

YOUNG TURKS

THE location is not impressive — after all what can you expect from Princess Street, a congested medicine market. Looks aside, it's the business that matters here and that is looking up as the drugs and pharmaceuticals industry in the country move into the high growth arena. Two Gandhi brothers, Rajiv and Sanjiv have taken the initiative to cash in on the boom. They have converted a small traditional family-owned trading outfit into a multi-crore business under the umbrella of Hester (Hebrew for rising star).

32-year-old Rajiv, a commerce graduate, with diplomas in Marketing and Poultry Management and Sanjiv 29, a BA in interdisciplinary science from the USA, were not content to remain low profile distributors of raw materials for various pharmaceutical products. Their father had been in the business for years and they felt it was now time to become more visible. They had an upper hand in that they had been distributing products for multinationals which had helped them understand both the market and the business.

The first step was to give a certain focus to the business. Hence Rajiv & Associates, their first company, launched in 1985 was solely involved with the distribution of animal health products and veterinary medicine.

Soon they set up other companies to take care of the other sectors. Hester Pharmaceuticals Ltd for instance took to marketing on an all India basis, imported poultry vaccines, diagnostic kits, and health products like Selseed — an enzyme feed supplement. This company has 140 distributors, Rajiv & Associates being one of them.

"The Indian market has effectively responded to these imported vaccines," says Rajiv. The turnover in 1993-94 was 1.6 crores for poultry vaccines, inclusive of the ten per cent gained from the sale of diagnostic kits and feed additives.

Keen to specialise further, the brothers set up Diagnostics India which distributed human diagnostic kits that they acquired from Boehringer and Mannheim,



RISING STARS

Bindia Malhotra meets Rajiv and Sanjiv Gandhi, who have converted a humble distribution process into a business conglomerate

Germany. The range includes — diabetics, cholesterol and HIV detectors among others.

Having attained reasonable success with their distribution company they now decided to go onestep ahead and enter the export business as well. The outcome was Bio Link Health Care Pvt Ltd, a joint venture company in collaboration with Bio-Link Corporation Japan. The company exports herbal extracts — its turnover in 93-94 being 15 lakhs.

From mere distribution, the Gandhis' now have their eye on manufacturing. Experience tells them that there exists a market for

poultry vaccines. In India the poultry population is growing at a rate of 10-15 per cent and India is the fifth largest producer of chicken in the world. However technology-wise it is still far behind," assert the Gandhis.

The concept of poultry breeding, is becoming more scientific and professional with the multinationals showing interest in this field. "Adopting the commercial approach, wherein poultry rearing is considered a profitable business, people are using aids which will help further develop profits," says Rajiv.

— One has heard of the many hor-

ror stories — of poultry dying because of some dreaded disease. Hence the need for vaccines is essential.

The brothers have already entered into a technical and financial collaboration with Ghen Corporation Japan and Maine Biological Laboratories who have a 20 per cent share in the market in USA. Ghen on the other hand have a 51 per cent share in poultry vaccines in Japan.

The plant is under construction and they plan to go into production in March 1995. "We have ventured into this business because we wanted to indulge in something different." Life has not been easy. Since 1988, the brothers have been attending poultry trade shows in Atlanta (the largest in the world).

As the availability of vaccines in India is limited and does not meet the requirements, it is imported. The landed cost of imported vaccines is steep and the industry is consistently losing crores of rupees. "Keeping this in mind we have decided to set up this project."

The land has been purchased in Ahmedabad, which will be the head office. "Our products are unique, the vaccine range being the largest in India. Nobody else is marketing a similar product," says a proud Sanjiv. The energetic and enthusiastic duo have much to look back on. They are now on top of the Hester group that grossed Rs 4.2 crores in the last financial year.