

We saw more global **opportunities**  
for our Finished Dosages and API products  
from diverse corners of the world.

We saw more **strength**  
in our R&D capabilities to commercialise our research  
and in our management acumen to scale new heights.

As the sum of these insights,

We see more **growth**  
as a sustained feature of our business aspirations.

We see more **value creation**  
for all our stakeholders as we progress an extra mile closer  
in our journey towards becoming an  
**Innovation Led Transnational Pharmaceutical Company.**











We see more.

With a sharp sense of direction  
and a defined vision.

## The Lupin flower:

A symbol of relief and succour,  
enriching the soil wherever  
it grows.



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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', 'expects', 'projects', 'intends', 'plans', 'believes' 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. Desh Bandhu Gupta, *Chairman*  
 Dr. Kamal K. Sharma, *Managing Director*  
 Mrs. M. D. Gupta, *Executive Director*  
 Mr. D. K. Contractor  
 Mr. Marc Desaedeleer  
 Mrs. Vinita Gupta  
 Mr. P. K. Kaul  
 Dr. Vijay Kelkar, *Additional Director*  
 Dr. K. U. Mada  
 Mr. Sunil Nair  
 Mr. R. A. Shah, *Additional Director*  
 Dr. D. P. Sinha (up to May 9, 2006)

### Company Secretary & Compliance Officer

Mr. Kiran N. Bade

### Auditors

Deloitte Haskins & Sells  
 Chartered Accountants

### Audit Committee

Dr. K. U. Mada, *Chairman*  
 Mr. D. K. Contractor  
 Dr. D. P. Sinha (up to May 9, 2006)

### Investors' Grievances Committee

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

### Remuneration/Compensation Committee

Dr. K. U. Mada, *Chairman*  
 Mr. Sunil Nair (*Alternate - Mr. Marc Desaedeleer*)  
 Mr. R. A. Shah

### Solicitors

AZB & Partners  
 Crawford Bayley & Co.  
 DSK Legal

### Bankers

ABN AMRO Bank N.V.  
 Bank of Baroda  
 Central Bank of India  
 Citibank N.A.  
 ICICI Bank Ltd.  
 Standard Chartered Bank  
 State Bank of India  
 The Hongkong and Shanghai Banking Corporation Ltd.

### Management Committee

Dr. Desh Bandhu Gupta, *Chairman*  
 Dr. Kamal K. Sharma, *Managing Director*  
 Mr. Satish Khanna, *Group President - API*  
 Dr. Sudershan Arora, *President - NCE Research*  
 Mr. Indrajit Banerjee, *President - Finance & Planning*  
 Mr. Shakti Chakraborty, *President - India Region Formulations*  
 Mr. Vinod Dhawan, *President - Business Development*  
 Mr. Rajan Dutta, *President - Human Resources Development*  
 Mr. Harish Narula, *President - Corporate*  
 Dr. Himadri Sen, *President - Pharma Research & Regulatory Affairs*  
 Mr. Nilesh Gupta, *Executive Vice President - Advanced Markets*

### Registered Office

159, C.S.T. Road, Kalina,  
 Santacruz (East),  
 Mumbai - 400 098.

Tel: +91 22 6640 2323

Fax: +91 22 2652 8806

### Corporate Office

Laxmi Towers, 'B' Wing,  
 Bandra Kurla Complex,  
 Bandra (East),  
 Mumbai - 400 051.

Tel: +91 22 6640 2222

Fax: +91 22 6640 2130



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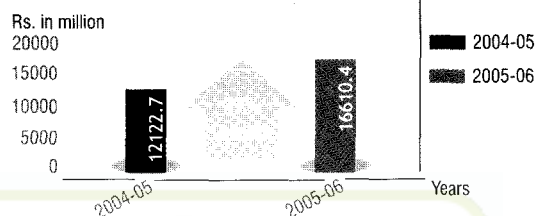
## Our Vision

To be an  
innovation led  
transnational  
pharmaceutical  
company

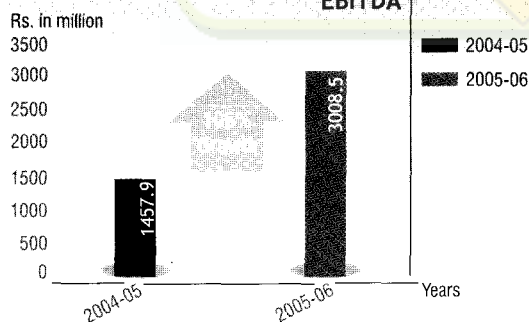


## FINANCIAL HIGHLIGHTS

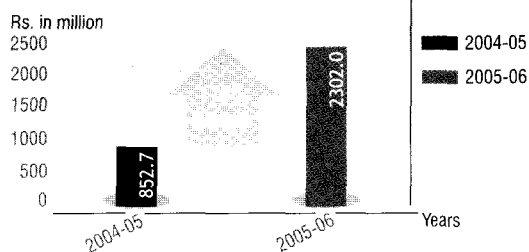
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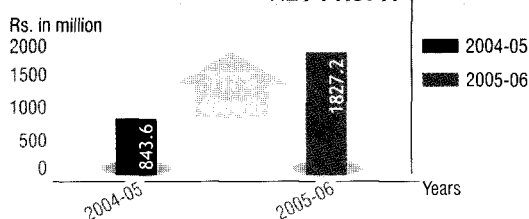
EBITDA



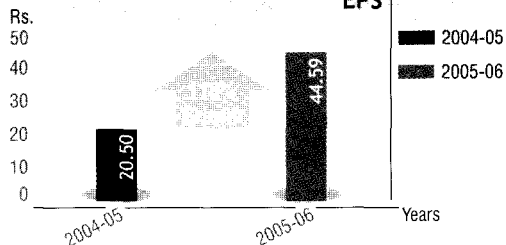
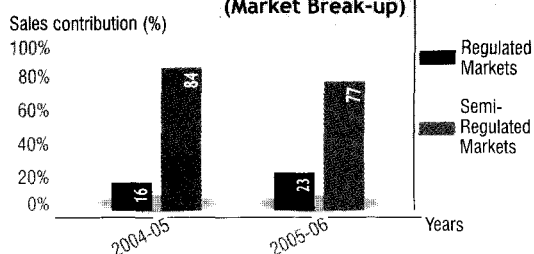
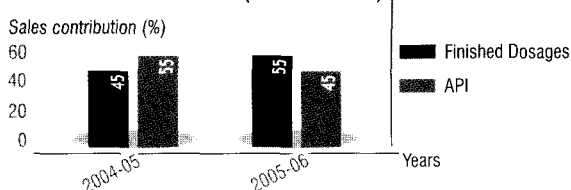
PBT



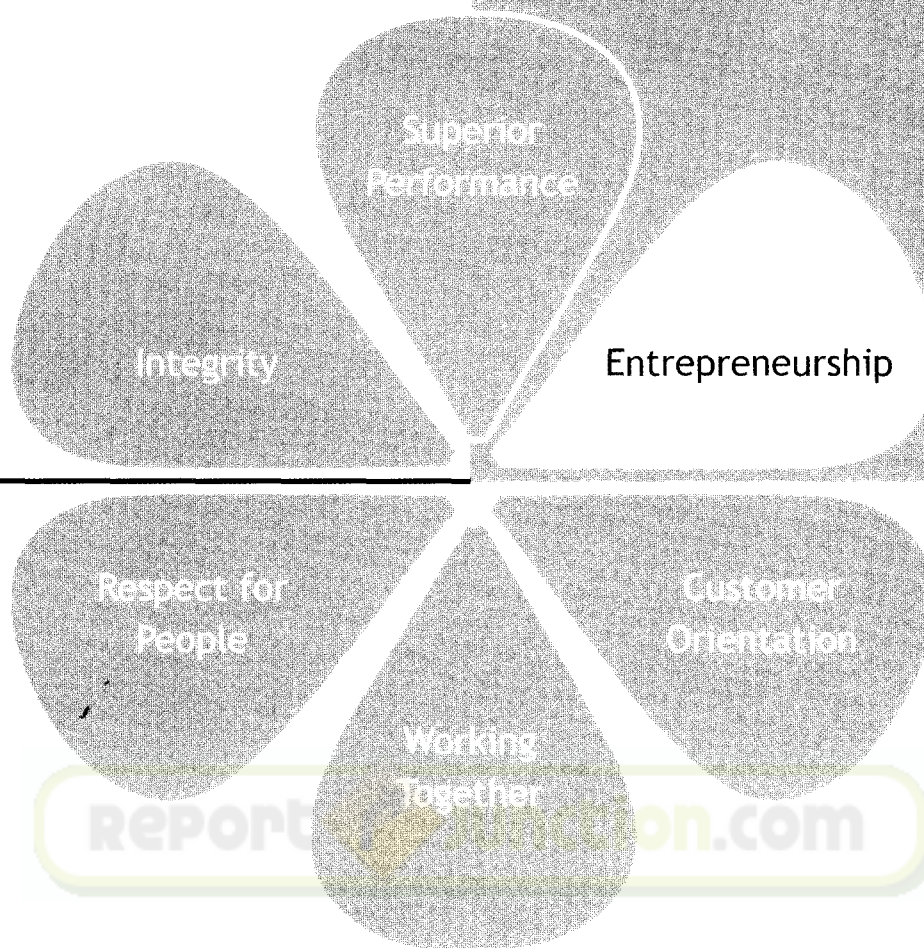
NET PROFIT



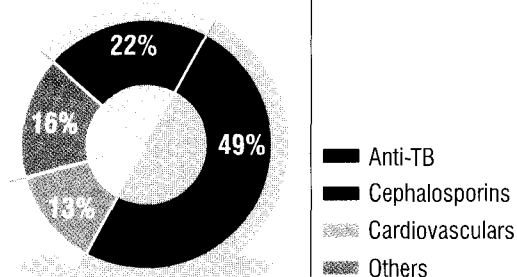
EPS

GROSS SALES  
(Market Break-up)GROSS SALES  
(Business Mix)

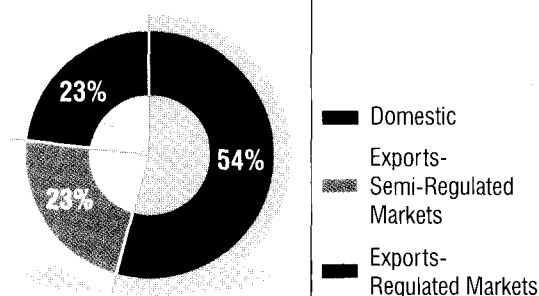




THERAPEUTIC MIX

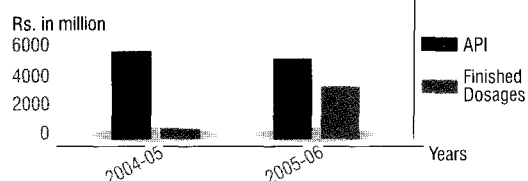


GROSS SALES  
(Geography Breakup)

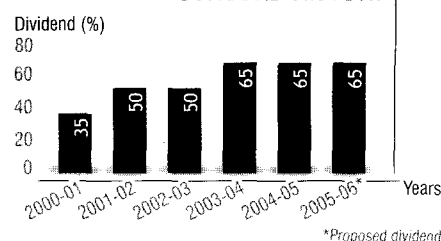


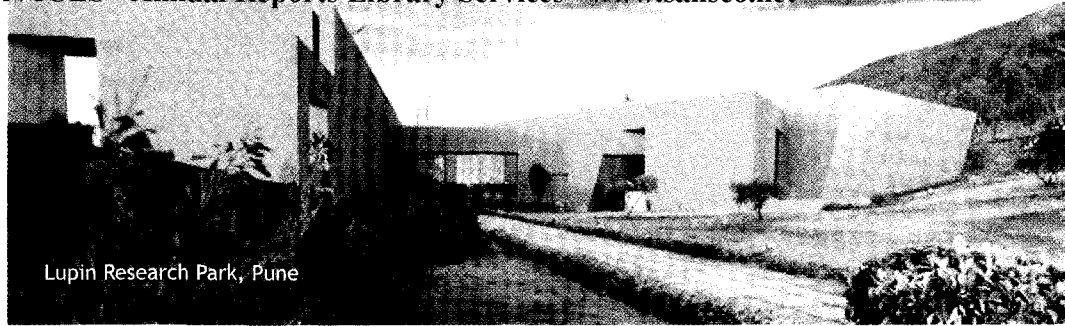
Board of Directors recommend issue of bonus shares in the ratio of one for one.

EXPORTS



DIVIDEND HISTORY





Lupin Research Park, Pune

**A big leap forward in US operations**

**A step forward**

**Accelerated pace of filings and approvals maintained during the year**

**Report Junction.com**

**Strategic long-term business alliances**

**FACILITIES**

**World class facilities, continued accreditations**

**India Region Formulations business exhibits strong growth**

**FINANCE**

**ICRA upgrades rating  
Successful FCCB offering**

**HR**

**People first**



**LUPIN**



# BUSINESS HIGHLIGHTS

- Seven new generic products launched
- Launch of Ceftriaxone and Cefprozil on patent expiry
- Suprax® records steady progress, scrips up 117% YOY
- Established Direct-to-Market team for Generics
- Internalised Brand Sales Team
- Lupin Pharmaceuticals Inc., enters into collaboration with Chester Valley Pharmaceuticals, USA to promote Atopiclair™

- Lupin receives approval from Drug Controller General of India (DCGI) for conducting Phase II clinical trials - Anti-Psoriasis (Herbal)
- Three other molecules viz. Anti-Migraine, Anti-Psoriasis and Anti-TB in various stages of clinical trials

- 16 DMFs (US), 18 EDMFs (EU), 3 DMFs (Australia), 1 DMF (Korea), 3 COS (EU)
- 18 ANDAs (US), 9 MAAs (EU), 6 MAAs (Australia), 3 MAAs (New Zealand), 3 MAAs (Croatia), 2 MAAs (France)
- 5 ANDA approvals received, taking the cumulative total to 10

- Kyowa Pharmaceutical Industry Co. Ltd. (Japan)- A major step to enter the attractive Japanese market
- DSM Anti-Infectives India Ltd.- Further strengthening the Company's Intermediates position and customer base
- Aspen Pharmacare Holdings Ltd. (South Africa)- An important step in providing comprehensive therapeutic care in the areas of conventional TB, MDR-TB and Malaria
- Ranbaxy Laboratories Ltd.- An arrangement to leverage the partner's marketing strengths in the African markets to promote Anti-TB brands
- GSK Philippines (Philippines)- A step towards Lupin's quest to make Anti-TB drugs available to geographies most afflicted with the disease

- Company's Non-Cephalosporin API plant at Tarapur and oral dosage facility at Goa received US FDA approval without any qualifications (483's)
- The facility at Goa is Lupin's 11<sup>th</sup> plant to receive US FDA approval

- Outpaces market growth rate by around one and half times
- Aggressive product launches - Lupin ranked no.1 in the industry in terms of sales value of new launches
- Prescription growth rate of 8.2% (Industry growth rate of 0.1%)
- Lupin attains No. 2 position in Anti-Asthma market

- ICRA upgrades rating for the Company's Short Term Debt (including Commercial Paper) programme from 'A 1' to 'A 1+' indicating highest credit rating assignable by ICRA for short-term debt
- Issue of Foreign Currency Convertible Bonds (FCCB) aggregating US \$100 million, which were listed on the Singapore Stock Exchange

- Initiatives taken by the Company to attract, nurture and retain the best talents include:
  - Young Leaders Programme
  - Career Opportunity Programme
  - Grooming 'High Potential, High Performance' employees
  - Instituting awards for scientific excellence in research
  - Motivation through Employees Stock Option Plans

## CHAIRMAN'S MESSAGE



**Dr. Desh Bandhu Gupta**  
Chairman