

New US Norms on Statins to Help Indian Drug Firms

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Indian pharmaceutical companies may have struck a vein of revenue worth billions of dollars because of new recommendations in the US which could result in increased prescriptions of cholesterol-fighting statins.

The guidelines announced in November by the American College of Cardiology and the American Heart Association advise that people with 7.5% or higher risk for heart attack be prescribed statins as against the existing guideline of a 20% or higher risk rate. This is expected to double statin usage in the US from the existing 36 million.

A representative of Dr Reddy's Laboratories, India's second-largest drugmaker, said the company is "conscious of this guidance (new statin usage guidelines) and watching the dissemination of any changes in the practice by various physicians."

The Hyderabad-based company reported ₹3,785 crore of sales in the North American market in 2012-13.

HSBC Securities and Capital Markets analyst Girish Bakhru said that among Indian generics makers, Lupin, Dr Reddy's and Cadila are best positioned to gain from increased statins use. "We expect higher future use for Atorvastatin, Simvastatin, Crestor and other smaller statins."

Cholesterol-reducing drugs worth nearly \$15 billion (₹92,000 crore) were sold in the US in the year to September 2013, Bakhru



Booster Shot

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wrote in his latest report. Statins accounted for nearly half of that amount. Statins come in various flavours such as simvastatin, lovastatin, pravastatin and atorvastatin depending on dosage. For example, a smaller dose of atorvastatin is equal to a larger dose of simvastatin.

According to the latest IMS Health data on anti-cholesterol medicines, Indian companies have about a 43% share of the market for statins.

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Lupin spokesperson Shamsher Gorawara said, "The new guidelines also promote the use of statins as frontline therapy in managing cholesterol given better risk-benefit ratio with lowest number of safety issues as compared to other therapies. As such

one might see a bigger market for statins in the US."

Lupin earned 39% of its ₹2,668 crore revenue from the America during the second quarter of this fiscal year.

Some analysts differ on the benefits that the Indian drug makers are expecting from the new statin guidelines. An analyst with a foreign brokerage, who did not want to be identified, said that with the new directive, more physicians will be compelled to make the case for statins to patients who were not candidates before. "However, there could be a long wait before we see big change in prescription patterns. We do not expect non-statins to be significantly shunned by doctors. There could be hesitation in prescribing."

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Industry