

## India, a rising star in contract and clinical research

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The 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 percent annually for the industry up to 2010. This is not a hype or hope, but a reality as global firms seek to leverage the advantages related to cost and quality that Indian companies offer in this field.

According to the Frost & Sullivan study, the Indian Contract Research and Manufacturing Services (CRAMS) market in India was valued at \$895 million in 2006. Though manufacturing (Active Pharma Ingredients or APIs) and oral solid formulations (tablets and capsules) continue to be the major sources of revenue for India's contract manufacturing industry, other segments in contract research, outsourcing of drug discovery research are slated to show the highest growth of 26 percent a year, according to the Value Notes report, Contract Research Opportunity for the Indian Pharmaceuticals Industry.

The signs of this trend are clearly visible with several multinational companies such as GSK and Bristol-Myers Squibb Co. tying up with Indian companies for both drug development and manufacturing services. GlaxoSmithKline (GSK) signed a multi-million dollar contract with Tata Consultancy Services (TCS) to establish a global drug development support center in Mumbai to help meet the demands of the growing GSK pipeline. Bristol Bristol-Myers Squibb Co. and Biocon's Syngene have signed a research collaboration agreement. Further, several Indian companies are also forming alliances or acquiring companies outside the country to enhance their capabilities and service offerings. For example, Manipal AcuNova's AcuNova

Life Sciences has formed a strategic regional alliance with Kiecana Clinical Research (KCR), based in Warsaw, Poland, for leveraging operations in South Asia, Europe and Latin America. The objective of being globally competitive and seeking a symbiotic relationship is to facilitate their respective clients to bring out quality products in a short time. BioSpectrum brings to you the story of the rise of the CROs in the ensuing pages.