

“As second-generation entrepreneurs, our aim is to create exciting growth opportunities and build a sustainable organisation.”

SANJEEV TAPARIA

45years

MD, Famy Care

CA, ICAI

Debut Year: 1995

ASHUTOSH TAPARIA

39years

Joint MD, Famy Care

B. Com, MBA University of Texas, Austin

Debut Year: 1995





In 1987, the Mumbai-based Taparia Group, whose flagship companies included Taparia Tools and Permanent Magnets, ventured into the contraceptive segment with the setting up of Famy Care to manufacture intra-uterine devices (IUD). In 1991, the company, led by founder JP Taparia, became the first indigenous supplier of IUDs to the Union Health Ministry. Famy Care's steep growth curve grew even steeper when, in 1998, it started manufacturing generic oral contraceptives. Today, the company is the world's biggest producer of oral birth control pills such as Mala-D. It is an approved supplier to UNFPA, PSI, Crown Agents-UK & PAHO, and its products are available in about 70 countries.

Brothers Sanjeev and Ashutosh Taparia break into a laugh when asked if they ever had any other career choices. As their father and uncles built a manufacturing business, the Taparias childhood lessons were about strategic thinking and risk-taking. That training clearly held them in good stead. At their initiative, the company ventured into the lucrative generic oral contraceptive (OC) segment which contributes to about 99% of Famy Care's total revenue. Here, they give us a glimpse into their working style, and rapport.

**Ashutosh Taparia (AT):** Famy Care was set up to manufacture intra-uterian devices, or IUDs. In 1996, soon after Sanjeev and I joined, an internal family

restructuring gave my father JP Taparia 100% ownership of the company and he divested his shares in the other group companies. In 1998, after we acquired a manufacturing plant with an eye on exports, we decided to expand into the OC business which dominated the global contraceptive market. At that time, there was a perception that Indian companies were not equipped to manufacture OCs, which is a very low-content, high-potent drug. We spent the first three years investing in knowledge, processes and people.

**Sanjeev Taparia (ST):** The turning point came in 2001, when we won our first overseas contract, that too from the United Nations Population Fund. They are the gold standard in customers because, even if our products are being supplied to, say, African countries, the procurement is being done by people in Europe who expect European quality. We got the first order for Bangladesh after repeated inspections of our facilities by European inspectors. Today, we are the



largest manufacturer of generic OC in the world. We export to Asia, Africa and South America and even European countries like Germany, UK, etc.

AT: We understand that one of the banes of a family business is ego clashes. But in Sanjeev, we have one of the most mature and most balanced persons around. Plus, we are not very far apart in age, so we are used to doing things together since childhood. That has played off very well at work too.

ST: Ashutosh and I have complementary strengths. Ashutosh has been a visionary. He has the ability to think big. He brings in the excitement that has driven the company's growth while I'm more oriented towards execution. We came in with those individual strengths, and brought diversity to the company.

AT: That has been the secret of Famy Care's success—our balanced growth is built on big visions, but tempered with stable execution. When we acquired the

OC plant, we were given an informal valuation of just about ₹10-12 crore. From then to 2010, when AIF Capital valued us at about ₹1,000 crore, it has been a very successful period and the different perspectives we brought in had an important role to play.

ST: In cases of differences in management decisions, we do have a structured mechanism in place. We consult Professor Ranjan Das of IIM Calcutta, who has been mentoring us as a group since 2005. He brings an objective, non-biased viewpoint. So although we do not have any formal constitution to guide us, we do have a structure in place.

AT: Sanjeev's two daughters and my two sons range in age from 20 years to 25 years. So we have time to think about and plan the succession. However, as and when they join, that is, if they do, we might need to put in place a family council or constitution to define roles and responsibilities.

ST: For today's businesses to succeed, it is critical to have a strong management team. We need to improve in that area. Perhaps because we have been very hands-on and involved from the early days, we have so far not needed one. But as we grow further, we will have to put in a competitive and reliable team of managers. We will need to delegate. That's a leadership goal for us.

AT: Leaders have to be able to spot opportunities. We have been able to do that consistently—spot opportunities, convert them into right strategies and execute it well. I think we have done that very well. But now we need a professional team to help us with the execution of ideas.

My favourite  
advice:  
“Your people  
make all  
the difference  
to your  
business.  
Make sure  
you focus  
on them.”  
SANJEEV TAPARIA

