

Piramal Enterprises to stop early-stage research

To focus on molecules at advanced stage of development; move to impact 200 scientists

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Piramal Enterprises is rejigging its research and development (R&D) activities with a focus on molecules that are at an advanced stage of development. The company will no longer be working on molecules at the discovery stage.

According to Swati Piramal, vice-chairperson of Piramal Enterprises, the company would move away from the discovery stage and would invest in drugs that have a better chance of moving up the clinical stages, given the costs associated with basic research.

The company would allocate more resources to the clinical teams than those involved in discovery, she added. The move will impact about 200 R&D staff at the company's Goregaon, Mumbai facility. Piramal denied laying off the scientists or offering them an option to shift to the company's other four research locations across India.

While Piramal indicated that less



Swati Piramal

than 200 scientists would be affected by this decision, sources said the number could be much higher than that. The Mumbai facility is the company's largest research centre. The others are Hyderabad, Pithampur (near Indore), Ahmedabad and Chennai.

EXPLORING NEW AVENUES

Swati Piramal, vice-chairperson, Piramal Enterprises, says that given the costs associated with basic research, the company is moving away from the discovery stage and will be investing in drugs which have a better chance of moving up the clinical stages. The company is allocating resources more to the clinical teams rather than those involved in discovery, she added.

The company's current new chemical entity pipeline revolves around anti-cancer and metabolic disorders.

Of its total healthcare manpower of 4,200, twenty-one per cent (900) are in the R&D function. About 85 per cent of its 4,984 employees are in the pharmaceutical segment, while the rest are in information management and financial services segments.

Pharmaceuticals is the largest division contributing two-thirds of its annual revenues of ₹4,500 crore.

The company's current new chemical entity pipeline revolves around anti-cancer and metabolic disorders. In the molecular imaging segment, the company has had success with its lead compound florbetaben, which has been approved by both the US Food & Drug Administration and the European Medicines Agency for clinical use. The compound helps in diagnosis of Alzheimer's disease.

The molecular imaging segment focuses on clinical solutions for cancer, neurodegenerative and cardiovascular diseases.

In another development, the company on Wednesday entered into a joint venture with Navin Fluorine to develop, manufacture and sell specialty fluorochemicals with a focus on applications in healthcare. Piramal Enterprises will have 51 per cent stake in the company and the joint venture is expected to invest ₹120 crore in the first phase of development.

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