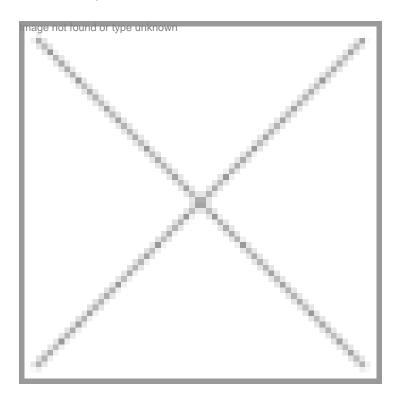


Diagnostics Business Gets Bigger

13 June 2005 | News



- Roche consolidates.
- Diagnostics business crosses Rs 600 crore
- Pharma companies moving away from diagnostics trading.
- Biosuppliers to carry diagnostics products.
- Diagnostics sector to get special attention.

With over 50 companies in the diagnostics business, the diagnostics business in 2004-05 is estimated to be Rs 602 crore. This business has been witness to several interesting trends. While Roche Diagnostics consolidated its business, after the alliance with Nicholas Piramal ended, new companies like Cancer Genetics (Genetics Specialties) have set up shop in India. Further, companies like BioRad are making good progress with their diagnostics business. BioRad's total diagnostics products business in 2004-05 was Rs 18 crore. Further, pharma companies like Dr Reddy's that were trading diagnostics products have moved away from this line of business.

Roche Diagnostics is the clear leader in this market place with estimated revenues of Rs 150 crore. TransAsia Biomedicals and Goa-based Tulip Group are the two very big players, both accounting for nearly Rs 185 crore of business in 2004-05. Span Diagnostics is another Indian manufacturer, which registered close to 38 percent growth in it sales over that in 2003-04 and closed the year at Rs 49 crore. In 2004, there were about 25 companies manufacturing diagnostic kits in India. These companies have been manufacturing and selling kits mainly in the areas of pregnancy, ovulation, estimation of T3, T4 & TSH, HIV, HBV and HCV infection, rheumatoid diseases and disorders, cancer (cervix, colon, prostate, lung and mouth etc.), kidney function and liver function.

The total Indian diagnostics market in 2004-05 accounted for 16.5 percent of the total biopharmaceutical sector sales and saw almost a 48 percent jump in revenues during N2004-05 y compared to that in the previous year. The market can be categorized into two major categories-one being reagents and allied business and the other being the instruments business. The figures mentioned above include mostly the kits and reagents and not the instrumentation. The instruments market is reach bigger and we included that business in the life science suppliers market estimates.

The market is largely import-driven though there are close to 25 manufacturers. Price, quality and availability are factors driving the import of diagnostic kits into India. This is mainly because a large number of instruments are based on proprietary reagents due to the Possed Systemic Further high import duty and custom custom decrease procedures, logistics, slow pace of approvals from statutory authorities, lack of national laboratory network for evaluation and approval of new products are some of the factors slowing down approval of indigenization.

Bayer Diagnostics

However, some of the stumpling blocks are expected to go. The National Biotechnology Development Strategy Draft has a reference on "diagnostics for emerging medical paradigm" in the sectoral road map. The strategic actions include establishing a cell for diagnostic blocks of emerging medical paradigm" in the sectoral road map. The strategic actions include establishing a cell for diagnostic blocks of emerging medical paradigm" in the sectoral road map. The strategic actions include establishing a cell for diagnostic blocks of pharmacogenomics. This proposed cell is to pringipharmacogenomics to the clinical set-up and encourage researchs pharmacogenomics with clinical practice and pharmacology, and pharmacokinetics expertise. The Association of Diagnostic Manufacturers of India (ADMI) is working closely with the key authorities and agencies to appraise them of the challenges facing this industry and resolving some of the set of the pertinguity of the

9 BioRAD	NA	18
10 Lilac	11	15.86
Top 10	307.62	495.96
Others	99.43	105.84
TOTALS	407.05	601.8