

Automation and digitization in Operations

Digital, Analytics and Automation provides opportunity to drive the improvements beyond what we have achieved so far

Digitization & automation can bring a step-change in performance trajectory ...

90%+

Availability of equipment

40%+

Throughput / capacity unlock

50%+

Improvement in quality outcomes (i.e. OOS, deviations)

98-99%+

On-time (in-full) delivery rates

40%+

Reduction in conversion costs

30%+

Enhancement in people productivity

Environmental sustainability

(minimum carbon footprint, optimized water / energy consumption and minimum waste)

... and transform the operating model on the shop-floor



Inter-connected
and intelligent equipment



Automated & integrated
business planning



E2E seamless material flow
'touchless' experience from dispensing to dispatch



Realtime performance visibility
across the organization; i.e. minute-level at each machine



Data-driven decision-making
at all levels in the organization

This will also allow us to shift to a lean and transformed manufacturing network overall;

Over last few years, we have set up several foundational elements to drive digitization and automation ...

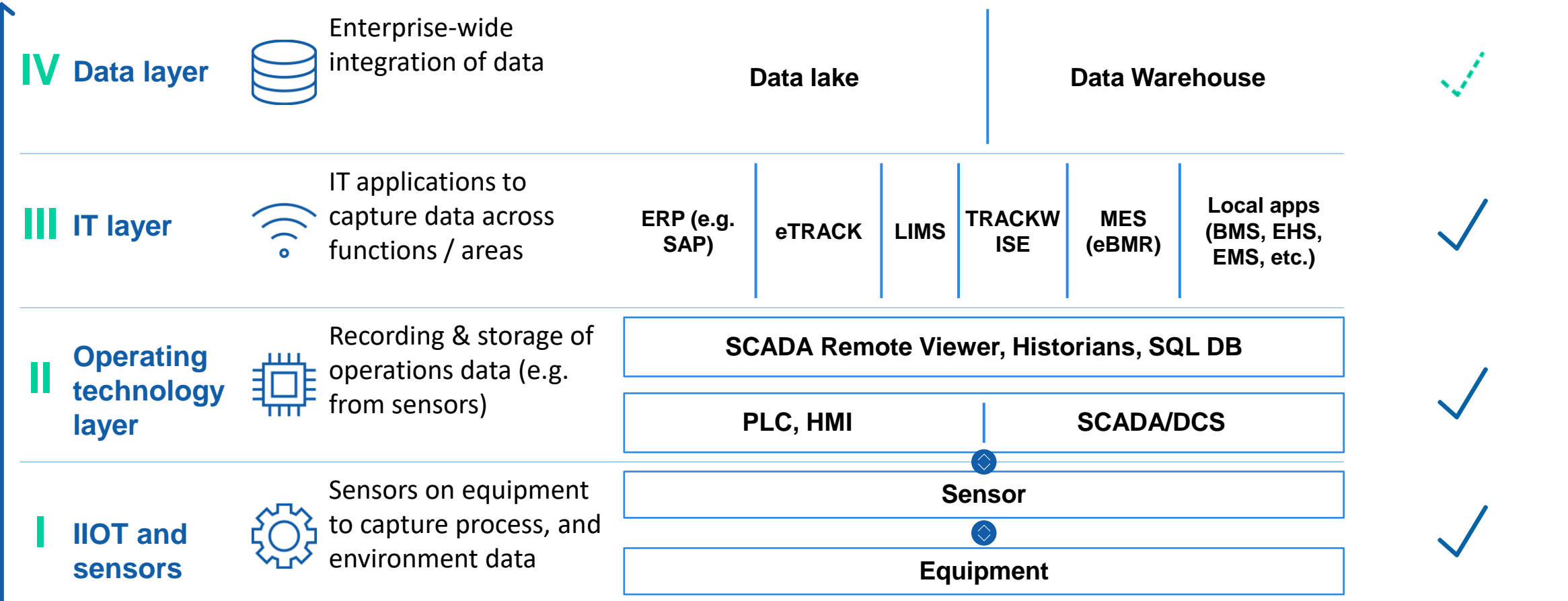
Cipla

Foundational layers for digital & analytics

Description

Illustrative applications

Cipla's current position

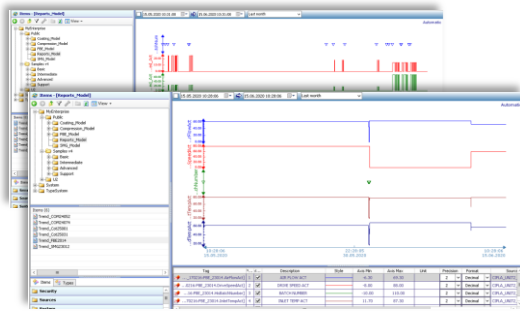


... and this has led to a few early wins for us

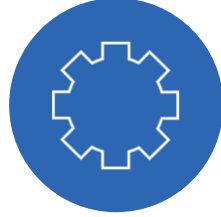
Cipla



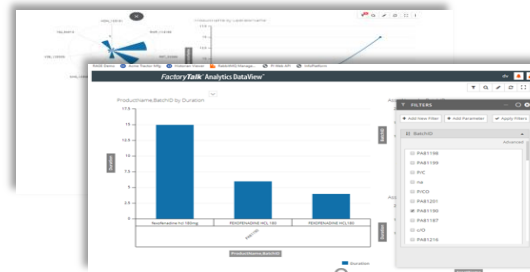
Advanced analytics driven supply robustness



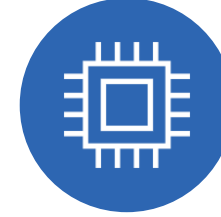
50%+ improvement in supply and reliability outcomes across the network



Automated data logging and reporting



30%+ reduction of manual entries by elimination of paper-based processes



Digital 'boardroom' for organization-wide transparency



Granular Visibility of holistic KPIs across levels in the organization



Advanced analytics led reduction of invalid OOS



35%+ reduction in invalid OOS

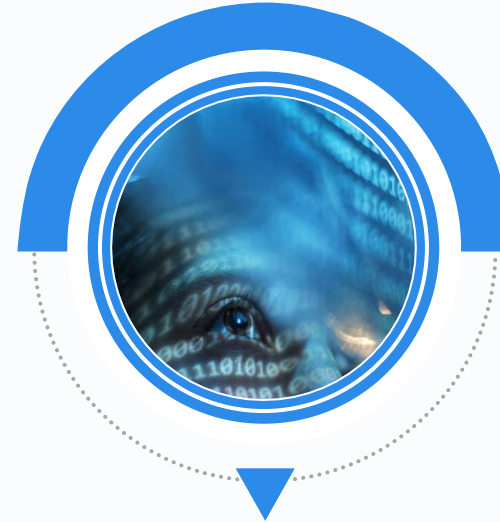
However our aspiration going forward is even more bold!



Create “touchless factories” by rewiring plant operations, upgrading technology and reducing operator/analyst dependence



Enable data-driven decision-making and performance enhancement, through rapid deployment of Industry 4.0 use cases



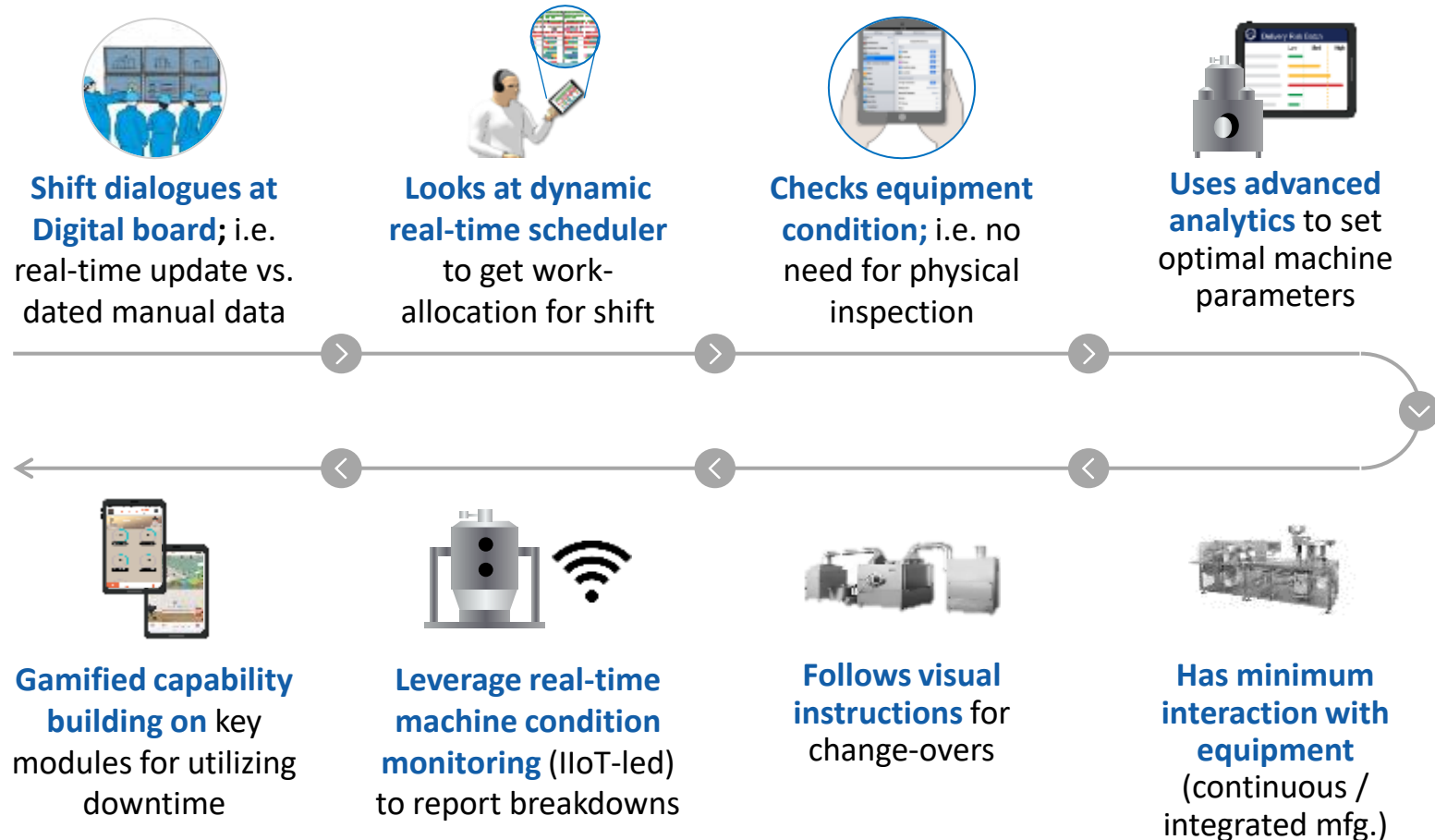
Build a ‘digitally native’ organization with at-scale DnA talent & capabilities i.e. upgrade existing roles and add new capabilities



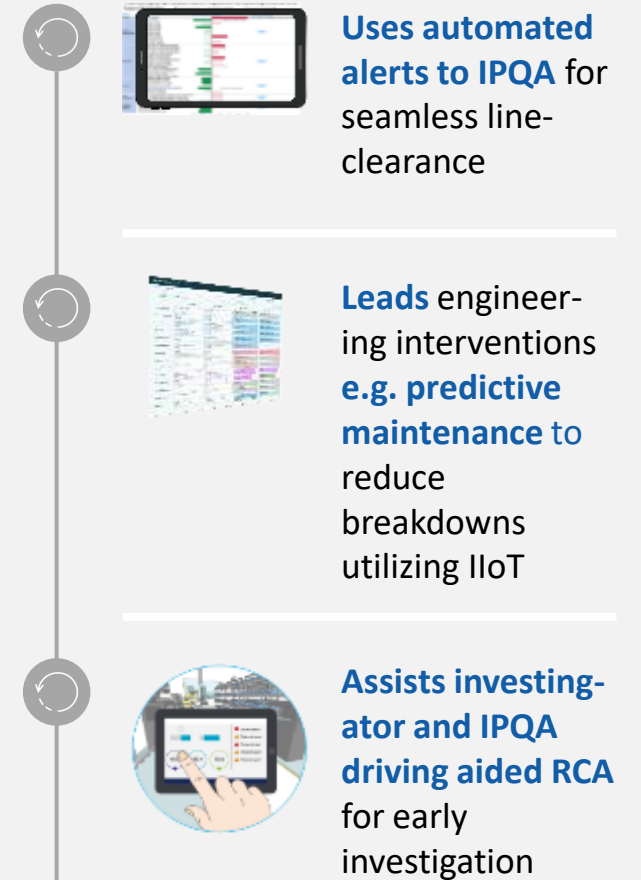
Achieve top decile performance in operations, on performance outcomes (quality, cost, productivity, & service levels) while also **ensuring environmental sustainability**


Our aim is transform the work-life of our people and institute a digitally native organization


Changes in 'Day In Life Of' operators





Transformation in activities of cross functional teams

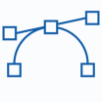



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1 Aspirations should be big-and-bold, i.e. digitization and automation is beyond the 'incremental'
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2 Don't wait for 'greenfield' facilities to start; Real value unlock happens in existing facilities
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3 Maintain a strong value-backed view to any investment/ initiative - Easy to fall into the trap of investing for the sake of "technology"
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4 Dedicated carved-out team needed to drive and sustain such a large scale effort
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5 Focus on both onboarding new skills, but also on re-skilling existing workforce – true transformation can only happen through a combination of both
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6 There will always be people 'on the fence' for such efforts; critical to take them along