

Case Study: Success story of Arjun Deshpande for establishing his startup - *Generic Aadhar*

Introduction: Arjun Deshpande, residing in Thane when he was 16 in April 2019, founded Generic Aadhar. The boy is an alumnus of DAV Public School, Thane, began his entrepreneurial journey with the aim of bringing affordable medicines to the poor. Generic Aadhaar offers a portfolio of branded, generic, homoeopathy, and Ayurveda medicines from government-approved manufacturing facilities. Generic Aadhaar supplies diabetes and hypertension drugs but will soon start offering cancer drugs at rates much lower than the market price.

Problem Identification: He identified that the medicines were not available at a reasonable rate and also the supply of generic medicine was limited. Generic medicines are marketed as branded medicines in India, so the customer ends up paying more. The precocious teen found that 60 percent of Indians didn't have access to the medicines they needed because of the high cost, brick-and-mortar stores were struggling thanks to the growing popularity of online pharmacies, and branded medicines, besides being more expensive for the end-customer, were also not profitable for retailers: Margins on them were 5 to 10 percent versus the 30 to 40 percent margins that generics offered.

Solution: He decided to make the generic medicines available at a cheaper rate and also boost their availability. Their main aim is to provide medicines at an affordable rate to millions of people. It is marketing drugs at rates lower than the market price and has also tied up with four **WHO-GMP** certified manufacturers at Palghar, Ahmedabad, Puducherry and Nagpur.

Funding support: Ratan Tata, a business tycoon got impressed with the business plan and decided to be a part of the mission in a personal capacity and help Generic Aadhaar to reach more and more people. The student entrepreneur Deshpande plans to partner with 1,000 pharmacies on a franchisee-based model and expand his reach to other states. He has also

placed a proposal with few of renowned pharmaceutical companies for more funding and also generate a higher revenue.

Business development strategy: It supplies quality generic drugs from reputed manufacturers at up to 80 per cent lesser cost and other medicines 20-30 per cent cheaper. Generic Aadhaar sources generic drugs directly from manufacturers and sells it to retailers, eliminating 16-20 per cent wholesaler margins. Thus, this start-up acts as a self-revenue model and is looking out for further collaboration. It works on the B2B2C model, where the medicines are directly brought from the WHO GMP certified factories and are supplied to local retailers resulting in the elimination of branding costs.

Achievements: The start-up boasts of an annual revenue of Rs 6 crore and is looking at a revenue of Rs 150-200 crore in the three years. It also claimed to have employed about 55 persons, including pharmacists, IT engineers and marketing professionals. Generic Aadhaar has provided all the support to the unorganised sector by bringing the right technology, IT infrastructure and branding to the forefront.

References:

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