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# Our biologics business is expected to continue on its strong growth trajectory: Biocon CMD

'In Q3 of 2017, we saw 61% growth in this segment driven by insulins and biosimilar MABs'

**VENKATESH GANESH/K GIBPRAKASH**  
Bengaluru, March 24

If an investor had invested in Biocon's stock in March 2016, his returns would have been 230 per cent a year later. India's largest biotechnology company has shown strong performance on the back of growth in biologics and small molecules business, high licencing income and steady growth of its listed subsidiary Syngene. In an interview with *BusinessLine*, Kiran Mazumdar Shaw, Biocon's Chairman and Managing Director shares the company's growth plans. Excerpts:

**In the last few quarters, small molecules and biologics business have been growing steadily. What can it be attributed to?**

It is due to a combination of factors. The small molecules business reported revenue growth of 24 per cent (to ₹390 crore), led by good business traction in India, Europe, LatAm and NAFTA for statins, immunosuppressants and specialty products. A strong demand for Rosuvastatin API post it getting generic in the US market (the drug is used to treat high cho-

lesterol) as well as the acquisition of new customers for statins and immunosuppressant API's provided a fillip to the business.



**Regarding your recent announcement on Pegfilgrastim, in case it gets approved, in which markets will you get commercialisation rights?**

Mylan (which has a partnership with Biocon) has exclusive commercialisation rights for the proposed biosimilar pegfilgrastim in the US, Canada, Japan, Australia, New Zealand and in the European Union and European Free Trade Association countries. Biocon has co-exclusive commercialisation rights with Mylan for the product in the rest of the world. The acceptance of our BLA for proposed biosimilar pegfilgrastim for review by USFDA once approved will enable commercialisation of this product in the US market by Mylan.

**We have 10 biosimilars in the pipeline and their combined market opportunity is \$60 billion.**

**KIRAN MAZUMDAR SHAW,**  
Biocon CMD

**How does the margins play out considering that Biocon talks about affordable treatment and has partnerships with companies like Mylan?**

Biocon and Mylan's partnership strives for a shared commitment to provide access to high-quality and affordable biologics to patients across the globe. For example, in the third quarter of 2017, we saw robust 61 per cent growth in biologics business driven by both insulins and biosimilar MABs gaining traction in Japan and key emerging markets. The insulins business grew on the back of an expansion in commercial footprint and increased traction in some of the key emerging markets. We expect our biologics business to continue on its strong growth trajectory as we ramp up sales of our generic insulins and biosimilar MABs (monoclonal antibodies) through deeper

push in existing markets and opening new markets in the medium term. Additionally, the commercialisation of the Malaysia plant is expected to augment our capacities which will enable us to address growing patient needs globally.

**Some time ago you launched your pre-filled disposable insulin pen (Glargine). How is it faring?**

We launched it in Japan in the second quarter, where it continues to do well with increase in

market share. Our recent contract with the Malaysian government to be serviced over a period of three years is to supply rh-insulin cartridges and re-usable insulin pens under the government's Off-Take Agreement (OTA) initiative. The (Malaysian) government is seeking to encourage local manufacturing of new pharmaceutical products thus lowering the country's reliance on imports and also enhancing the exports potential. We see several such opportunities.

**How many biosimilar drugs are there in the pipeline?**

We have 10 biosimilars in the pipeline and their combined market opportunity is \$60 billion. The four most advanced biosimilar programs namely, Insulin Glargine, Trastuzumab, Pegfilgrastim and Adalimumab, have an addressable market size of \$30 billion globally at 2015 reference product pricing. Biocon has among the largest and most diversified portfolios of biosimilars, spanning monoclonal antibodies (MABs), generic insulin and insulin analogs and other recombinant proteins. As a front-runner in the global biosimilars race, we will initially expand our footprint in the emerging markets and subsequently in developed markets.

