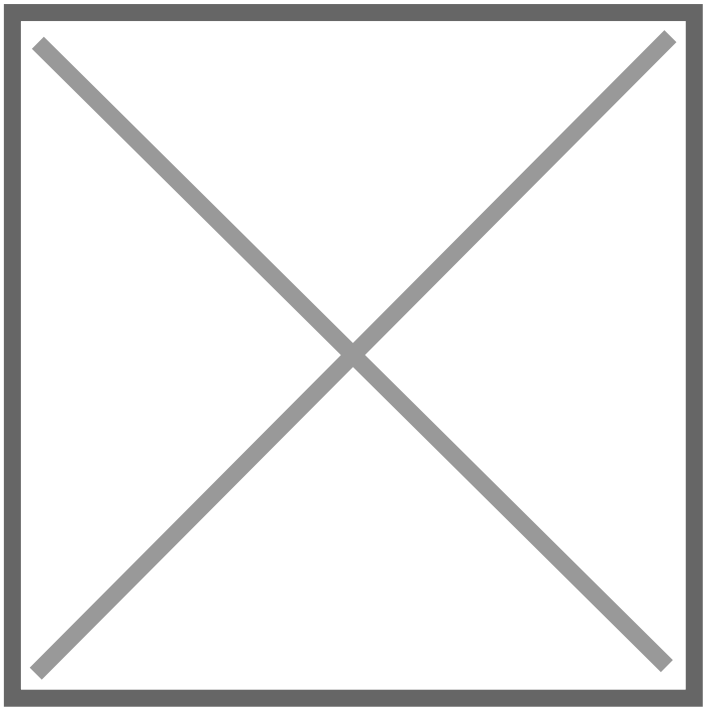
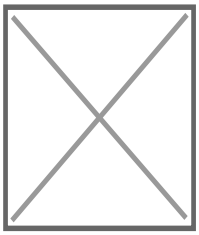
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Growing Up Fast

12 August 2004 | News





Five years ago, there was no biotech industry to speak of in India. Biotech was confined mostly to a few dozen national research laboratories and universities. And a few romantic entrepreneurs were struggling to keep their dreams going on. The few mentions about biotechnology industry were just guesses, both about the size and the number of players

But what a change 21st century has brought to this industry. In early 2003, both BioSpectrum and ABLE were born. Together, both the institutions decided to map the biotech industry. In September 2003, the first-ever biotech industry sizing was unveiled. Then itself, the contours of the industry were visible. About 150 companies and Rs 1,840 crore in revenues. The widespread interest, which the survey generated, had other benefits. The hidden numbers of the industry, which was beginning to take shape, were becoming visible. With better information, we revised the industry size to Rs 2,345 crore in 2002-03. Now this is the base on which the biotech foundation is being built.

This issue presents the continuation of that pioneering effort. The industry's response has been overwhelming. More than double the number of companies, mostly privately held and the Indian branches of global giants readily shared their numbers, their plans and projections with us. The numbers speak for themselves. The 2nd BioSpectrum-ABLE Survey of the biotech industry is a blockbuster compared to the first effort. We are presenting some insights into the workings of 234 companies who have active involvement with what is known as modern biotechnology in five distinct segments- BioPharma, BioAgri, BioInformatics, BioServices and BioIndustrial. To top it all, there is a separate ranking and listing of 74 companies in the BioSuppliers category. BioSuppliers provide the backbone of the biotech industry.

Now the numbers. The core biotech industry has galloped 39 percent to reach Rs 3,265 crore or $705 million in 2003-04. Most players in the sector are highly optimistic about the coming months and the industry is all set to cross the $1 billion mark if the current momentum continues for the rest of the year. The industry has set itself a stiff target of $4.5 billion in domestic revenues and an equal number in exports by 2010. If the government removes various hurdles and clears the path for the gallop, these numbers will become reality without any fuss.

Till a few years ago, biotech players were shy about revealing their revenues. Their two-digit numbers would have been dwarfed by the galloping IT services sector. Not any longer. Suddenly some of the numbers don't seem too big. Two industry leaders, Biocon and Serum Institute are in the Rs 500 crore annual revenue range. Biocon is the industry leader with biotech revenues of Rs 502 crore and Serum Institute is a close second with Rs 491 crore. Both the companies may spring another surprise in the current year by breaching the Rs 1,000 crore barrier. People will be surprised only if this does not happen.

Many hurdles still remain in their path. There is a sense of optimism, which the new biotech secretary MK Bhan, radiates in his interactions. Elections may have taken away two strong supporters of biotech-SM Krishna of Karnataka and N Chandrababu Naidu of Andhra Pradesh. Their successors have sent out the unmistakable signal that they will do everything to help this sector. What more can the sector ask for?

