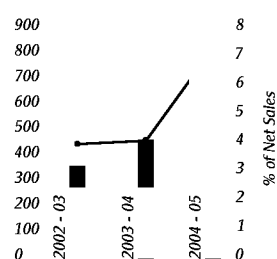
R&D Expenditure- **836**

Proposed Dividend- **65%**

EPS (Rs.)- **20.5**

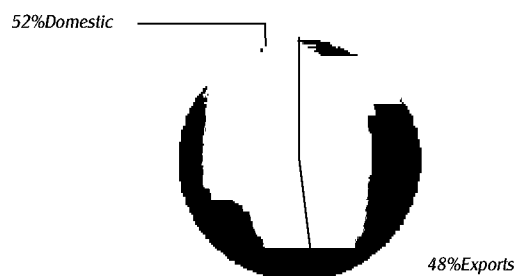


R&D EXPENDITURE
(Rs.in Million)



R & D % of Net Sales

SALES MIX 2004-05
(Net Sales)
(Geographic Segments)



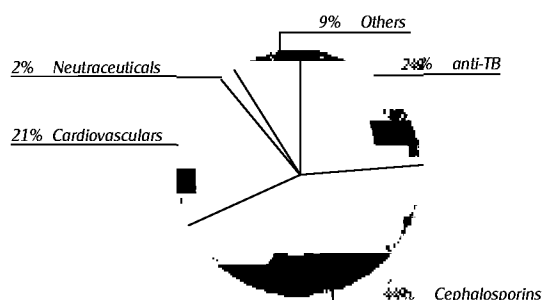
DIVIDEND HISTORY
(in percentage)



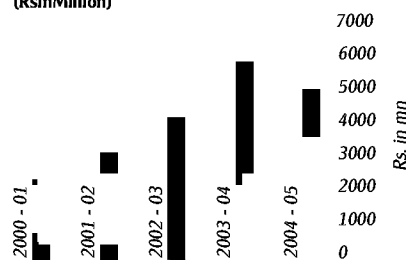
Years

* Proposed Dividend

THERAPEUTIC MIX 2004-05



EXPORT
(Rs.in Million)



Years

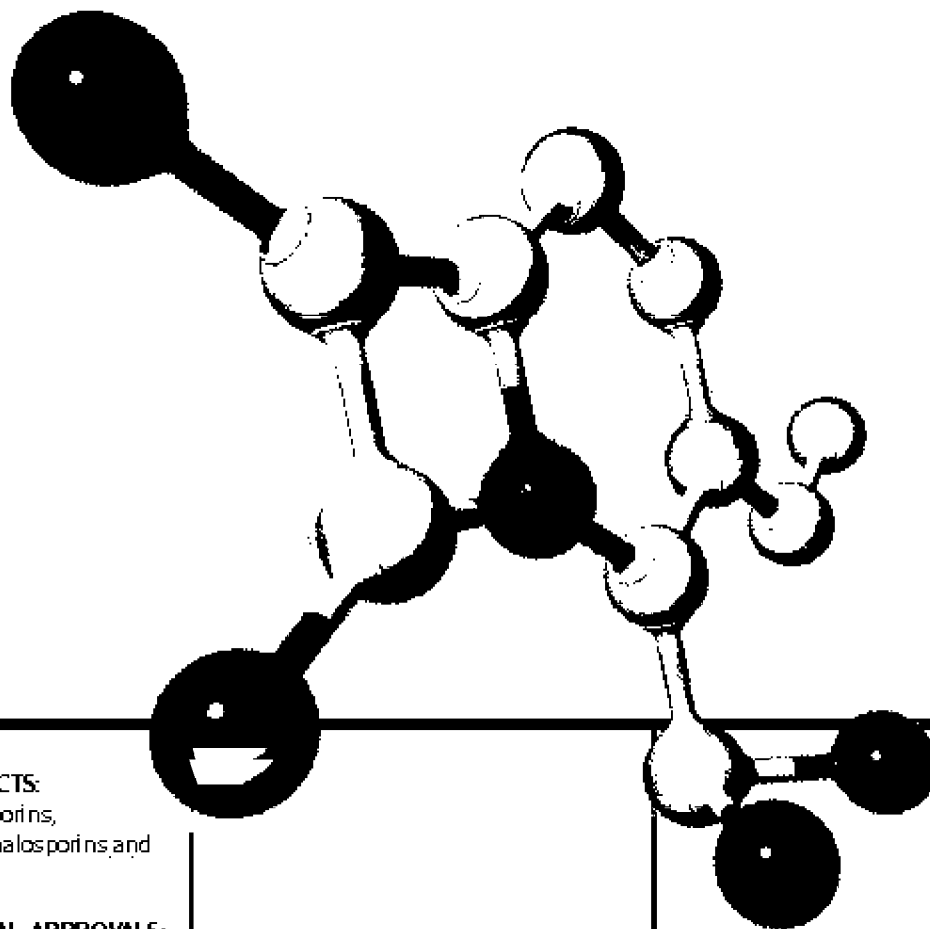
TO BECOME AN INNOVATION LED TRANSNATIONAL PHARMACEUTICAL COMPANY...



- Record regulatory filings: the Company filed 14 ANDAs, 15 DMFs, 2e-DMFs, 4 COS, 294 dossiers and 2 INDs.
- 1 molecule in Phase I clinical trials, 2 molecules completed Phase I clinical trials, 1 molecule undergoing Phase I clinical trials.
- **Suprax[®]**, the Company's first branded finished dosage in the US, gained acceptance.
- Alliance struck with Cornerstone BioPharma, Inc. as a promotion partner in the US for **Suprax[®]**.
- Finished Dosages-India Region business recorded a sales growth of 15% while the industry grew by about 6%.
- Finished Dosages-India Region: 18 new products were relaunched, including anti-Asthma products.
- Largest Lisinopril API capacity in the world established.
- Expanded production capabilities at Ankleshwar for meeting international demand for Cephalosporins.
- Injectable facility at Mandideep received TGA (Australia) approval.
- Tarapur API manufacturing facility for Statins received USFDA approval.
- First ESOP implemented, covering 174 employees.

LUPIN RESEARCH PARK (Pune, India)





MAIN PRODUCTS:

Oral Cephalosporins,
Injectable Cephalosporins and
Pills

INTERNATIONAL APPROVALS:

Injectable Cephalosporins,
API and Finished Dosages
(USFDA & UK MHRA)

Oral Cephalosporins,
API and Finished Dosages
(USFDA)

Pills, API
(USFDA)

MAIN PRODUCTS:
Rifampidin, Lovastatin

INTERNATIONAL APPROVALS:

Rifampidin
(USFDA)

Lovastatin
(USFDA)

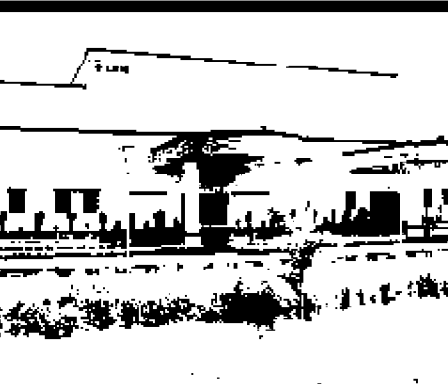
MAIN PRODUCTS:
Ethambutol,
7ACCA & 7ADCA

(Intermediates) and
other chiral intermediates.

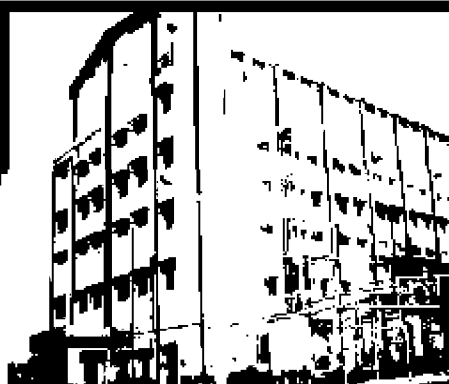
INTERNATIONAL APPROVALS:

7ADCA
(USFDA)

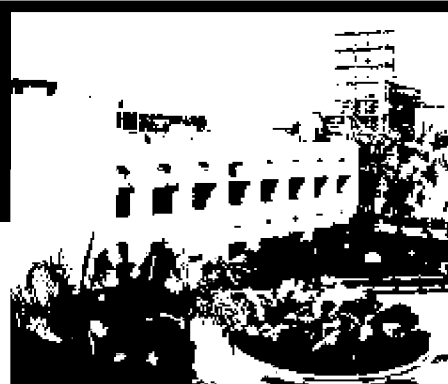
MANDIDEEP
(Madhya Pradesh)



TARAPUR
(Maharashtra)



ANKLESHWAR
(Gujarat)



worldclass facilities



MAIN PRODUCTS:

(Finished Dosages)

Rifampicin,
Pyrazinamide,
Ethambutol,
Lisinopril

INTERNATIONAL APPROVALS:

This plant is approved by
MCC (South Africa),
conforms to WHO standards.

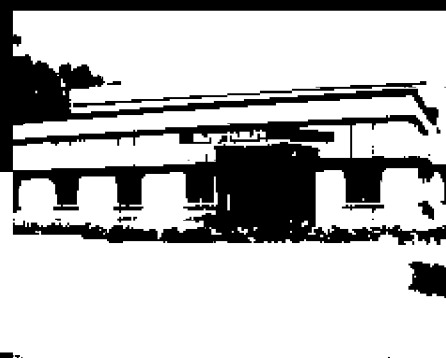
The Company has commenced
operations in the state-of-the-art
manufacturing facility at Goa,
that would cater to all
non-cephalosporin oral
formulation needs of the
Regulated Markets.

The factory was completed in a
record time of six months. This
plant is equipped to conform to
the requirements of USFDA and
other Regulated Markets.

The powerhouse of
research-
Lupin Research Park (LRP)
is located at Pune spread
over a 19-acre picturesque
location.

The scientists here drive
innovation in Lupin's
NCE, Finished Dosage
Research, including Novel
Drug Delivery Systems and
Process Research.

AURANGABAD (Maharashtra)



VERNA (Goa)



LUPIN RESEARCH PARK (Pune)



world class products

