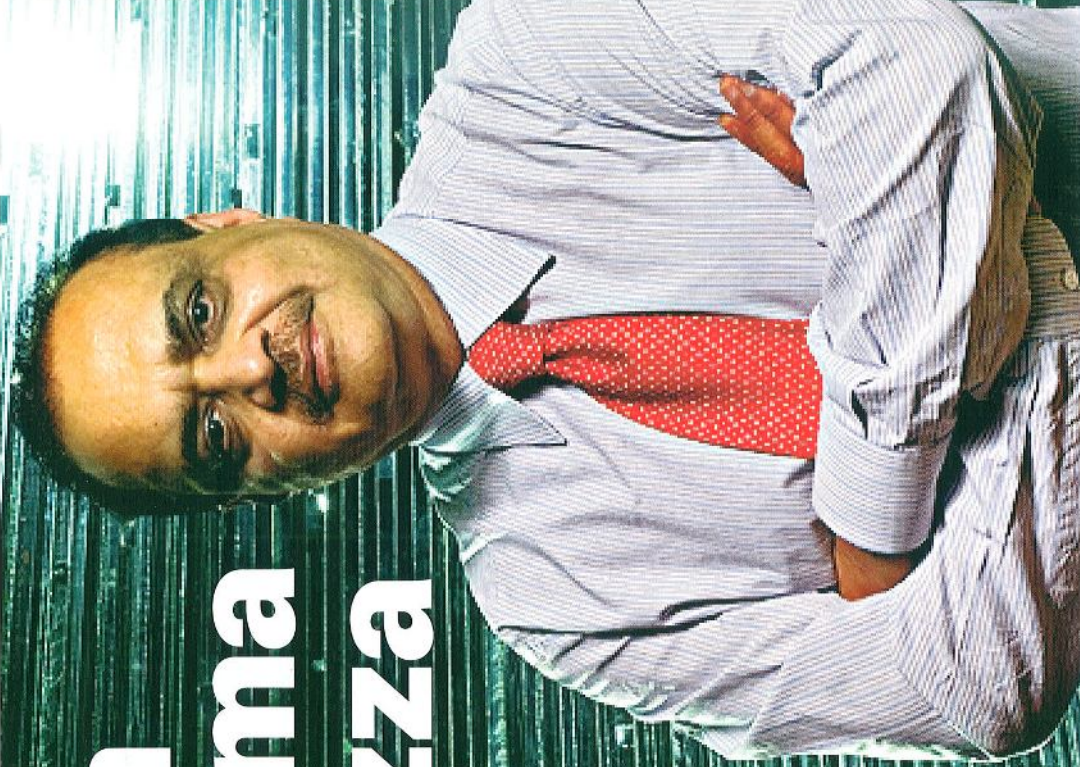


# From pharma to pizza



Global: Shyam Bhartia is bringing fast food to India

## JUBILANT BHARTIA GROUP PHARMACEUTICALS AND LIFE SCIENCES, FOOD AND AGRICULTURE, OIL AND GAS AND INDUSTRIAL CONSULTING

**Profile:** Has more than 20,000 employees worldwide with 1,400 in the US. Strong global presence through partnerships with established companies. Includes largest food service company in India, leading drug development centre, fertiliser manufacture, supermarkets, aircraft sales and maintenance and oil and gas in India and Australia. Jubilant Energy listed on AIM in London last year.

**Showpieces:** Manufacturing facilities in India and in the US expanding fast to meet growing worldwide demand for generic drugs, which contributed 78% to revenues of life science division. Team of scientists at HQ in Noida, Uttar Pradesh, engaged on research and collaborative drug trials across globe.

**Key personnel:** Brothers Shyam Bhartia, chairman and managing director, and Hari Bhartia, co-chairman and managing director, of Jubilant Life Sciences, have overseen change from traditional chemical company to drug and research-focused unit, with agricultural interests spun off to separate division last year.

**Results:** Year ending March 2011, pharmaceuticals and life sciences made net profit of £30.4m on revenues of £44.5m; agricultural and polymers made net profit of £3.8m on revenues of £73.4m; energy a net loss of £26.7m; foodworks net profit of £9.5m on revenues of £90m.

Jubilant is a key link in the global medical supply chain, says **Karen Robinson**

**S**hyam Bhartia has a business strategy that can be applied across any sector: pizza delivery, pharmaceuticals and gas extraction, to name a few, of Jubilant Bhartia group's enterprises. "Our basic philosophy is to create more opportunities for the group," he says. "And to be leaders in any industry where we are present."

Following that creed has made the life sciences company founded by Bhartia, 59, an accountant, and his chemical engineer brother Hari into India's largest CRAMS (custom research and manufacturing service) firm in India, number six in the United Nations' ranking of the world's top 10 pharma outsourcing.

Bhartia Life Sciences provides a global supply chain of vital ingredients and research for big pharma, covering

products, ingredients and services for oncology, metabolic diseases, allergies and disorders in the central nervous system. Research labs employing 1,200 people in Delhi and Bangalore are carrying out "most exciting" work, especially on diabetes. "India has the largest diabetic population in the world, in numbers and by percentage," Bhartia says. Causes are both genetic and lifestyle-driven. However, he points out that his market is far wider than India — the research and development focus at Jubilant is on global diseases, not local health issues. The company is also pioneering hospitals for "people at the bottom of the pyramid who need healthcare at reasonable cost." Given that India only

spends 1% of GDP on healthcare, "the government alone cannot provide for the unmet needs," he says. His hospitals receive no subsidy, though Jubilant is going into various public-private partnerships with local authorities to bring their hospitals "more efficient management, better medical practice and good quality staff". The scheme, he says, is giving "outstanding" Indian doctors a reason to return from overseas.

The brothers did not stop at life sciences, and Jubilant now has a raft of divisions, from agricultural polymers, oil and gas to food and retail.

Which brings us to the pizza delivery. Jubilant is master franchiser for Domino's pizzas, with branches in

80 cities, appealing to the aspirations of a young market with disposable income in its pockets. A pizza costs 60 rupees, or 80p. The QSR [quick service restaurant] franchise is only 2-3% of the total food market, but we never imagined it would grow so much," says Bhartia, who is about to launch Dunkin Donuts on the subcontinent.

Our meeting has taken place at Jubilant HQ in the Delhi satellite town of Noida — on a Saturday morning. Many employees are at their desks. Success in India's corporate world is obviously being won as much by sheer hard work as strategy and vision. As I take my leave, the lunchtime pizzas are being delivered for the staff. Ordered from Domino's, of course.