

Venus Remedies to bank on R&D for growth



Pawan Chaudhary
CMD, Venus Remedies
talks to Sanjeev Sharma

Panchkula-based Venus Remedies is among the 10 fixed-dosage injectable manufacturers in the world. Pawan Chaudhary, chairman and managing director, Venus Remedies, talks about the growth strategy, the concept of profit centres within the organisation and expanding into new export markets.

Q: What is the growth strategy of your company?

A: Our growth strategy is centred on our research products since the generic business is prone to price erosion. The share of R&D products in our revenue has grown from 8% five years ago to around 27% now. We aim to take this to about 50% by 2017-18 with the help of our own marketing efforts and key out-licensing deals.

We have already signed a few deals and discussions are on to forge tie-ups with some other pharma giants as well. We have tied up with South African pharmaceutical firm Adcock for our research product Potentox and signed deals with Austell Laboratories, another South African company, and Goodwill Pharma, a South Korean firm, for marketing Elores, our flagship R&D product. We have taken a leap since 2010 when we filed our first patent. Since then, we have filed more than 360 patents in 60 countries, out of which we have received 102.

Q: What is the concept of profit centre in each department that the



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company follows?

A: The profit centre concept is a departure from the conventional concept of a cost centre. The moment you label a department or function as a cost centre, you take the zing out of it. Under the cost concept, each department charges from the other for the services it renders. The department is free to price its services at the market rate and thus make profit. Since the department heads are responsible for the profits of their departments, they in turn become particular about efficiency. This concept empowers the employees to manage their own affairs and keeps internal customers satisfied. We have around 30 profit and loss (P&L) statements drawn each month, one each for every department.

Q: To how many countries your company exports products?

A: Venus Remedies exports its products to around 40 countries. We aim to take this to 60 by next year. We have three manufacturing units, two in India, including Panchkula and Baddi, and one in Werne, Germany. The Venus facility at Werne is the company's gateway to

Europe. We have received 60 marketing authorisations from regulated markets across the globe and 451 marketing authorisations from emerging markets out of 642 Asean Common Technical Dossiers (ACTDs) filed.

Q: What is your focus on anti-bacterial resistance and pain management?

A: We have a basket of 25 research products in the categories of antibiotics, pain management, oncology, neurology and wound care. Out of these, 15 have been commercially launched. We are among the very few R&D-based pharma firms focusing on anti-microbial resistance (AMR). It is because of our focused approach towards AMR that our super-bug-tackling solutions like Elores and Potentox are under patent protection.

We have also set a benchmark in pain management by developing Achnil, which was recently awarded a US patent. Containing aceclofenac, a non-steroidal anti-inflammatory drug, Achnil is a pioneering product developed by the Venus Medicine Research Centre. Another painkiller developed by us, Trois, is a topical nano-emulsion that relieves all kinds of arthritic pain.

Q: What is your take on consolidation in the Indian pharma industry with MNCs acquiring Indian companies?

A: There is an opportunity for low-cost generic manufacturing with many molecules going off patent. If Indian companies are being acquired by multinationals, we also have instances of Indian companies acquiring multinational firms. The pharmaceutical industry is too fragmented to get so easily affected by a few acquisitions.

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