



Ranbaxy Laboratories Limited

Differential Pricing & Financing of Essential Drugs

Experience with Generic drugs

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Ranbaxy Today...

- **India's largest pharmaceutical company - amongst top 100 in the world, and 9th generic player in the world**
- **Global turnover for 2000 \$ 505 million**
- **Branded pharmaceuticals, generics and APIs**
 - **5% market share in India**
 - **about 12 % of country's pharmaceutical exports**



Ranbaxy Today...

International

- **Products sold in over 40 countries; manufacturing operations in 6 countries including India**
- **Employs about 7000 people, 17% of non Indian origin**
- **Expanding portfolio of international subsidiaries, joint ventures, affiliates and alliances**

Key Global markets



Americas

USA

Brazil

Europe

UK

Germany

Western Europe

Central Europe

Eastern Europe

Asia - Pacific

India

Vietnam

China

Malaysia

Thailand

Australia

Myanmar

New Zealand

Africa

South Africa

Egypt

Nigeria



Ranbaxy Today...

Research & Development

- **R&D investment - 18% of Indian Pharmaceutical industry (annually)**
- **Increasing focus on discovery of new molecules**

Research & Development



Ranbaxy's advantage

- **Low cost, high quality**
- **Highly qualified manpower at very low cost**
- **Innovative approach**

Areas of focus

- **Chemical research**
- **Drug delivery**
- **New molecules**



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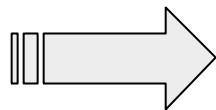
- **A responsible international player**
- **Cost effective drug development but at the same time a lot of R&D work**
- **Cost competitive quality manufacturing**



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Non infringing patent and regulatory framework

In order to comply with patent and regulatory constraints not only in API but also in BIO-EQUIVALENT generic products



Cost implications



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Cost differential at production plant

- **Not GMP: 50**
- **GMP: 100**
- **EU: 200**
- **USA: 300**



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- **Supports the need to supply inexpensive and quality products to poorer countries**
- **But there must be an equal opportunity to recover cost in other markets**



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Cost recovery in advanced markets is more and more difficult

- **Pressure from the Authorities to get the drug bill down**
- **Competition/purchasing groups**
- **Big Pharma tightening product patents**
- **Big Pharma post patent strategy stronger (in EU the “Is/Has Been Marketed” interpretation)**



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Anti-Aids drugs in Africa:

\$1 per day per patient

- **Medium to long term there is a risk that poorer countries will not get access to modern medicines**
- **Neglected diseases will remain neglected, no incentive for R&D**
- **Comparitive pricing with more advanced market**
- **Old products will disappear**
- **PI, etc...**



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The mission:

**To become a research based international
pharmaceutical company**

The goal

\$ 1 billion by 2004

**Cecile H Miles
Head of Western Europe Division**