



*Alembic Pharmaceuticals Limited*

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Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited, to technological advances and patents attained by competitors, challenges inherent in new product development, including completion of clinical trials; claims and concerns about product safety and efficacy; obtaining regulatory approvals; domestic and foreign healthcare reforms; trends toward managed care and healthcare cost containment, and governmental laws and regulations affecting domestic and foreign operations.

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## **PRESENTATION STRUCTURE**

- **Background**
- **Growth Drivers**
- **Infrastructure**
- **Strategy and Business Units**
  - \* **Branded Formulations**
  - \* **International Business**
  - \* **Research & Development**
- **Financials**

## PHILOSOPHY


### Vision

To become a knowledge driven global pharmaceutical company with the highest levels of operational excellence in all the spheres

### Mission

Alembic's mission is to grow as a Company that stands for the highest level of quality standards, innovations, customer services and commitment in all business areas.

## ■ ABOUT ALEMBIC

- **Established in 1907**
  - **Leaders in the Macrolides segment**
  - **Leading Brands- Althrocin, Azithral, Wikoryl, Roxid, Zeet, Ulgel, Strox**
  - **Rapid Internationalisation**
- 
- A decorative graphic in the bottom left corner consisting of several overlapping, stylized arrow shapes pointing towards the right. The arrows are drawn with thin white lines on a blue background, creating a layered, geometric effect.

## GROWTH DRIVERS

- Retaining and consolidating strong presence in acute therapies in the domestic market
- Growing chronic therapies through multiple marketing divisions
- Partner in the international market through alliances with big pharma and leading generics companies
- Contract development and manufacturing for leading Multi National companies

## INFRASTRUCTURE

### Research & Development (Alembic Research Center)

- Fully equipped R&D centre at Vadodara with over 270 scientists
- 90 bed Bio-study centre at Vadodara
- State of the art analytical instrumentation support like NMR, XRD, TGA, DSC, LCMS

### Formulations – Generics (Regulatory Markets)

- USFDA, MCC, MHRA, TPD approved formulations facility at Panelav
- Current annual production capacity of 2.6 billion tablets/capsules
  - Expansion to 5 billion in next 18 months

## INFRASTRUCTURE

### Branded Formulations—Semi Regulated Markets

- Formulations plant at Baddi, Himachal Pradesh
- Direct presence in 30 countries

### API

- USFDA, EDQM, TGA, WHO approved API facility at Panelav (two units) and at Karkhadi

### IPR

- Regulatory capabilities to file across the globe



## BUSINESS MODEL

### DOMESTIC PHARMACEUTICALS (BRANDED GENERICS)

India centric Business  
Strengths in Macrolides  
(40%- Indian Market share)  
12<sup>th</sup> largest in prescription

### API

Contract Manufacturing  
Synergistic with  
Pharmaceutical business  
e.g.: Macrolides

### GLOBAL DOSAGE FORMS/SPECIALITY PRODUCTS

Based on Technology,  
licensing, & product  
development

### OPERATING PLATFORMS

- NDDS (Extended release using pellets, matrix formulation, multiple particulate systems, osmotic drug delivery)
- Hospitals-Bio-equivalence studies
- Contemporary R&D Center  
(\*Information Security Certified- 1<sup>st</sup> in India )



***BRANDED FORMULATIONS***

## FORMULATIONS

- **Strong presence in anti-infective, pain management, cough and cold, GI therapeutic groups**
- **Thrust on Cardiology, Gynecology, Diabetes, Orthopedics / rheumatology and Ophthalmology segments**
- **Focus on specialty segments like ENT, Pediatrics, General Physicians, Geriatrics, Gynecology**
- **The formulations business is managed through fifteen marketing arms**

## FORMULATIONS

### Market Presence

- Field Force of more than 3000 people.
- Ranked 20th\* in the Indian formulations market with a market share of 1.78%.
- Ranked 15<sup>th</sup> \*\* in Doctors prescription universe.
- Improved performance in chronic segment through increased prescription from cardiologist, diabetologist, rheumatologist.
- Market leader with a 36% MS in Macrolides. The next 3 players put together are 17%.
  - Fifth largest player in the respiratory segment
  - 5 Brands are in top 300 brands of the country

**Alembic formulations have made an imprint in the targeted pharma market**

(ORG RANK OF TOP BRANDS)

Brands	Rank MAR'11
Azithral	19
Althrocin	36
Roxid	79
Wikoryl	132
Zeet	287



***INTERNATIONAL BUSINESS***

## INTERNATIONAL BUSINESS

- Alembic partners Multinational and Innovator Companies for Contract manufacturing
- Alliances with leading generic players in USA, Europe, Canada, Australia and South Africa
- End-to-end integration in Macrolides
- Create a robust product basket with 10-12 DMFs & 15-20 ANDA's and market authorisation every year

Leveraging existing assets - Building newer assets for future

## INTERNATIONAL BUSINESS

### Generic Alliances

- Preferred Supply Chain Partner for Alliances.
- Revenues streams through:
  - Sale of APIs
  - Supply chain partnership with big pharma and leading generic companies for formulations
  - Formulation Development
  - Customs Synthesis



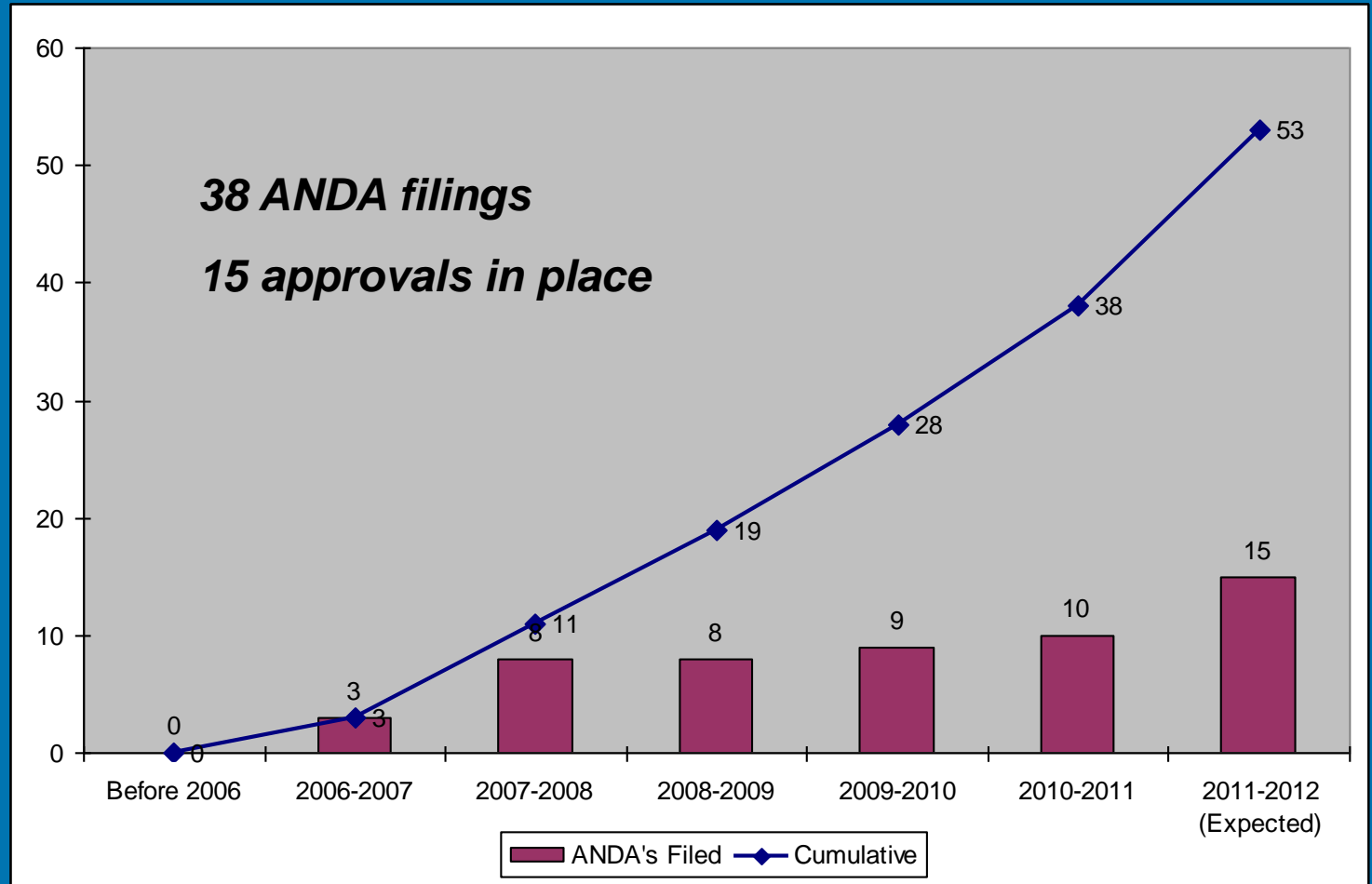
# TRANSFORMATION

Objective	Challenges	Strategy	Action
<p><b>To be a vertically international player in the generic space</b></p>	<ul style="list-style-type: none"> <li>• Changing Landscape due to consolidation</li> <li>• Price Pressure</li> <li>• Authorized Generics</li> <li>• Threat from China</li> </ul>	<ul style="list-style-type: none"> <li>• Capabilities &amp; Technology</li> <li>• Product Portfolio</li> <li>• Move up value chain through Partnership model</li> <li>• NDDS Products</li> <li>• Faster Development</li> <li>• Niche Segments</li> <li>• Contract Mfg for Innovator</li> <li>• Leverage on core competency of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Increase DMF/ANDA filing</li> <li>• DP: Capacity &amp; FDA approval</li> <li>• Robust Supply Chain</li> <li>• API : Karkhadi</li> <li>• Site Transfer of existing products</li> </ul>

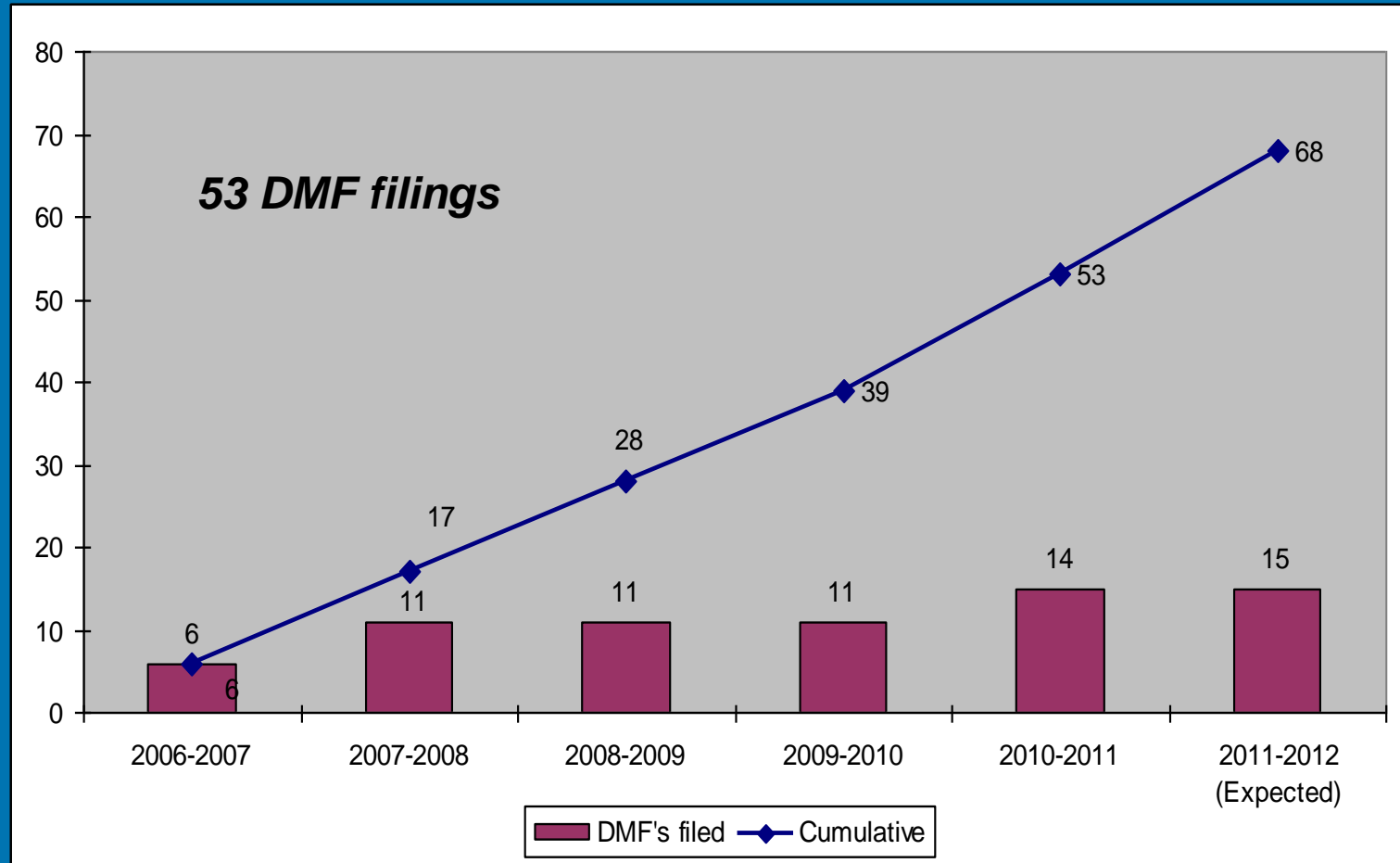
## KEY DRIVERS

- Venlafaxine – Drug substance to XR drug product
- Azithromycin / Azithromycin Monohydrate and salts & intermediates
- Pramipexole and value added formulations
- Contract development and manufacturing for big pharma and leading generic companies.
- Creating basket of NDDS products and out-licensing to big pharma and leading generic companies
- Platform technology for niche drug production

# R & D ANDA'S



## R & D DMF'S



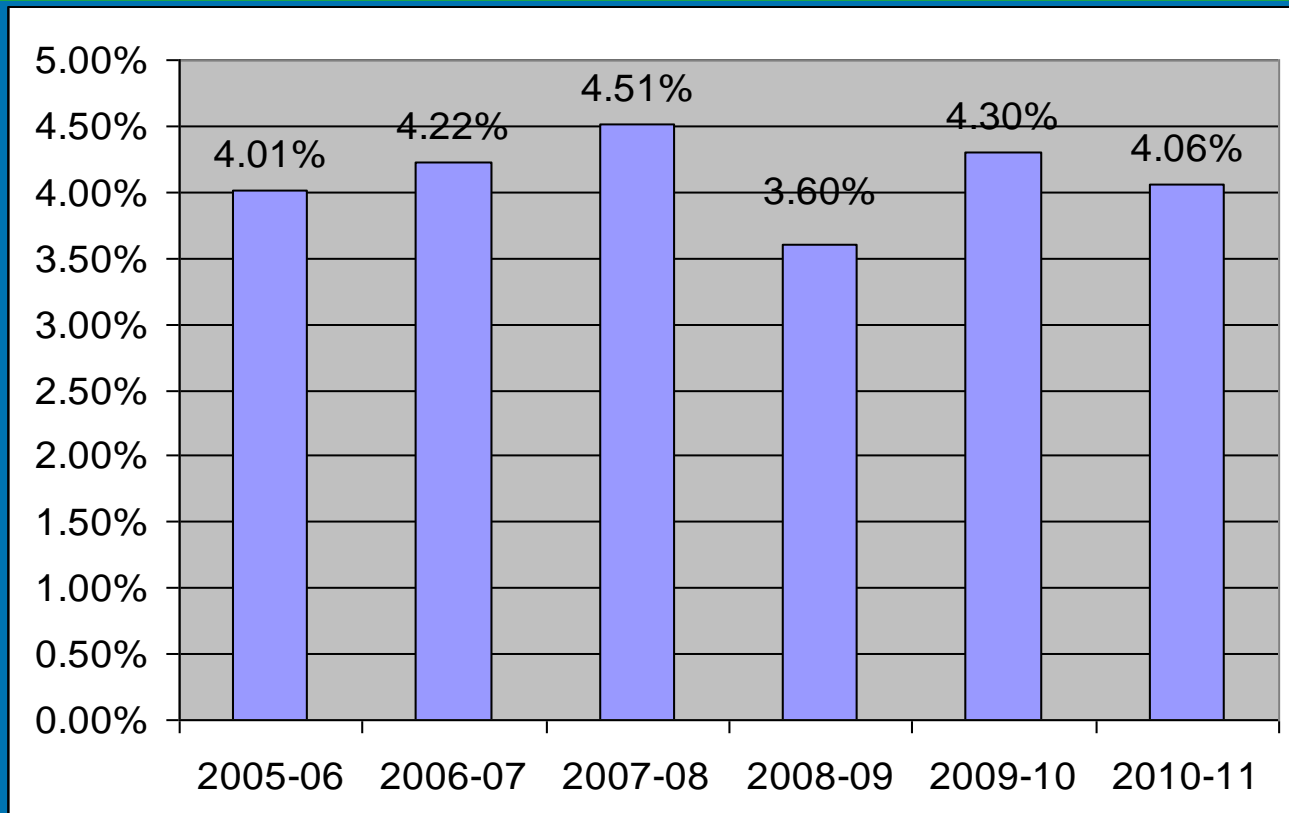
## CONTRACT MANUFACTURING

- Alembic partners Multinational and Innovator Companies
- Respecting customer IPR's.
- Lean and competitive structure – Vertical integration in R&D and manufacturing of intermediates, API's and dosage forms.
- Number of alliances already in place.



***RESEARCH & DEVELOPMENT***

## RESEARCH & DEVELOPMENT



R&D spend as % to sales

Increased thrust on research to create intellectual property

## RESEARCH & DEVELOPMENT

### API Research

- Participate in business strategy by developing non-infringing technologies

### Formulations Research

- Expertise to develop tablets, pellets, capsules, liquids, semisolids and powders
- Focus on Drug Delivery Research in the area of Oral-controlled release systems

### Contract Research

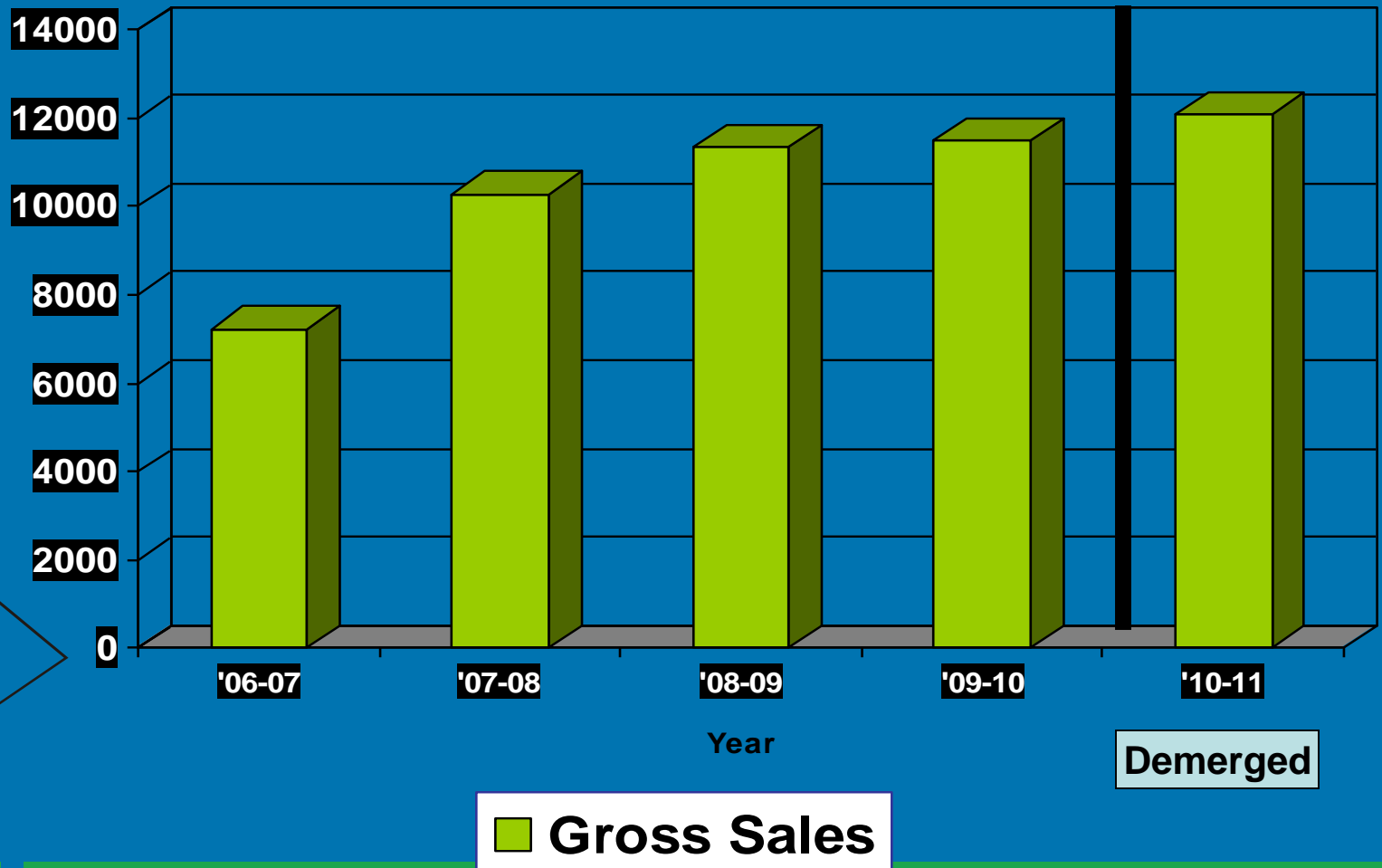
- Offers services to global drug discovery companies
- Contract research is undertaken in the areas of
  - Chemistry
  - Bio-equivalence



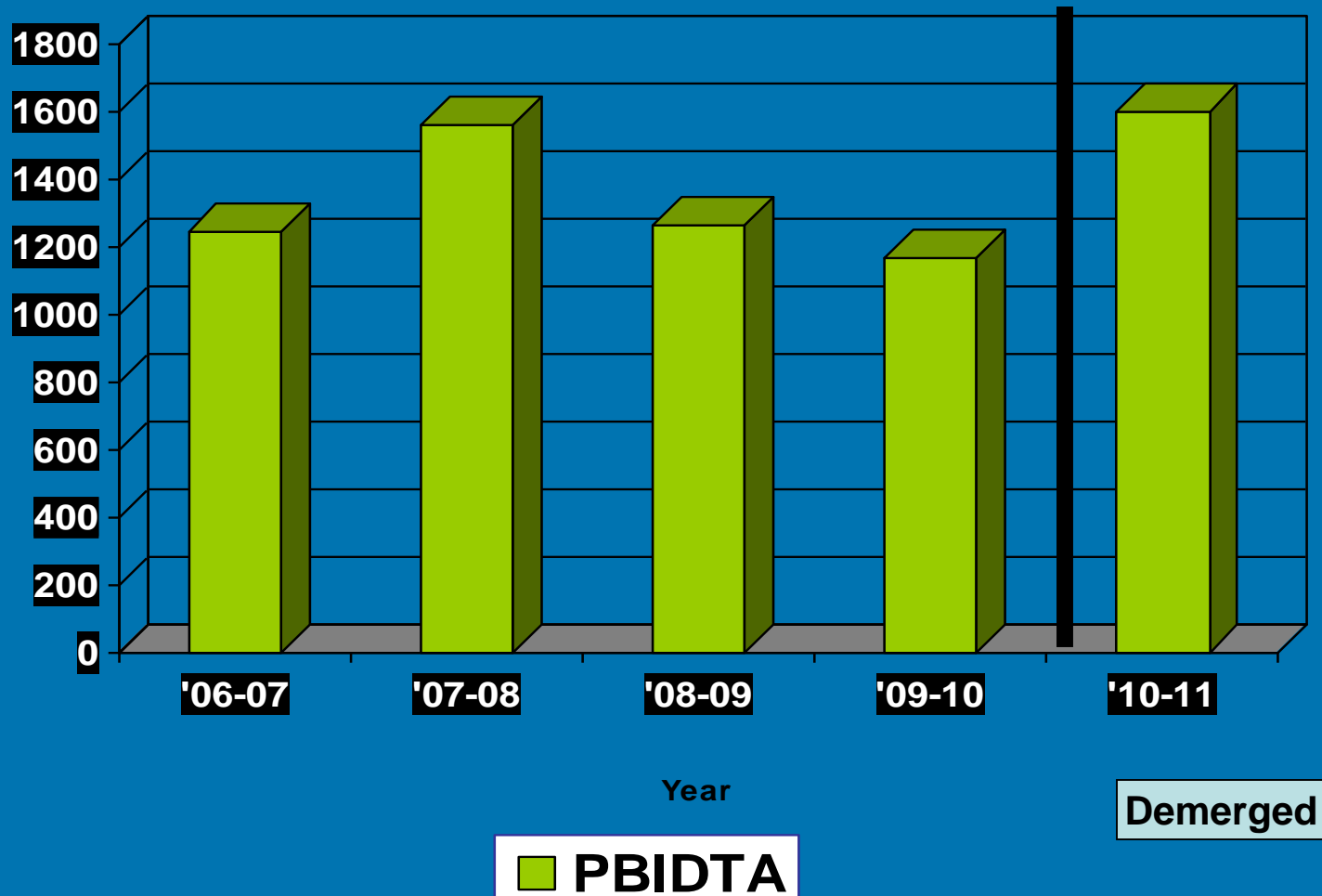


***FINANCIALS***

# SALES [Rs. Million]



## PBIDTA [Rs. Million]



# FINANCIAL HIGHLIGHTS – SALES – 2010-11



Rs. Lacs

Sales	Actual FY 10-11	Actual FY 09-10	Business Share 11	Growth %
<b>Formulation</b>				
- Branded Business	59,842	49,661	50%	21%
- Generic & NSA	9,502	8,829	8%	8%
- Export	5,015	4,576	4%	10%
<b>Total</b>	<b>74,359</b>	<b>63,066</b>	<b>62%</b>	<b>18%</b>
<b>International Division</b>				
- API Domestic	9,451	3,260	8%	190%
- API Export	8,181	4,561	7%	79%
- API Export (Reg Mkt)	9,809	21,400	8%	-54%
- Dosage form - Generics	17,377	10,200	14%	70%
<b>Total</b>	<b>44,818</b>	<b>39,421</b>	<b>37%</b>	<b>14%</b>
<b>Export Inc.</b>	<b>1,487</b>	<b>1,010</b>	<b>1%</b>	<b>47%</b>
<b>Grand Total</b>	<b>120,664</b>	<b>103,497</b>	<b>100%</b>	<b>17%</b>
<b>Total Domestic</b>	<b>78,797</b>	<b>61,755</b>	<b>65%</b>	<b>28%</b>
<b>Total Export</b>	<b>41,867</b>	<b>41,742</b>	<b>35%</b>	<b>0%</b>

Rs. Lacs

<b>Particulars</b>	<b>Q4 2011</b>	<b>Year 2011</b>
<b>PBIDTA</b>	<b>2,722</b>	<b>16,033</b>
<b>PBT</b>	<b>1,303</b>	<b>10,685</b>
<b>PAT</b>	<b>1,028</b>	<b>8,539</b>



**THANK YOU**