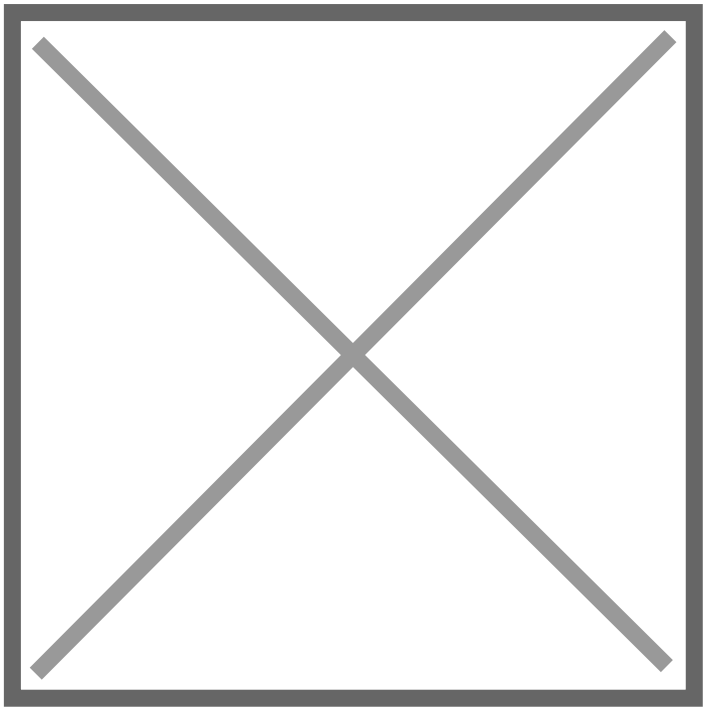
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The Innovation Continues

10 August 2004 | News



Rank 17.....Shantha Biotechnics

Revenue: 40 crore

The Innovation Continues



CEO: KI Varaprasad Reddy

Revenue: 40 crore

Start-up year: 1993

Business: Research, development, manufacture and marketing of biotechnology-based human health care products

Address: Serene Chambers, 3rd Floor, Banjara Hills, Road No. 7, Hyderabad - 500 034
Tel.: 91-40-23608843/23548507/23543010
Fax: 91-40-23548476/23541713

Website: www.shanthabiotech.com

Vital stats

Year	Turnover (Rs crore)	Investment (Rs crore)
2003-04	40	
2002-03	26.29	6

Year	Employees
2003-04	
2002-03	

Shantha Biotechnics was founded in 1993 by Varaprasad Reddy and his pioneering zeal sparked off a biotechnology revolution in the country. Today, Shantha's business has diversified across the entire spectrum of contract research, co-development and contract manufacturing. Shantha has proven its capabilities through development of innovative biotechnologies and successful commercialization of biologicals. Shantha has successfully partnered companies like Pfizer

and Baxter in India. Shantha's business in 2003-04 stood at Rs 40 crore.

It was the first to have the launched a r-DNA hepatitis-B vaccine, Shanvac-B, as early as 1997. Following this, it introduced several other new products. It launched Shanferon in 2002, the world's first recombinant human interferon alpha 2b expressed in Pichia pastoris. And in 2003, it announced its third recombinant product, Shankinase, a recombinant streptokinase used for myocardial infarction. Though launched in the second half of the year in 2003, this product could not be launched commercially as it was engulfed in a controversy following the regulator's decision to relook into the matter. This product may be commercially introduced this fiscal.

Shantha's Indian hepatitis B vaccine is pre-qualified by World Health Organization (WHO). This business accounted for over 86 percent of its total sales. It expects to see 65 percent growth in the hepatitis business this fiscal. Besides vaccines, interferons and contract research services are the other important business segments. The interferon sales in 2003-04 are estimated to be Rs 2 crore and that from the R&D services at Rs 3.5 crore.

It has a good pipeline in recombinant therapeutics, vaccines and monoclonal antibodies. Shantha's research mainly covers the generic biopharmaceuticals and vaccines, new generation biologicals, and platform technologies for therapeutic antibodies. The research staff account for 18 percent of its total manpower and the company has over 15 PhDs. During the year, Shantha's total investments were Rs 30 crore. It has a 150,000 sq. ft. facilities with a 40,000 sq. ft R&D center.

This R&D center is equipped with quality instruments and infrastructure, including 8000 sq. ft. of class 10,000 area. Besides R&D, Shantha has proved itself as a quality manufacturer. Its manufacturing facility is WHO-cGMP standards complaint and includes fermenters with automatic computer controls, separate areas of API manufacturing and fill and finish, downstream purification equipment consisting of cell harvesting and cell disruption systems, chromatography, micro-filtration, ultra centrifugation and sterile filtration systems.

Shantha's exports too have been growing. It registered 30 percent growth in exports in 2003-04 over the previous year. Its total exports were Rs 15 crore. It exports to markets including Asia-Pacific, Africa, CIS and Latin America. This is in addition to supplies to various government immunization efforts and United Nations agencies like UNICEF. It is also in the process of identifying marketing partners for Europe and the US.

This year, the company aims to double its revenues. And towards that the company is likely to increase its manpower to 600 from the current 475.