

“We will invest \$10 million in new launches, investment in new products and infrastructure improvements”

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New Delhi based Abdos Labtech is a manufacturer of high quality life sciences laboratory products. Established in 2009, the company has been prototyping, designing, developing and manufacturing high quality laboratory products for use in life sciences laboratories around the world. Guided by its vision, mission, values, brand premise and brand promise, Abdos is moving swiftly on a stable, aggressive, reliable, innovative and relationship driven path of growth and success. In conversation with BioSpectrum, Shrey Agarwal, Chief Executive Officer & Director, Abdos Labtech, talks about the company's future plans.



What were the major highlights of FY22-23 at Abdos Labtech? How much growth is expected from the India business?

Over the last three years life sciences consumables have seen lots of volatility and the brand has emerged as a long-term stable partner having supplied products to over 90 countries with 3 international subsidiaries.

In 2022-23, we have gone through massive expansion with a new 5,00,000 sq. ft. of new manufacturing space. This new expansion makes us one of the largest manufacturing plants for life sciences consumables in Asia.

We launched 40 new products and consolidated some key product lines. In liquid handling, we launched Elegant pipettes, which are one of the lightest pipettes in the world, Screw Cap Tubes, maxiRCFTM (Trace Metal Free) Centrifuge Tubes, some unique offering in microbiology. We launched our manufacturing plant for the entire product line of PCR Tubes, Strips and Plates. For the biopharma industry, we launched Media Bottle and relaunched Biofill Filtration Systems.

On the marketing front, we onboarded a large media house for enhancing our marketing and communication strategy. The consumers and public at large will see a more focused and meaningful communication. We consolidated our brand promise, marketing premise and go-to-market strategy. The idea is to not just communicate about Abdos but to bring life science as an industry into the spotlight.

On the IT front, we launched our Customer Relationship Management (CRM) portal to make a customer focus company. This launch is in line with our 'focused on the customer' approach.

On the certification front, we were the first in the industry to receive our IVDR and UKCA certifications. In short, a very

exciting year with lots of new development and lots of activity.

After the huge COVID growth, for two years we have had a softening in the demand but still we saw robust growth last year. In the India business, we grew by 30% in 2022-23 over 2021-22 and in our international market, we grew by 60% in 2022-23 over 2021-22. This growth was due to the right product mix, extremely strong marketing initiatives, competitive pricing and distribution reach. I do believe we will continue in the same growth path over the next three years.

What plans are in store for FY23-24 for the Indian market, and globally? Any new launches, partnerships, investments in the pipeline?

2023-24 will be in line with the high expectations our stakeholders have on us. We will invest in a new modern state-of-the-art warehousing system. We will further expand our PCR range of products, microbiology range of products with the addition of RODAC and Square Plates. We will continue to invest in higher capacity on our centrifuge products and become the largest manufacturer of Centrifuge Tubes and Micro Centrifuge Tubes in India.

In the Indian market, we are recognised as a key player in life sciences consumables. New partnerships and contracts are explored with key customers in biopharma, pharma, applied and industrial. Key marketing initiatives are being undertaken in renowned research labs like Indian Council of Agricultural Research (ICAR) and Council of Scientific & Industrial Research (CSIR).

On the global front, we will consolidate our US operations with addition of new team members for US and consolidation of our US operations. We will add at least 20 new channel partners in the US. Our Europe subsidiary is growing phenomenally with growth of 70% and we expect the same this year. We will invest \$10 million in new launches, investment in new products and infrastructure improvements.

What new trends do you foresee within the biosupplier market in 2023 and beyond, particularly for the Indian market?

The new trends within the biosupplier market that we definitely need to lookout for include the following-

Artificial Intelligence (AI) is commonly being used in many industries like pharma, biotech and healthcare. Pharma companies use this technology to streamline drug discovery process, accelerate R&D, and create affordable medicines and therapies. Biotech companies use this technology to identify biomarkers while diagnostic companies use it for image classification to help diagnose diseases like cancer. Sustainability is another trend that the industry is fast catching on. Businesses today are focusing on waste reduction, green packaging and green production to stay ahead along with the need for sustainable and eco-friendly products like Centrifuge Tubes and manufacturing practices for the life sciences industry.

Another important trend that the life sciences industry cannot ignore is the integration of digital technologies to enhance efficiency, accuracy and productivity. The industry at large is looking to increase its use of automation, robotics, and artificial intelligence in laboratory workflows, supply chain management and quality control processes. Leverage the benefits of Government initiatives. Take advantage of the Government's funding, policy reforms and infrastructure development which can help promote research & development, entrepreneurship and collaboration between industry and academia.

Contract Research Organisations (CROs) and Contract Manufacturing Organisations (CMOs) play an important role in the science market. This will broaden the scope of opportunities for Indian labware manufacturers to provide cost-effective and high-quality services. Another trend to lookout for quality assurance and regulatory compliance. This is extremely crucial for labware manufacturers as they need to have stricter regulations for product safety, traceability and data integrity. Abdos Life Sciences addresses these compliance requirements well and invests in robust quality control measures to gain competitive edge.

Can India emerge as a leader in vaccine R&D and drug discovery in the coming years? What factors could drive this growth? How can Abdos help in this regard?

India has a very strong pharmaceutical industry and a vast scientific talent pool, which contributes for advancements in healthcare, medicines, R&D and vaccines. India is already known for producing generic drugs and is popularly known as the "pharmacy of the world". India has a robust pharmaceutical infrastructure and a well-established regulatory framework, to manufacture wide variety and affordable drugs. All these expertise and capability I do feel India can emerge to be the leader

in vaccine R&D and drug discovery.

India has the capability of a vast patient pool for clinical trial and epidemiological study that makes our scientists get enough insights into various diseases and their treatment techniques through oral, injectable or vaccine. Companies like Serum Institute of India, Bharat Biotech, Biocon and many more are doing the right and channelised investment in R&D to build on this advantage and contribute to the growth of our pharma and biopharma industries.

The Indian Government has taken several initiatives to promote the Indian industries like “Make in India” campaign. The Department of Pharmaceuticals is trying its level best to initiate domestic manufacturing of vaccine and biopharma raw materials so that India does not have to depend on other countries. The Indian Government is clearly gearing up to be well-prepared for future pandemics. All these efforts can help attract investments, promote new entrepreneurs, and create an environment conducive for vaccine and drug R&D.

Abdos is a key manufacturer for supplying critical lab consumables, which India was importing a few years back. We have given the pharmaceutical industry the option of getting high quality products at affordable prices and ‘Made in India’ for the world. We have developed products for the research, pharmaceutical, biopharma and healthcare industry so that they can perform these clinical, R&D, production and quality control through our products and services. Moreover now with Abdos ‘Made in India’ products, the pharma, bio-pharma and research industry don’t have to spend foreign currency and take the pain of imports and logistics. Abdos manufactures 450 products in 12 product categories and supplies these products to every corner of India and exports to 90 countries. All this makes me believe in a win-win solution for both Abdos and the industry at large.

What are your major expectations from the Government in support of the Indian life sciences industry?

The Government has set aside a budget of around \$2.10 billion for 2023 which is 15% higher than the previous year. The allocation is for Department of Science and Technology, Department of Biotechnology and Department of Scientific and Industrial Research. The Government through the 2023 budget is focusing on scientific research through modern techniques and AI. Healthcare and education, which has connections with life sciences, has also got a boost with increased spending of almost 1% as a percentage of GDP over 2020.

But, there is still a long way to go for the Indian life sciences industry compared to countries like US, Germany, UK and China. The annual scientific budget of US is \$210 billion for 2023. Government expenditure on science and technology in China is \$47 billion for 2023 and government expenditure on science and development in Germany is over Euro 100 billion. All these numbers make me feel that India still has a long way to progress and we need focused approach by the Government to support research and development as the 21st century era will be won by countries that are strong in innovation and sustainability.

Dr Manbeena Chawla

(manbeena.chawla@mmactiv.com)