



CHEMINOR DRUGS LIMITED  
Annual Report 1999-2000



REPORT

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REPORT

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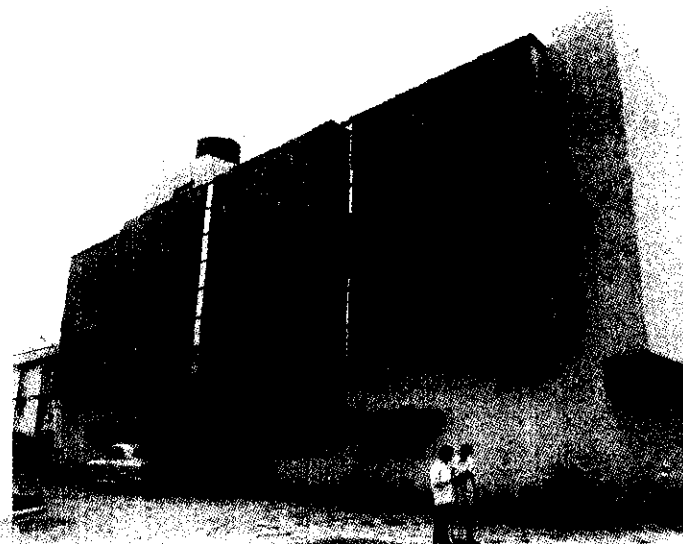


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## Year Highlights - 1999-2000

- Profit After Tax up by 26.85%
- Formulations Plant commenced Commercial Operations with the production and sales of Ranitidine 75 Mg to North America
- New Strategic Business Unit - Custom Chemical Services launched during the year. Registered a turnover of Rs. 77 Million
- 4 new molecules launched during the year : Celecoxib - a selective Cox 2 inhibitor and Zolpidem, Sibutramine, Olanzapine in the neuropsychiatric drugs category
- Successful USFDA inspection of the bulk manufacturing facility at Jeedimetla for Doxazosin and Ibuprofen (re-inspection) and Pydibheemavaram for Domperidone and Nizatidine.
- Formulations Plant successfully inspected by key regulatory agencies - USFDA and MCA(UK)
- Filing of 6 ANDA's in the USA, 3 Dossier submissions in Europe, 2 in Canada, 4 in South Africa.





## Board of Directors

1.	Dr. K. Anji Reddy	.....	Chairman
2.	P.N. Devarajan		
3.	Kamlesh S. Gandhi		
4.	S. Ragothaman		
5.	G.V. Prasad	.....	Managing Director
6.	K. Satish Reddy		
7.	S.K. Rao	.....	Nominee of ICICI
8.	Cameron Reid		
9.	Paul Kleutghen	.....	Nominee of Schein Pharmaceutical, Inc.

## Auditors

M.R. Devineni & Co.  
Chartered Accountants

## Bankers

State Bank of India  
State Bank of Mysore  
Allahabad Bank  
Global Trust Bank Ltd.  
HDFC Bank Ltd.  
HSBC Ltd.

## Registered Office

7-1-27, Ameerpet, Hyderabad - 500 016.

## Factory Addresses

Plot No. 9/A & 9/B, Phase III, IDA, Jeedimetla, R.R. District, Hyderabad, Andhra Pradesh.

Peddadevulapalli, Tripuraram Mandalam, Nalgonda District, Andhra Pradesh.

Pydibheemavaram Village, I.D.A., Ranastal Mandalam, Srikakulam District, Andhra Pradesh.

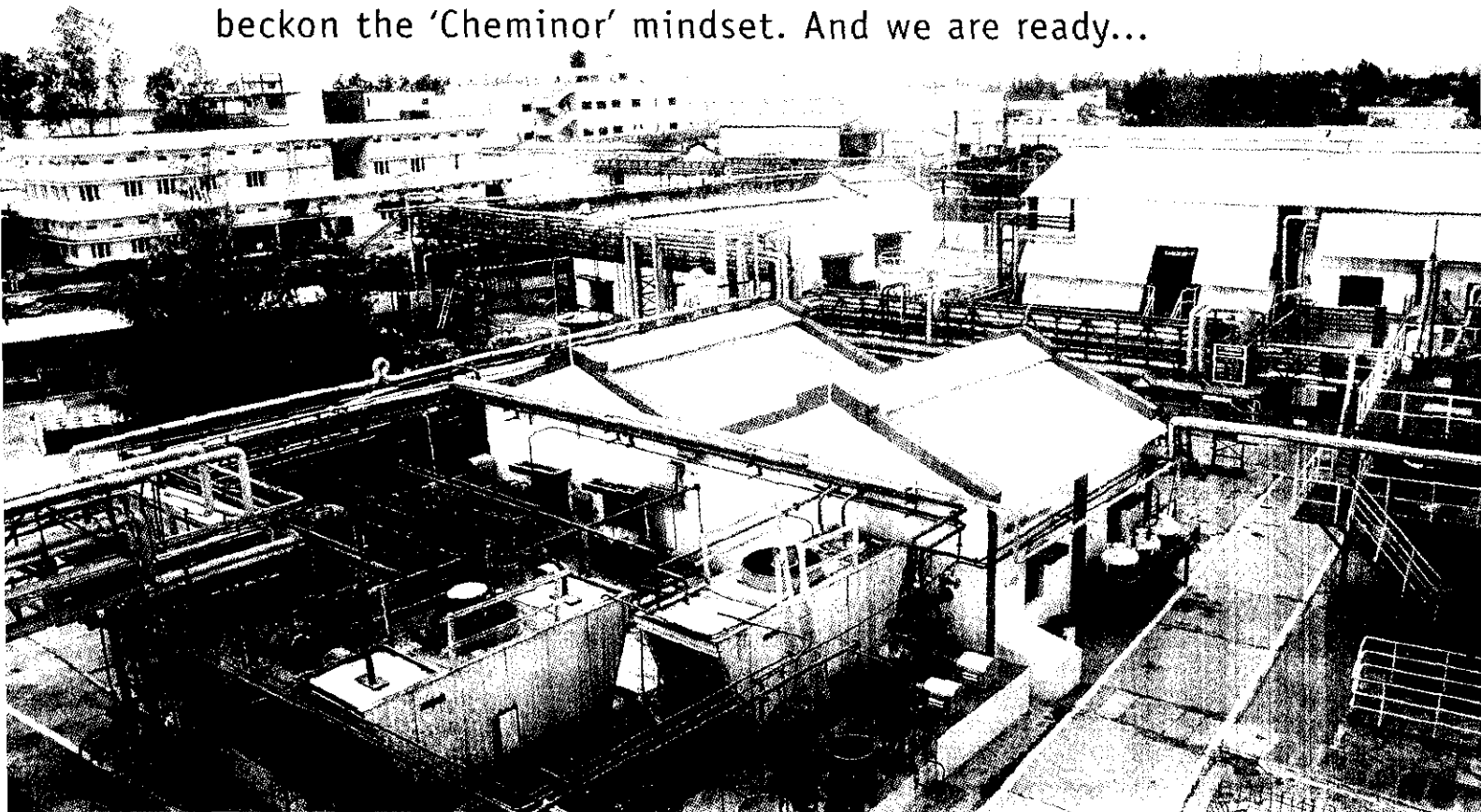
Bachepally Village, Outbullapur Mandalam, R.R. District, Andhra Pradesh

## Our journey began in 1981.

At a time when the bulk drug industry was nascent, sourcing technology from abroad was difficult and the need for companies to launch their own formulations was imperative. Cheminor began research work on developing Ibuprofen through a unique process.

From our first plant in Jeedimetla for Ibuprofen, today Cheminor has a product base of over 40 drugs and a market spread over 50 countries. A journey that has not only stood the test of time, but has also progressively created new avenues of growth, diversification and achievement.

19 years later, new horizons invite us. New opportunities beckon the 'Cheminor' mindset. And we are ready...







Over the years

An idea is born : 1981-1987

1981

- Cheminor Drugs Pvt. Ltd. is born with the acquisition of Pharmin Chemicals

1984

- Onward with Ibuprofen, onward with guts and a dream for glory.  
The first product of the company rolls out of Cheminor's first plant at Jeedimetla

1987

- Global benchmarking begins with USFDA inspection of Ibuprofen facility at Jeedimetla. Company becomes a global supplier of quality bulk actives
- Boom time initiates the construction of second manufacturing facility at Peddadevulapalli, Nalgonda District. An opportunity to expand the product portfolio

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## On the growth path : 1988-1991

**1988**

- Commencement of commercial production at the Peddadevulapalli factory
- Investment in the third manufacturing facility at Pydibheemavaram, Visakhapatnam
- Ranitidine - an anti-ulcerant introduced for the first time in India

**1989**

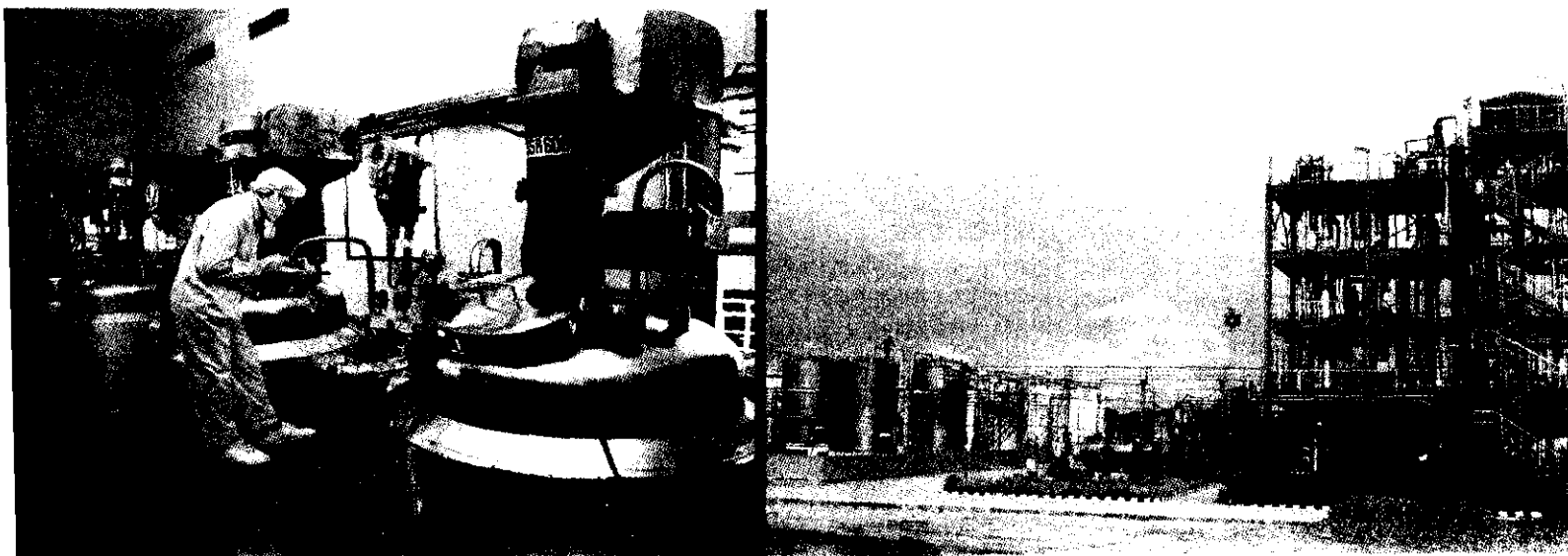
- Becomes the largest exporter of Ibuprofen to USA, Spain, Italy and Japan

**1990**

- Cheminor goes public, a new investment strategy is in place
- Focus on R&D activities pays off when it becomes the first Indian company to introduce Diltiazem and Famotidine in the Indian markets

**1991**

- Commencement of commercial production at the Pydibheemavaram plant



## Creating the critical mass : 1992-1994

1992

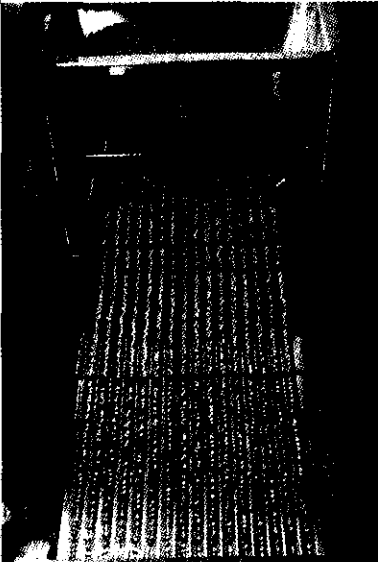
- To carve a niche in the US markets, Reddy - Cheminor Inc., is launched as a marketing subsidiary

1993

- European markets get a focussed thrust with the launch of Reddy - Cheminor SA at Paris
- Domperidone, an anti-emetic drug launched

1994

- Stepping up synergies with the amalgamation of Globe Organics Ltd. Cheminor gains synergies in production and optimum utilisation of manufacturing facilities
- R&D, an ongoing commitment gets a boost with the addition of six new sophisticated labs. Five dedicated to process development / improvements and one for analytical research





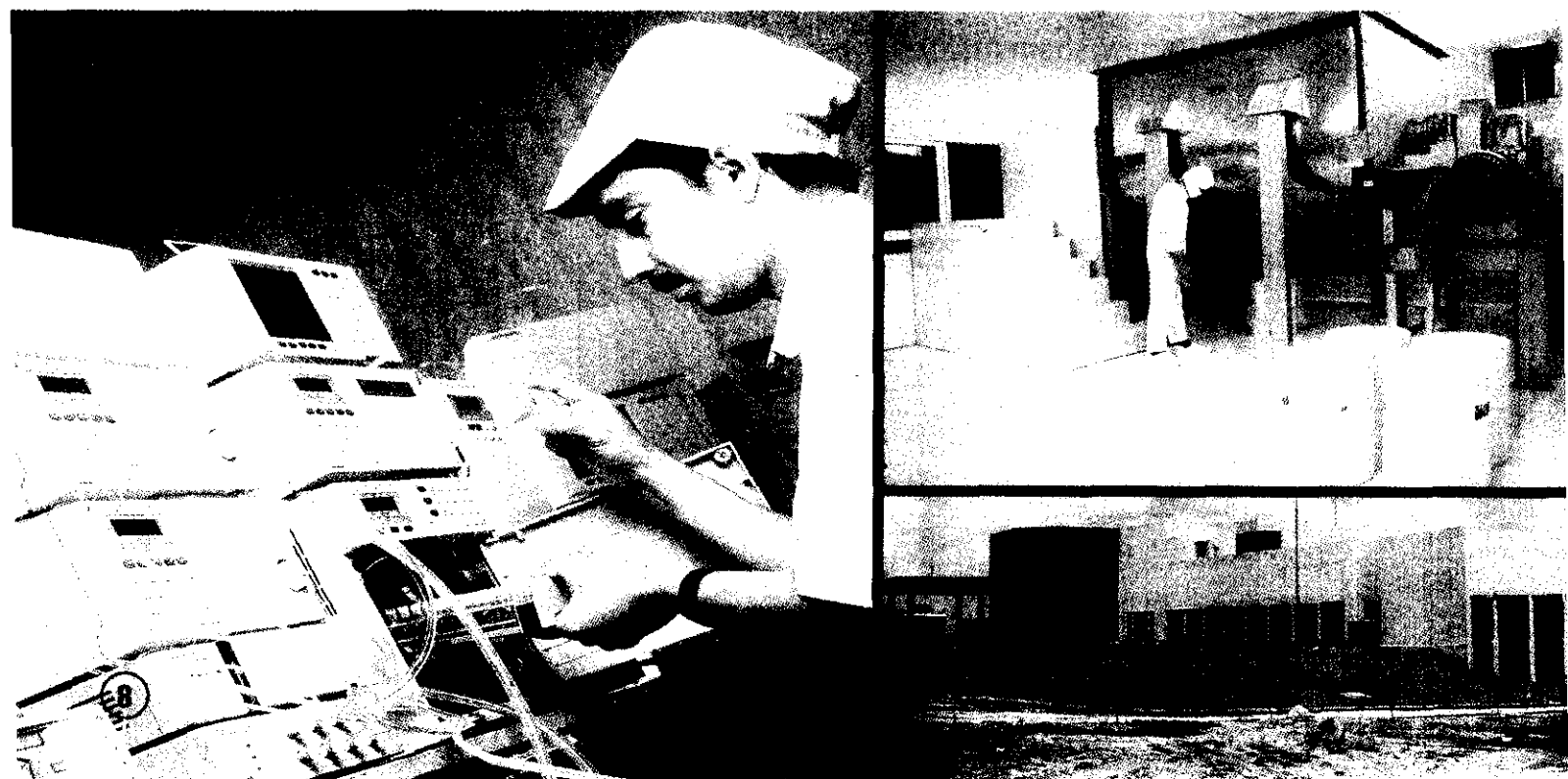
## Vertical Integration

### Value chain acceleration : 1994-1996

1994

- Vertical Integration becomes a reality. Commencement of construction of a 100% export oriented Formulations plant at Bachepally
- Dextromethorphan - antitussive drug launched by the company
- DSIR (Department of Scientific and Industrial Research) award for R&D efforts
- Enters into strategic alliance with Pharmaceutical Resources Inc., (PRI) of USA for the marketing of prescription products in the US markets to be manufactured at the Bachepally facility

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## Consolidation for continuity : 1996-2000

**1996**

- Naproxen – a Non-Steroidal Anti-Inflammatory Drug (NSAID) launched by the company from the plant at Peddadevulapalli

**1997**

- Successful USFDA inspection of the Peddadevulapalli plant for Ranitidine and Naproxen
- Entered into strategic alliance with Schein Pharmaceuticals Inc., USA and allotted two million equity shares to the company
- First ANDA (Abbreviated New Drug Application) filed in USA for Ranitidine 75 Mg tablet
- Awarded ISO 9001 certification for Design, Manufacture and Supply of Bulk Actives and Finished Dosages for all its plants and the corporate office
- Reddy-Cheminor SA made a wholly-owned subsidiary of the company by acquiring Reddy-Cheminor's stake in the company in order to get complete control over the marketing activities in the European markets
- Developed Doxazosin Masyate – only company to do so after the innovator

