Views on the Generics Market

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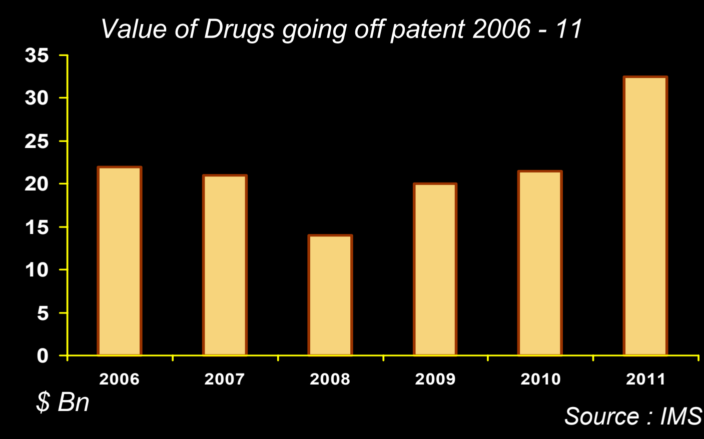
Safe Harbor

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “likely”, “project”, “should”, “potential”, “will pursue” and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. Ranbaxy does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Key Drivers of Growth

- Significant patent expiries through 2011



- Increasing genericisation

France Spain Italy

- Accelerating branded generics

Russia South Africa India

- Rationalizing Healthcare costs
  - key priority for Governments

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Key Issues

- **Increasing competition**

- **Increasing focus on costs**

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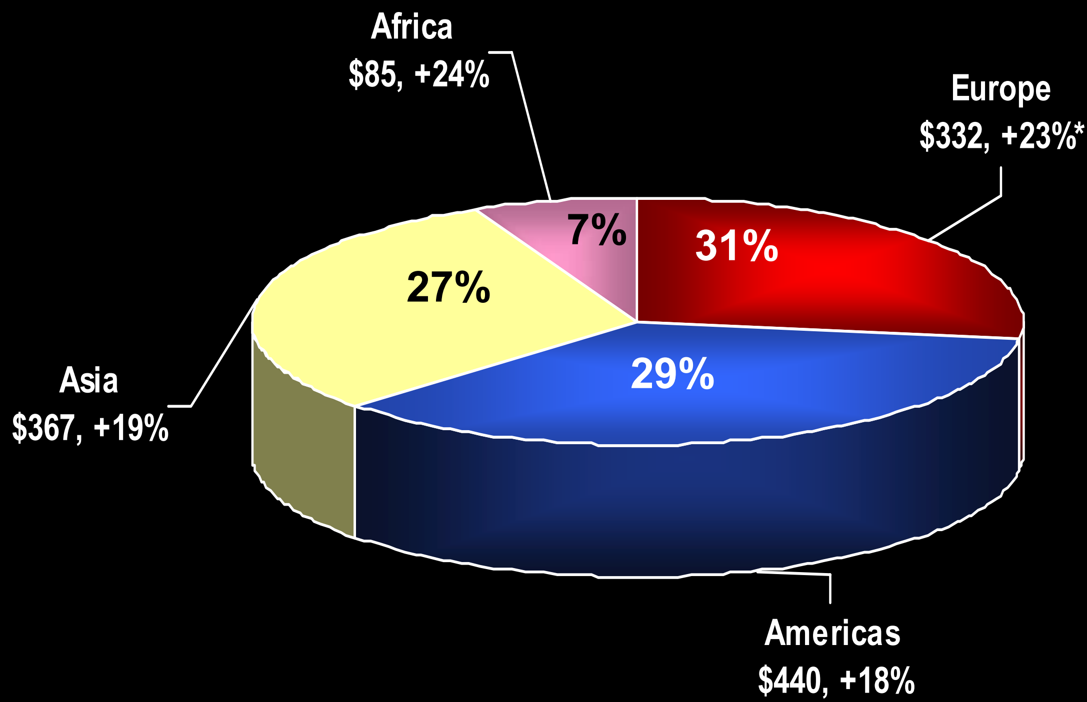
Geographic Sales Split – Q1 2007



Global Sales – Q1 2007 (US$ Mn)		
DF	332	+30%
API	23	- 25%
Total	355	+ 24%

Sales Q1 2007 – Dosage Forms US$ 332 Mn

** Including CIS, RoW – Rest of the World*

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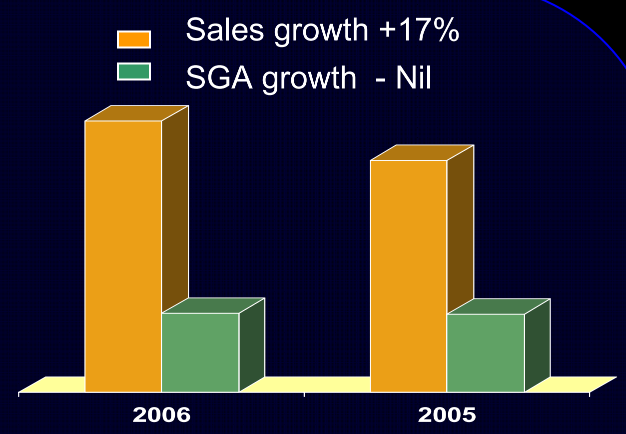
Increasing Focus on Costs

- **Optimizing SG&A cost structures**

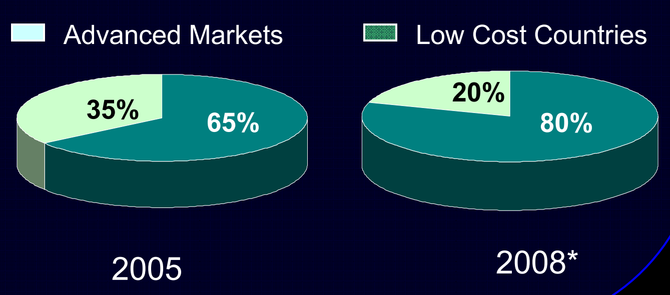


- **Improving R&D cost efficiencies**

% Bio-Studies (BA/BE^) conducted

	2006	2005
In-House	71%	28%
Overseas CRO	8%	61%
Indian CRO	21%	11%

- **Increasing sourcing from low cost countries .i.e. India & China**



** Estimate, ^ Bio-Analytical / Bio - Equivalence*

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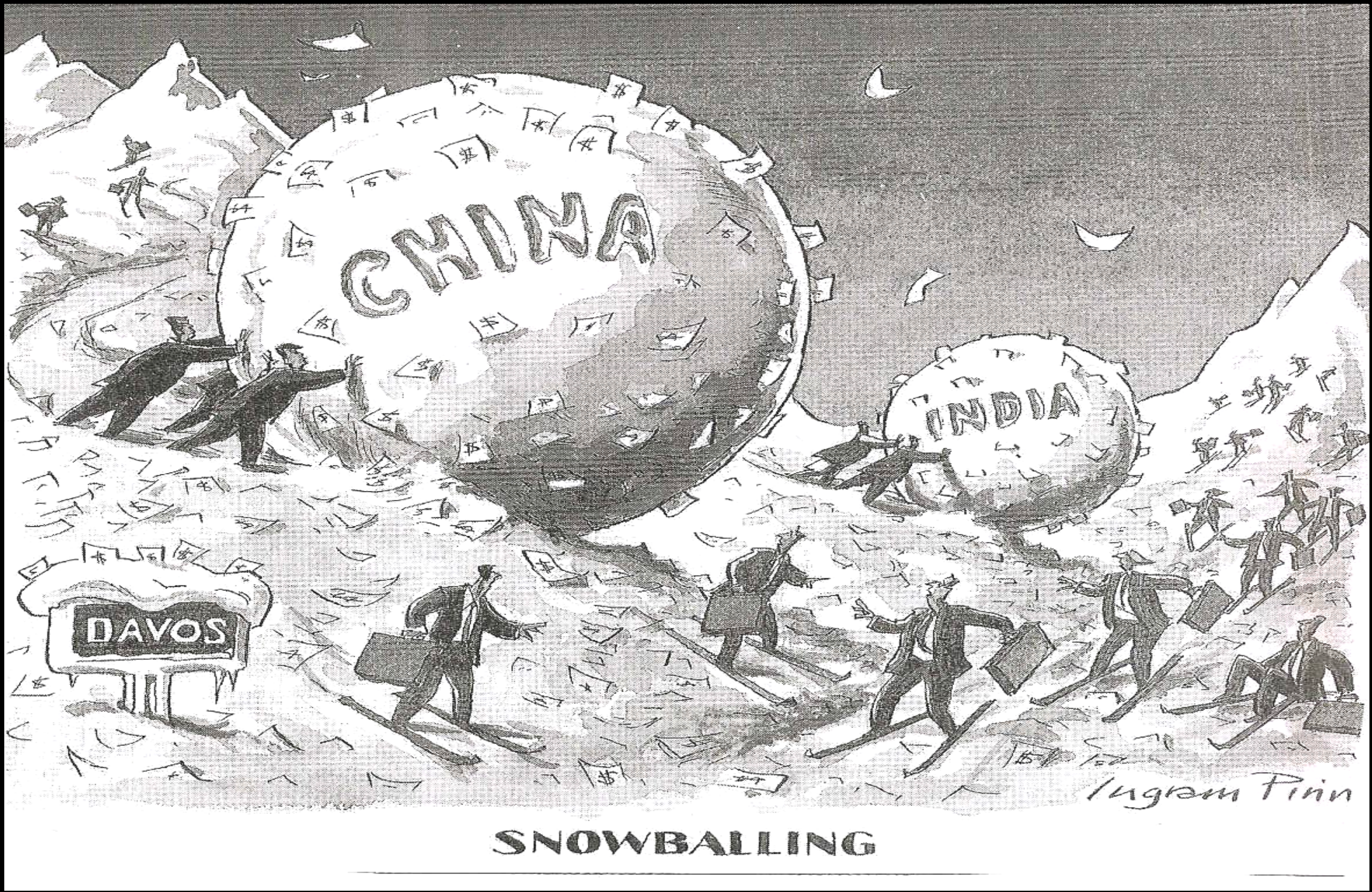
The India Pharma Story – Davos 2006



Source – Financial Times

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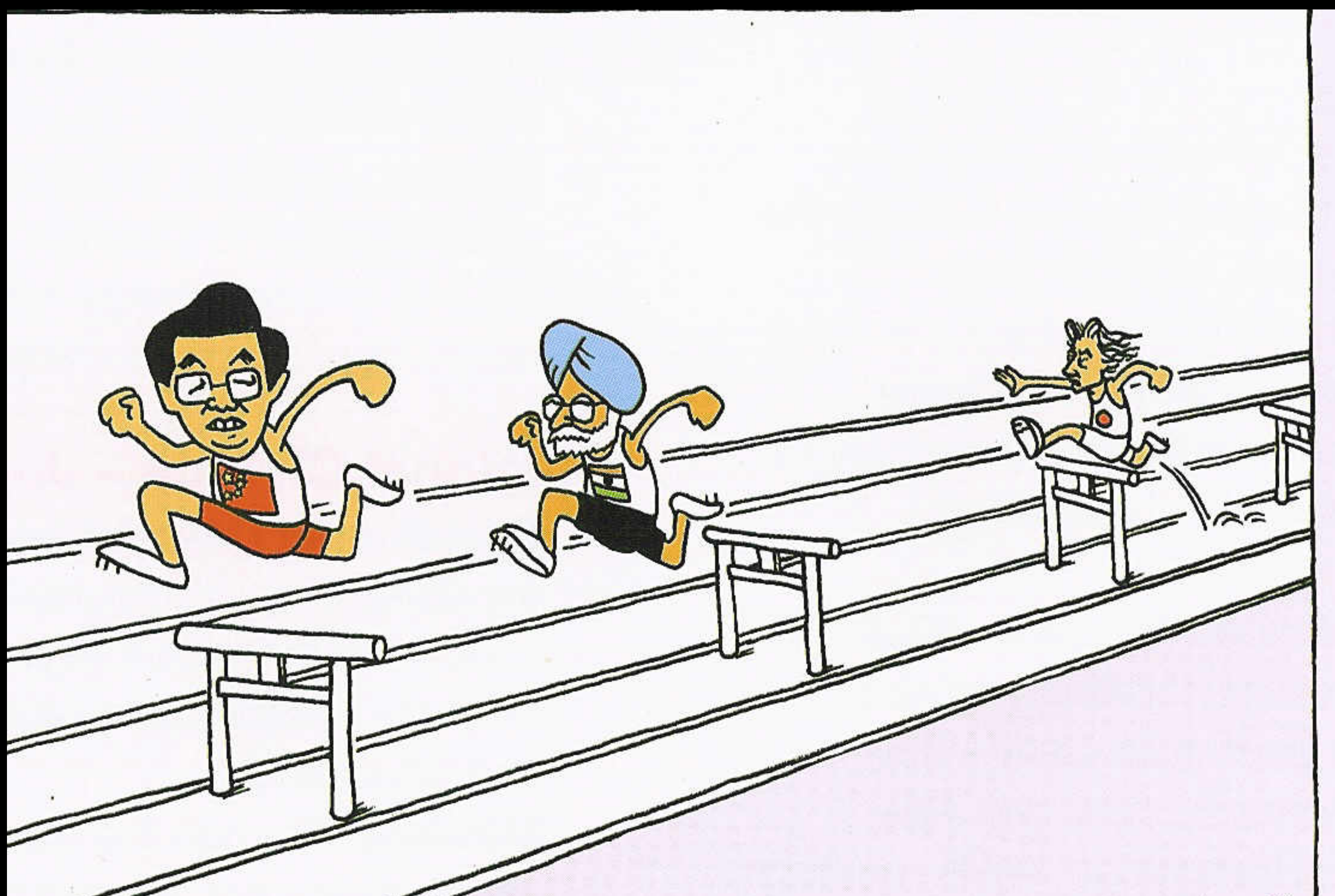
A race to prosperity



Scientific Manpower Output

Number of Higher Education Institutions

	05/06	18,123	+59%
00/01	11,412		
90/01	5,932		
80/01	4,861		

Source: Indian University Grants Commission

Number of Students enrolled in Higher Education Institutions

	05/06	10,500	+40%
00/01	7,500		
90/01	4,000		
80/01	3,000		

Source: Indian University Grants Commission

Number of Institutions courses

	05/06	99/00	
Pharmacy	1478	669	+120%
Medicine	229	174	+32%
Physiotherapy	205	52	+294%

Source: Pavan Agarwal (2006) based on data from professional councils

PhD Degree awarded in Science

	03/04	5408	+44%
00/01	3734		
90/01	2950		

(USA 03/04 25,000)

Source: Indian University Grants Committee

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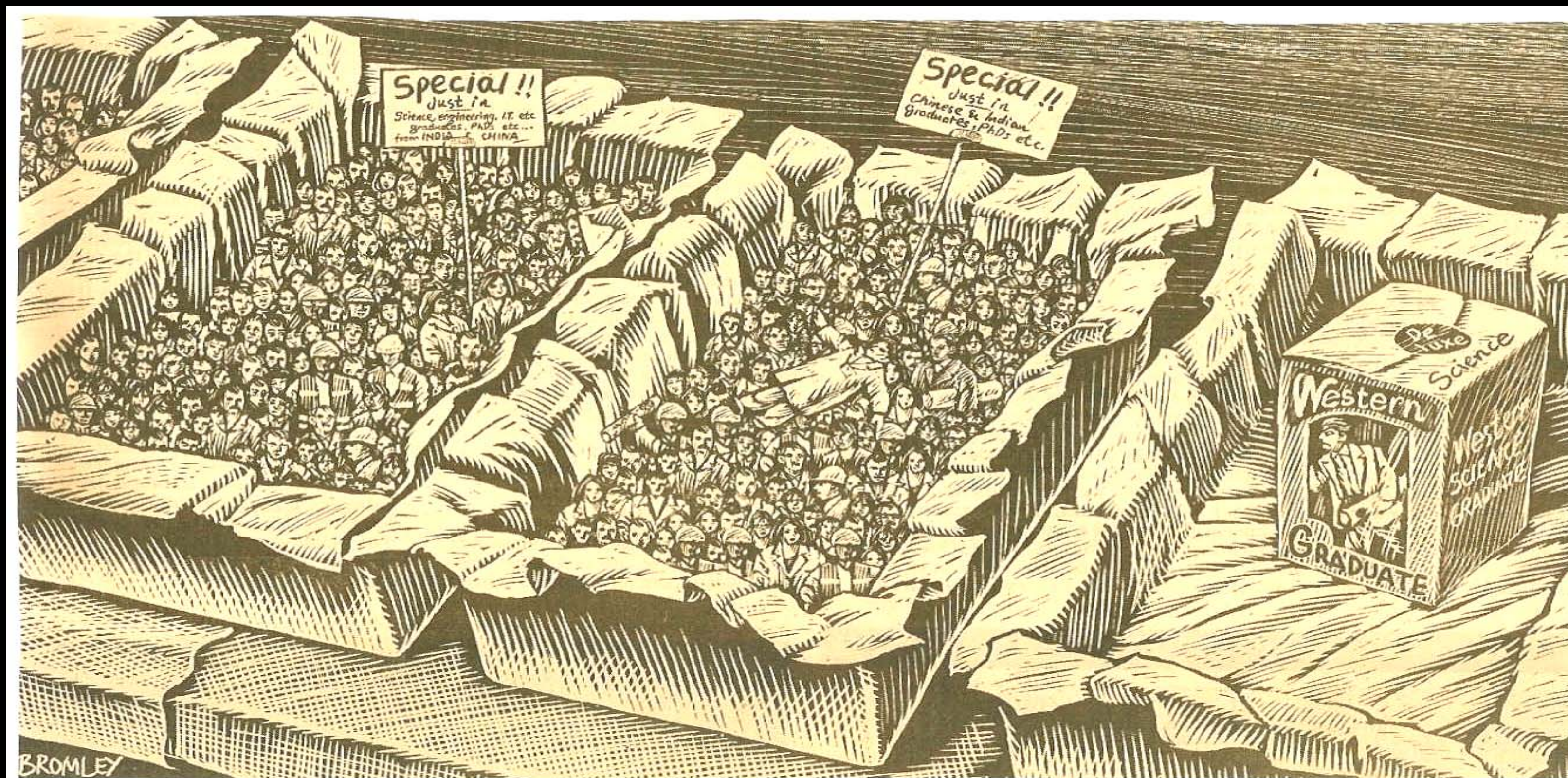
The Education Advantage



Engineers/Science graduates p.a. – India 0.7 mn, China 0.5 mn, EU 0.5 mn, USA 0.4 mn, Japan 0.3 mn

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India in Global Generics

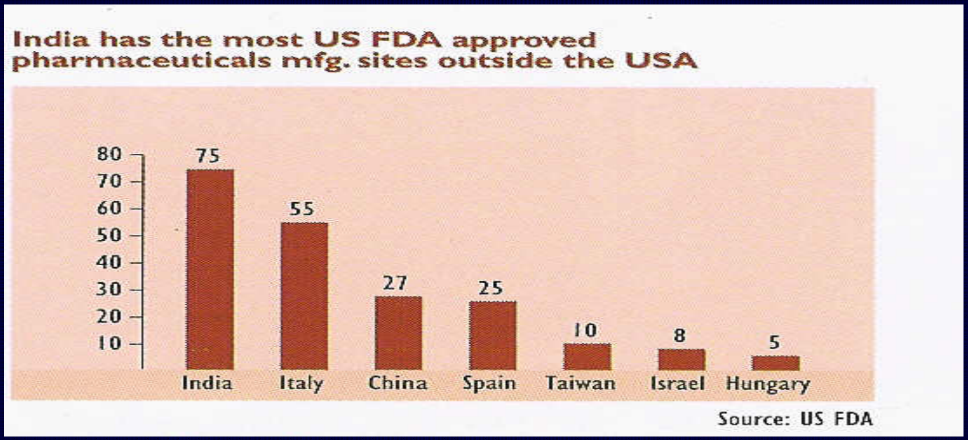
% Share of USA DMF filings

	India	China
2004	27%	9%
2005	37%	10%
2006	44%	14%
Q4'06	47%	9%

Source: US FDA / J P Morgan Research

Highest No of DMF filings

FDA Approved Plants in India



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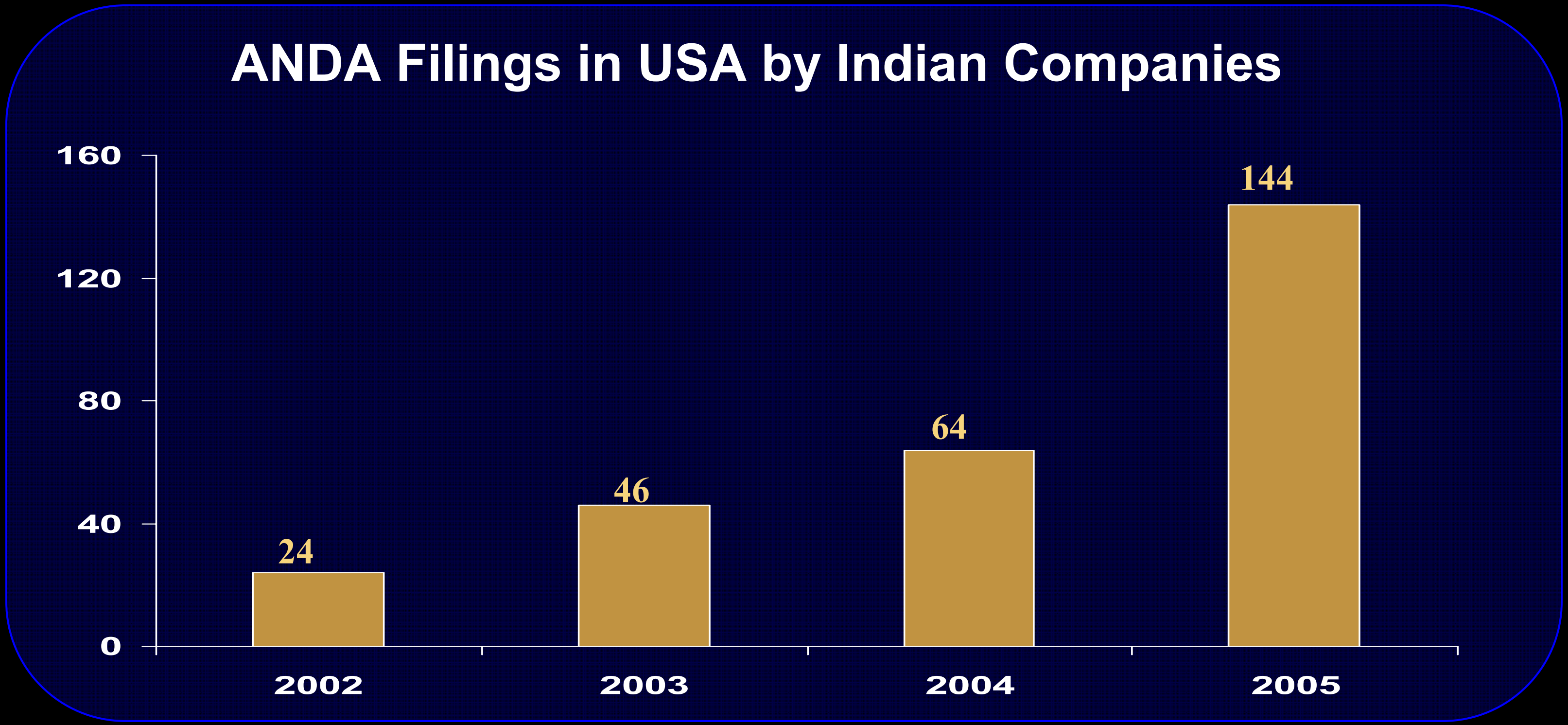
India in Global Generics



- One in every four ANDAs filed by Indian Companies in top US FDA filers
  (Source: KPMG)

- No Chinese generic company has yet filed a US FDA ANDA but expected in 2008

Generic Research & Development

- 27 ANDA filings in USA
- 33 Filings in the European Union

2006 Product Filings & Approvals

	Dosage Forms		API	
Key Country / Region	Filings	Approvals	Filings	Approvals
USA	27	10	15	5
European Union	33	32	100	117
BRICS	95	71	14	12
Rest of World	462	474	42	22
Total	**617**	**587**	**171**	**156**

Excludes India for API approvals, EU filings and approvals include Mutual Recognition Procedure (MRP) and De-centralized Procedure (DCP) filings and approvals.

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Enhancing In-house Technologies

Penems

- Market size worldwide of ~ US$ 1.5 bn
- Imipenem + Cilastatin launched in India, China, Africa, APAC
- Key US / EU launches beginning 2009

Limuses

- Global market size in excess of US$ 1.5 bn
- Ex - US / EU launches beginning 2008
- Well placed for US / EU launches

Oral High Potency Non-cytotoxics

- Worldwide market in excess of US$ 5 bn
- Patents expiring from 2008 onwards
- Day 1 launches planned for US / EU

Niche Alliances

- Increasing focus on chronic / lifestyle diseases segment
- High entry barriers - technology & resource intensive

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Zenotech

Bio-similars & Oncologics

Jupiter*

Peptides

Krebs

Fermentation based products

** Subject to due diligence*

Recent Acquisitions & Alliances

- Terapia (Romania)
- Be-Tabs (South Africa)
- Allen (Italy)
- Ethimed (Belgium)
- Mundogen (Spain)

- Zenotech (India)
- Krebs (India)
- Jupiter Biosciences*(Ind.)
- Cardinal Drugs (India)
- Auto-injector Tech.(USA)

** Subject to due diligence*

In Summary

- Many reasons for generics industry growth
- However increasing competition
- Continuing focus on cost optimization
- Robust product flow including niches & alliances
- Growth through organic & inorganic

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Thank you