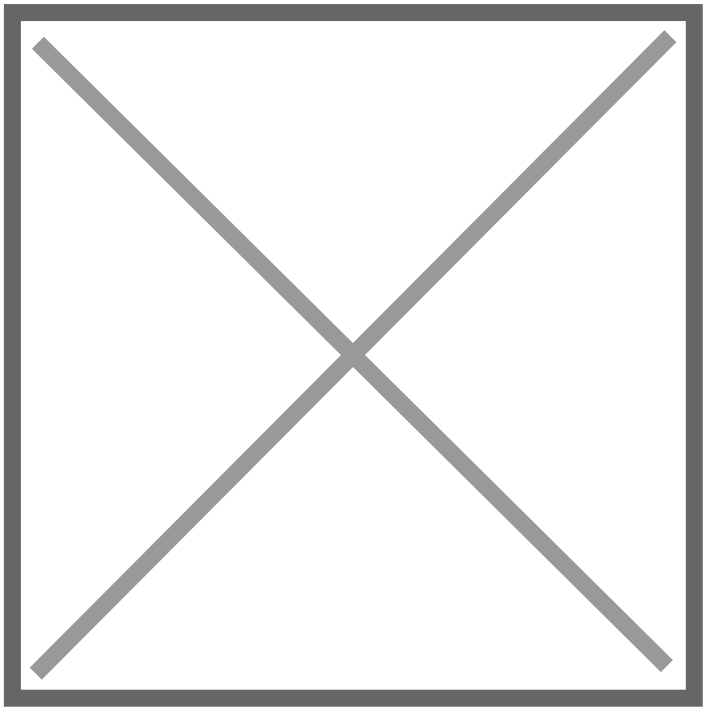
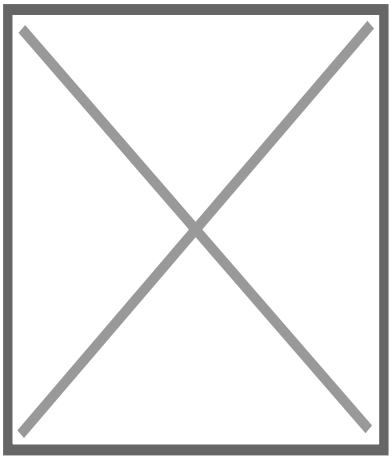
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The First Billion $

15 June 2005 | News



These are exciting times for the Indian industry. The biotechnology industry is still in the toddler stage but in its own way is contributing to the excitement all around. What better way to do it than adding over a billion dollar, $1.07 billion to be precise, in revenues in the 12 months ending March 2005.



N Suresh

It is an important threshold that has been crossed. The 2nd edition of the BioSpectrum-ABLE survey in August 2004 had forecast that the $1-billion mark might be breached in 2004-05. And the 3rd edition of the industry survey has indeed captured the burgeoning numbers of the Indian biotech sector.

The growth rate of the industry has dipped by nearly three percent over the previous year's 40 percent mark. But that was expected considering the increasing revenue base of the sector as a whole. Still, a 36.55 percent growth, helped a lot by the phenomenal revenues booked by the sale of transgenic cotton seeds of two companies - Mahyco-Monsanto and Rasi Seeds - gives the sector a lot to cheer.

There are other major contributors like Biocon, Panacea, Shantha Biotechnics, Serum Institute and Venkateshwara Hatcheries, who have maintained high growth rates to propel the biotech industry forward. Biotech industry has close linkages with the pharma sector. And the Indian pharma industry which is more than 30 years old, is only seven times bigger, will put

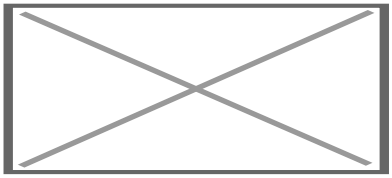
the biotech industry's figures in perspective. Globally too it was a good year and two biotech companies, Amgen ($10.6 billion) and Genentech ($4.6 billion) have entered the ranks of the Top 20 therapeutic companies for the first time.

The First Billion Dollar is an important milestone achieved collectively by the biotech sector. It is just 1.1 percent of the global biotech industry in 2004 ($91 billion, estimated by the BioSpectrum Life Sciences Advisory Services). The US continues to dominate the sector accounting for 78 percent of the industry. But other countries are making a determined effort. The efforts of the biotech industries in Europe, Australia and South Korea to match the US prowess in the decades, is captured in a special section.

The Indian government has recognized the potential of the biotech sector and is doing everything to help the sector. Our policy makers can learn from Korea's determination to become one of the "biotech superpowers" by 2012 from its current share of 2.2 percent. The Korean government is removing every barrier in the industry's path and providing every support it needs to achieve this lofty goal.

BioSpectrum and ABLE embarked on this exercise three years ago to standardize the way the industry size is measured and set the parameters for the growing industry to measure itself and also benchmark against the counterparts in an increasingly globalizing sector. It is heartening to note that the BioSpectrum-ABLE Industry Survey is now the most awaited and accepted benchmark in Indian biotechnology industry. Improvements in the survey is an ongoing exercise. As part of this, we have presented the first-ever listing of India's Top 20 Home-grown Biotechnology Companies, to capture the true spirit of Indian entrepreneurship at its best. Together, these home-grown companies have done almost as well as a wider grouping of firms that also has foreign companies.

The following pages capture the intricacies of the Indian biotechnology sector. The survey has covered the business details of 280 companies which are active in the modern biotechnology segment. There are also details about 108 BioSuppliers who are integral to the growth of the biotech companies by providing the highly specialized products and services that are essential to the growth of the industry.



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