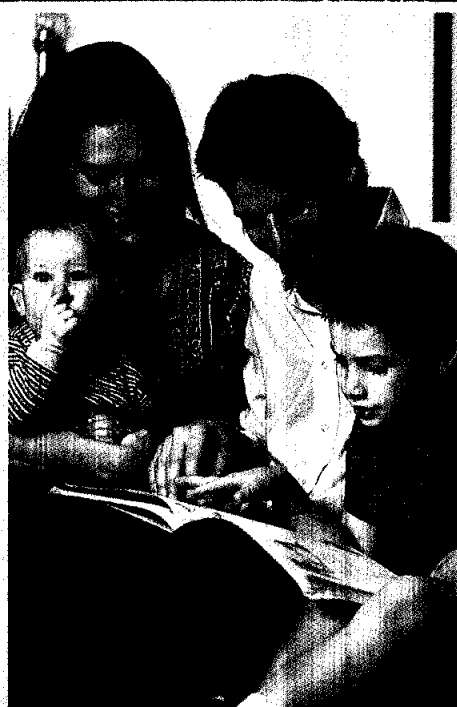
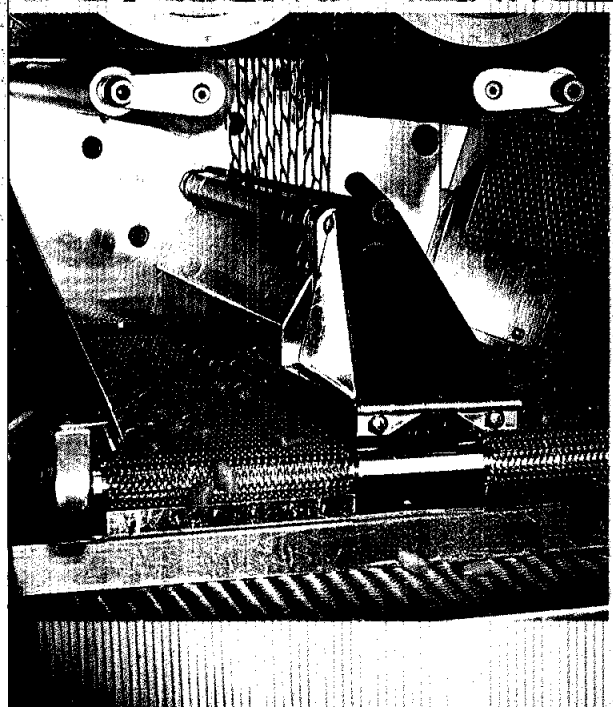
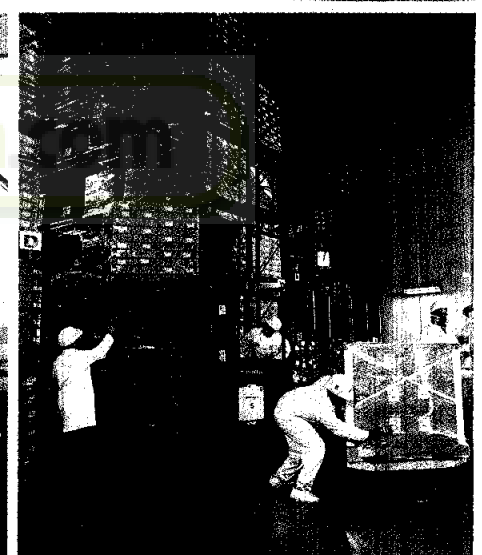
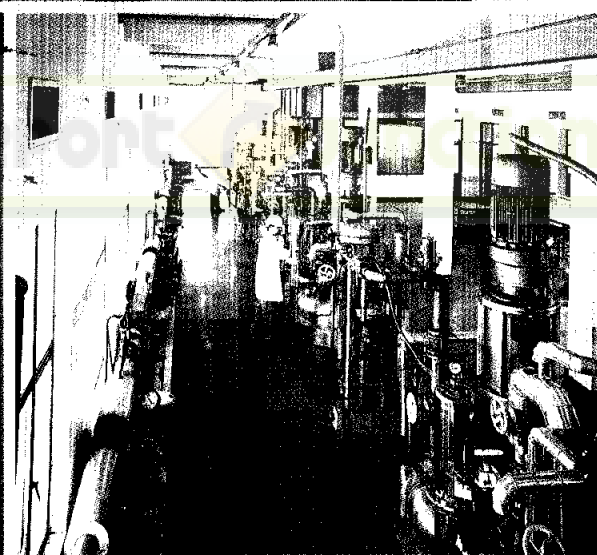
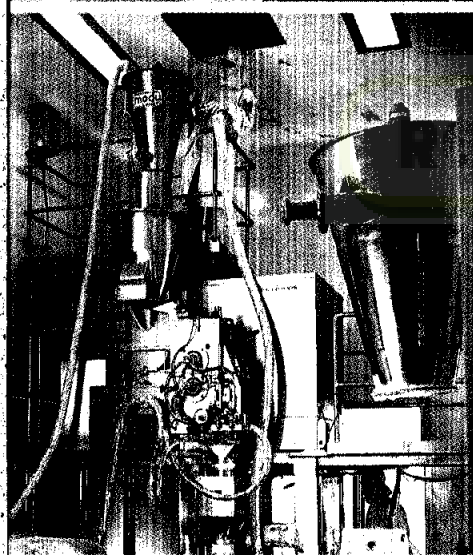
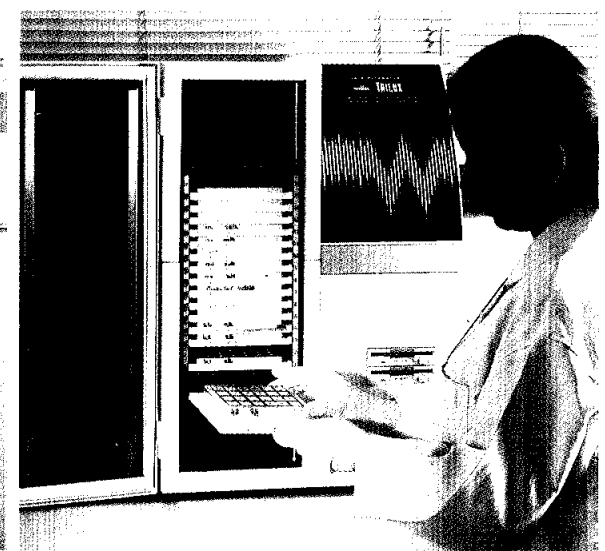
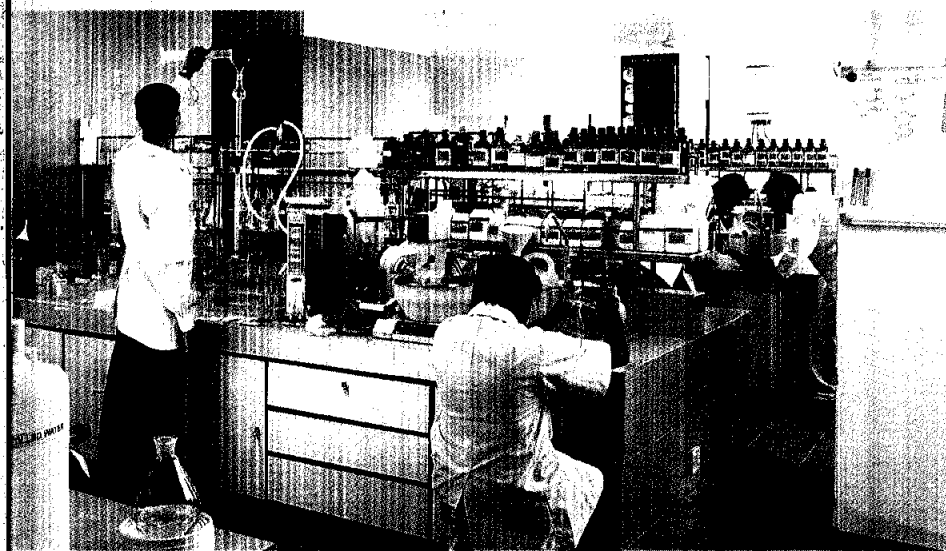
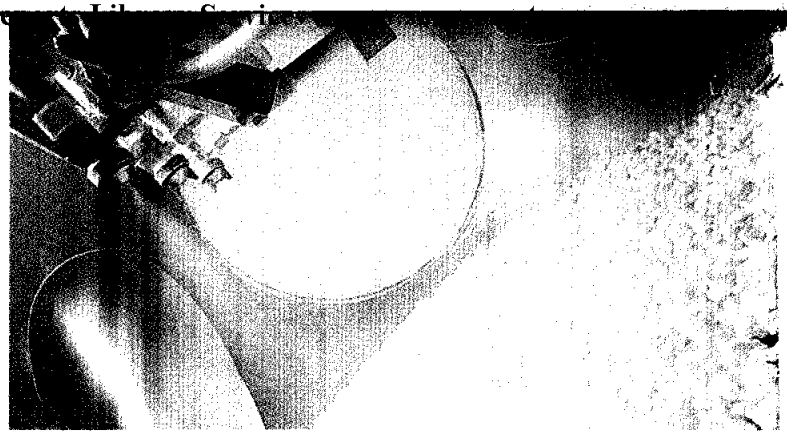




*Innovation... Growth... Success...  
Experienced Each Day*

**RANBAXY**  
LABORATORIES LIMITED  
ANNUAL REPORT 2001



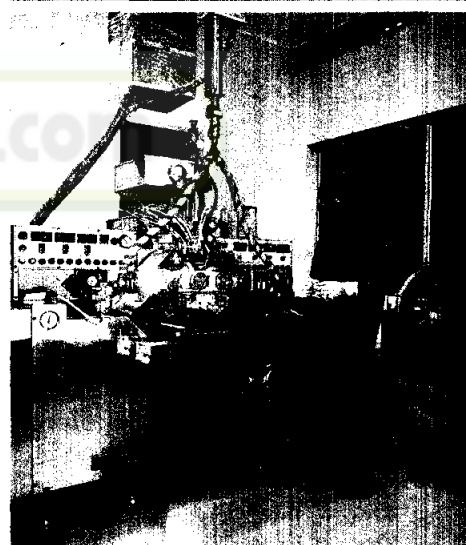


## Innovation...Growth...Success... ...Experienced Each Day

Our mission.....to become a Research based International Pharmaceutical Company has been our driving force over the years. Market leadership is synonymous with customer orientation, **innovation** and strategic agility. We continue to drive our markets forward by consistently keeping pace with cutting edge technology creating significant value and intellectual property.

Ranbaxy is ranked amongst the Top 100 global pharmaceutical companies...In 2001 our US subsidiaries earned the distinction of achieving the fastest **growth** in the world's largest pharmaceutical market. It attained sales of over US\$ 100 million within four years of its operations.

Innovation in all facets of research continued to strengthen our presence in the domestic and international markets with a specific focus on technology intensive - difficult to make niche products. The **success** is evident with all our overseas subsidiaries delivering profits this year. With the US\$ 1 billion mark within striking distance, we are now envisioning the new growth horizon, as we progress towards our cherished mission.....





1. **Davinder S. Brar, CEO & Managing Director**
2. **Dr. Brian W. Tempest, President, Pharmaceuticals**
3. **Dr. J. M. Khanna, President, R&D**
4. **Vinay Kaul, Executive Vice President, Finance & Corporate Services**
5. **Bimal K. Raizada, Sr. Vice President**
6. **Udai Upendra, Vice President, Global Human Resources**
7. **Pushpinder Bindra, Sr. Vice President, Global Manufacturing**
8. **Sanjiv D. Kaul, Regional Director, India**
9. **Peter Burema, Regional Director, Europe, CIS & Africa**
10. **Vinod Dhawan, Regional Director, Asia Pacific, Latin America & Canada**



11. Dipak Chattaraj, President, Ranbaxy Pharmaceuticals Inc.
12. Atul Malhotra, Head, Global OTC Business & Regional Director, Middle East
13. Rahul Goswami, Vice President, Strategic Planning & CIO
14. Rajiv Malik, Vice President, Pharma Research and Regulatory Affairs
15. K. Srinivas, Vice President, API Business & Centralised Purchasing
16. Malvinder M. Singh, Director, Global Licensing & Business Development
17. Lalit Ahluwalia, Director, Business Finance
18. Dr. Arun Purohit, Director, Global Marketing
19. Ameet Desai, Director, Mergers & Acquisitions



# MILESTONES

**JANUARY 2001**

- Permission received to set up a Manufacturing Facility in Vietnam
- First to receive approvals to launch Caveria in India, its Sildenafil brand
- FICCI Award presented to Ranbaxy by India's PM, recognising corporate initiatives in Science and Technology in 2000

**MARCH 2001**

- US\$ 5 Mn received from Bayer for successful completion of Phase I Trials of the Cipro drug
- Ranbaxy USA, awarded Rite Aid 2000 (USA's 3rd-largest retail pharmacy chain) Supplier of the Year Award
- Ohm Laboratories Inc. received US FDA approval to market Ibuprofen and Pseudoephedrine Hydrochloride tablets USP

**APRIL 2001**

- Ranbaxy launched Anti-AIDS medicines to enter this segment in India
- A unique once-a-day formulation, Ofloxacin (Anti-bacterial fluoroquinolone), was developed by Ranbaxy; an IND is to be filed in the US shortly

**JUNE 2001**

- Ranbaxy collaborated with Vectura Limited, UK, to develop a novel, cost-effective, patent-protected, oral-controlled release system

**JULY 2001**

- Ranbaxy S.P. Medicamentos, Brazil, received approval from the Brazilian Regulatory Authority, for its Anti-AIDS drug, Lamivudine
- RPI receives US FDA approval to market Cephalixin for Oral Suspension USP
- IMS June 2001 report declared Ranbaxy as the fastest-growing company in USA

**AUGUST 2001**

- Ranbaxy received approval, from the Drugs Controller General of India (DCCI), for launching its unique once-a-day formulation, Ciprofloxacin tablets USP
- RPI receives US FDA approval for Lorazepam

**SEPTEMBER 2001**

- Ranbaxy launched two NDDS products in India - Cifran OD, once-a-day Ciprofloxacin and Zanozin OD, once-a-day Ofloxacin

**OCTOBER 2001**

- India's leading Pharma companies sign a pact with Ranbaxy to co-market Ranbaxy's Ciprofloxacin-OD

**NOVEMBER 2001**

- RPI received US FDA approval for Acetaminophen and Codeine Phosphate tablets USP
- Ranbaxy Nigeria Ltd. signed an agreement worth US\$ 1.8 Mn, to supply Antiretroviral drugs - Lamivudine, Stavudine and Nevirapine - to the Federal Ministry of Health, Nigeria
- Ranbaxy received Rajiv Gandhi National Quality Award instituted by the Bureau of Indian Standards

**DECEMBER 2001**

- US operations Sales amounted to US\$ 113 Mn, a growth of 74%
- 7 ANDA approvals received in USA, against 15 filed during the year
- Ranbaxy ranked No. 7 amongst the Top 10 companies in India in an annual survey conducted by Far Eastern Economic Review, Asia's leading business weekly
- Ranbaxy's Ex-India Exports amounted to Rs. 10,300 Mn, against the ambitious target of Rs. 10,000 Mn, during the year

Global operations in 25 countries; Products sold in over 100 countries; Manufacturing facilities in 7 countries; Over 8000 people across the globe







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**Tejendra Khanna**  
Chairman

"The Corporate Governance Committees of the Board, including the Committees of Management, Finance and Audit, have met regularly. Strong emphasis has been placed on the improvement of quality of sales and working capital management. Despite the sharp decrease in treasury income during the year, the overall profits of the Company based on its robust operations in pharmaceutical production and marketing have increased by nearly 40% compared to the preceding year.....

.....In relation to the management of the Company's precious Human Resources, stringent compliance with the core ethical values of the Company, has been repeatedly underscored."

— Tejendra Khanna

Dear Shareholders,

At the outset, I would like to take the opportunity of sharing with you an overview of the progress achieved by your Company during the Business Year ending December 31, 2001.

Since the last few years, your Company has been following a conscious policy of internationalising its operations to become a significant player on the global pharmaceutical stage. Your Company has been able to register an increase of 18% in the Rupee value of its sales in the year 2001 (Rs. 20,545 Mn against preceding year's aggregate sales of Rs.17,367 Mn). This is in contrast to the growth in the previous year (2000 over 1999) of 11.9%. Interestingly, for the first time, aggregate export sales crossed the Rs.10,000 Mn mark and exceeded aggregate domestic sales. This is a clear indication of the effort to reach out more energetically to tap global market opportunities.

If we look at the consolidated operations of Ranbaxy Laboratories Limited, along with its subsidiaries and affiliates operating in a number of overseas countries, the Ranbaxy Group of Companies achieved global sales of US\$ 600 Mn in 2001 representing an increase of 18% over the preceding year (US\$ 507 Mn). Dosage form sales which embody higher value addition increased from 73% of the total sales revenue in 2000 to 76% in 2001. This is in accordance with the strategy of the Company to reduce the proportion of its revenues from the sale of Active Pharmaceutical Ingredients (API) and consciously increase the share of value-added dosage form products.

Your Company has identified 6 principal markets for focusing its marketing efforts. These are: India, USA, UK, Brazil, China and Germany. Of these, the star performer of the year was USA where dosage form sales rose from US\$ 65 Mn in 2000 to US\$ 113 Mn in 2001, representing an increase of 74%. Considering the fact that aggregate US sales stood at only US\$ 15 Mn in 1998, the quantum jump to US\$ 113 Mn in 2001 is a highly commendable achievement.

As far as India is concerned, though domestic sales grew at a slower pace (9.7% in Rupee terms), ex-India export sales rose sharply to cater to the