

“Indian entrepreneurs need to adopt better work culture”

...says **Shyam S Bhartia**, CMD, Jubilant Life Sciences Ltd. In a candid conversation, Bhartia discloses the varied facets of success and the road map for Jubilant Life Sciences Ltd.



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How was the transition from Vam Organic Chemicals to Jubilant Life Sciences?

It has been an exciting journey. We started as Vam Organic Chemicals Ltd with a business model to build a chemical company that used alcohol as a raw material and setup the manufacturing facility in Gajraula (UP), close to sugar mills for easy accessibility of molasses. Almost a decade ago, we stepped onto the path of transformation from a chemical company to a diversified speciality chemicals and pharmaceutical company offering a wide range of products. Today, Jubilant Life Sciences has successfully transcended onto the next phase of evolution into an integrated pharma

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and life sciences company. And considering the evolution that has transpired in the business lines, the company has classified its businesses into two verticals namely pharmaceuticals and life sciences ingredients.

How have you capitalised on the opportunities that came your way?

The company's success so

far is an outcome of its strategic focus on the pharma and life sciences industry, moving up the value chain for products and services across geographies, constantly investing in various growth platforms and promoting a culture of innovation.

What is your business strategy?

Our business strategy consists of four key pillars of growth namely integrated operations, global outreach, innovation and sustainability. Integrated operations enable moving up the value chain into higher value-added products and services through vertical integration of various business lines. Over last few years, we have demonstrated our competitive advantage by vertically integrating advance intermediates to nutrition and crop science ingredients, Active Pharmaceutical Ingredients (APIs) to generic dosage formulations and collaborative drug discovery. Inter divisional transfers accounted for 11 per cent of our FY 2012 revenues, up from 6 per cent in FY 2011 growing at 118 per cent in the period.

The key strategy of our geographical outreach is to increase penetration of our existing and new products with special emphasis on regulated markets and entry into new regions especially in emerging economies.

Through innovation, we have introduced new products in the market and continuously improved our processes and multiple technologies resulting in increased revenues and improved margins. Revenue contribution from new products introduced in last 5 years is expected to move up



from 8 per cent of sales to over 25 per cent in next 3 years.

In order to create long term sustainability, we follow triple bottom line approach of economic, environment and social performance. Our company has been receiving highest possible rating, A+ by Global Reporting Initiative (GRI) since last 6 years consecutively. We have continuous programmes for sustainable reduction in energy usage and Greenhouse Gases (GHG) emissions with focus on revenue enhancement from green products.

Challenges lay the foundation of success. How have challenges helped you? Jubilant Life Sciences has managed challenges through a collective team effort by everyone at all levels across the globe. *When we started in 1978, there was Licence Raj in India and the markets were still protected. Even then, we were still leaders in some of the products we produced, though we started late in many of those products.* When India opened up in 1990s we were thrown to intense competition, but we still managed to be profitable

by reducing our cost of production and investing in capacity and innovation.

It is only in last 10 years that we decided to focus on pharma products and today, we have been ranked number 6 among the top 10 global contract manufacturing and

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services outsourcing players of the pharma industry, according to United Nations Conference on Trade and Development (UNCTAD). This transformation was achieved in a very short period of time.

How have you been able to maintain the quality standards at Jubilant?

We aim at continuously achieving the quality of products and services that exceeds customer expectations across the globe through following measures.

We constantly explore the opportunity to upgrade our manufacturing technologies and quality standards to achieve and maintain quality leadership with thrust on eco-friendly processes. Further, we strive to create a cohesive and motivated team of international competence by providing continuous training to enhance knowledge and skills and ensure compliance to the national and international regulatory standards.

What's next?

Jubilant Life Sciences is poised to build on the growth momentum for revenue and margins in coming times. We are on a strong trajectory to achieve a Compounded Annual Revenue Growth (CAGR) of over 20 per cent in next 3 years yielding into an even higher growth in operating profits due to operating leverage and efficiencies.

Message to budding entrepreneurs

There are no shortcuts for success and we must compete with the best in the world. Indian entrepreneurs need to adopt better work culture. **MR**

Quick bytes

Three things that you would regard as must for work culture

- » Working towards innovative solutions
- » Care for the environment and safety
- » Sharing knowledge and learning from each other

Three non-tangential things important to you

- » Love for my family
- » Respect for my colleagues and peers
- » Code of ethics

Three qualities that you appreciate in your colleagues

- » Honesty
- » Ambition
- » Purpose in life

Success to you means...

- » Economic and social growth of our stakeholders

Your vision in life

- » To attain and retain global leadership position in chosen businesses