

A profile of
Padma Shri Dr. K Raghavendra Rao
Founder & Managing Director
Orchid Chemicals & Pharmaceuticals Ltd.

Kailasam Raghavendra Rao, Founder & Managing Director of Chennai based pharmaceutical major, Orchid Chemicals & Pharmaceuticals Ltd., (Orchid) is a role model of first generation entrepreneurship. His life and career demonstrates how talented professionals can harness their entrepreneurial energy and utilize the huge opportunity offered by India to establish world-class businesses generating employment for the society and earning valuable foreign exchange for the country.

Mr. Rao established Orchid in 1992 as a 100% export oriented unit (EOU) and grew the Company rapidly into a global pharmaceutical enterprise specializing in life saving medicines. With world-class research and manufacturing facilities covering Active Pharmaceutical Ingredients (APIs) and finished dosage forms as well as infrastructure for new drug discovery, Orchid today ranks amongst the top pharmaceutical companies in India. By developing Orchid as the largest pharmaceutical corporation in the State of Tamil Nadu, Mr. Rao firmly placed Tamil Nadu on the national and international pharmaceutical canvas.

Ever since inception, Mr. Rao instilled the most stringent quality standards in his pharmaceutical enterprise. As a result, Orchid has to its credit, all the international regulatory approvals including US FDA, UK MHRA, Australian TGA and DMA, reflecting the high standards of quality and regulatory compliance which Mr. Rao has institutionalised in the enterprise. Orchid has also won several international recognitions for its environmental friendly, zero discharge facilities which reflects a progressive value system marked by sensitivity to environmental protection.

Born in Chennai, in the year 1958, Raghavendra Rao had been a brilliant student all through his career. He graduated in 1977 with a Degree in Commerce from Andhra University with a gold medal for being the topper. He pursued post-graduate studies in Management in the prestigious Indian Institute of Management, Ahmedabad in 1979. He also acquired Costing (ICWAI) and Company Secretary (ACS) qualifications while in employment making him a highly qualified professional with multiple competencies.

His early years in industry were marked by distinguished accomplishments. He started his career in 1979 with Pure Ice Creams as the Financial Controller and contributed to a turnaround in the finances of the company and a major increase in the turnover of the group in just a two year span. In his subsequent stint in Ashok Leyland, he introduced and implemented novel concepts in costing, MIS and budgeting. He later joined Standard Medicals & Pharmaceuticals Ltd., Hyderabad where he established modern bulk drug and formulation plants in Andhra Pradesh

and Karnataka as well as a chain of diagnostic centres. He could, in the process, discover his potential to establish new businesses and create wealth for the society and the nation.

In order to earn the resources required to fulfill his entrepreneurial dream, Mr. Rao took up employment in the Gulf where he single handedly created a business house comprising pharmaceuticals, steel products, garments, automobile servicing and hotels. Establishment of such high technology industrial ventures utilizing Indian talent pool was indeed a unique proposition for the Gulf economy which during those years was focused essentially on trading. This effort reflected his capability to break fresh ground in each of his endeavours.

After earning the seed capital, he returned to India in 1992 and established Orchid. Orchid's project concept as a first generation enterprise with a pioneering export orientation in the challenging global pharmaceutical field caught public imagination and attracted huge investor interest. The initial public offer was over-subscribed 18 times which was a record in those early years of economic liberalization. In fact, the establishment and growth of Orchid mirrored the country's move into an era of globalization, orchestrated by the then Finance Minister, and the current Prime Minister Dr Manmohan Singh. Mr. Rao was one of the first entrepreneurs of the economic liberalization era who demonstrated that Indian science, technology and management could establish world-class enterprises which can compete successfully against global giants on the planks of science, technology, quality and competitiveness.

Orchid has been a shining case of a forward looking strategy executed to perfection. Although Mr. Rao had to tailor the initial establishment of the company to the resources available, he quickly grasped each available opportunity, offered by liberalization, to scale up capacity, access resources, diversify technologies and eventually achieve global scale and scope. Established initially as Rs 12 crore project and commencing operations in February 1994 with an initial capacity of 100 MTs of bulk drugs per annum, Orchid aggressively added capacity of 100 MTs per annum to achieve the current capacity of over 1000 MTs and matching dosage form capacities. In the process, Orchid emerged as the leading supplier of life-saving antibiotic injections to advanced countries such as the US and Europe. In expanding and diversifying Orchid's operations to an ever increasing scale and scope, Mr. Rao distinguished between ownership and management and always strove to put the interests of the Company and national wealth creation ahead of his own ownership interests.

While earning valuable foreign exchange through export of pharmaceutical products, Mr. Rao focused on creating value for the long term by establishing state-of-the-art infrastructure for discovering and developing new drugs. Orchid's research & development facility is engaged in discovery and development of new chemical entities in the field of anti-infectives, anti-cancer, anti-diabetes and anti-inflammation therapeutics. Raghavendra Rao is passionate about discovering new

drugs and placing India in the global discovery map. A leading multi-national company has already signed up with Orchid for discovering new antibiotic drugs on an exclusive basis.

Mr. Rao's key contributions as a first generation entrepreneur to the society and the economy, to the State of Tamil Nadu and India can be summarized as follows:

- Created a global scale pharmaceutical enterprise which has achieved international recognition for its life-saving pharmaceutical product range incorporating the highest quality standards.
- Established a world-class research and manufacturing infrastructure with several state-of-the-art API and dosage form plants and drug discovery laboratories.
- Earned for the country valuable foreign exchange through exports to over 75 countries making the company a top ranking foreign exchange earner in the Indian industry.
- Established core competencies based entirely on Indian talent that could lead the global generics and innovation efforts in the chosen therapeutic classes.

Mr. Rao is a recipient of several awards and recognitions for his personal and professional accomplishments and Orchid, for its business performance. In recognition of his contribution to the Pharmaceutical Industry the Government of India also honoured him with the prestigious PADMA SHRI Award during the year 2011. Mr. Rao also received other prestigious national awards for his entrepreneurship, two of the leading awards being the India Young Business Achiever Award in 1997 and Ernst & Young Entrepreneur of the Year Award in Manufacturing in 1999. The Company won several awards for its export performance, environmental friendly operations, energy efficiency and corporate social responsibility (CSR). Orchid Trust established with the initiative of Raghavendra Rao, contributed to significant social development through schools and healthcare facilities. Orchid's CSR initiatives were recognised by the Loyola Institute with the Mother Teresa Award for the Best Corporate Citizen in 2001. He was also conferred the Doctor of Letters (Honoris Causa) by the SASTRA University in 2007 for his entrepreneurial achievements and contribution to the growth of the Indian pharmaceutical industry.

In addition to spearheading Orchid, he also serves on the boards of several national and international companies.