

**Alembic Pharmaceuticals Limited**



# Investor Presentation

June 2013

**BSE:**

Symbol: ALEMPHARM

Code: 533573

**NSE:**

Symbol: APLLTD

ISIN: INE901L01018

[www.alembic-india.com](http://www.alembic-india.com)



# Safe Harbour Statement



Materials and information provided during this presentation may contain 'forward-looking statements'. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.

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; trend towards managed care and healthcare cost containment and governmental laws and regulations affecting domestic and foreign operations.

Also, for products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited, to inability to build production capacity to meet demand, unavailability of raw materials and failure to gain market acceptance.

**The Alembic Journey**



**Insight - Alembic Overview**



**Insight - Strategic Advantage**



**Growth Drivers**



**Business Strategy and Approach**



**Financials**



**Corporate Social Responsibility**



## The Alembic Journey >

Insight - Alembic Overview >

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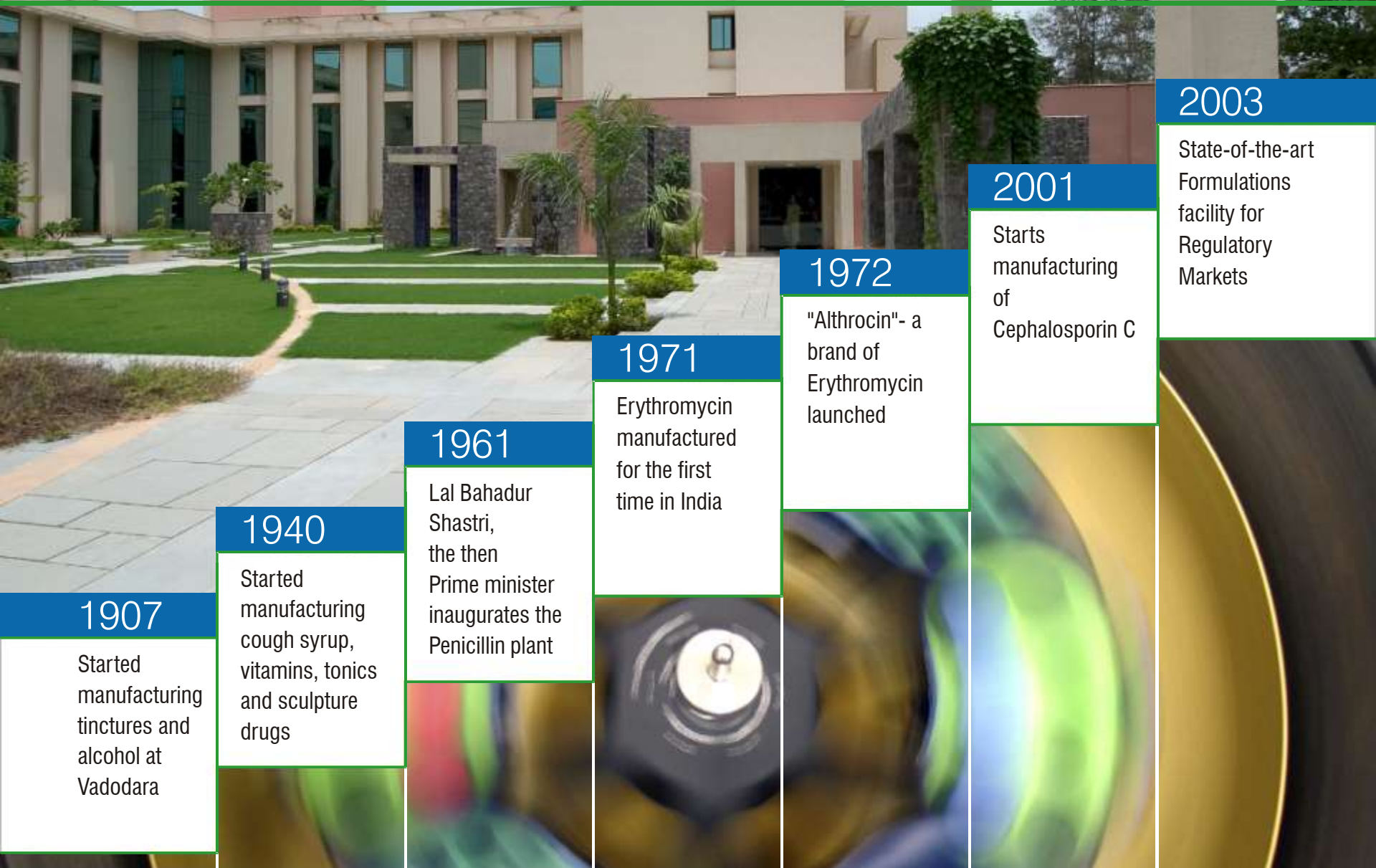
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# The Alembic Journey



**1907**

Started manufacturing tinctures and alcohol at Vadodara

**1940**

Started manufacturing cough syrup, vitamins, tonics and sculpture drugs

**1961**

Lal Bahadur Shastri, the then Prime minister inaugurates the Penicillin plant

**1971**

Erythromycin manufactured for the first time in India

**1972**

"Althrocin"- a brand of Erythromycin launched

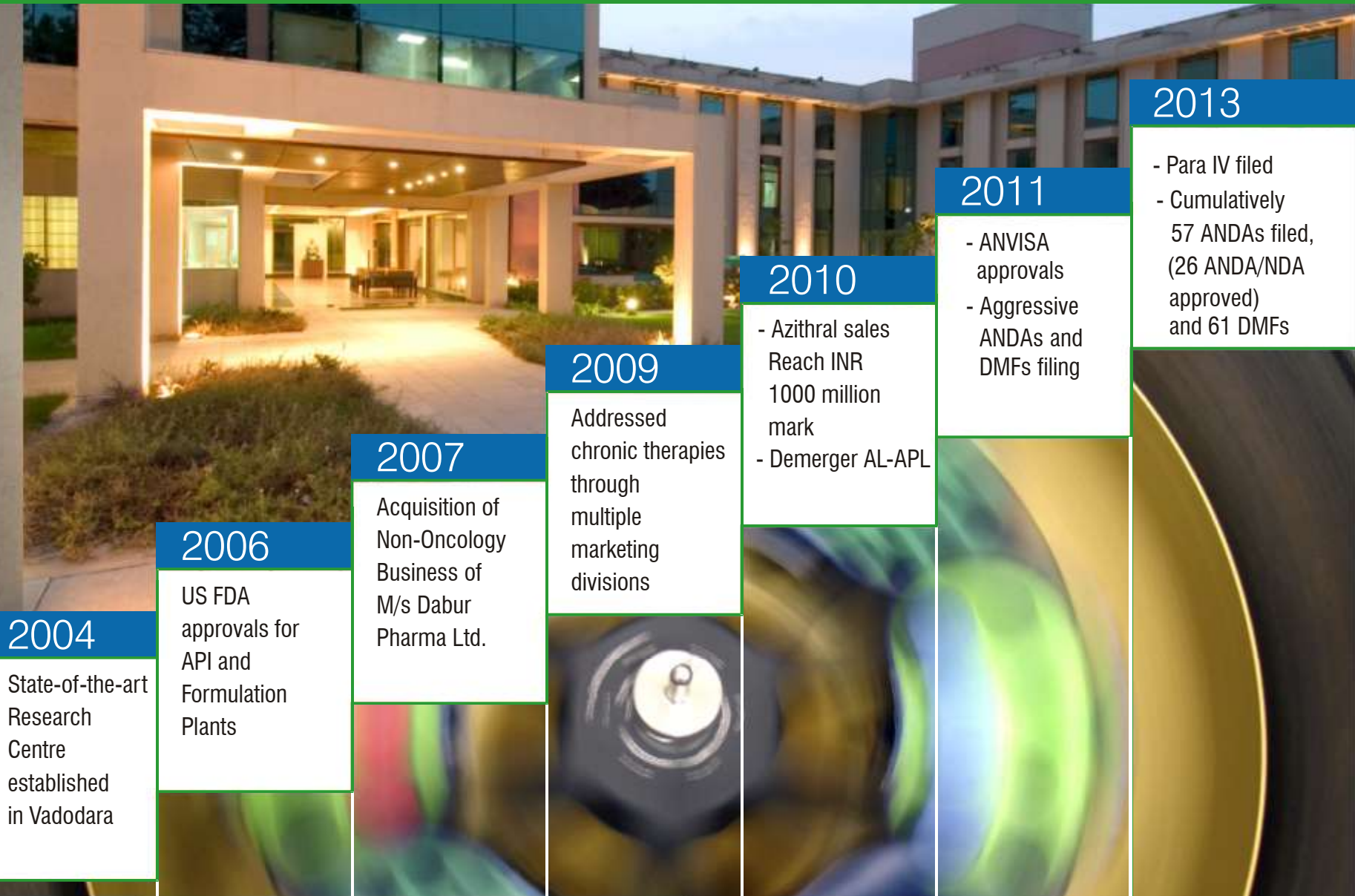
**2001**

Starts manufacturing of Cephalosporin C

**2003**

State-of-the-art Formulations facility for Regulatory Markets

# The Alembic Journey



**2004**

State-of-the-art Research Centre established in Vadodara

**2006**

US FDA approvals for API and Formulation Plants

**2007**

Acquisition of Non-Oncology Business of M/s Dabur Pharma Ltd.

**2009**

Addressed chronic therapies through multiple marketing divisions

**2010**

- Azithral sales Reach INR 1000 million mark
- Demerger AL-APL

**2011**

- ANVISA approvals
- Aggressive ANDAs and DMFs filing

**2013**

- Para IV filed
- Cumulatively 57 ANDAs filed, (26 ANDA/NDA approved) and 61 DMFs

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## Branded Formulations



Revenue of INR 8860 million in the domestic market for the financial year 2012-13



Ranked 20th in the Indian Formulations market with a market share of 1.79%\*



Ranked 15th in Doctors Prescription Universe\*\*



Well equipped Formulations Plant located at Baddi, Himachal Pradesh



Robust product basket with export sales of INR 440 million in the financial year 2012-13 in International Branded Formulations



Strong presence in anti-infective, pain management, cough & cold



Thrust on Cardiology, Gynecology, GI, Diabetes, Orthopedics, Rheumatology and Ophthalmology segments



Dermatology division launched



## International Division



Business size of INR 5960 million in the financial year 2012-13



Sales in Regulatory Generics Market of INR 2450 million in the financial year 2012-13



1 US FDA approved Formulations Plant



World-class R&D and F&D facility



Alliances with leading generic players in USA, Canada, Europe, Australia, Brazil and South Africa



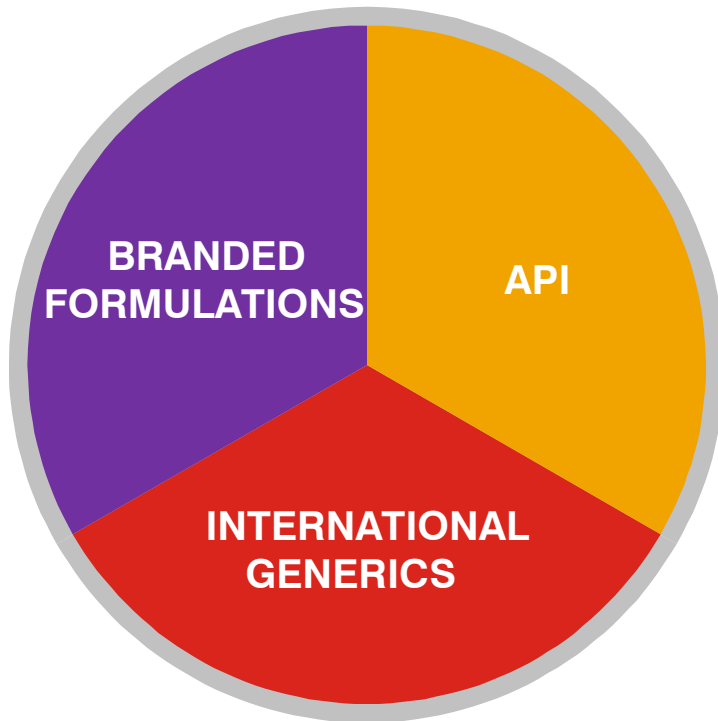
Robust product basket with 26 ANDA/NDA approvals (57 filings) and 61 DMFs. and Para IV filing



3 US FDA approved API Plants



Approved Bio Equivalence Centre



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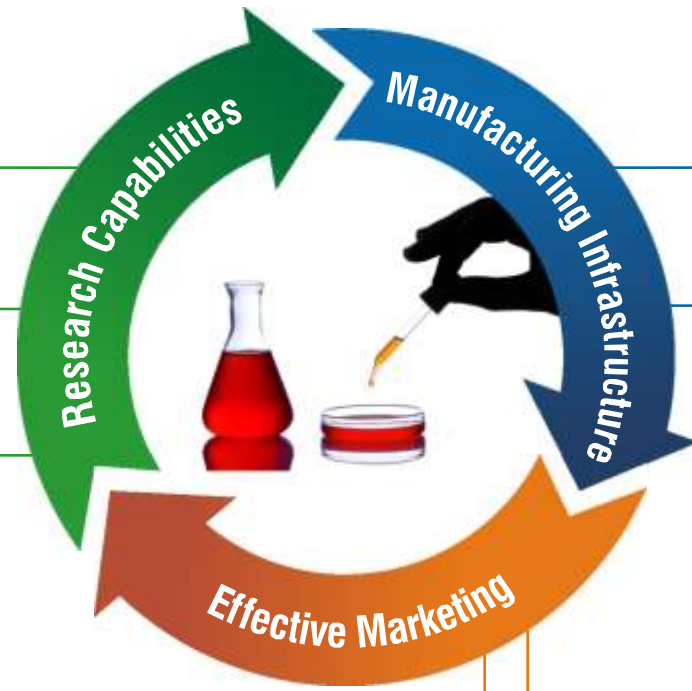
# Strategic Advantage



Alembic Research Centre is the first in India to be Information Security Certified

Highly talented pool of 300 Research Scientists

R&D / F&D / Captive Bio-equivalence facility



Well-developed Infrastructure facility - 4 US FDA approved plants

High-end quality / RA structure

Manufacturing excellence with optimal cost benefits

Therapy focused marketing through 12 marketing arms on PAN India basis

Therapy focused marketing through over 3,600 field force covering over 1 lac doctors

Strong partnership and alliance in Generic space

Long term relationship with API customers



## Formulations - Generics (Regulatory Markets)



USFDA, MCC, MHRA, ANVISA, TPD approved formulations facility at Panelav

Current annual production capacity of plus 3 billion tablets/capsules

Expansion to 5 billion by H1 FY14

## Branded Formulations



Formulations plant at Baddi, Himachal Pradesh

## API



USFDA, EDQM, TGA, WHO approved API facility at Panelav (2 units) and at Karkhadi (1 unit)



## Certifications



Australian Government  
Department of Health and Ageing



## State-of-the-art Analytical & IPR infrastructure

### R&D FACILITY



R&D Centre has been recognized by DSIR, Govt. of India

High-end R&D Equipment - NMR XRD, TGA, DSC, LCMS

World-class Infrastructure

### F&D CAPABILITIES



Expertise in Drug Deliveries and Niche Formulations

Well-defined Processes and Quality Systems

Capabilities in Solid Oral, Liquid Oral Products

### BIO EQUIVALENCE CENTRE

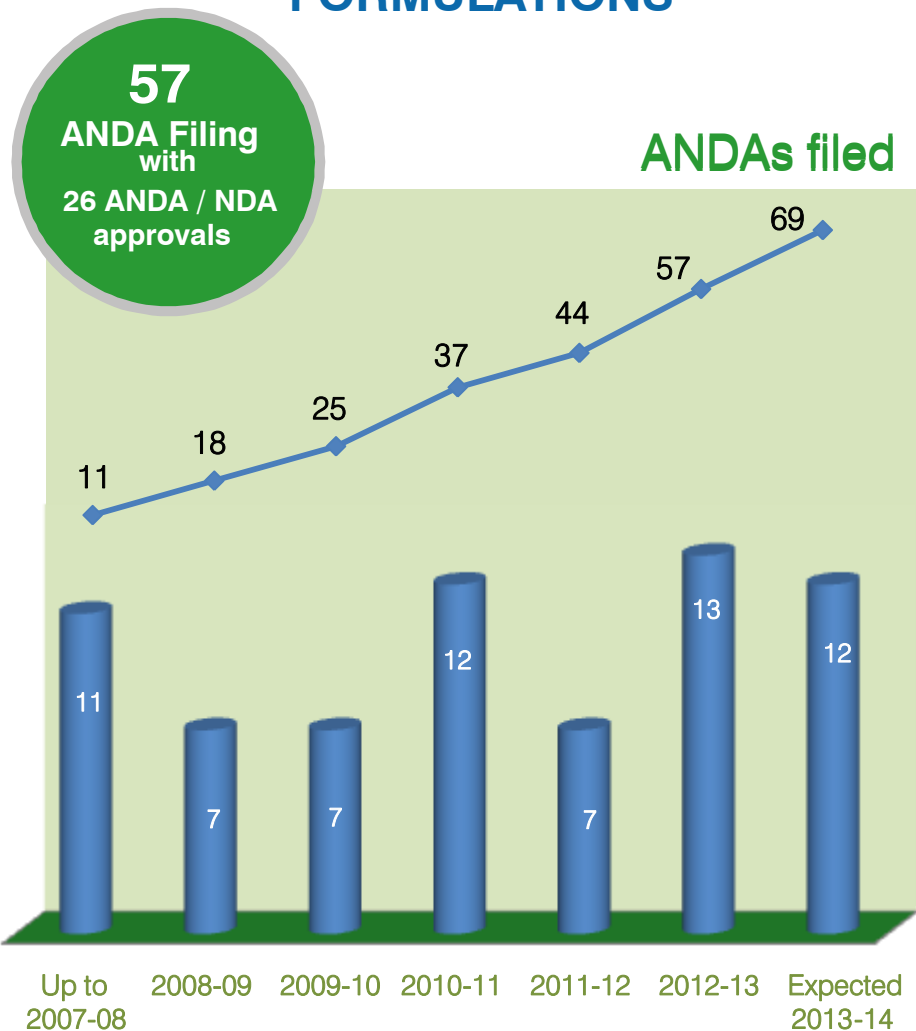


State-of-the-art 90-bedded new Bio Centre

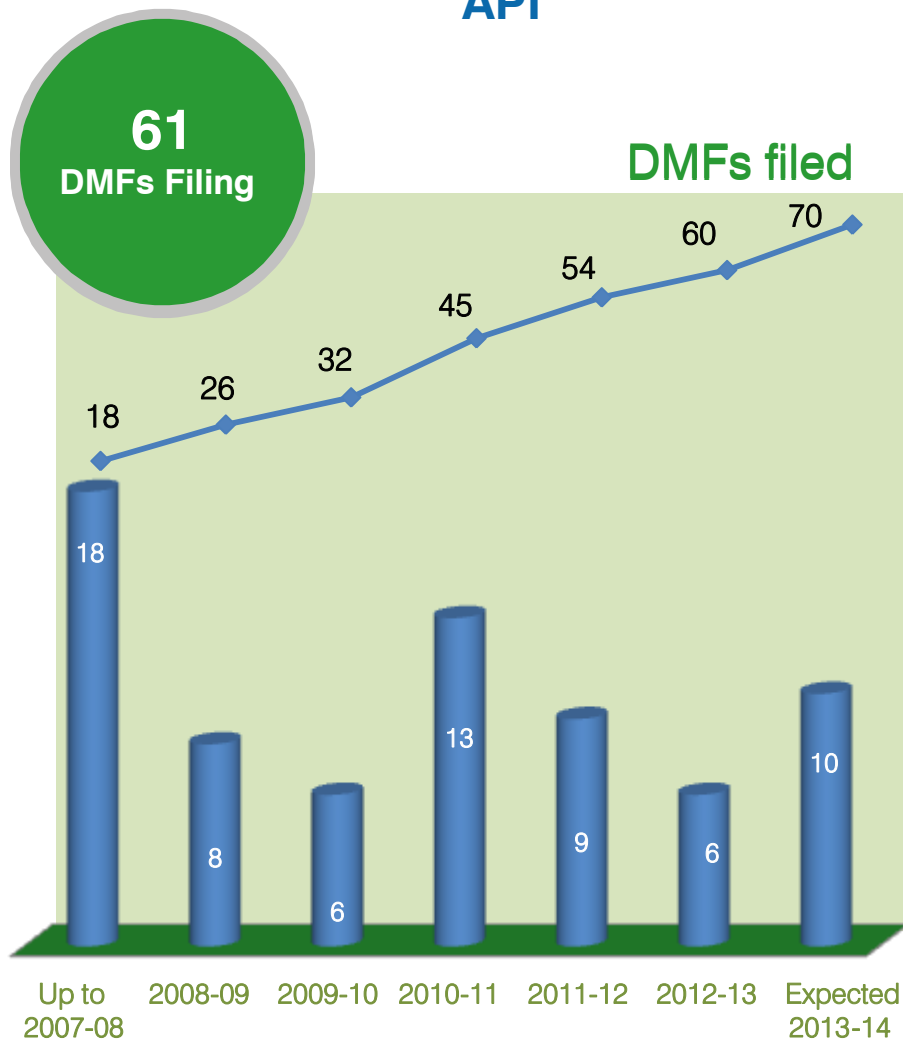
100 Bio Pilot Studies

50 Pivotal Studies

## FORMULATIONS



## API





## USA / CANADA Generics

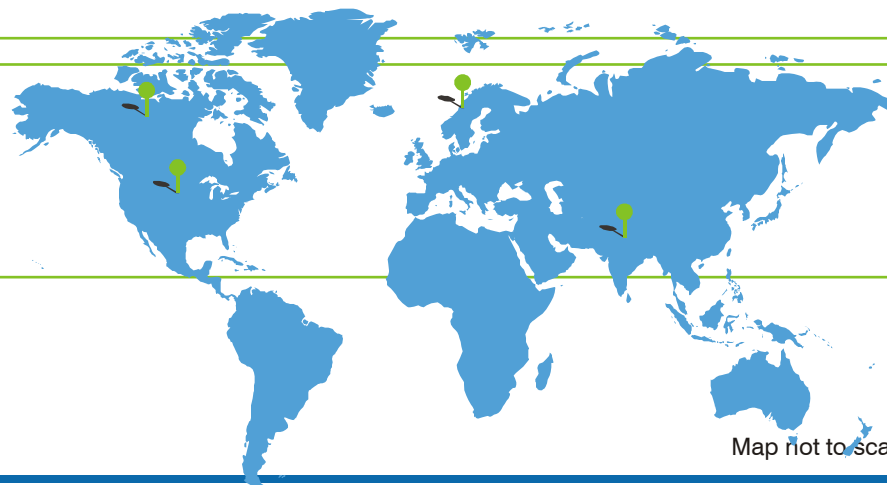
### 25 ANDA Approvals:

Pramipexole Dihydrochloride Tablets  
Famotidine Tablets USP  
Venlafaxine Hydrochloride Tablets  
Lithium Carbonate Capsules USP  
Metronidazole Tablets USP  
Metronidazole Capsules  
Meprobamate Tablets USP  
Metronidazole ER Tablets  
Fluoxetine Capsules USP  
Ropinirole Hydrochloride Tablets  
Theophylline Extended - Release Tablets  
Donepezil Tablets  
Ropinirole ER Tablets

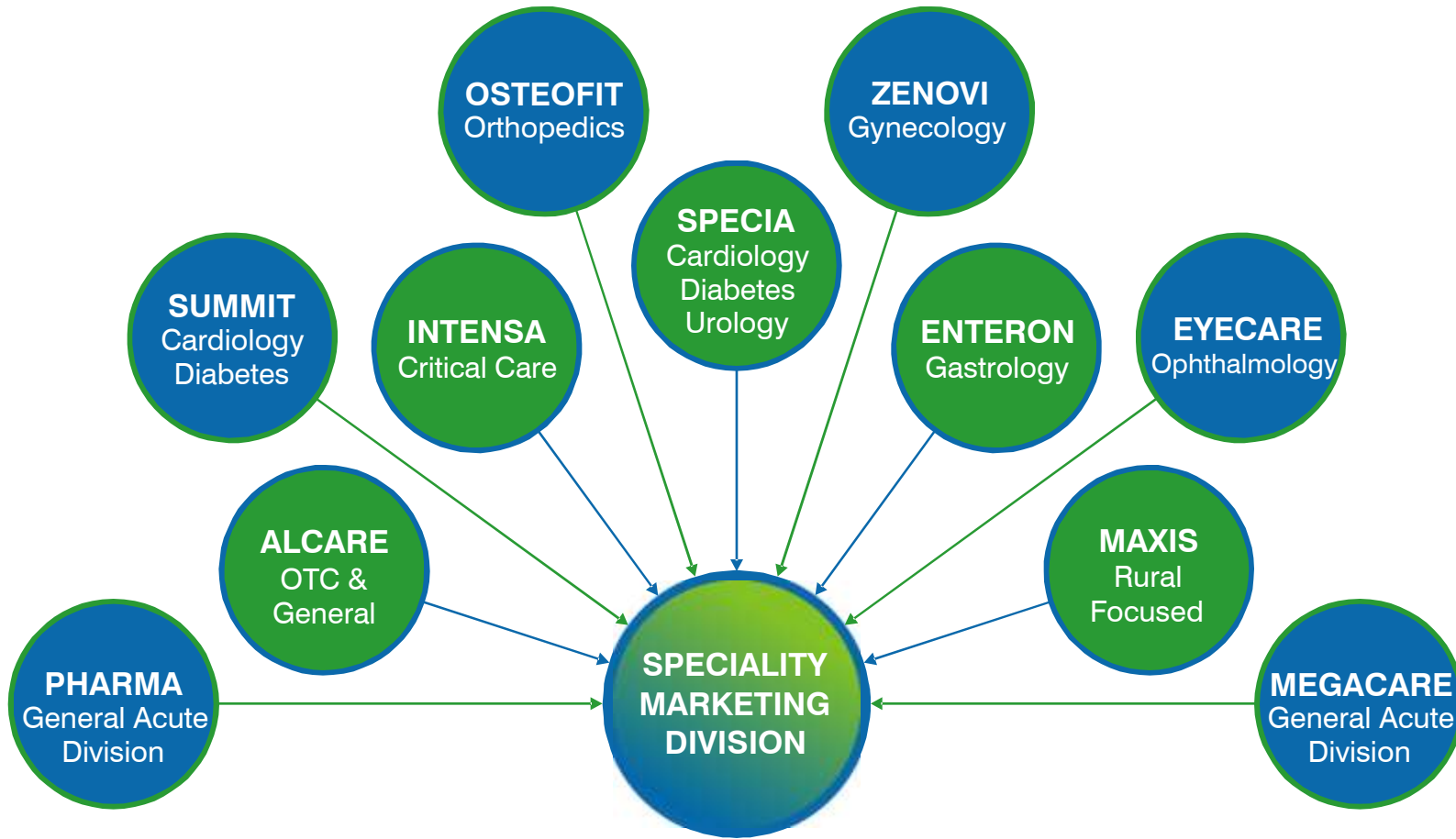
Lamotrigine Tablets  
Losartan Potassium Tablets (Para IV)  
Irbesartan Tablets USP (Para IV)  
Hydrochlorothiazide Capsules  
Clonidine Hydrochloride Tablets USP  
Leflunomide Tablets USP  
Irbesartan and Hydrochlorothiazide Tablets USP  
Losartan Potassium-Hydrochlorothiazide Tablets  
Rivastigmine Tartrate Capsules  
Modafinil Tablets USP  
Valsartan and Hydrochlorothiazide Tablets USP  
Metoprolol Tartrate Tablets  
Desvenlafaxine (Base) ER Tablets (**NDA**)

## EUROPE Generics

Working on complex  
generics products



## PAN India Marketing and Distribution Network



New Segment entered: Dermatology

Future Segment: Respiratory therapies



## PAN India Marketing and Distribution Network

GENERICS & NSA



VETERINARY



**OTHER  
PRODUCT  
PORTFOLIO**

# Major Product Portfolio

Top Products	Therapeutic Area	Ranking*
<b>Azithral</b>	Anti Infective	<b>28</b>
<b>Althrocin</b>	Anti Infective	<b>51</b>
<b>Wikoryl</b>	Cough & Cold	<b>148</b>
<b>Roxid</b>	Anti Infective	<b>150</b>



Other Products	Therapeutic Area
<b>Ulgel</b>	Antacid and Anti Flatulant
<b>Zeet/Bro-Zeet</b>	Cough & Cold
<b>Tellzy</b>	Cardiology
<b>Gestofit</b>	Gynecology
<b>Sharkoferrol</b>	Tonic
<b>Tetan</b>	Cardiology
<b>Livfit</b>	Hepaprotectives
<b>Zofix</b>	Anti Infective
<b>Revas</b>	Cardiology
<b>Glisen</b>	Anti Diabetic
<b>Glycodin</b>	Cough & Cold

\*Source: ORG June, 2013



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**Growth Drivers** >

Business Strategy and Approach >

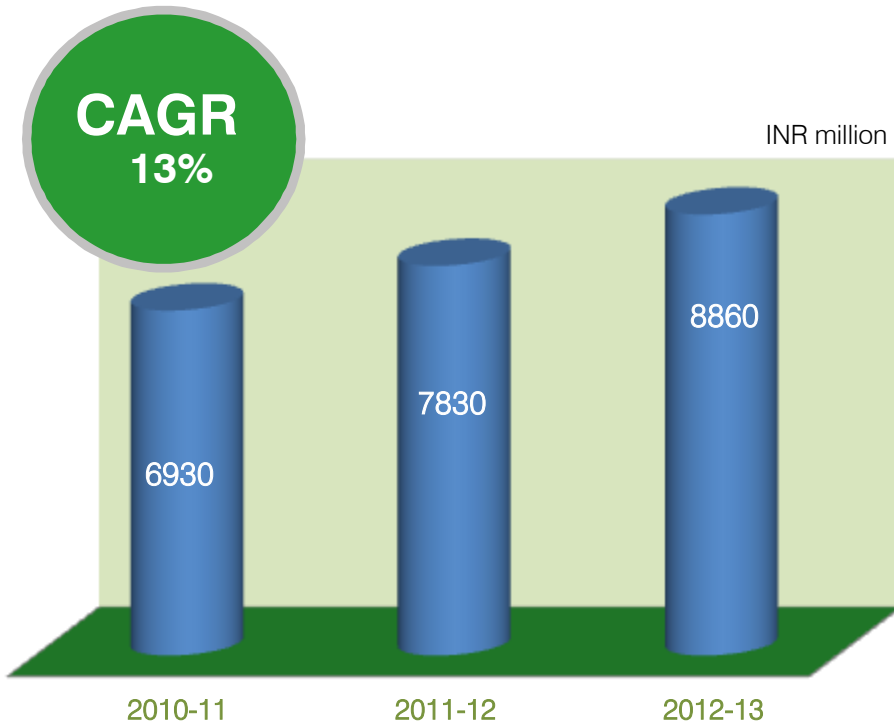
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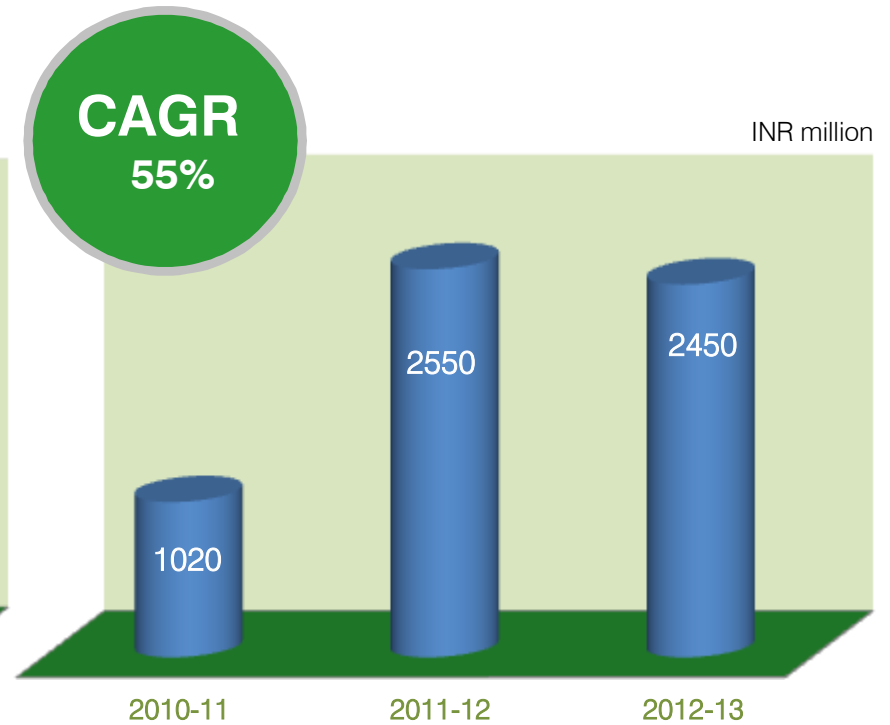


# Growth Drivers

## Branded Formulation Business



## International Generic Business





## Branded Formulations

### ➤ **Enhanced focus on existing branded business**

Through effective pan-India distribution network and therapy based marketing and by pushing ahead acute and chronic segments like anti-infectives and cough & cold medications

### ➤ **Launch 20-25 new products**

Launch of new products to boost sales momentum and brand build up

### ➤ **Enter into new therapeutic segment**

Future identified therapy – Respiratory will further expand the company's spread



Expected  
**CAGR of  
30%**

## International Generics

### ➤ Superior cost efficiency

Position Alembic as a cost efficient dependable quality manufacturer

### ➤ Expanded annual production capacity

Annual production to increase from 2.6 billion tablets/capsules to 5 billion tablets/capsules in 2013-14

### ➤ ANDA filings and approvals for off-patent drugs

Over the next five years, products that currently generate more than USD 142 billion In sales are expected to go off-patent. Alembic can tap these opportunities by launching new generic products at appropriate times.

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## Sustainable Business Streams

Retaining and consolidating strong presence in acute therapies in the domestic market

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Growing chronic therapies through multiple marketing divisions



## Vertical Integration

Vertical integration in R&D and manufacturing of intermediates, APIs and dosage forms.

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Cost efficient processes



## High Growth in Advanced Markets

Partner in international market through alliances with big pharma, leading generic players and MNC distributors

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Para IV and NDA Filings  
Technically complex products

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# Financial Highlights – Quarterly



## Consolidated Q I - FY 13-14

INR million

Sales	Q I / 13-14	Q I / 12-13	Business Share '13	Growth %
<b>Formulation</b>				
Branded Domestic	1,958	1,703	45%	15%
Generic & NSA	254	270	6%	(6)%
Branded International	122	75	3%	62%
<b>Total</b>	<b>2,334</b>	<b>2,048</b>	<b>54%</b>	<b>14%</b>
<b>International Division</b>				
International Generics	855	460	20%	86%
API Domestic	202	305	5%	(34)%
API Export	868	835	20%	4%
<b>Total</b>	<b>1,925</b>	<b>1,600</b>	<b>45%</b>	<b>20%</b>
<b>Export Incentive</b>	<b>29</b>	<b>33</b>	<b>1%</b>	
<b>Grand Total</b>	<b>4,288</b>	<b>3,681</b>	<b>100%</b>	<b>16%</b>
<b>Total Domestic</b>	<b>2,440</b>	<b>2,287</b>	<b>57%</b>	<b>7%</b>
<b>Total Export</b>	<b>1,848</b>	<b>1,394</b>	<b>43%</b>	<b>33%</b>

# Financial Highlights – Quarterly

## Result Highlight (Consolidated) Q I - FY 13-14

INR million

Particulars	Q I / 13-14	Q I / 12-13	Growth %
EBDITA (Before R&D)	939	664	41%
R&D Expenses	224	139	-
EBDITA (Post R&D)	715	522	37%
PBT	605	381	59%
PAT	466	308	51%



# Financial Highlights – 2012-13



## Consolidated 2012-13

INR million

Sales	2012-13	2011-12	Business Share '12	Growth %
<b>Formulation</b>				
Branded Domestic	7,696	6,750	50%	14%
Generic & NSA	1,167	1,076	8%	8%
Branded International	441	567	3%	(22)%
<b>Total</b>	<b>9,304</b>	<b>8,393</b>	<b>61%</b>	<b>11%</b>
<b>International Division</b>				
International Generics	2,358	2,418	15%	(2)%
API Domestic	1,138	943	7%	21%
API Export	2,367	2,792	16%	(15)%
<b>Total</b>	<b>5,863</b>	<b>6,153</b>	<b>38%</b>	<b>(5)%</b>
<b>Export Incentive</b>	93	133	1%	
<b>Grand Total</b>	<b>15,260</b>	<b>14,679</b>	<b>100%</b>	<b>4%</b>
<b>Total Domestic</b>	<b>10,088</b>	<b>8,772</b>	<b>66%</b>	<b>15%</b>
<b>Total Export</b>	<b>5,172</b>	<b>5,907</b>	<b>34%</b>	<b>(12)%</b>



# Financial Highlights – 2012-13

## Result Highlight (Consolidated) 2012-13

INR million

Particulars	2012-13	2011-12	Growth %
EBDITA (Before R&D)	3295	2795	18%
R&D Expenses	736	586	-
EBDITA (Post R&D)	2559	2209	16%
PBT	2064	1610	28%
PAT	1,653	1301	27%

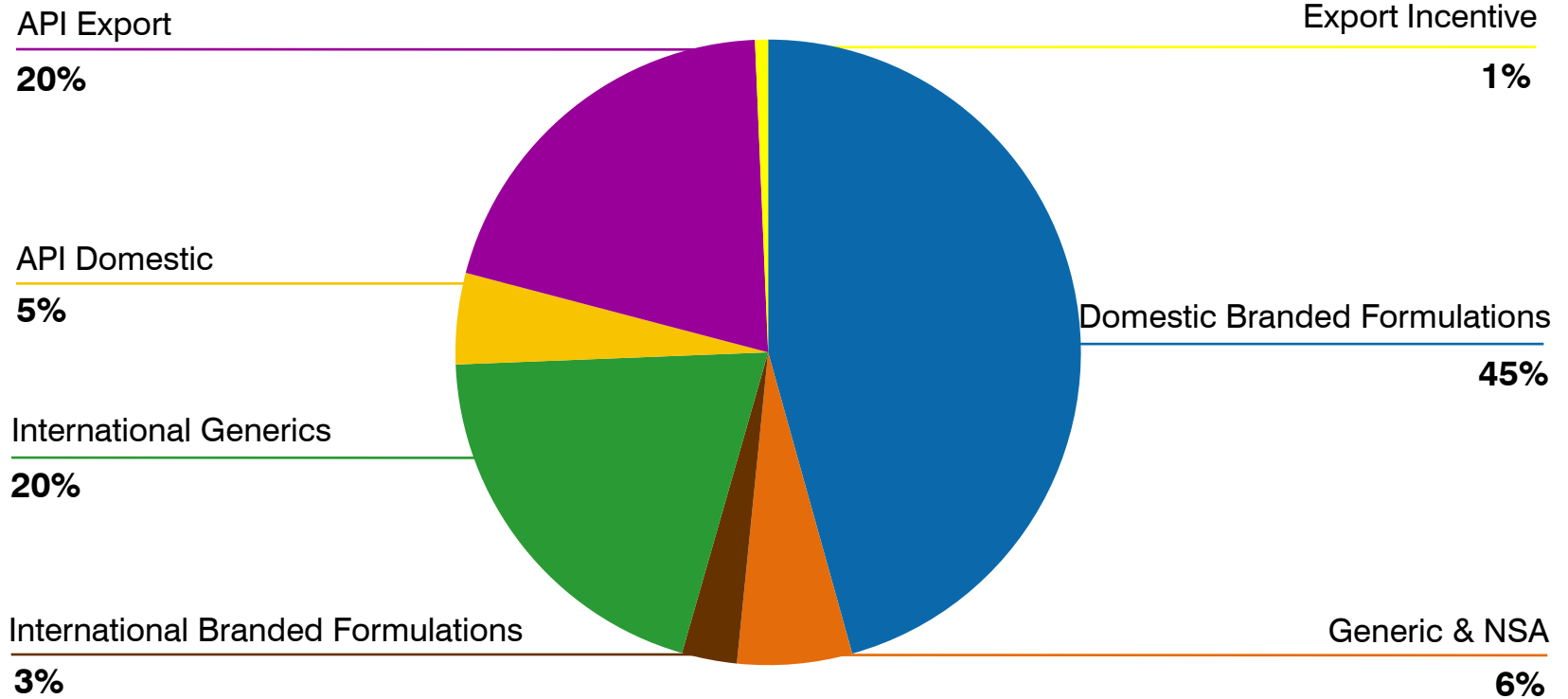


# Revenue Overview



## Sales Composition

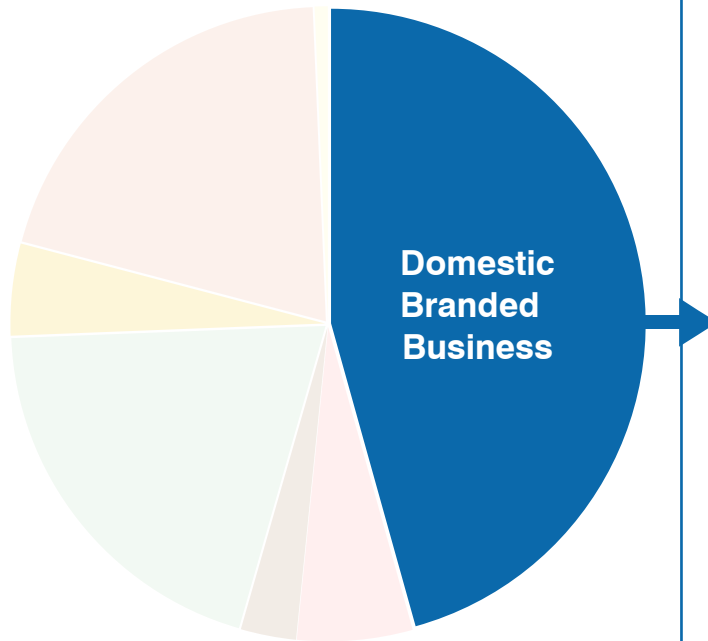
Q I – FY 13-14



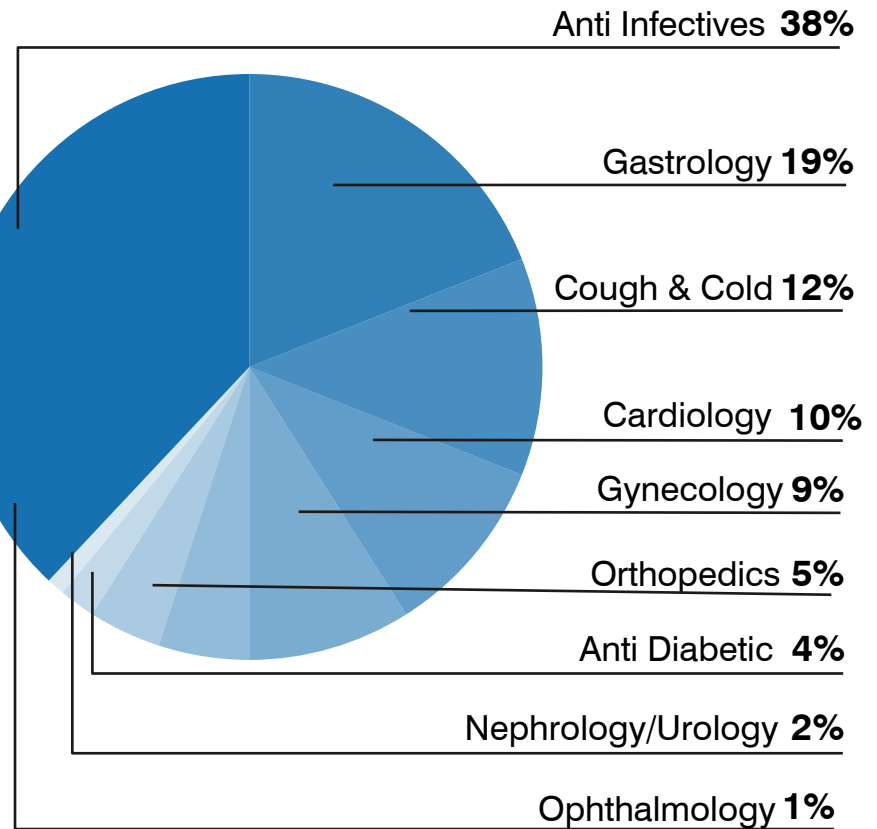
# Revenue Overview

## Sales Composition

Q1 - FY 13-14



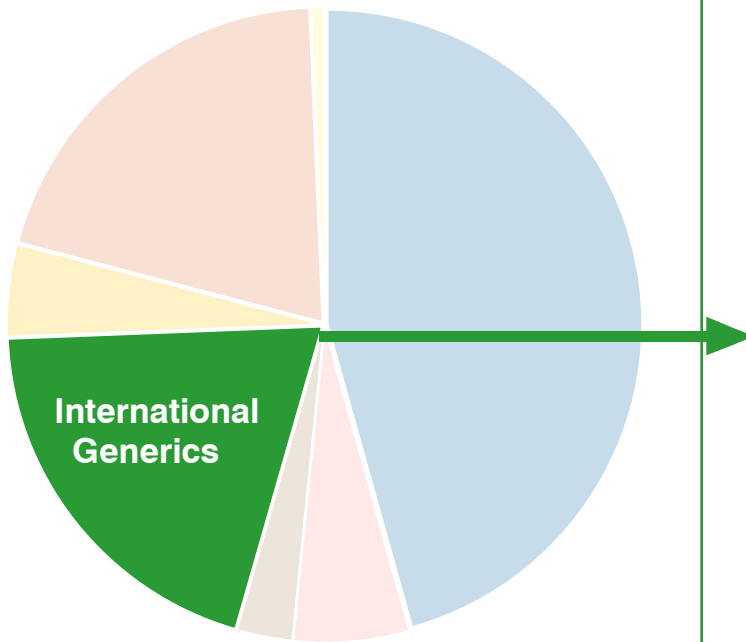
## Therapy Based Sales Break up



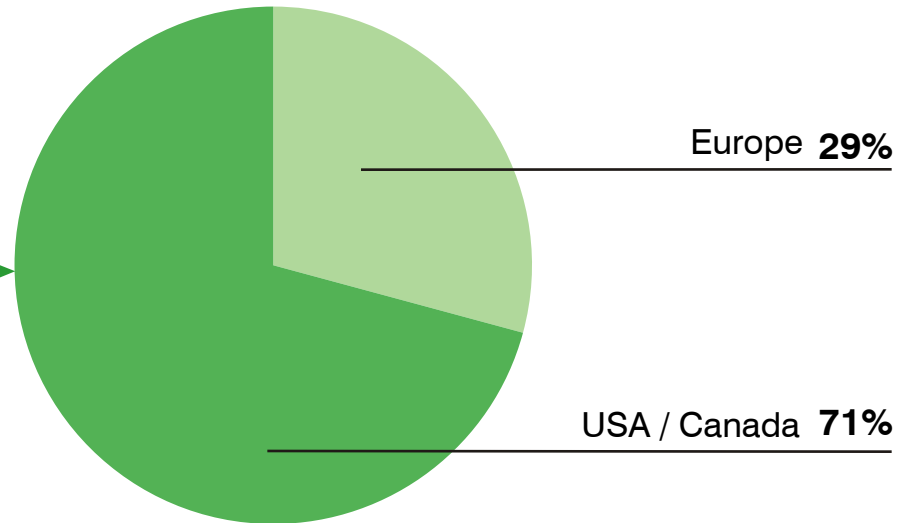
# Revenue Overview

## Sales Composition

Q1 - FY 13-14



## Global Sales break up

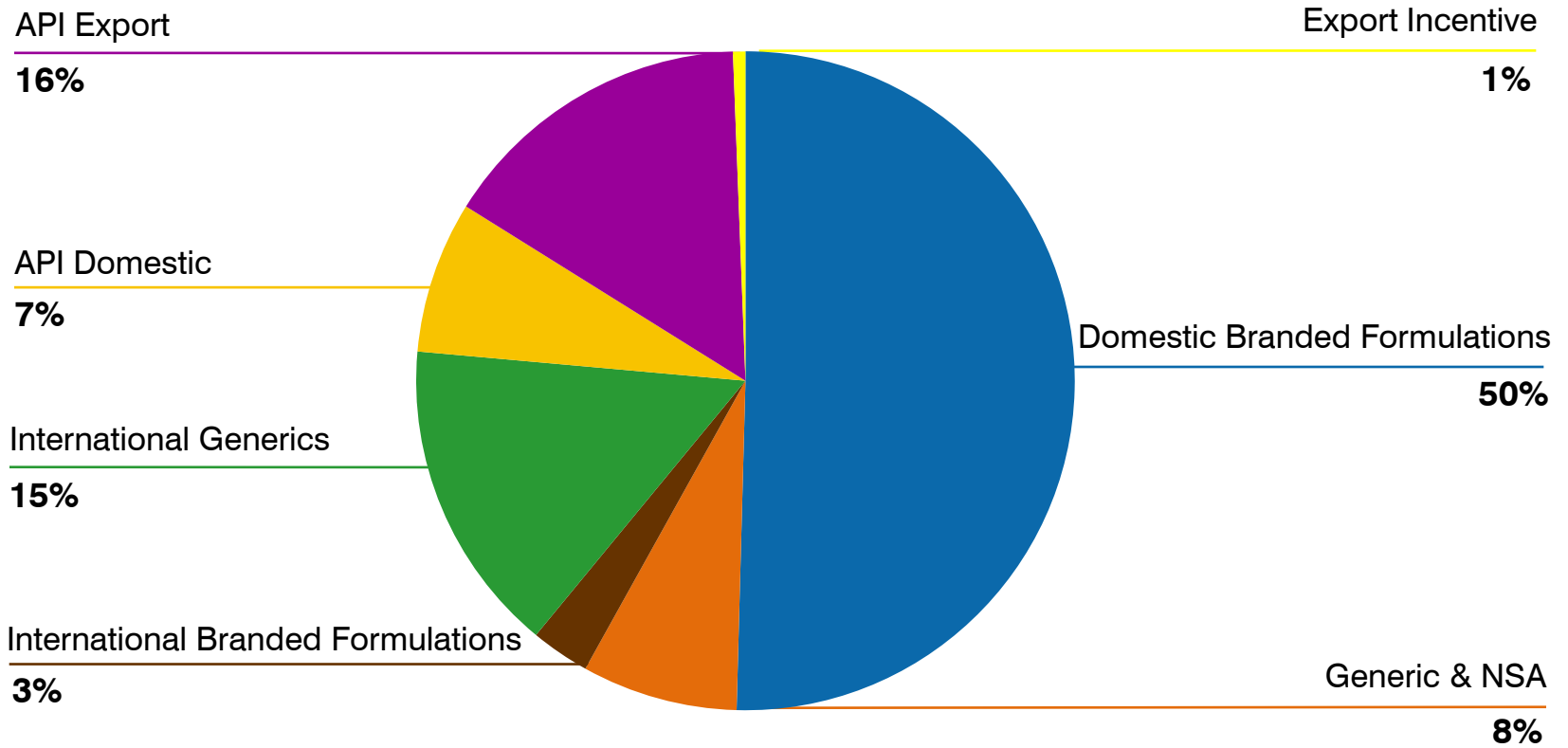


# Revenue Overview



## Sales Composition

2012 - 2013

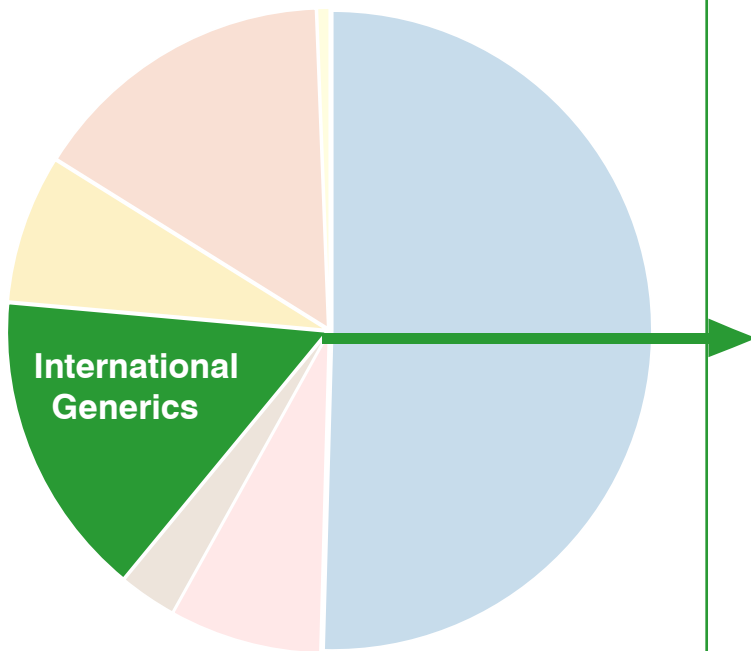




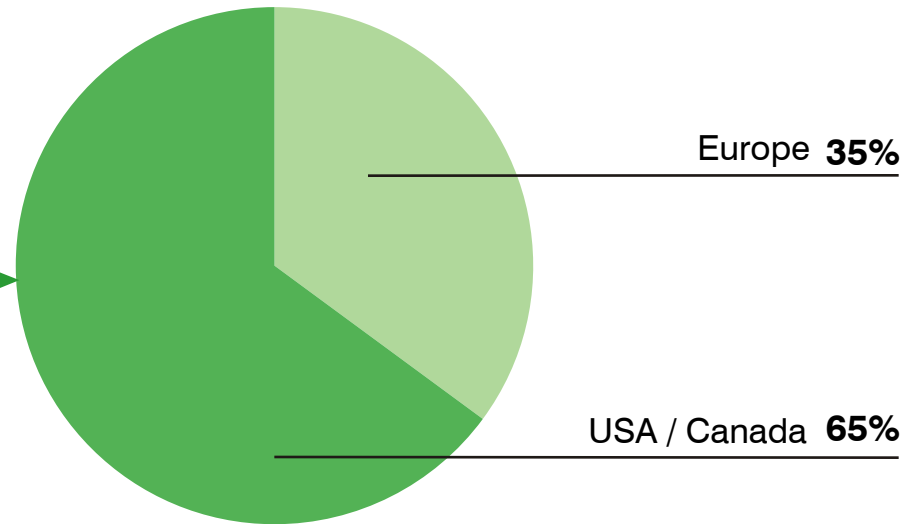
# Revenue Overview

## Sales Composition

2012- 2013



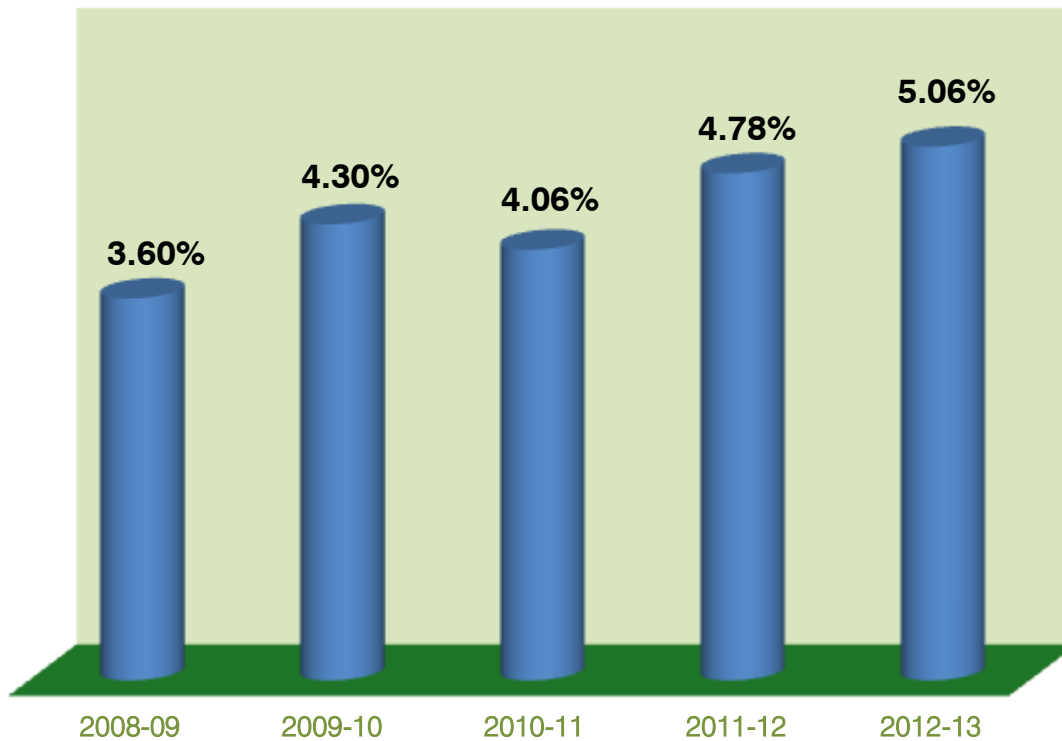
### Global Sales break up



# R & D Expense

Increased Thrust on Research to create Intellectual Property

**R&D spend as a % to Sales**

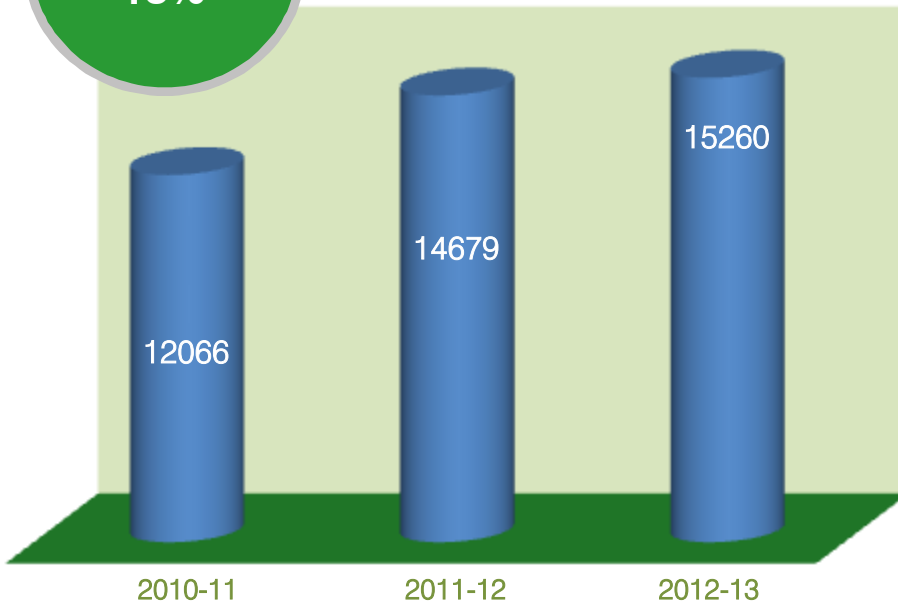


# Financial Snapshot

## SALES

**CAGR**  
13%

INR million



## PBIDTA

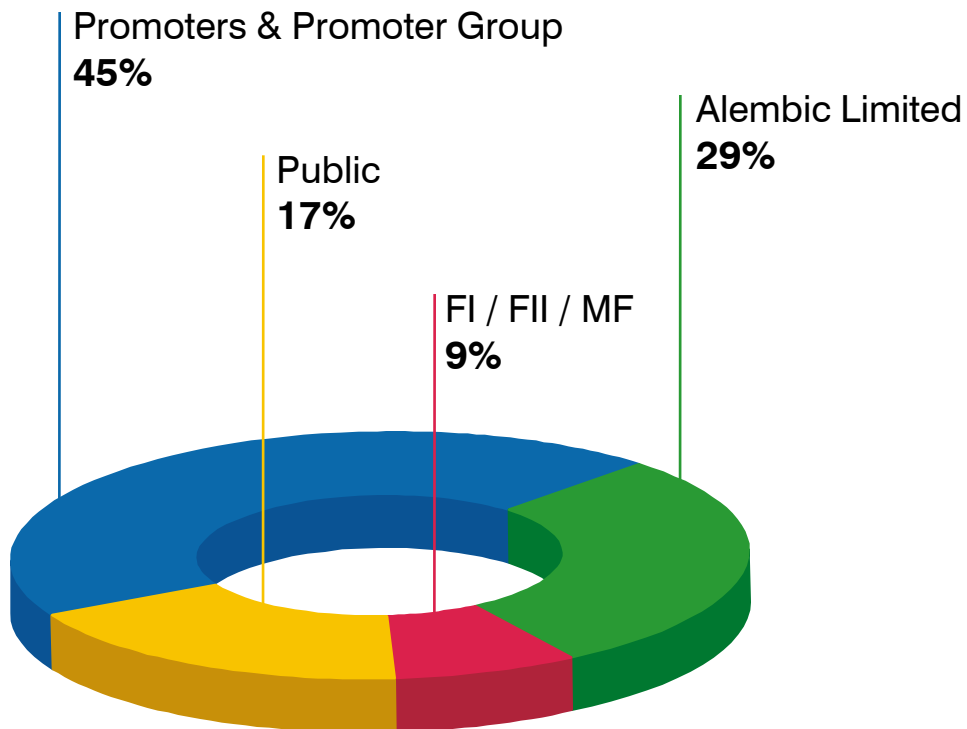
**CAGR**  
26%

INR million



# Shareholding Pattern

## Alembic Pharmaceuticals Limited



As on 30th June 2013



**Total Paid up Capital**  
INR 377.03 million

**Total No. of Shares**  
188.52 million

**Total No. of Shareholders**  
46,186

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## Rural Development Society



Rural Development Society is a Social Responsibility Initiative of Alembic founded in 1979

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Enhancement for self employment and income generation for economic development

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School, hostel and medical facilities for local villagers

## Environment



Alembic believes in clean and green chemistry

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Zero discharge facilities comprising of state-of-the-art aeration system, ultra filtration and reverse osmosis plant, evaporation and incineration plant

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Dedicated scrubbing system for process gas emissions

For updates and specific queries, please visit: **[www.alembic-india.com](http://www.alembic-india.com)**  
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Thank You