

A hand wearing a green and blue striped sweater sleeve is holding a small tree with green leaves and a mound of brown soil. The background is a clear blue sky with a large, faint blue circular graphic behind the tree.

# FINANCIAL REPORT 2011



**TAJ**  
TAJ GROUP  
PHARMACEUTICAL  
BUSINESS

**TAJ PHARMACEUTICALS LIMITED**



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PHARMACEUTICAL  
BUSINESS

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# Embarking the path to success !



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TAJ PHARMACEUTICALS INDIA



PHARMA BUSINESS



WORLDWIDE

Taj has been consistently launching new products, which includes not only first time launches but also line extensions of existing brands. more...



**Welcome to the Taj Pharmaceuticals Limited India. We would like to give you an overview of Taj Pharmaceuticals Limited in India: our background, organization, products, core belief and prospects.**



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# Environmental Stewardship



A matter of course for Taj Pharmaceuticals

Taj Pharmaceuticals has long been aware that only a financially successful company can be active in environmental and social areas and that financial success only results if it acts in an environmentally and socially responsible manner. In this context, we consider sustainable development to mean a long-term process designed to meet the needs of current and future generations.

Safety and environmental protection are two important invariables amid changing values. Thus, the assurance of safety and environmental protection is not only required by law but constitutes an obligation and at the same time a key success factor in all our business dealings.





## Taj Group “TAJ PHARMA GROUP” AND SUBSIDIARIES HOLDINGS

### CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2011 (in USD\$ and in Millions)

	2011	2010
REVENUE	100 462	79 368
COST OF SALES	(40 384)	(32 410)
GROSS PROFIT	60 078	46 958
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES OTHER EXPENSES	(34 254) (545)	(25 013) (1 813)
OPERATING INCOME	25 279	20 132
INTEREST EXPENSE FOREIGN CURRENCY EXCHANGE LOSS	(2 136) (215)	(1 476) (111)
PROFIT BEFORE INCOME TAX EXPENSE INCOME TAX EXPENSE	22 928 (4 571)	18 545 (2 509)
NET INCOME	18 357	16 036



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## Taj Group “TAJ PHARMA GROUP” AND SUBSIDIARIES HOLDINGS

### CONSOLIDATED BALANCE SHEET AT MARCH 31, 2011 (in USD\$ and in Millions)

	2011	2010
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS:</b>		
Property, plant and equipment, net	27 204	23 651
Intangible assets, net	13 040	11 889
	<u>40 244</u>	<u>35 540</u>
<b>CURRENT ASSETS:</b>		
Inventories, net	17 997	13 644
Trade receivables, net	58 073	34 569
Accounts receivable from related parties	2 773	3 737
Other receivables and prepaid expenses	5 933	6 115
Cash	215	314
	<u>84 991</u>	<u>58 379</u>
<b>TOTAL ASSETS</b>	<u>125 235</u>	<u>93 919</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY:</b>		
Share capital	381	1
Retained earnings	86 941	62 192
	<u>87 322</u>	<u>62 193</u>
<b>NON-CURRENT LIABILITIES:</b>		
Long-term borrowings	10 585	11 233
Deferred tax liability	3 373	1 797
Finance lease obligations, net of current maturities	143	48
	<u>14 101</u>	<u>13 078</u>
<b>CURRENT LIABILITIES:</b>		
Trade payables	7 502	6 599
Current portion of long term borrowings	8 085	2 756
Other payables and accrued expenses	6 050	6 964
Finance lease obligations, current maturities	255	142
Accounts payable to related parties	1 920	2 187
	<u>23 812</u>	<u>18 648</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>125 235</u>	<u>93 919</u>





## Taj Group “TAJ PHARMA GROUP” AND SUBSIDIARIES HOLDINGS

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2011 (in USD\$ and in Millions)

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before income tax	22 928	18 545
Adjustments for		
Depreciation and amortization	3 038	2 054
Loss on disposal of property, plant and equipment	217	206
Change in allowance for trade receivables and advances to suppliers	1 544	(500)
Change in obsolescence allowance	97	226
Foreign currency exchange loss on financing and investing activities	215	111
Impairment of other receivables	202	-
Impairment of third party loan	-	946
Interest expense	2 136	1 476
Gain on disposal of a related party investment	(99)	-
Operating profit before movements in working capital	30 278	23 064
Change in		
Inventories	(3 091)	(3 924)
Trade receivables	(21 437)	(13 684)
Accounts receivable from related parties	1 274	(541)
Other receivables and prepaid expenses	715	(637)
Trade payables	280	1 847
Accounts payable from related parties	(457)	215
Other payables and accruals	(1 892)	2 758
Cash flow from operations	5 670	9 098
Income taxes paid	(3 203)	(1 768)
Interest paid	(1 790)	(4 013)
Net cash generated from operating activities	677	3 317
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>		
Purchase of property, plant, equipment	(4 329)	(1 869)
Proceeds from sale of investments	99	-
Purchase of intangible assets	(481)	(1 088)
Net cash used in investing activities	(4 711)	(2 957)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from the issue of shares	380	-
Proceeds from borrowings	7 613	4 284
Repayment of borrowings	(2 766)	(8 078)
(Repayment of)/proceeds from borrowings (to)/ from related parties	(1 565)	5 043
Net cash generated from financing activities	3 662	1 249
EFFECT OF TRANSLATION TO PRESENTATION CURRENCY	273	(1 336)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(99)	273
CASH AND CASH EQUIVALENTS, beginning of year	314	41
CASH AND CASH EQUIVALENTS, end of year	215	314





## Taj Group “TAJ PHARMA GROUP” AND SUBSIDIARIES HOLDINGS

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2011 (in USD\$ and in Millions)

	Note	Share capital	Retained earnings	Foreign currency translation reserve	Total equity
<b>Balance at MARCH 31, 2009</b>		<b>1</b>	<b>45 555</b>	<b>2 559</b>	<b>48 115</b>
Profit for the year		-	16 036	-	16 036
Effect of translation to presentation currency		-	-	(1 958)	(1 958)
<b>Balance at MARCH 31, 2010</b>		<b>1</b>	<b>61 591</b>	<b>601</b>	<b>62 193</b>
Profit for the year		-	18 357	-	18 357
Issue of additional shares of OTSC “Taj Pharma”	15	380	-	-	380
Effect of translation to presentation currency		-	-	6 392	6 392
<b>Balance at MARCH 31, 2011</b>		<b>381</b>	<b>79 948</b>	<b>6 993</b>	<b>87 322</b>



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## About Taj Pharmaceutical Limited

Taj Pharmaceuticals Limited is a pharmaceutical company founded and based in India. The company manufactures pharmaceutical formulations and API for India and other countries of world. The company was established in 1995 as an enterprise and in 2004 became a public limited company. As per Mumbai pharmaxil and Chemixil association the company manufactures and exports to countries like Albania, Argentina, Austria, Chile and Iraq. In 1995 pharmaceuticals wing only has a schedule M certification for pharmaceuticals products manufacturing in India. Taj Pharmaceuticals established its manufacturing unit in Gujarat because of government policies in 1999 with WHO / GMP licence. The company in 2003 revived all the old manufacturing units and approached the FDA Gujarat for 4000 new pharmaceuticals drug permissions for the first time in India.

According to the Indian Trade Mark the company owns about 450 brands and 4600 generic manufacturing permissions in India. According to the export data analysis the company was the largest exporter of generic medicines to the Europe and Middle East countries.

[www.tajpharma.com](http://www.tajpharma.com)

The company medicines are present in France, Georgia, Egypt and CIF countries.



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**Factory: UNIT-II**

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