



THE PATEL EXPRESS: The amazing story of Pankaj Patel

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No, this is not the rags-to-riches story of a successful businessman.

This is also not the saga of a man who has come to an unknown city with just bare minimum from his village and makes it big struggling against odds. In short, this is not the tale of an entrepreneur who has created something out of nothing.

But wait, do not jump the guns, it is an interesting story nonetheless. It is full of struggles and quite inspiring. It involves the acumen of knowing the challenges in the changing circumstances and facing those challenges from the front. Though this story may not have the ingredients of typical struggle of the old generation for laying the foundation of an edifice of prosperity, it has the story of creating a strong building on a strong pillar. It has the funda of modern times and involves the next generation's intrepid entrepreneur's insight and subsequent success.

This is the story of Pankajbhai Patel, the owner of Ahmedabad-based

pharmaceutical company Zydus Cadilla having the market capitalization of Rs. 13308.65 crore. Pankajbhai Patel makes Aten tablet used by most to control their BP or the Sugar Free meant to be used by Diabetic patients or Ever Youth Face Wash used by women. While the threat of Swine Flu is looming large on the nation, this enterprising Patel has taken up the challenge of making H1N1 vaccine for the first time in India which was recently launched in the market.

Following the split of Cadilla Laboratories in 1995, Cadilla Healthcare under Zydus Group came into being. And the Rs 200-crore Group zoomed to Rs 3700 crore in a short span of 15 years becoming the fifth largest pharma group in the country. Zydus Group has in its repertoire 200 products in India and 300 branded drugs in overseas markets and other healthcare products.

Pankaj Patel was ranked the 44th richest Indian recently having a net wealth of Rs 9954 crore by the famous Forbes magazine last year. His name has also figured in the World Pharmaceuticals Frontiers, a list of the most influential people in the healthcare sector.

Pankajbhai Patel has a habit of doodling away on paper while thinking about future projects. In case of leisure, curvy patterns will be drawn on the paper while his mind will drift to future planning.

But these are no random patterns drawn on the paper. They represent the fate line of the company-the fate line that is engraved in the midst of past experiences and future challenges.

Today we want to know the past, present and the future of the person who draws this fate line. Father Ramanbhai Patel charted the course of the company along which Pankajbhai treaded beyond the boundaries and widened the horizons of his empire.

How is the empire? What is the secret to his success? With a view to knowing more about him, we call on Pankajbhai at his Ahmedabad-based plush office. He is a man of few words but speaks clearly and with determination. His eyes have the power of conveying the words not spoken by his tongue. Born in Karamsad, he is bestowed with a typical Patel temperament that would not mince words and calls a spade a spade if he finds anything wrong.

For the inaugural episode of the Chitralkha's Jewel of India, he starts talking and gradually emerges a picture of this unique entrepreneur.

One year before Pankajbhai was born in March 1953, his father Ramanbhai Patel along with Indravadan Modi founded Cadilla Laboratories. In childhood, Pankajbhai could have used a car while going to C N Vidhyalay, but Ramanbhai sent him to school on foot like other boys. That was the Lesson Number One of

the School of Life.

Since he was 8 years old, Pankajbhai would go to factory with Ramanbhai and would watch men working on tablets machine. Since then he had perhaps decided that he would be a pharmacist.

In any case being Ramanbhai's son it was expected and natural for him to join his father's business. So he did M Pharm from L M Pharmacy in Ahmedabad and joined his father in the year 1976. Meanwhile, the company went for a split in 1995, as Ramanbhai and Indravadanbhai parted. Both partners' sons had their respective companies. When Pankajbhai took over the Cadilla Healthcare, he was faced with two questions: His was a Rs 200-crore company whereas his overheads including staff worked out to Rs 400 crore. It was difficult to make two ends meet.

Recalling those days Pankajbhai says, „it was not a crisis, it was an opportunity. We had a Rs 400-crore strength. We employed that strength and resolved to take out turnover to Rs 1000 crore by the year 2000.“

It was a dream but Pankajbhai had a strong plan to realize it. He had gauged the wave of globalization blowing across the country. He adopted the Strategic Business Unit (SBU) concept which was not implemented by other corporate houses. He bifurcated the company departments along SBUs. It could be Rs 20 crore to Rs 50 crore SBU. Each Unit was run by a senior management. The new management policy quickened the decision making process. The company benefited from this change.

When their first dream of reaching a turnover of Rs 1000 crore by 2000 was fulfilled, Pankajbhai sowed the seed of another dream in his colleagues: to take the company to global level.

Cadilla Healthcare Company had already become a listed company in the market and on the hand, acquisition of new companies and new strategic alliance at global level were to be taken up. Pankajbhai kept accepting challenges, keeping a clear focus in mind. Today his company has a presence in 50 countries including France and Japan. Quite a few global companies are in his pockets. In 1995 there were 1500 employees working in the company. Today the company has mammoth staff strength of 11,000.

„Pankajbhai, how do you feel reaching this milestone?“

We also asked the question normally asked by all reporters.

He said,“ I am satisfied to a great extent. Till now, drug research was done in foreign countries and as per their formula we were selling the medicines.

Today the situation has undergone a sea change. Our pharma companies are now at par with any global pharma company. Talking about Cadilla, we have always emphasized on Research and Development.”

In Zydus Cadilla, Pankajbhai has taken personal interest and made a state-of-the-art R & D center where nearly 1000 scientists are working away day and night on new drugs and vaccines. He has full faith in the talents of Indian scientists. It is his dream that in India too, medical research done in overseas is done.

Those who have watched Pankajbhai work from close quarters vouch for the fact that he has an Arjun like focus on whatever he takes up. Even when you talk to him looking in his eyes, you would get an idea about his eagle eyes. He has decided not to do any business other than pharma and therefore is completely focused on pharma business.

Pankajbhai explains when asked about it:

He says: “There is no point in straying in other areas, as pharma is like the sea. You need lot of resources to do everything and this would result in needless spread of business, which would not be good.”

Even while expanding in foreign countries, he has not randomly done it. He chose the country only after studying its potential.

Of course, it is not that he is scared of taking risks. He does take risk but would not take a blind plunge in anything. He was warned when he was entering the American market but Pankajbhai had taken a calculated risk. When he takes risks, he remains prepared to take in his stride possible failures.

And what if you still fail?

See his response: „we are the sons of farmers. We will resume the farming and extract water from kicking the stone, but would not get frightened”

It is in his blood to fight against adverse circumstances without fear. Since childhood it is his habit not to sit when crisis strikes. You have to roll up your sleeve and fight it out. The fighting spirit is still unchanged.

As President of Gujarat Chamber of Commerce, he had taken on the Gujarat government and played an important role in abolition of octroi. When he chooses to fight, it is his temperament to fight it logically and take it to its logical conclusion. Any work has to be done thoroughly and completely. There is no half way about it.

You may not be knowing but this Cadilla multi-millionaire was an active leader of the Navmiraman Movement. He was one of the leaders of the Rashtriya Vidhyarthi Parishad. Those days they made a demand in Gujarat University to give mass promotion to those mischievous students, but for Pankajbhai it did not go with his principles. He left the leadership. Had he continued the leadership, perhaps he would have been equally impressive in politics. He however says: „my father used to say that nothing should be done at cost of your principles. I can fight on the side of the right, but I cannot tolerate the wrong.“

Any role model ?

In response he smiles and shakes his head. For, his father Ramanbhai has been an inspiring figure for him. Though people know Ramanbhai as founder of Cadilla, few people know that he was a sensitive poet with a soft heart. His sole poem collection **Pratiti** has been published. These lines perfectly fit his son. The meaning is that one should not feel scared walking on the path strewn with thorns. One should take them as flowrs and create one"s own way.

Though preoccupied with his business, Pankajbhai never forgets his social responsibilities. After Gujarat Vepari Mahamandal, he is now President of Ahmedabad Management Association where he creates the right stage for managers and also seeks to prepare a future generation of efficient managers. He is also of the view that if the youth coming from village get opportunities and training, they too can make good managers. He even tells young entrepreneurs:

‘Decide what you want to do in life and then work hard to fulfill your dreams. Work with a commitment. Think long term.’

When he referred to long term thinking, we asked him point blank:
„what are your plans now?“

His reply is very clear: „I am charting what will be the course of the company in next 5-10 years hence. My son Sharvil too is with me now, so we are creating a new management team“

In any case, this man is very clear about what is to be done when and is very focused about it. Despite doing several works at a time, his concentration is commendable.

Once he had gone to France in connection with acquisition of a French company. When he was going in a car discussing some important issues with the senior manager of the company, suddenly his daughter Shivani called up from Ahmedabad. She was talking about her exams. Anybody in his place would have evaded talking by saying I will call later, but not Pankajbhai. Like a doting

father, he talked to his daughter lovingly and resumed his business discussion after his conversation was over. This two-track or multi-track must be playing an important role in his success.

Besides business, Pankajbhai gives proper time to his family as well. Son Sharvil has become a doctor and has joined his father's business and daughter Shivani is also settled. He does not mix business and family. His wife Pritibahen takes care of their home and he of his business.

Pankajbhai has ensured that his relatives do not occupy good positions in the company and upset the efficient atmosphere. He has taken care to see to it that the company is run professionally by professionals. None of his relatives is in the company !

It does not mean that he is indifferent to his relations. He says, „there are other ways to help your relatives. But if the company is not run professionally, it will suffer eventually.“

When you speak to him, you realize that his stupendous success has not gone to his head. He would call even smallest of people with love. Even today he recalls what his father would say, „never consider anyone small“. He is humble enough to accept that he may be successful, but there are others in the world who have not got opportunities and therefore could not be successful

And finally, he clarifies at the end of the marathon interview with Chitralekha, „sorry, I will have to leave now, my mother has been admitted to hospital this morning. I was not to come to office but since this day was fixed for interview, I have come.“

What could be better example of professional commitment?

Pankaj Patel: Close-up

- Zydus word is taken from Zeus, who is a Greek god. The letter „D“ was added to Zeus, as a symbol of modern era and it became Zydus.
- Pankajbhai is fond of traveling. Every vacation, he would go out for outing especially near rivers or mountains.
- He has full faith in God but not in luck
- He does not wear any stone on his fingers. He thinks it is a sign of weakness.
- He does not believe in astrology, but has interest in scientific facts related to Vastu Shastra.
- Once upon a time he was passionate about watching plays in a theater. Santu Rangili is one of his favourite plays. He still loves plays but cannot spare time for them.