INDOCO's FY06 Net Profit Up 25.8% to Rs.31.5 cr

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Mumbai, 10 August, 2006: Indoco Remedies Ltd, one of the country's fast growing pharma companies, announced a 24.9% jump in its consolidated revenue to Rs.269.6 cr. for the year FY06 (July-June), while the consolidated Net profit for same period stood at Rs.31.5 cr., compared to Rs.25.0 cr. in the preceding year, accounting for a growth of 25.8%. The Net Profit for the last quarter FY06 appears lower at Rs.15.9 cr., compared to Rs.19.3 cr. during the corresponding quarter of FY05, mainly on account of the VAT related issues and due to the commissioning of new R&D Centre and the manufacturing facility at Baddi.

Indoco is focusing on exports to the regulated markets and entering the US market in the niche ophthalmology segment for business growth. In FY06, the Company received US FDA approval for its sterile ophthalmic preparations facility at Goa. This will facilitate the production and export of the Company's ophthalmic preparations to USA. Indoco has signed agreements with two generic companies in USA and will supply products from the Goa facility. The company is looking at filing a total of 7 ANDA's by December 2006. The market size of the products aggregates to USD 1.1 bn. The exports to regulated markets of Europe grew by 76% in FY06.

Indoco also strengthened its API business by acquiring La Nova Chem's API manufacturing facility and starting an API research & development center at Navi Mumbai. The new formulations facility at Baddi, an excise & tax free area, got fully operational in April,06, and will provide a boost to the Company's bottom line. For the last 3 years, Indoco has shown a y-o-y growth of 22%.

Commenting on the annual and Q4 results Mr. Suresh Kare, Chairman & Managing Director said: "With the infrastructure of a complete solution provider in place, and the strong business growth, Indoco is ready to leap to become a global player. In FY06, we focused on building our capabilities. Going forward, we will leverage our capabilities to increase business from CRAMS and generic space."