



## PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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### Ranbaxy back in black on US launches

#### fe Bureaus

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**New Delhi:** Despite its unresolved issues with the US FDA, Ranbaxy Laboratories Ltd slipped out of the red during the fourth quarter (October-December) by posting a profit of Rs 262 crore. It reported a loss of Rs 680 crore in the corresponding quarter last year. The company's swing to profit came mainly on account of two first-to-file drug launches in the US market and significant forex gains of Rs 300 crore during the quarter. The company said its sales for the quarter increased 18.87% at Rs 2,269.9 crore compared to Rs 1,909.6 crore in the similar period a year before.

"We launched two first-to-file (FTFs) products — Valacycloir and Oxcarbazepine Suspension— with exclusivity in the US during the quarter. We have also taken some cost-cutting measures that ensured better results," said Ranbaxy CEO Atul Sobti. This means the company got a 180-day of exclusive marketing opportunity to market a generic version of GSK's blockbuster drug Valtrex in the US along with Oxcarbazepine.

In the largest drug market, US, where the company is still facing multiple challenges with the regulator, sales during the quarter grew by 78% to touch Rs 755.7 crore. Ranbaxy said it expects to achieve sales of Rs 7,800 crore in 2010, a growth of 6% compared to the last year and a profit after tax (PAT) of approximately of Rs 460 crore. This estimate is based on the assumption of the exchange rate of dollar to rupee of Rs 46.

The company also said that in September last year, it had launched a major project, 'Viraat' – a three year plan to give a push to its domestic business by exploring entry into new therapeutic areas, new geographies including rural areas in the country. "Our India project that we internally call 'Viraat' has been rolled out. There are many initiative which we are taking as a part of this project....including shifting the headquarters of domestic operations to Mumbai," Sobti said.

On issues with FDA, he said, Ranbaxy has had a meeting with the US FDA officials and is still waiting for a re-inspection at its Dewas facility. The inspection was mainly delayed because of the travel advisory issued by US authorities, said Sobti. "Resolving FDA issues is the key challenge for 2010," he added.

For the full financial year (Ranbaxy follows the calendar year as the financial year), its sales grew marginally to Rs 7,344.1 crore as against Rs 7,255.50 crore a year ago. For the year ended on December 31, 2009, the company reported a net profit of Rs 310 crore against a loss of Rs 934.9 crore in the previous year.

#### Healing touch

- Sales for the quarter increased 18.87% at Rs 2,269.9 crore
- The pharma firm is yet to settle issues with drug regulator US FDA
- Ranbaxy expects to achieve sales of Rs 7,800 crore in 2010