

A yacht with Technology hull

15 April 2003 | News

image not found or type unknown



Avesthagen had a very humble beginning in 1998. Four employees, Dr. Villoo Morawala-Patell's brain, hard work and a bungalow in Sahakarnagar, Bangalore. Villoo and friends with some seed funding totaling nearly \$300,000 (Rs 1.5 crore). Now in the fifth year, Avesthagen is heralding the revolution in the staid Indian life sciences industry.



While traveling around the world Dr Villoo Morawal-Patell realized that what India needed was a powerhouse of technology in the life sciences to become a world leader. Blessed with a bountiful biodiversity and surplus skilled manpower, what we needed was a technology platform to utilize these resources. To make this a reality, Avesthagen was born to produce drought and pest resistant rice. Avesthagen has come a long way since then adding more pathways in informatics, proteomics, nutraceuticals and genomics.

Claimed to be the first genomic company in the country, Avesthagen has been rated amongst the top five life sciences companies for its business plan presented at the TiEcon, 2002 (the world's largest conference on entrepreneurship) held at Westin, Santa Clara, California in the heart of the Silicon Valley.

Avesthagen is a fully integrated bioinformatics company set up for promoting research and development in various fields of biotechnology. Avesthagen aims to improve the productivity in agriculture and develop agro-technologies that would lead to value addition in food and pharma products.

Etymologically the word Avesthagen is derived from the Persian religious system of 'Zoroastrianism', which was founded by Prophet Zarathustra. Agriculture is given a pride of place by Zoroastrians and "Avestha" stands for knowledge. Thus the

name Avestha Gengraine Technologies is symbolic of the company's application of knowledge in the areas of agricultural biotechnology and medicinal plant based drug discovery

Founded in April 1998, Avesthagen became a full-fledged company in 2000 with the restless efforts of its CEO Dr Viloo Morawala-Patell, one of India's most prolific and academically accomplished biotechnologists. The commercial ramp-up happened in the last three years with the company filing about 40 patent applications in this field.

Through these new initiatives, the company plans to achieve \$2.6 million (Rs 11 crore) of revenues in the first year and in five years, \$5.2 million (Rs 26 crore) through the sale of skincare and diabetes products. Avesthagen is developing a variety of drought tolerant GM rice which is currently undergoing field tests. The product should be in the market in four years.

Avesthagen has decided to go in for an initial public offering (IPO), after repeatedly facing the not-so-understanding faces of venture capitalists. The company has also entered into a strategic tie-up with International Crop Research Institute for Semi Arid Tropics (ICRISAT) to provide supportive services in genomics. To scale up global operations, the company is looking at additional funding and has appointed Kotak Mahindra and KPMG as global advisors for raising about \$10 million (Rs 50 crore)

Collaborations with universities, research institutions and corporations around the world, it is actively expanding its portfolio further. The technology that was used initially was developed in NCBS-TIFR (National Center for Biological sciences- Tata Institute of fundamental Research) labs through funding from the Rockefeller foundation.

Exactly after one year, Avesthagen has signed an MOU with the University of Agricultural Sciences (UAS), Bangalore, and some projects were initiated there. Avesthagen raised \$ 2 million (Rs 10 crore) as venture funding from ICICI ventures, Global Trust Bank and TATA Industries Ltd. Operating from the state-of-art-facilities in the International Technology Park, near Bangalore, Avesthagen has specific capability in laboratory information management systems, marker-aided selection, DNA micro-arrays, proteomics, GMO testing, high-throughput screening, gene mapping, gene discovery and plant transformation.

Avesthagen is also looking at setting up business development offices abroad to scan the commercial opportunities in the segments where it operates. Opportunities in seed development, contract manufacturing for pharma majors and biotech are huge, and the company is looking at an entry into the US, European and Australian markets. Avesthagen has offices in Kuala Lumpur which provide on-the-ground office support.

Avesthagen has also entered into a research-based alliance with AstraZeneca in the drug discovery program for tuberculosis. The biotech company also has a strategic tie-up with the Hyderabad-based ICRISAT (International Crop Research Institute of the Semi Arid Tropics) to provide supportive work in the genomics. The project with ICRISAT is aimed at developing improved crop varieties and will translate into definite intellectual property rights (IPRs) for both the parties. Biotechnology based agriculture is another area where Avesthagen has found its own space. As India has its own set of agricultural problems, be it climate or pests or diseases, Value added crops, pest and disease resistant varieties with specific reference to India will definitely have a place on the shelf in India. Biotech needs an assessment of the relevant factors before it is taken up. Recently Avesthagen did a study on the economic importance of drought resistant rice for Karnataka in collaboration with GREQAM " Groupe De Recherche en Economie Quantitative de Aix - Marseille under the University of Aix -Marseille. Expanding, changing premises, adopting new protocols, updating knowledge are all part of the joy and laughter tears and pain at Avesthagen. Avesthagen is constantly growing to keep up with the most current breakthroughs in the world. The interim phase was tough but they survived it and the international network has won the day.

[Roby Ajith](#)

"I am fortunate in my team with an intimate involvement"

In a recent write up, an Indian magazine asked: why Basmati rice has a unique aroma? It then answered grandly: Because Dr. Viloo Morawala- Patell did the RNA reading of that rice genome. The magazine may have exaggerated a bit. But that is the way a section of the society looks at her with awe. A prominent speaker at biotechnology meetings, people hear her with rapt attention as she narrates the struggles, the fears, and the successes that make life as an indomitable entrepreneur. Dr. Viloo Morawala- Patell shared her experiences and expectations with Roby Ajith of BioSpectrum.