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## Communication Feature



### Nikhil Chopra

*CEO and Whole Time Director  
J B Chemicals and Pharmaceuticals Ltd*

“ Healthcare has started getting the type of attention it deserves ”

*The pharmaceutical sector in India is poised to carve out a remarkable growth curve, and as **Nikhil Chopra**, CEO and Whole Time Director, J B Chemicals and Pharmaceuticals Ltd., points out in this interview, their company is ready to spin bigger benefits with a well-planned strategy*

#### In your opinion, how is the current situation of the Indian pharmaceutical industry?

India is the pharmacy capital of the world. We provide world-class medicines at affordable prices to India and the world. Especially, in India we are privileged that affordable and quality medicine access is marking new benchmarks thanks to the strength and capabilities of indigenous pharmaceutical companies and their manufacturing prowess. Further, the Indian pharmaceutical industry has evolved tremendously in the last couple of decades. With the pandemic, the awareness about overall wellbeing will certainly gather momentum.

The pharmaceutical sector plays a critical and pivotal role in addressing these changing needs and also plays an indispensable role in improving healthcare access. Even in the Union Budget 2021, the pharmaceutical and healthcare sector managed to get the necessary attention. Overall, the pharmaceutical industry will witness a growth of 9-10% in the coming years and the Indian pharmaceutical industry is poised to become one of the leading partners.

#### What are the factors that boosted the company's margin ratios in FY20 as compared to FY19?

The business continued to show encouraging momentum and registered a very healthy growth rate in Q3. India business

continues to witness a positive trend in the chronic segment and we are among the fastest growing companies in IPM. In the post-pandemic world, the Indian pharmaceutical industry got its due recognition and an opportunity to showcase its strength in helping the world heal from the daunting challenge.

On the back of this, the operational and revenue momentum continued with strong contributions from domestic and international business. Largely it has been the India formulations business which is witnessing healthy trend in the chronic segment, especially in the segments of cardiovascular and anti-hypertensive. Apart from that, the international business has also been able to contribute, with the USA and South Africa being major growth contributors.

#### What are your future plans of capex investments and expansions?

JBCPL enjoys a strong legacy and we will look at leveraging the manufacturing capabilities to the optimum. We have a strong leadership team and we will look at building the momentum and chart out strategic blueprints across geographies. However, we will also look at further strengthening our leadership team in various domains such as investor relations, legal and research and development. We will be ramping up our research and development capabilities and for this we are working on being

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able to get engaged on on at least 8-10 ongoing projects.

We already have around 14 ANDAs which are approved in the US, where we are closely working with our partner. We are putting a team in place to build a strong portfolio pipeline across geographies to ensure sustainable and profitable growth. As for our manufacturing capabilities, partly we are well-covered for our short-term capacity requirements; however, we will not shy away from investing during mid or long-term periods to capture any international and CMO business opportunities.

We understand the need to get into the digital world and want to complement our physical presence with the help of enabling our team with technology which will facilitate us in bringing customer delight to our internal stakeholders, our people, doctors, etc. So, we want to get into the world of 'phygital' which is a combination of physical and digital. Starting with India, we have put in place some processes and systems such as sales force automation, sales force excellence, closed loop marketing, etc. We are also exploring the digital route to design a patient-centric model which will further help patients.

### **What is your company's growth outlook in the coming five years?**

Going forward, while our immediate focus will be to drive productivity enhancement opportunities within the India business along with a strong focus on cost optimisation, over the medium to long term we plan to scale up investments in research and development and other organisational enhancement initiatives to build a more forward-looking progressive portfolio and drive value for all our stakeholders. Our biggest bet is India, where we have 2,000 people on ground. Up to 50 per cent of our revenue comes from India. In India, we will continue to organically leverage the opportunities that we have in hand. We continue to deliver market beating performance.

We want to maintain this momentum and diversify into newer categories that can be in generic formulations, wellness, etc. Equally, we will be looking for acquisition opportunities, buying out brands or mid-sized companies. The second opportunity is in the form of lozenges, where we work closely with many big multinationals that have the capability of creating big brands. We intend to partner with such companies and help them in lifecycle management. This business has huge potential to grow because JBCPL is uniquely poised in terms of

its offerings and we have a remarkable facility in Daman – one which is only dedicated to lozenges.

The third factor is that whether it is India, South Africa or Russia – all the geographies where we are present in ROW – we are looking to dive deeper and not go wide. We have enough presence and we are now looking at augmenting the business with the right progressive portfolio to reach doctors and patients which will help us in building an agile company.

### **Can you elaborate a bit more on the lozenges' opportunity for JBCPL?**

In lozenges there are medicated and non-medicated lozenges and in both we have market-leading capability. We have a varied portfolio of lozenges ranging from nicotine lozenges, sugar and sugar-free, curcumin lozenges, Vitamin C lozenges, etc. With the increased attention on overall wellbeing, we believe we can play a critical role in catering to this need in India. For lozenges it is crucial that the product remains stable i.e. it reaches the patient in the same condition from the time of manufacturing and we have demonstrated our expertise in this domain.

Outside India we are already working with partners in South Africa, Russia, Australia, New Zealand and Canada and now the emphasis is on further collaborating with them to better understand what their research is showing and what newer options are needed in those markets. This enhanced partnership will help us to cater to their demands and also bring us closer to meet their lifecycle management needs and demands.

### **What is your take on Union Budget 2021? How has the pharmaceutical sector fared?**

First of all I would like to congratulate the Government of India, our Finance Minister Nirmala Sitharaman and Prime Minister Narendra Modi not only for the Union Budget but also for the initiatives undertaken pre- budget as those steps enabled in the production of vaccines. The great amount of work put in by them has resulted in not only one but two vaccines due to which India is now supplying vaccines to other countries. This highlights the strength of the pharmaceutical sector in the country and appreciation is in order for allowing all of this to happen. Overall, the pandemic has taught us that healthcare has to be looked at from a different perspective. This is a holistic budget and healthcare has started getting the type of attention it needs. I am personally very pleased with the initiatives that the government has taken. ■