

Supply & Cost Risk Mitigation by Backward integration of an Advanced Intermediate

Client - Multiple Generic drug companies across the globe uses Laurus API for Cancer Treatment.

Program

- Developing safer & cost effective process for a high value advanced intermediate to mitigate supply & cost risks

Challenge

- There is a supplier side dominance as there exists very few quality suppliers across the globe for this intermediate which could lead to potential threat of cost & supply risk
- Route of synthesis involves 20 chemical conversion steps and cycle times are significantly longer

Solution

- Developed a robust & cost efficient process from very basic raw materials . All RMs are indigenously sourced.
- All the steps were manufactured in-house to have better control on supplies.
- In addition , few of the steps were also manufactured at local manufacturing third parties to mitigate any internal manufacturing difficulties

Outcome

- Commercialized process with significantly lower costing than procurement price which improved Margin on End product
- Reduced dependency on sourcing from Suppliers and improved bargaining power with suppliers
- Market share gains with competitive pricing and seamless supplies to customers