

GLOBAL GAME CHANGERS 2017

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LAKSH VAA-
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Director

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PUSHING INTERNATIONAL BOUNDARIES

A major player in the pharma industry in Russia, Pharmasintez's founder Punia Vikram Singh talks about his company's track record and invites Indian companies to the Russian market.

From its humble beginnings in 1997, Pharmasintez has come a long way. Although it faced tough times till 2009, growth started gathering momentum and it is now a \$200 million giant with five production facilities spread across Russia. Under the able leadership of Punia Vikram Singh, the company is now on a sprint to be a part of the billion dollar club.

Your group has 20 years of impeccable quality and advanced technology to its credit. How did your entrepreneurial journey begin?

We started Pharmasintez in 1997 while I was studying at Irkutsk State University. Previously, I ran a trade business which exported medicines from India to Russian hospitals. I realized that it was not mine solely and hence I should opt for self-production and self-manufacturing. To be independent, I began talks with banks and equipment suppliers who would invest in my business. The first factory was set up in Irkutsk by 1999. Presently, it is the largest pharmaceutical factory in Russia specializing in drugs for tuberculosis, HIV/AIDS, oncology, and hematological pathologies.

In 2016, we launched another factory in Bratsk for APIs (active pharmaceutical ingredients) to produce substances (raw materials) for all groups of drugs like anti-tuberculosis, anti-tumor drugs, ARVP, and others. This facility will produce more than 100 tons of products per year and create more than 100 job opportunities. This year on 31st May, we launched a brand new oncology facility in St Petersburg. So in all we have five factories and a cardiac drug plant is under construction in Shymkent (Republic of Kazakhstan).

What is the role of innovation in product development?

Development and production of innovative drugs is a focus area of the company. Pharmasintez is the only Russian pharmaceutical company which is involved in the development of a new drug for multidrug resistant tuberculosis (MDR-TB), PERCHLOZONE®. It was introduced in 2011 and since then we have been successfully selling it. It is also a part of the list of essential drugs for life threatening diseases. We are now in the process of clinical trials in other countries and hope to sell this there too. We are proud for possessing innovative molecules and not being a generic company.

SEROGARD® is another innovative product from our stable. Many patients face adhesion issues after a surgery. Hence we developed this unique drug which is used to prevent adhesion. We are the first in the world to introduce this high-efficiency product. As of now we are conducting the second phase of clinical trials in Russia. In USA, we are still regulating the pre-clinical trials and we hope to get the US FDA permission for the next level of clinical

trials. SEROGARD® will revolutionize surgeries.

You are now looking to forge an association with Indian manufacturers. What prompted this business move? What sort of collaborations are you seeking?

There are many advanced Indian pharmaceutical companies which have rich experience in innovative molecules and the biotech industry. There are plenty of firms in Russia interested in collaborations with Indian companies. We want to plunge into new form of drugs, targeting therapy, and something really innovative that will be useful and effective than existing products.

Besides, Indian pharmaceutical companies have a good experience in patenting. It is a very important issue for us because we want to be the first in the Russian market. Notable Indian pharma companies focus mainly on markets in USA and Europe. With this they are missing opportunities that the Russian market offers.

The pharma industry around the world is in a state of flux. What trends do you see emerging in the near future?

10 years ago, Russia used to import anti-tuberculosis products and today it exports the same. Pharmasintez played a key role in this change. Talking about the HRV market, 5 years ago the import was almost 95%, today it is less than 50%. To top it all, 50% of anti-tuberculosis and HRV products in Russia are supplied by Pharmasintez. Our company is doing a commendable job in import substitution, thanks to the government's support and particularly the State programme Development of the Pharmaceutical and Medical Industry 2020. The programme also motivates and supports producers. The Russian pharmaceutical market is attractive, you need to invest in Russia, have partners in Russia, and produce in Russia. It is a very good initiative by the Russian government.

What sort of challenges do you face?

The biggest problem is finding specialists for the pharmaceutical market and those who are good in substance production. Hence we have devised a plan where in we look for students, sign contracts with them, and send them for specialized education. As per this plan, we will have 2000 specialized employees by 2020.

Your group is strongly committed to philanthropy and CSR. What has your contribution been in these areas?

We are dedicated to helping tuberculosis centers, especially for children. We have been funding anti-tuberculosis hospitals for many years now. We sponsor programs for invalid people and the underprivileged. There are a lot of programs that run in the company and we regularly conduct them.



Punia Vikram Singh
CEO, Pharmasynthez