

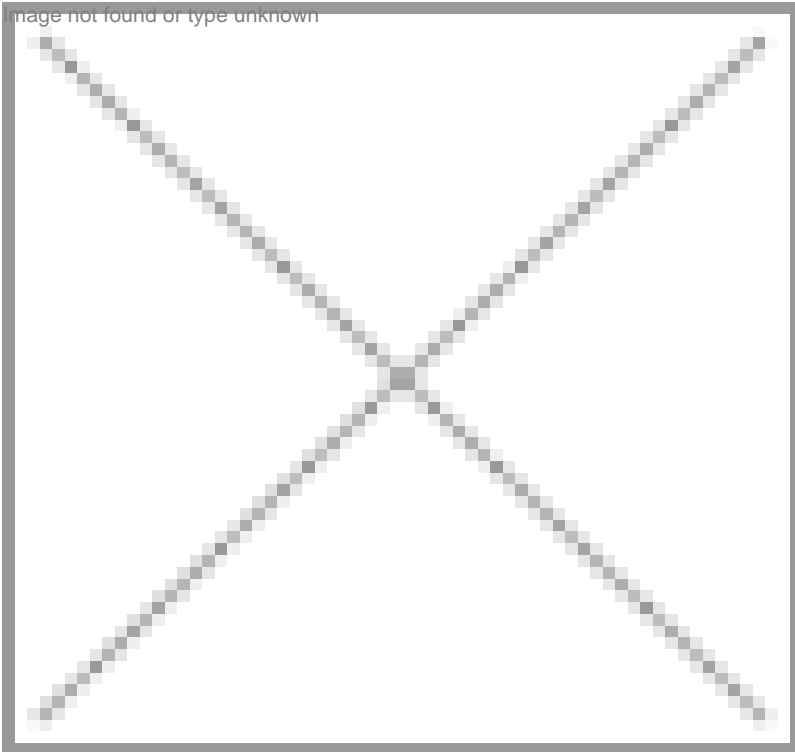
Suppliers' Business continues to boom

19 July 2006 | News



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Indian life science suppliers business grows by 40 percent.



With the Indian pharma and biotech companies focusing on increasing their R&D spend and expanding their manufacturing capacities, the life sciences suppliers industry is growing in line with the biotech industry. India has been one of the fastest growing regions for several leading global suppliers. Global majors like Agilent, Waters, Sartorius, Shimadzu, Millipore, and Pall are growing their bases here and are also expanding. Some are even setting up their R&D facilities in India

The total business of the suppliers to the Indian life sciences industry in 2005-06 is estimated at Rs 1725 crore, up by 40 percent compared to the 2004-05 total of Rs 1,230 crore.

In 2004-05 four companies for the first time crossed the Rs 100 crore mark. In 2005-06, six companies-Thermo Electron, Lab India, Waters India, Spinco Biotech, Becton Dickinson India, and Agilent Technologies have achieved this feat. In 2006-07, 10 companies are expected to reach this mark.

Thermo Electron with total sales of Rs 172.44 crore tops the life sciences suppliers business recording close to 71 percent growth. Previous year's leader Lab India ranks second with total sales of Rs 163 crore to the life sciences sector. Waters India with estimated revenues of Rs 160 crore from sales to the Indian life sciences companies and institutions is ranked third. Spinco Biotech is in the fourth position with revenues of Rs 138.80 crore. Becton Dickinson India with revenues of Rs 113.9 crore and Agilent Technologies with revenues of Rs 104 crore are ranked five and six respectively.

Among the Top Five players, three-Thermo Electron, Waters, and Becton Dickinson are major global vendors, with direct operations in India. In fact eight of the top 10 suppliers are global majors. Only two Indian distributors fall in the list of Top 10. With over 800 products being supplied to the industry, it is difficult to analyze the market for each product category. Here, we attempt to present some of the key segments in the suppliers business.

HPLC business

The High Pressure Liquid Chromatography (HPLC) market in India is growing at 10-12 percent. Today's HPLCs suit many applications including separation, identification, purification, and quantification of various compounds.

In India, Agilent Technologies, Shimadzu, Thermo Electron Corporation, and Waters are the major suppliers of HPLCs. This is a high value business. While MNC HPLC systems cost between Rs 10-18 lakh depending on the configuration and customization, HPLCs manufactured locally are available for Rs 7-8 lakh. This is clearly the reason for the MNC companies to be among the top 10 life sciences suppliers in India. Spinco Biotech, a Chennai-based company, is the major distributor of Shimadzu HPLCs. Over the years, Spinco has established an installation base of more than 4000 Shimadzu HPLC systems.

It is estimated that over 1500 HPLC units have been sold. The HPLCs market is estimated at about Rs 270 crore in India. The

industry expects HPLCs business to grow more than 35 percent in the next 3-4 years.

Fermentors

The fermentors business is growing at 20 percent. Alfa Laval, Sartorius, Scigenics India, Chemito Technologies, New Labs and Bioengineering are some of the key suppliers of fermentors in India. Scigenics India, a Chennai-based company, which designs and manufactures fermentors and related equipment has one of the largest installed base of fermentors in the country. Scigenics has got the recognition of Ministry of Science and Technology for its research and development unit. Among the global majors, Sartorius has a strong presence in India with its BIOSTATer, a compact autoclavable laboratory fermentor/ bioreactor system. Alfa Laval is another leading name in the fermentors business.

Cell culture

Alfa Laval, Cambrex, Corning Life Sciences, HiMedia Labs, HyClone, Invitrogen, and Sigma Aldrich are some of the major global players offering a range of products and services in cell culture space in India. It includes vessels, media, fermentation equipments, reactors, lines etc. Most of them have direct presence in the country.

Sigma Aldrich offers animal component-free media (for CHO, hybridoma, HEK 293 cells, stem cells) for protein or antibody expression, gene therapy and tissue engineering applications. HyClone is a global supplier of cell culture and bioprocessing systems for application in research and production.

Mumbai-based HiMedia Laboratories has developed its own technology for manufacture of the cell culture media. It manufactures and supplies cell culture media, sensitivity discs and allied products. Pune-based Alfa Laval India offers a range of solutions to cell culture-processing needs. Corning Life Sciences offers a range of products in cell culture space like dishes, flasks, microplates, transwell permeable supports, and cryogenic vials. The market for cell culture media in India is about Rs 20 crore.

Centrifuges

There are more than 20 companies that are into manufacturing and supplying centrifuges. Jainsons (India), Zenith Glasswares and Instruments, Pawan Brothers, Chemo Fab Industries, PK Chemicals and Scientific Co. REMI Instruments, and Sterling Manufacturing Co are some of the companies involved in the production of different types of laboratory scale centrifuges. Automated Systems, Axygen Scientific, Biocon Technologies, Biotech India, Genetix Biotech India, Imperial Biomedics, JH Bio Innovations, and Medi Spec Instruments India are some of the leading suppliers of centrifuges in India. The market for centrifuges has been growing at around 35 percent. The market for small laboratory centrifuges is about Rs 100 crore with over 20 players. Distributors have a major market share. Alfa Laval, Sartorius, Thermo Electron, and Westfalia Separator are major global names with direct presence in India.

Informatics

The market for Laboratory Information Management Systems (LIMS), software tools that help automate the collection and management of the data generated in a laboratory, too is opening up. While Kolkata-based LabVantage, Ocimum Biosolutions, Persistent Systems and Chennai-based Agaram Industries are some of the Indian players offering LIMS products, large multinational companies like Agilent, BioRad, Perkin-Elmer, Thermo Electron Corporation, and Waters are also offering informatic products. In fact most of these big players are now focusing on providing end-to-end solutions for labs. The informatics market according to industry estimates is growing at about 30 percent.

Hybridization ovens

Hybridization ovens are fast becoming the preferred method of hybridization technique in today's laboratory. Though a few companies in India manufacture hybridization ovens, most of the requirement is met by multinationals. Neolab Instruments, Nu Tek Instruments, and Shambhavi Impex are a few local manufacturers. Other major players include Affymetrix, Amrex, Centurion, GE Healthcare, Techny, and Thermo Electron. MediSpec and Spinco Biotech are the major distributors.