

Indian drug cos break into world's fastest growing list

Rupali Mukherjee | TNN

Mumbai: In yet another instance of India Inc occupying a larger seat in the global league tables, three out of the top 10 fastest-growing generic companies globally are now from India. Besides being an indication of the acceptance of domestic pharmaceutical companies and their growing clout, this is also a stamp of their command on manufacturing processes, innovation and marketing muscle at a global scale.

On the list is Glenmark Pharmaceuticals which, with a growth of 37%, is the fifth fastest-growing generic company globally, followed by Dr Reddy's which grew 34% in FY 2011-12, according to global pharmaceutical research firm, EvaluatePharma. The third domestic company on the list, Sun Pharma witnessed a growth of 29%, occupying the eighth rank, right below its subsidiary Taro which had a 33% growth (Taro reports its own numbers since it's listed in the US, while the domestic company has started combining the Israel-based company's financials since September 2010).

The club of the fastest growing generic companies in the world is dominated by US companies, led by US-based Sagent

PILL FOR FAST GROWTH

Company	2010 (\$M)	2011 (\$M)	Chg (%)
Sagent	74	152	106%
Perrigo	344	620	80%
Nichi-Iko	727	1,304	79%
Watson	2,269	3,320	46%
Glenmark	568	778*	37%
DRL	1,106	1,477*	34%
Taro	328	436	33%
Sun	1,276	1,651*	29%
Veropharm	125	156	24%
Bluefish	13	16	22%

*As of March, 2012 (Source: EvaluatePharma Report)

Pharma, which witnessed a huge growth of 106% during the period, according to the research firm's latest analysis.

Perrigo, another US company, is the world's second fastest-growing company with an 80% growth. Nichi-Iko Pharmaceutical of Japan is on the third slot, posting a growth of 79%, while Watson Pharma of US grew 46% during the period.

Pharma companies have taken advantage of the blockbuster drugs which are losing patent protection, and have already raked in millions of dollars by introducing their copy-

cat versions. For instance, Dr Reddy's launched generic versions of blockbuster drugs Zyprexa and Plavix, while Ranbaxy mopped up huge revenues from sales of generic Lipitor.

Significant product launches, market exclusivity of drugs going off-patent, and growth in regulated markets have contributed to the development, industry experts say.

According to Sujay Shetty, India leader for pharma and life sciences at PwC India, "This shows the growing significance of domestic companies in terms of quality, portfolio strat-

egy and certain significant first-to-file (FTF) products. Strong revenues from regulated markets are another factor which contributed to the huge growth. Most of the companies have sales of around 50% coming from US, which is the largest market for generics globally. Domestic companies like Dr Reddy's capitalized on key FTF opportunities, while others including Sun Pharma posted gains on account of US sales."

The growth in domestic companies has also been driven by their robust home businesses. The Indian pharma market is clocking a growth of around 15-20% year-on-year.

Commenting on Glenmark's strategy, CMD Glenn Saldanha says, "The high growth is due to our focus in building a strong emerging markets business in addition to having a significant presence in India and US. The growth from markets, particularly Russia, Brazil and the US, has been exceptional. We have invested in these markets for the last six-seven years and we are just beginning to make huge inroads in these markets. Glenmark will continue to build its presence in markets like Russia, Brazil and Mexico where it has invested for the last five years and these markets will drive strong growth."

Industry