

## Biotech Trend Setter

10 August 2004 | News



**Rank 1.....Biocon**

**Biotech Income: 502.52 crore**

## Biotech Trend Setter



Image not found or type unknown

It has been an outstanding year for Biocon. First, it set a new trend in the biotech industry with its initial public offering (IPO). Its public issue opened on 11 March and closed on 18 March 2004. It was the time when there was a spate of IPOs. Yet, Biocon's IPO generated an overwhelming response and the total demand was in excess of Rs 10,000 crore. The overall issue was oversubscribed by about 32 times. But more importantly, over 90 percent of the demand came at the top end of price band, i.e., Rs 315 per share.

Second, the company crossed the Rs 500 crore mark in terms of revenues. Biocon ended the fiscal at Rs 511.17 crore, almost double the size it was in the previous fiscal. The biotech income alone was Rs 502.52 crore.

**Biotech Income: 502.52 crore**

The company has evolved as an integrated biotech enterprise with focus on healthcare and enzymes, ingredients and process aids. The strong growth in 2003-04 has been led by statin sales. The total statin sales grew by over 152 percent from Rs 199.32 crore to Rs 302.84 crore. The statin sales accounted for 69 percent of its total sales. Its statins portfolio comprises Lovastatin, Simvastatin, Pravastatin and Atorvastatin. During the year, it received a certificate of suitability for its Pravastatin and its manufacturing facility was US FDA approved. Its immunosuppressants grew by about 292 percent to post total sales of Rs 34.9 crore. While Mycophenolate mofetil has been sold mostly in the domestic market, Tacrolimus was launched in FY 2004. Along with the growth of the pharmaceuticals business, it continues to have a strong hold on its oldest business of enzymes. The total enzymes business grew from Rs 53.1 crore to Rs 66.5 crore, with the industrial enzymes business standing at Rs 48.07 crore. Pectinase was its largest enzyme product.

The company's success has been characterized by a set of strong corporate values, management commitment and innovation. It has increased its investments in the manufacturing and research areas. In 2003-04 its investment on R&D alone was close to Rs 9 crore, accounting for about 1.75 percent of its total turnover. During the period its overall investment grew to Rs 384.65 crore.

**Vital Stats:**

While the company's statin portfolio may be the biggest contributor, it has looked for a future beyond statins too. It has successfully developed its first recombinant human insulin at a commercial scale. Not just that, Biocon has entered into a 9-year supply agreement with Bristol-Myers Squibb, a global pharma giant and also filed a Drug Master File (DMF) for recombinant human insulin with US FDA. Further, it will also be launching its finished formulation, Insugen, in the domestic market as soon as it gets the final regulatory approvals. It has also entered the branded formulations in the cardio-diabetes segment. It recently inaugurated a central warehouse to distribute the products and a supply chain system too is in place. Also in the pipeline are streptokinase, erythropoietin, interleukin IIb, human growth hormone and anti-cancer monoclonal antibodies.

Biocon is already on a high growth path this fiscal. Revenues from the biopharmaceuticals business increased to Rs 178 crore in first quarter of FY 2005.

YEAR	Turnover (Rs crore)	Investment (Rs crore)
2003-04	502.52	384.65
2002-03	254.34	72
2001-02	161.675	

YEAR	Employees
2003-04	696
2002-03	538
2001-02	469