

Dear Stakeholders,

A warm welcome to 2016 and to the very first SOTC (no, not the leisure tour company! But “State Of The Company”) Newsletter of Alpa.

This is an idea (in different forms) that I had been exposed to almost at all companies that I have worked for in the past; right from the beginning of my carrier with Law.Dox Inc. in Beverly Hills, USA (employee strength of about 150 out of which more than 50 were very senior corporate lawyers) to ASA Inc. in Mountain View, USA (a technology startup with less than 10 employees where I had the good fortune to be a co-founder) to Informix Inc. in Menlo Park, USA (over a 1000 employees which IBM acquired for 1 billion dollars and in which I had key responsibilities). Any feedback on this and all SOTC Newsletters can be provided by sending an email to sotc@alpalabs.com and in the future we shall also invite active participation from stakeholders including a dynamic blog and message board.

The objectives of such an idea are usually dynamic and multifold, ranging from just getting the message out about the business of the organization to attracting potential partners, attracting innovative ideas and finally and most importantly, motivating stakeholders and keeping them excited about their association with the organization. Caution: It sounds simple, but specially in the context of Alpa which is a listed company in a competitive field, there is always a risk of TMI (Too Much Information!) which may be contrary to the organization's fiduciary, business, legal and regulatory responsibilities. Hence, we usually would not be able to provide detailed specifics, but will do our best to provide as much accurate information as possible without revealing vital competitive, confidential, intellectual property and proprietary information.

Since my father, Mr. P. R. Patel, who is also the current M.D. founded Alpa in 1967, Alpa is today well positioned to truly become a name to reckon with. Throughout this journey of almost 50 years, the principles that he imbibed into the organization have enabled us to reach this position without EVER being in a state of turmoil or despair like so many of our peers, without EVER not being able to clear an issued cheque and most importantly, without EVER having to lay off an employee. Lately, a lot of well-meaning associates like to refer to Alpa as a “cash rich” Company (including some officers of the Company). It is a very nice thought and yes, we do not have any outstanding term debts, but in our opinion, we are not quite there yet. Based on our performance of the first two quarters of the current financial year (and there is no reason to believe that the future would be any different), we are without a doubt on a path to becoming “cash rich”. We believe that true “richness” of an organization comes from it's regular and routine operations and not from a single event. While the current operations generate profits on a regular basis to make us “cash rich” in it's true sense, the financial resources that the Company currently has gives us access to phenomenal opportunities to leverage the resources for the growth of the Company and its stakeholders through both organic and inorganic means. There are many very interesting investment opportunities in allied businesses and alliances as well as enhancement of the product range.

Besides, investing in the upgrades and streamlining of the Company's existing infrastructure, some of the areas that are very interesting and could be be the growth enablers and force

multipliers are:

1. a continuing effort in our veterinary products including feed supplements;
2. large volume parenteral products including I.V. Fluids - based on the constant demand from our existing clients, the marketing, sourcing and regulatory team of the Company has been working very hard and has put in a lot of time, effort and money to find suppliers that would meet our own and more importantly our client's expectations;
3. enzyme, probiotic, prebiotic and bio-similar products which have already been fast gaining acceptance and are fast becoming mainstream products in the field of biotechnology including pharmaceuticals;
4. sourcing niche products (including I. V. Fluids) from other manufacturers that enable us to offer a more complete bouquet of products to our clients and keep the clients attached to our Company;
5. providing regulatory documentation services to other entities who either do not have the capabilities or do not wish to develop such capabilities;
6. exploring alliances with or investment into Companies that either already have or are developing credible expertise in the next generation biotechnology products including enzyme, probiotic, prebiotic and bio-similar products;

We are sincerely committed to put in our best efforts to deliver a very positive experience to all our stakeholders including the employees, shareholders, business associates and the society that we are a part of without compromising operational and financial stability while adhering to the code of conduct.

Hope this maiden edition has you all excited about Alpa and we will soon follow up with a the next.

Thank you.
Jayesh Patel, C.E.O.

Note: ET NOW, the business channel of the Times Group, since 2010 has had a platform called “Leaders of Tomorrow” that is dedicated to the MSME segment. “Leaders of Tomorrow” salutes and celebrates the spirit of entrepreneurship displayed by MSMEs. The program is back with Season 5 with a daily weeknight half hour show on ET NOW. Sometime in the month of April, ET NOW plans to celebrate the spirit of entrepreneurship at a gala event in Indore and I am going to be a speaker at the event to share the tremendous journey of Alpa. This will also be covered on the “Leaders of Tomorrow” show. Stay tuned for more specific details once available.