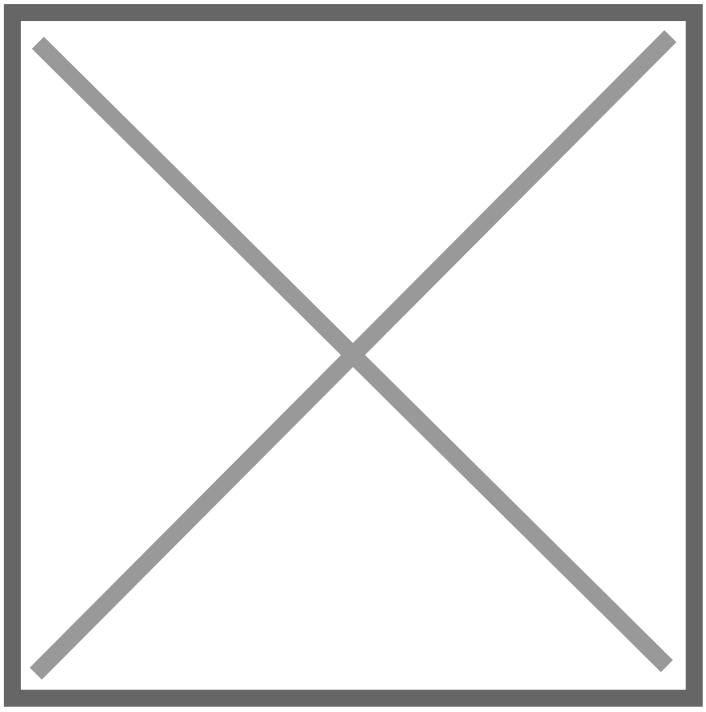


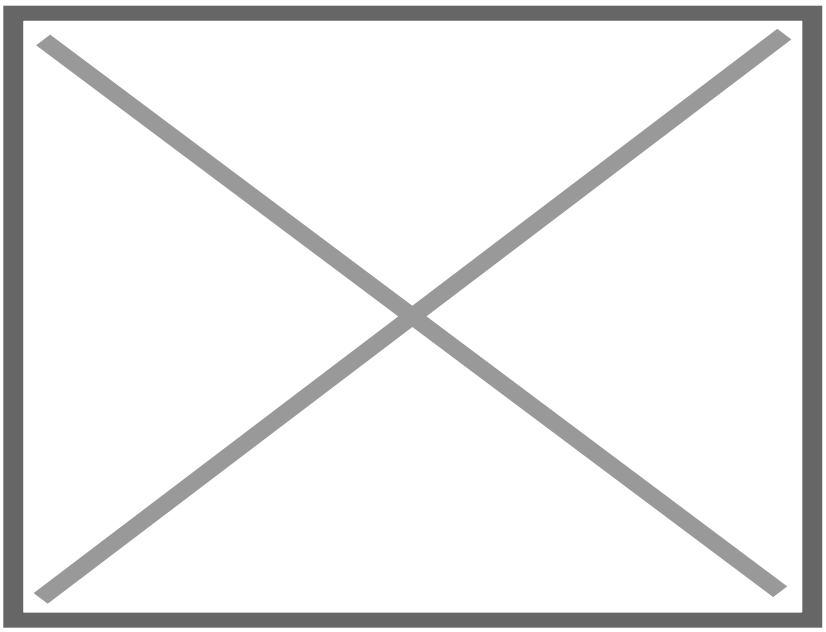
$5 billion by 2010 a possibility

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In 2004-05, the biotech industry recorded Rs 4,745 crore in sales revenues, crossing the $1 billion mark. With $1 billion milestone achieved, the big question is what will be the next milestone. Would it be $5 billion? Would it be a company from India, which will be among the top 10 ranked biotech companies in the world? Will anyone from India win a Nobel Prize? Will it be a new drug discovery from India? BioSpectrum, in this third anniversary issue, tries to find out what to expect at least in the next few years till 2010.



First things first. What would be the size of the biotech industry in 2010? Going by the past track record of the industry, BioSpectrum feels that the biotech sector will reach the $5 billion mark in 2010. Going by the current growth rate of 33-37 percent year on year, the estimate is that industry in 2005 would be close to Rs 5,000 crore, in 2007-08 it may cross the Rs 10,000 crore, touch Rs 15,000 crore mark in 2008-09, and in 2009-10 surpass Rs 20,000 crore in revenues. There have been several murmurs within the industry about the $1 billion mark. In fact, some have attributed to the inclusion of biosuppliers in

the survey. All the three BioSpectrum-ABLE Industry surveys have so far calculated the industry size excluding the sales of the biosupplier community.

It is a tall order but it is definitely attainable if the industry, government and academia, all collectively work towards this mission. Kapil Sibal, Union Minister for Science & Technology and Ocean development, observed, "My dream is not just the $5 billion, but much more. Biotech is the sunrise industry of the country in the early part of this century and I think it will make it possible to take this country forward and achieve the growth rate of 8 percent of GDP that we have been talking."

The BioPharma, BioAgri, Bioinformatics, BioIndustrial and the BioServices sectors will all be the key components in the growth of this industry. The BioPharma sector is estimated to grow to Rs 8,000 crore by 2010, the Bioservices to Rs 5,000 crore, the BioAgri to Rs 5,000 crore, BioIndustrial to Rs 1,500 crore, and Bioinformatics to Rs 1,000 crore.

In 2003-04, there were just four companies with revenues in excess of Rs 100 crore. In 2004-05, there were six. And by 2010, there would be nearly 75-100 companies with revenues in excess of Rs 100 crore. The total number of biotech companies in the country is expected to grow to 800 by 2010. At least five companies can be predicted to cross the Rs 1,000 crore mark by then.

Indian biotech companies are predicted to make a global name for themselves too. At least two biopharma companies-Serum Institute and Biocon-are positioned to be in the top 10 biotech global companies. The CRO sector too can see a few Indian companies in the Top 10 CROs-Jubilant Biosys and GV Bio. Reliance Life Sciences is another company to watch out.

By 2010, India is going to see several good clusters. According Dr MK Bhan, secretary, DBT, at present, cities like Bangalore, Hyderabad, Pune, Mumbai and even Chennai, to some extent, have developed as biotech centers. Then there are some efforts that have been initiated in a number of other places like Kolkata, Gujarat, Orissa, Himachal Pradesh and Rajasthan. Besides these city-based clusters, there can also be nation-based clusters and there are two that Dr Bhan would love to do on a national scale-one on stem cells and another on proteomics, where the partnerships/networks are across the states. BioSpectrum is optimistic that by 2010, the biotech industry in India will have a changed contours compared to that in 2005.