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INDIA'S MOST RESPECTED COMPANIES

- 
- No. 1* Infosys
 - No. 2* HLL
 - No. 3* Reliance
 - No. 4* Wipro
 - No. 5* ICICI Bank
 - No. 6* GCMF
 - No. 7* Dr Reddy's
 - No. 8* HDFC
 - No. 9* ITC
 - No. 10* Hero Honda



Nandan M. Nilekani
CEO, Infosys

Also
Sectoral
Winners



“We’ve always aimed at things others perceived difficult,” says K. Anji Reddy. In 14 years, he has put his company on the world map for its R&D capabilities in pharmaceuticals

IN 1988, Vijai Kumar had just quit pharmaceutical major Upjohn as regional director (Asia) and branched out as a consultant for clinical trials. As he was scouting for business in August 1988, a friend put him in touch with Kallam Anji Reddy, founder of a little-known Hyderabad-based bulk drugs company, Dr Reddy's Laboratories (DRL). Kumar recollects what impressed him the most about Reddy: “His vision even then was to put India on the global map of new drug discovery. Besides, he wanted to make DRL an international force in bulk actives.”

Even at that point, when new drug discovery was no more than an aspiration for Reddy, few could have dared to take him lightly. For Reddy was willing to put his precious pennies on reverse engineering. Reddy engaged Kumar's expertise for two years for a handful of clinical trial projects. The first of which

was to conduct bio-equivalence studies for DRL's anti-hypertensive bulk drug enampril maleate. The projects got over and they parted ways.

In the next 14 years, DRL crossed many milestones, all of which have brought the company great respect. DRL went through multiple avatars — from a bulk drugs manufacturer in the 80s to a formulations-focused company in the early 90s, to a US-focused pharmaceuticals company in the mid-90s. And, finally, to a research-led generics company in 2000.

In the field of research, DRL has just concluded a significant victory. A US district Court ruled in favour of DRL's move to launch a variant of Pfizer's blockbuster drug Norvasc (annual sales: \$2 billion). Even as Pfizer goes for the final appeal to a higher court, DRL has begun preparations to launch its own amlodipine maleate (Pfizer's Norvasc is based on amlodipine besylate) under a new



DEEPTI PRAKASH

ity. This has been financially rewarding as well. While DRL earned \$70 million during the exclusivity period, it has already earned revenues exceeding \$20 million since April 2002.

At its Hyderabad headquarters, the company celebrated its initial victory over Pfizer by pasting A4 size sheets ("DRL wins Amlo case against Pfizer...") on each floor of its staircase. In his second floor office overlooking Hyderabad's commercial district of Ameerpet, K. Anji Reddy often switches between serious *sotto voce* and hearty laughter as he elaborates on DRL's new drug development projects. "We've always aimed at things that others perceived difficult. Whatever we take up must be tough," he says, slapping his desk. DRL has 10 new chemical entities (the largest declared by any Indian pharma company) in various stages of development.

For 62-year-old Reddy, DRL's stature is a personal victory of sorts. Years back, in 1985-86, DRL's scientists had developed a scarce drug methyl dopa.

Though Merck (later renamed as Merind) had its own methyl dopa, its Indian subsidiary was not allowed to import it from the parent. Reddy sent his managing director with a sample of methyl dopa to Merck's quality control manager—who, ironically, was Reddy's former classmate—to ask him if Merck India was interested in buying the drug from DRL. But humiliation awaited DRL's managing director as the Merck manager flung the sample to the floor saying: "An Indian company can't make it." Since then, Reddy has made it a personal mission to put India on the global map for its research and development capabilities in pharmaceuticals.

And Kumar has no doubt that he will. He says: "Dr Reddy has been exposed to the basic tenets and commandments of the industry. A scientist sees the whole business through a set of principles." What has followed has only been a reflection of that ambition. "We have earned our respect," says Reddy proudly. ■

brand. The booty could be well in excess of Rs 500 crore (\$100 million).

This has added a new dimension to DRL's research competence. For one, its amlodipine maleate will be the first branded generic sold by any Indian company in the US. Second, launching a branded generic — as opposed to a generic product — requires development of a whole new competence in marketing the brand and creating a sales force to call on doctors in the highly-competitive US market. Says DRL's vice-chairman and CEO G.V. Prasad: "We're institutionalising all our processes and creating a solid management team to take this forward."

Some time ago, another reverse-engineered product, fluoxetine, won DRL a six-month (August 2001-January 2002) exclusivity under Para IV of the US FDA (Food and Drug Administration). Now, with amlodipine maleate, DRL has broken fresh ground in its research capabil-

No. 7 Most Respected Company

Dr. Reddy's Laboratories

ONE DREAM: TO TAKE ON THE WORLD