

More Exits From Ranbaxy's Top Management Team

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from Daiichi Sankyo

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New Delhi: Ranbaxy Laboratories' global HR head Sandeep Girotra has stepped down while its president of global pharma business, Rajiv Gulati, plans to leave soon, continuing the shake-up in senior management at the drugmaker that began a few months ago.

Both Girotra and Gulati have been part of the executive management council, the 10-member apex body that provides functional leadership to the company, people familiar with the matter told ET, confirming the development.

A Ranbaxy spokesperson refused to comment on the matter.

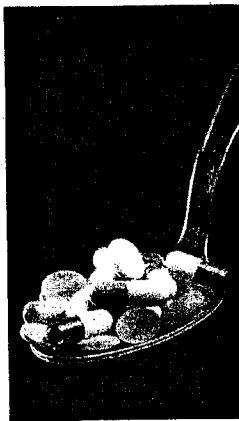
ET had last month reported that Arno Gessner was being elevated to the position of head of global quality at the company in place of Dale Adkisson, who had quit the company. Besides, Ranbaxy has appointed Alexander Gebauer as its new head of global research and development. Gessner and Gebauer, both German, have been inducted in the executive management council of the drug firm.

These executive level changes come within months of rival drugmaker Sun Pharma agreeing to acquire Ranbaxy from its Japanese parent, Daiichi Sankyo in a transaction worth \$4 billion.

Adkisson, a Daiichi veteran, was Ranbaxy's global quality and compliance head. He had joined Ranbaxy in early 2010 when the company was dogged by regulatory setbacks in the United States. Gessner, who replaces him, was Ranbaxy's regional director of quality in charge of Europe, Africa and East Europe. Gebauer was formerly the R&D chief of Merz Pharma, a German specialty research firm, and has worked with French innovator drug firm Sanofi Aventis.

He steps into the role of Sudershan Arora, whose post had fallen vacant after he retired as the president of R&D last year.

Gulati has been on a long leave for personal reasons and during this period his work has been looked after by Ranjan Chakravarti as additional charge, a person familiar with the matter



said. Chakravarti serves as the head of transformation and business consulting and, more importantly, also heads the integration committee that Ranbaxy and Sun have formed to ease the process of merger. Gulati plans to leave by September, the person added.

With the fresh exits, nearly half of the members who were part of Ranbaxy's executive committee two years ago will no longer be part of the team. These include TL Easwar, Ranbaxy's former API head, who had left the firm more than a month before Sun announced its acquisition plan.

Ever since the takeover was announced in April, speculation has been rife about possible senior management-level changes at Ranbaxy. "People at Ranbaxy have been anxious about their jobs, particularly because many of them earn much higher salaries than industry standards, including that of Sun," a headhunter said on condition of anonymity.

Sun Pharma's managing director Dilip Shanghvi, in his first meeting with Ranbaxy's senior management team in a Mumbai hotel in July, had assured that sacking was not his style of going about doing business after an acquisition. For the growth that he envisages for the combined entity, the company would need to hire many more people than what the two organisations together had, he told the country heads of Ranbaxy.

The chief executive of Daiichi, George Nakayama, who visited India and addressed a town hall meeting in April, had also asked "talented" Ranbaxy executives not to worry about their prospects in the backdrop of the company getting acquired by Sun.

Company