

BioServices records over 50% growth

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The BioServices business today accounts for 13 percent share of the total biotech industry.

The BioServices sector is one of the fastest growing segments in the industry. With total revenues of Rs 1,102 crore, it was the second largest contributor to the total biotech industry after the BioPharma sector and the second fastest growing industry after the BioAgri sector. The BioServices sector registered 53.06 percent growth over that in 2005-06. The BioServices sector comprises clinical research and contract research organizations (CROs) and to some extent custom manufacturing. There are over 70 companies in India offering services in areas like data management, clinical trials, site management, bioequivalence and bioavailability studies toxicology studies, knowledge process outsourcing for pharma industry.

According to industry sources, Hyderabad-based GVK Bio is the largest CRO in the country with revenues of Rs 198 crore in 2006-07. However, as per the confirmed figures, taken for the ranking purpose, Biocon subsidiary Syngene is the leading player with revenues of Rs 158 crore. Syngene registered over 71 percent growth compared to the previous year's revenues of Rs 98 crore. Quintiles registered close to 65 percent growth to record Rs 146.26 crore in revenues from India operations.

Outsourcing of drug discovery research to India is on the rise. The pharma outsourcing business in India will grow to around \$7 billion (Rs 28,700 crore) by 2013, according to research firm Frost & Sullivan. Another report, by Pune-based research firm Value Notes, forecasts a growth of 23.6 annually for the industry up to 2010.

Today India is a very attractive destination for outsourcing services. The trend is visible. GlaxoSmithKline (GSK) signed a multi-million dollar contract with Tata Consultancy Services to establish a global drug development support center in Mumbai to help meet the demands of the growing GSK pipeline. Bristol-Myers Squibb and Biocon's Syngene have signed a research collaboration agreement. Further, many Indian companies are also forming alliances or acquiring companies to enhance their capabilities and service offerings.

Manipal AcuNova's AcuNova Life Sciences formed a strategic regional alliance with Kiecana Clinical Research (KCR), based in Warsaw, Poland, for leveraging operations in South Asia, Europe and Latin America. GVK Biosciences signed a major long-term agreement with UK-based Drug Development Solutions for providing clinical data management services pertaining to clinical studies. GVK Biosciences may receive payments in excess of \$2 million over a three-year period for clinical data management services. GVK Biosciences also announced a 50:50 joint venture (JV) with INC Research (INC) to form INC GVK Bio Pvt Ltd. The JV will establish a dedicated resource capability to offer Phase I-IV clinical development programs in India for INC's global clients.

i3 Research, a therapeutically specialized CRO, which is part of the Ingenix, which is a global major provides integrated scientific strategies and solutions throughout the pharmaceutical product lifecycle, announced that it is expanding into India with a full-service office in Delhi. In India, i3 will provide clinical research and data services offerings for India-specific and global trials.

These examples clearly suggest that outsourcing business is growing rapidly and there would be a lot of action in 2007-08.