

# The Bionic Woman

Kiran Mazumdar-Shaw, the founder of Biocon, has put India on the global biotechnology map. She has broken every stereotype in the industry and emerged as the richest woman entrepreneur.

**M S Shashikala** profiles the woman who is striving to make India the world's biotech destination

She's considered a queen in her own right. She's been declared the richest woman in India and one of the most successful and powerful businesswoman in the country today. She broke into a male bastion and went on to become the first Indian woman brew-master. She's broken every possible stereotype in Indian industry.

And that's what makes Kiran Mazumdar-Shaw, the 52-year-old founder and managing director of Biocon Limited and other companies in her fast-growing biotech empire, so singular. She marked the emergence in India of the entrepreneurial scientist in the field of biotechnology at a time when the word 'biotech' had not even been heard of by many Indians. Almost single-handedly she raised her company to transform it from an industrial enzymes company to an integrated biopharmaceutical company and a holistic biotech enterprise. Today her biotech firm is developing antibodies, human insulin, immuno-suppressants, vaccines and oral anti-diabetic products.

The story of her spirit of enterprise and hardship is now almost legendary and young women, who dream of making it big as entrepreneurs, idolise Kiran. Her achievement wasn't just as a scientist in biotechnology. She charmed the pharma

companies to sew up alliances and tie-ups and she created a buzz in the Indian financial markets by taking Biocon public. In March 2004, Biocon had a hugely successful Initial Public Offering and on Day One of listing, Biocon's market value crossed \$1 billion, the second Indian company to achieve such a feat.

"Biocon's billion dollar market capitalisation is an important milestone for Indian biotechnology as it demonstrates the power of intellectual value," says Kiran. "Our biggest achievement was gaining global recognition for the Indian biotech sector through our very successful IPO."

The company ranks number one in terms of market capitalisation and revenues in Asia and 16 globally in biotechnology. During the first nine months of this financial year ending March 2006, Biocon had revenues of over \$130 million, while the previous year's topline was \$147 million and net profits \$43 million. Kiran hopes to make Biocon one of the world's top-three biotech companies.

Her personal stake in the company is about 40 per cent, which is currently valued at \$480 million. Her husband John Shaw and other family members own about 26 per cent in the firm taking the promoter's stake to \$682 million.

One measure of her success lies in her

being consistently ranked among the Most Powerful CEOs in business journals. The year 2005 was a landmark year for Kiran as she received one of India's highest civilian honours — the Padmabhushan award from the President of India.

After graduating in Zoology from Bangalore University in 1973, Kiran qualified as a Master Brewer from Ballarat University, Australia in 1975. She returned to India with the hope of being a brewer but no one hired her in this male-dominated fold. So she decided to start off on her own.

She set up an operation in 1978 to extract enzymes from papaya fruit in her garage at home, but all kinds of obstacles were placed in her way because she was a woman. Her real big break came when Biocon Biochemicals, an Irish specialty chemicals company that had been trying to establish itself in India, turned to her. Kiran was offered a partnership, and Biocon India started out with \$10,000 and a plan to produce enzymes for beer, wine, paper, animal feed and detergents.

"When I look back at my early days, I feel I was self-assured and determined to make a success of my new venture," says Kiran. "I believe I have created intellectual wealth from very frugal resources and that is what I am acknowledged for. I do hope



The fact that Biocon is able to provide customised, high-value solutions at any stage in the lifecycle of a drug has attracted many companies to seek its association.



**FROM FERMENTATION TO DEVELOPING BIOMOLECULES:** The Biocon campus

I can inspire ordinary people to build enterprises from very little monetary resources but a rich mind to succeed.”

Strategy, and not opportunity, has driven both Kiran and her company. One need just look at the way Biocon has grown to see how: step by step and in a very action-reaction sort of way. First the company focused on building fermentation technology platforms. Then it set up a separate arm of the company that built clinical capabilities to augment drug development and commercialisation.

But trouble kept brewing in the backyard and in 1985, Biocon’s employees had joined a communist labour union. Kiran struck back by automating the plant. The foreign stake was subsequently bought and re-sold from company to company. Finally Imperial Chemical Industries that had bought up the stake and had no interest in drug research was willing to sell its share to Kiran for \$2 million. Kiran persuaded her husband, John Shaw, a former textile executive, to sell his London home and join Biocon. She finally had the freedom to steer the company in the precise direction she wanted.

**B**iocon has made it big in the competitive biopharmaceuticals market over the years only because of its integrated approach. The range of its services has included early-stage drug discovery to clinical development, seeing it right through to fruition in the commercialisation of a drug.

Kiran saw the potential of R&D outsourcing in the pharmaceutical sector very early. In 1994, she set up Syngene International Pvt Ltd to address the growing need for outsourced R&D in the pharmaceutical sector — long before the information technology industry made ‘outsourcing’ a word of everyday parlance.

Much later, the company established another subsidiary Clinigene that specialises in Phases I-IV clinical trials and studies, using clinical databases in diabetes, oncology, lipidemia and cardiovascular diseases.

The fact that Biocon is able to provide customised, high-value solutions at any stage in the lifecycle of a drug has attracted many companies to seek its association. Kiran believes that efforts made by Glenmark Pharmaceuticals and her own company to develop original drugs, instead of producing imitation drugs, reflect a strong shift in the stance of drug companies in India. As proprietary drug molecules get made, IPR issues become crucial.

Recently, Biocon joined hands with US-based Nobex Corporation for drug development. It plans to develop an oral peptide product for treating cardiovascular disease. “We at Biocon plan to build Asia’s largest antibody facility, which would launch anti-cancer drugs. This is being done in partnership with a leading Cuban research insti-

tute CIMAB, which is renowned for its research in antibodies and immuno-therapies, especially in oncology,” says Kiran. Vaccines against psoriasis, rheumatoid arthritis and T-Cell lymphoma as well as three cancer vaccines are also on the cards.

Kiran’s endeavours have won her praise, especially from her peers. “Biocon as a company has single handedly set the stage for biotechnology in India. What is good about this company is that it has always focussed on de-risking its business. Today, it is a fully integrated biotech company; it has equal capabilities in products, services and R&D. The company is well on its way to realise its chairman’s vision of growing into a global bio-therapeutics company with very innovative and proprietary products and technologies,” says Suresh Nair, editor of the highly respected industry magazine *Biospectrum*.

Kiran has made time not just for her own company but also for the cause of this sunrise industry and its development. She is now the president of ABLE — The Association of Biotechnology Led Enterprises — the collective face of the Indian biotech industry. She has led several Confederation of Indian Industry business missions to USA, Canada, and the UK to propel India into the global biosphere.

She believes leveraging human skills is more crucial to the biotech industry — one that will prove far more sustainable than a

#### On the Web

The Biocon Group: [www.biocon.com](http://www.biocon.com)

## "MY LIFE IS MY WORK"



Kiran Mazumdar-Shaw spoke to M S Shashikala on Biocon, biotechnology, her success and other issues

### ***The biotechnology industry has gained in stature in India over the last few years. But where does it stand globally?***

A recent survey by Ernst & Young has ranked India as one of the five emerging Biotech Leaders in the Asia - Pacific region. India is currently ranked third in the region based on the number of biotech companies in the country, trailing behind Australia and China, including Hong Kong. India's position in the biotech arena is assuming greater eminence as we continue to build critical mass in terms of skills and capabilities. The industry has already crossed the significant \$1 billion mark indicating that Indian biotech companies are getting their fundamentals in place.

### ***What needs to be done for India to propel itself into the next stage of evolution?***

India already ranks among the top 10 biotech hubs in the world. The aim is to be amongst the top five by 2010 and the top three by 2015. The projected estimates of the Indian biotechnology sector, envisage a market size of \$5 billion by 2010 and \$10 billion by 2015. The growing importance of vaccines, diagnostics and clinical trials places India in a pivotal position to carve out a significant share in these segments. India already boasts of having the largest vaccine production capacity in the world. By 2010, India has a similar opportunity to be a leading global bio-manufacturer of recombinant therapeutics and antibod-

ies. The stage is certainly set for exponential growth in the biotech industry.

### ***What is your vision for Biocon?***

My goal is to make Biocon a global biotechnology enterprise and my dream is to see India as a global destination for biotechnology and other fields. We are already gearing up to attain global scale. We have Asia's largest insulin facility. We will have one of the world's largest statin facilities. We will have Asia's largest monoclonal antibody facility and in due course perhaps the world's largest antibody facility. Our ambition is to be among the top three biotech companies globally. Biotechnology is certainly the next frontier. India's scientific talent combined with its unique biodiversity offers unique opportunities for scientific exploitation. Biotechnology is also vital to India's future given that it offers food security, affordable medicines and of course environmental sustainability.

### ***Looking back, how do you measure your successes?***

Biocon's billion-dollar market capitalisation is an important milestone for Indian biotechnology as it demonstrates the power of intellectual value. Our biggest achievement was gaining global recognition for the Indian biotech industry through our very successful IPO. As for the Padma Bhushan, I consider that as recognition of the potential and promise that biotechnology holds for our country and I accept this on behalf of the entire Indian biotech community. I can honestly state that I did not imagine Biocon would achieve success of this stature. It all happened in the due course of time with one-day unfolding into another.

My determination to succeed and my willingness to take risks have been my strengths. I have also been very fortunate to have an able and talented team, which has been instrumental in helping Biocon scale new heights.

Kiran returned to India from Australia with the hope of becoming a brewer but no one hired her in this male-dominated fold. So she decided to start off on her own.

hardware-based model. Her own group of companies, Biocon, Syngene and Clinigene, employ around 2,000 biologists, chemists, computer scientists, medical practitioners, pharmacologists, and engineers. Nearly 10 per cent of the employees hold a PhD degree, while 30 per cent have master's degrees in science. Almost 30 per cent of Biocon's employees are women. Employee attrition, they proudly proclaim, is less than one per cent and the average age of the company is a young 28!

Kiran has also made sure that this youth force in the company is channeled into giving back to society. Biocon's corporate social responsibility is appropriately directed in the field they themselves are working in and familiar with — health.

With a whole host of responsibilities beyond her own worksphere, Kiran has still managed to find time for the arts. She encourages artists, having one of the best art collections in town, displayed beautifully in her Spanish villa styled house Glenmore, and in her office. She has authored a book *Ale and Art* — *The story of Beer* as a tribute to her father. Kiran's sumptuous parties are quite legendary too. But at heart Kiran is a workaholic. As she herself says, on the threshold of a life past 50, "Work for me can never be apart. My life is my work and will continue to be so." 🍷