

20. Biological E

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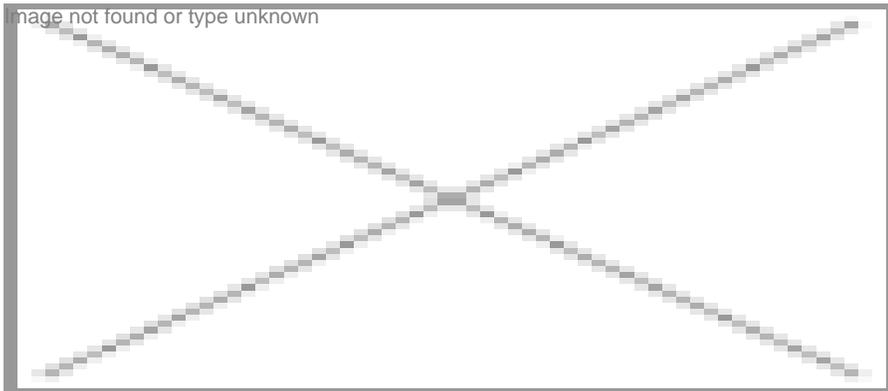
CEO: Dr Vijay Kumar Datla

Booster Shots

Biological E has been consistently growing at an overall rate of 12 percent in the past two years

The total turnover of Biological E during 2004-05 was Rs 101 crore, up from Rs 90 crore in the previous year. The company's product range covers bulk drugs, sera and vaccines, oncology, biological and formulations both branded and generic.

However, its biotech revenue for was Rs 36.25 crore, a shade lower than Rs 38.37 crore in 2003-04. This dip is mainly on account of its lower turnover, as compared to the previous year, from its biochemical business.



But the vaccine business of Biological E is growing rapidly and has registered a 46.5 percent increase, from Rs 19.13 crore in 2003-04 to Rs 28.19 crore in 2004-05. A major chunk of this revenue, Rs 24.46 crore was through the sale of DPT, TT vaccines to the National Immunization Program (NIP). The company has been associated with NIP for the past 30 years. Last year marked the entry of Biological E in the recombinant hepatitis B vaccine market. The company launched "Bevac", its r Hep B vaccine, during the year after receiving the regulator's approval for its

commercial manufacturing. Bevac grossed Rs 1.33 crore in its maiden year.

Biological E plans to consolidate its standing in the vaccine segment and its new vaccines facility, a modern 200,000 sq ft building, at the second phase of Shapoorji Pallonji Biotech Park at Shamirpet, would manufacture combination vaccines like DPT and Hepatitis B. The plant would be compliant with the standards of regulatory bodies like WHO-GMP, USFDA, UK-MHRA, Australia - TGA etc, besides the Indian Schedule M-GMP. This would help the company enter the foreign markets and also supply its vaccines to international institutional purchasers such as UNICEF.

In view of these plans, Biological E has been investing heavily in the company, nearly 36 percent of its total turnover. It invested Rs 36.1 crore last year. Of this Rs 35 crore went into the infrastructure development and Rs 1.1 crore on R&D. During the current year, it plans to raise this figure by 22 percent, investing a total of Rs 44 crore, most of it on infrastructure.

In order to further strengthen its vaccine portfolio, Biological E had recently signed an agreement with Intercell AG, a US-based biotechnology company, for the development, manufacture and sale of its new vaccine, Japanese Encephalitis (JE), in Asia. According to the agreement, Biological E will manufacture the product in India for the Asian endemic market, while Intercell AG would concentrate to market the product in the US, Europe and Australia.

The company already has technical collaborations with IMTECH, Chandigarh, Indian Institute of Science, Bangalore for products in the area of bacterial vaccines and recombinant therapeutics. It also has a technical tie-up with NIV, a government institute in Netherlands, for launching new vaccines like Hib for influenza. Leveraging its strong vaccine portfolio, the company expects to increase its biotech income to about Rs 44 crore, while aiming to clock a total turnover of Rs 120 crore during the current fiscal.

The company is targeting specialty and high-tech products for oncology, anti-TB, cardiology sera and vaccines etc. It also plans to make inroads into gynaecology and paediatric segments with more novel formulations. The company would be shortly launching new products in the antibiotics segment.

Biological E was started in 1953 and it deals in critical healthcare products such as preventive immunologicals making them accessible to common man. It has strong presence in sera and vaccine, oncologicals, bulk drug, formulations and herbal products.