

Press Release
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For Immediate Release

Panacea Biotec forays into Healthcare Delivery – Enters collaboration to set-up 220 bed multi super-specialty hospital in NCR

Panacea Biotec, a leading health management company is expanding its portfolio by entering the fast growing healthcare delivery sector. Keeping up with their commitment to offer care for individuals and environment, Panacea Biotec aims at providing the best treatment facilities with state of the art equipment handled by skilled professionals.

For delivering the same, the company has entered into a collaboration with Dr. Umesh Gupta of Umkal Group to set-up a multi super-specialty hospital with the most modern equipment in the National Capital Region of Delhi at Gurgaon.

In our country the current healthcare market commands a formidable potential, which is close to Rs. 80,000 crore, comprising of the very rich (23%), consuming class (16.37%), climbers (30%) aspirants (30%) and destitute (0.65%). The upcoming market for medical tourism is also turning to a boom.

The company has acquired majority stake in Umkal Medical Institute Pvt. Ltd. (UMI), a company promoted by Dr. Umesh Gupta for this venture. The Company has signed a Shareholders' Agreement with the existing Shareholders of UMI and has agreed to make investment towards its equity contribution. With Panacea Biotec's leadership in providing innovative medical therapies, and Umkal's long term experience in providing specialized healthcare, this collaboration would be unique and one of its own kind.

The proposed hospital would be built in the heart of prime, high potential area of Gurgaon surrounded by residential area, business establishments, shopping malls and industrial houses. The total project cost would be funded by a mix of debt and equity. The hospital is proposed to be a 220 bed super-specialty hospital.

Speaking on this occasion, Mr. Rajesh Jain, Joint Managing Director - Panacea Biotec emphasized, "Entering into private healthcare is an integral part of our long term strategy that would take us closer to our vision of becoming a Leading Health Management Company. The potential market for a corporate hospital will comprise of the very rich, consuming class and a part of climbers which would be close to 25-30% of the market. Growing from strength to size, Panacea Biotec is dedicated to contribute towards country's vision "Health for all". The coming up Medical Institute will be a revolutionizing project which will enable a great healthcare environment affordable to people from all walks of life. We would also target Medical Tourism, especially the category of medical traveler from developing countries; patients from developed countries who seek quick access for procedures delayed by long wait time; patients from developed countries who want quality treatment at lower cost than their own countries. These segments constitute around 60% of medical tourists. The institute will provide highest standards of patient care, research and education."

About Umkal Group

Umkal Medical Institute Pvt. Ltd. (UMI) is a part of Umkal group. Umkal group was established in 1996 by Dr. Umesh Gupta, MD, DM- a seasoned and experienced cardiologist and his wife Dr. Kalpana Gupta. Umkal group is presently running multi-specialty health care institutions at Gurgaon and New Delhi with over 150 beds, equipped with the most modern state-of-the-art technology, infrastructure and managed by highly skilled and reputed medical professionals in all major disciplines of medicine.

About Panacea Biotec

Panacea Biotec is one of India's leading research-based health management companies with established research, manufacturing and marketing capabilities. Panacea Biotec is the 2nd largest vaccine producer in India. Panacea Biotec has been ranked as the 3rd largest biotechnology Company (ABLE Survey 2007) and is also amongst the top 50 pharmaceutical companies in India. The product portfolio of the Company includes highly innovative prescription products in important therapeutic areas such as pain management, diabetes management, renal-disease management, anti-osteoporosis, anti-tubercular, gastro-intestinal care products and vaccines. The Company has collaborations and tie-ups with leading national and international research organizations and corporations. The Company's state of the art manufacturing facilities for vaccines and pharmaceutical formulations comply with the US-FDA, UK-MHRA, SA-MCC and WHO-cGMP standards. The Company has five research and development centers. The Company has around 2800 employees including over 260 scientists. The Company also has 24 product patents, valid in more than 60 countries worldwide. In May 2008, an internationally reputed organization, World Pharmaceutical Frontiers included the name of Mr. Rajesh Jain, Jt. Managing Director of Panacea Biotec in their list of GLOBAL 40-2008. According to WFP, these top 40 would be the key industry players, driving innovation and development within the global pharmaceutical industry.

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