"control your destiny
or someone else will"

- Noel M Tichy and Stanford Sherman

Disclaimer

The report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking-statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Contents

Corporate Identity **03**

Financial Progress **04**

Highlights, 2012-13 **14**

Chairman's Message **16**

Global Generics **20**

Analysis of Financial Statements **21**

Risk Management **24**

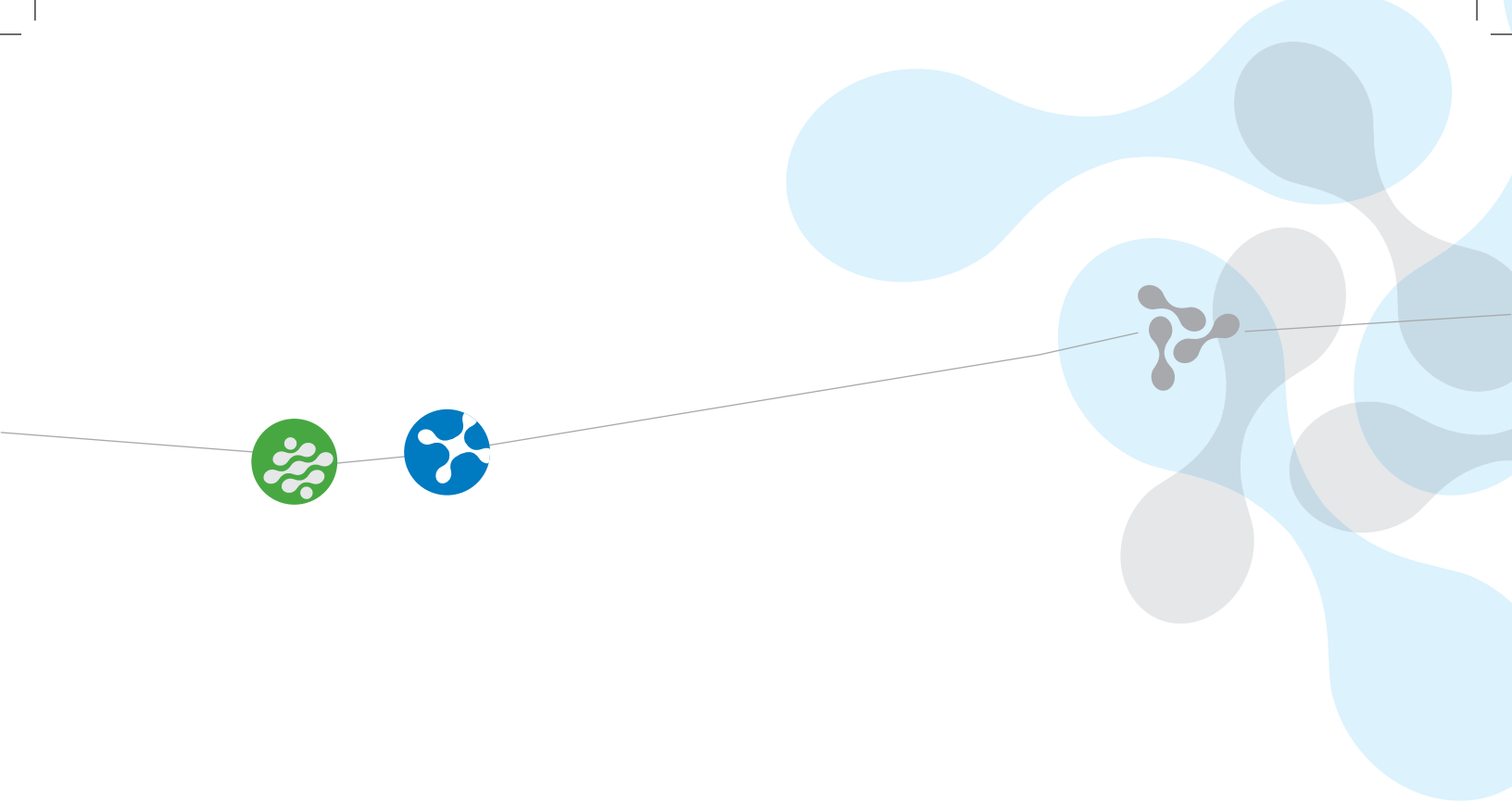
Directors' Report **27**

Report on Corporate Governance **34**

Standalone Financial Statements **42**

Consolidated Financial Statements **71**

Corporate Information **87**



Some years ago, we resolved to reinvent our business, convinced that either we took control of it – our destiny – or someone else would. The result is evident in the numbers.

In a challenging 2012-13, the evolution was most distinctly visible, as we grew revenues by about 4% and PAT by 27% over the previous year.

The last three years have been seminal in the history of Alembic. The Company extended from Generalised therapies to Speciality therapeutic segments and launched aligned portfolios.

Launched new therapeutic divisions. Widened its regulated markets coverage. Increased product complexity. Increased the proportion of speciality products. Climbed the filing value-chain (Para III to Para IV and Para IV FTFs in the US). Doubled its API basket. Streamlined systems and processes. Strengthened its people management. The results have been explained in the following pages.

10.23%

EBIDTA margin, 2009-10

16.79%

EBIDTA margin, 2012-13

Alembic Pharmaceuticals Limited

Enjoys leadership within the Macrolides segment of anti-infective drugs in India.

Alembic Pharmaceuticals Limited (headquartered in Vadodara, India) is a vertically-integrated pharmaceutical company.

The Company possesses manufacturing facilities at Panelav in Gujarat (USFDA-approved for APIs and formulations), Karkhadi, Gujarat (USA FDA-approved for API) and Baddi in Himachal Pradesh (manufactures formulations for Indian and emerging markets). The Company has a state-of-the-art research centre at Vadodara.

The Company enjoys a sales presence in more than 75 countries (regulated and emerging).

Vision

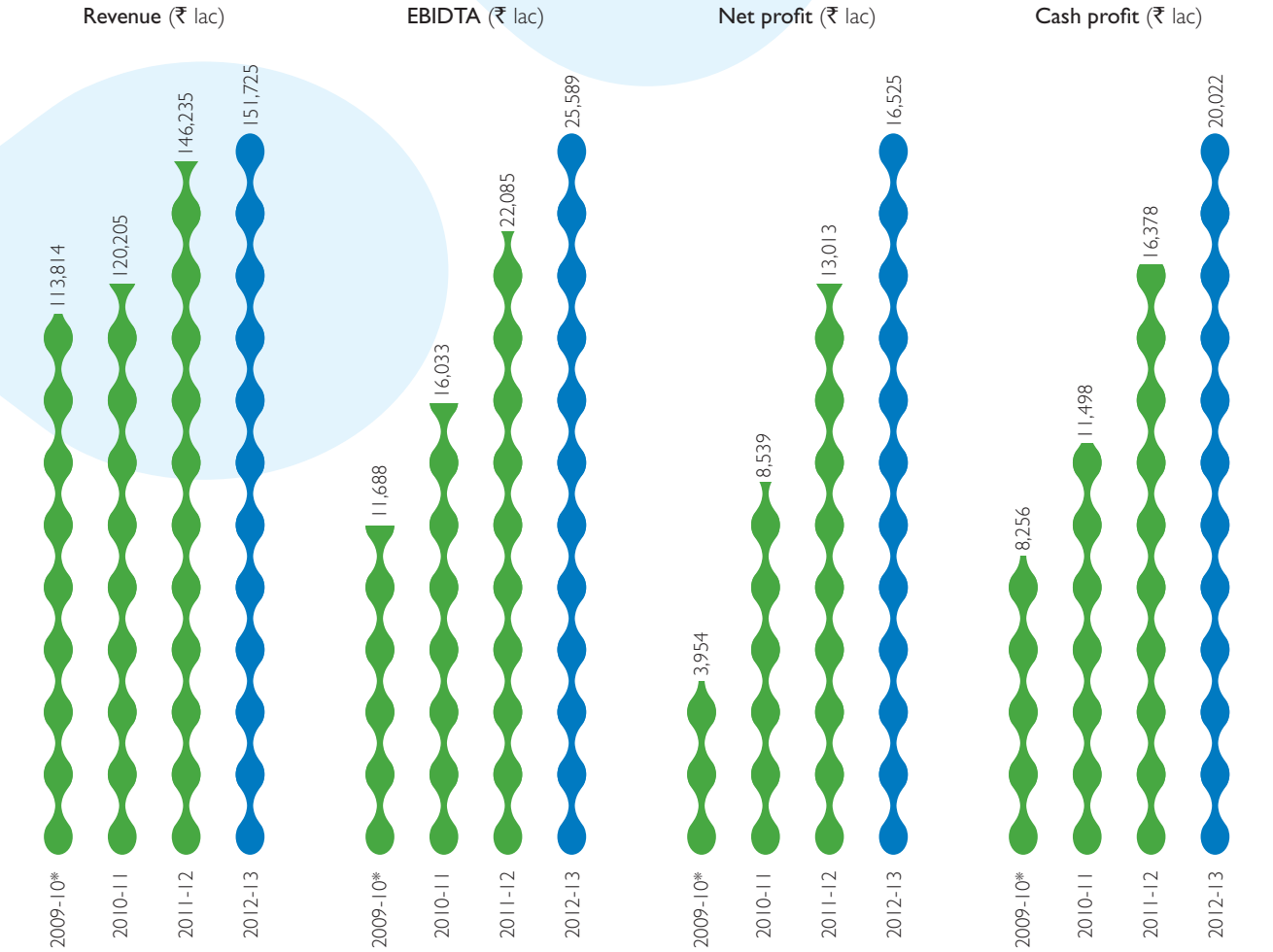
To become a knowledge-driven global pharmaceutical company with the highest level of operational excellence in all spheres

Mission

To provide access to the best healthcare products at affordable prices to everyone, present anywhere in the world.

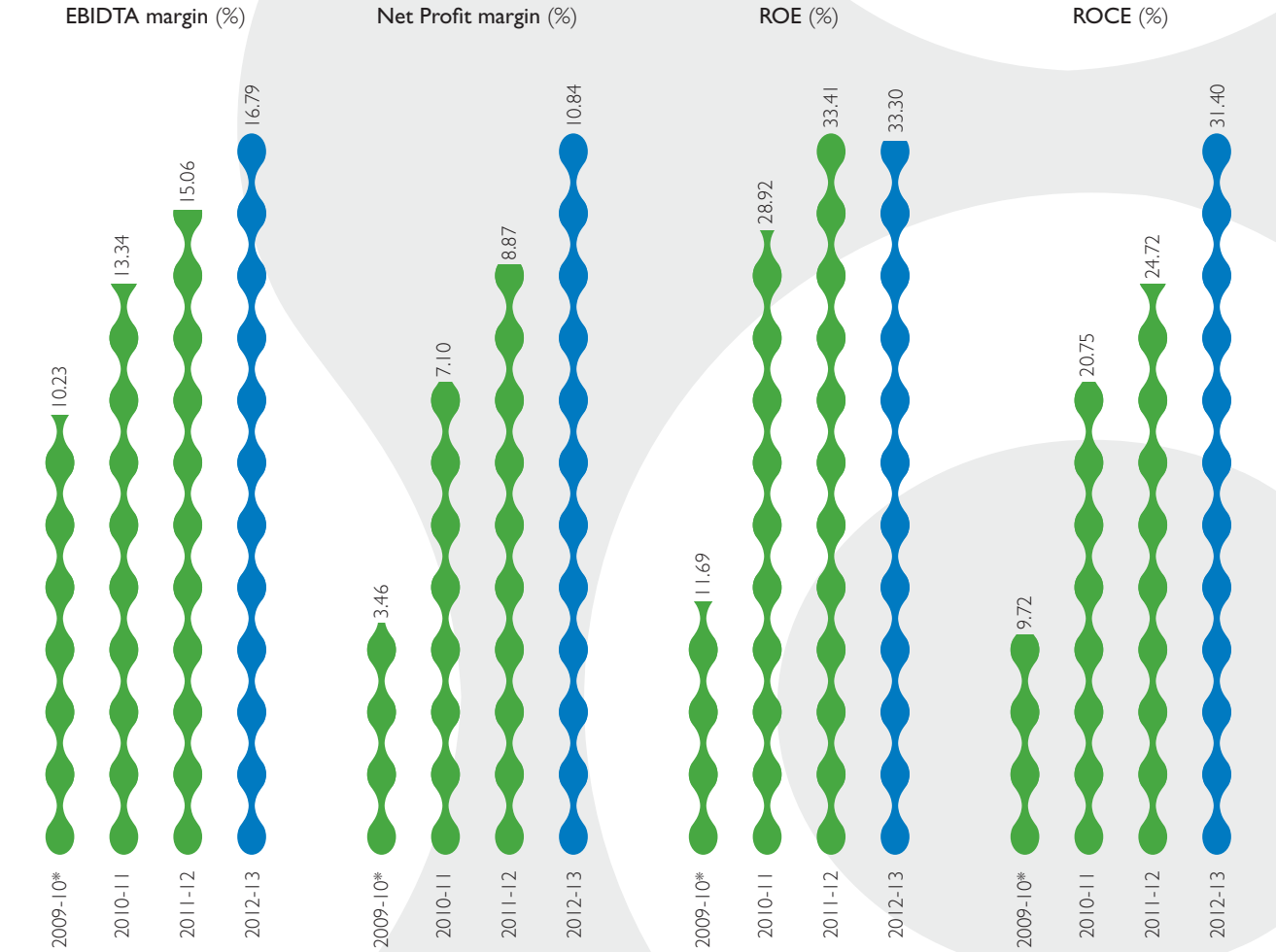
Assuming control is good for the Company, for the shareholder and every stakeholder

Business



Revenue growth		EBIDTA growth		Net profit growth		Cash profit growth	
3.75%	10.06%	15.87%	29.58%	26.99%	60.08%	22.25%	34.35%
Over 2011-12	CAGR over 3 years	Over 2011-12	CAGR over 3 years	Over 2011-12	CAGR over 3 years	Over 2011-12	CAGR over 3 years

Profitability



EBIDTA margin growth		Net margin growth		ROE growth		ROCE growth	
173 bps	656 bps	197 bps	738 bps	(11) bps	2161 bps	668 bps	2168 bps
Over 2011-12	Over 2009-10	Over 2011-12	Over 2009-10	Over 2011-12	Over 2009-10	Over 2011-12	Over 2009-10

* Financial year 2009-10 numbers reflect those of the erstwhile Alembic Limited, whereas for the subsequent years (2010-11 onwards) the numbers reflect the impact of the demerged Alembic Pharmaceuticals Limited.

Controlling our destiny

Building a US presence

Alembic resolved to grow its US presence with the objective to graduate from being just another pharmaceutical player to a globally recognised organisation.

Shift

- We filed 57 ANDAs (received approvals for 24 ANDAs as on March 31, 2013); we commercialised 15 of the approved filings (eight products launched in 2012-13 of which three are products with sizeable potential).
- We graduated the regulatory index from Para III filings to Para IV filings; we possessed 27 Para IV filings as on March 31, 2013 against no such filings three years ago.
- We filed seven Para IV including three FTF applications and one 505(b)(2) filing in the 12 months leading to the close of 2012-13.
- We enriched our US basket from three products in 2009-10 to 15 products in 2012-13.

Achievement

- Our US business revenues grew 138.23% in the three years leading to 2012-13.
- We received USFDA approval for our NDA Desvenlafaxine Base Extended Release (bioequivalent version of the innovator drug Pristiq by Pfizer), which provides the Company with a 21-month exclusivity.

Blueprint

- We plan to commercialise 8-10 products annually for the next three years.
- We expect to register 10-12 ANDA filings in 2013-14, which also includes Para IV FTF filings.
- We are strengthening our technology capability manifested in new finished dosage forms.

IMS size (US$ billion) of Alembic's pending approval ANDAs

27

Controlling our destiny

Stronger European footprint

Alembic resolved to sweat its assets efficiently; it leveraged its US filing success to enter the European pharmaceutical market, the second largest in the world.