

## LAB CONSUMABLES

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## Consumables market to witness a competitive edge

Although the market potential for the lab consumables seems to be stabilized at the moment, the entry of indigenous MNCs in the picture is expected to heat up the trade in near future

BioSpectrum estimates that the overall lab consumables market is about 3,100 crore, which implies that the segment has witnessed close to 20 percent growth in the FY 2011-12. This biggest segment of biosupplier market consists of various sub segments such as plasticware, glassware, molecular biology reagents and the instrument related consumables such as plates, columns, tubes and reagents. The microplates, DNA kits, oligonucleotides and gels are also a part of laboratory consumables. The interesting phenomenon related to this segment is the presence of many mini markets, with an individual leading player of each.

**Market trends and developments** The general consumables segment, estimated to be close to 1,400 crore, has players such as Merck, Rankem (RFCL), SD Fine Chemicals, and Thermo Fisher in control of more than half of the market share. The entire reagents market is approximately 800 crore and is growing at an average of around 10-15 percent. Over 80 percent of the reagents used in India are imported and hence the profits are highly subjective to currency market fluctuations. Due to this, market sources suggest that the volume of imported reagents may be perturbed in the coming years. In an effort to sustain the increasing competition in this arena, most of the major players have started catering to specific specialty areas and are

establishing a monopolized presence in each of these sub segments. For example, Sigma Aldrich dominates in biochemicals. SantaCruz with its antibody range, Qiagen in DNA purification reagents along with other players such as BioRad, HiMedia, Roche, and ThermoFisher are the major players in this space.

Having grown at 15 percent, the oligos market is estimated to be close to 20 crore. Apart from Life Technologies, Sigma, and Thermo Fisher, there are few local players who deal in customized products. The culture media is said to be close to 180-200 crore and have grown at the rate of 15 percent. The dominant players here are Difco, HiMedia and Invitrogen. The chromatography consumables market is also huge and the requirements are mostly met by the companies selling the instruments in the area. The market for this segment is estimated to be close to 600 crore. Companies such as Waters and Agilent have been supplying their consumables for the chromatography instruments through a wide network of distributors throughout the country. Growing at a very sluggish three percent rate, the plasticware and glassware markets are said to be close to 155 crore in 2014. Borosil continues to hold the major share of the glassware segment followed by Corning, SD Fine Chemicals and the unbranded Chinese glassware.

The recent years saw the acquisition of Gurgaon-based Lab India by Life Technologies and New Delhi-based RFCL by the US-based Avantor Performance Materials Holdings. Even Qiagen, since early 2011, has entered directly into the Indian market. This according to industry insiders, has added more competition between the principal companies and erstwhile distributors. Besides, with many local distributors venturing into R&D and manufacturing of lab reagents, the market dynamics in the long run, is surely going to witness a change.

## Highlights

Over 80% of the reagents used in India are imported and hence the profits are highly subjective to currency market fluctuations

The prices are expected to melt because of huge competition

The growing interest of indigenous players in the manufacturing