

Indian excipients market expected to grow 15 to 18% in near future, say experts

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Moving in tandem with the fast growing pharmaceutical market in India, the excipients market is also expected to grow almost two times faster than the global excipients market growth, according to sources from the industry.

The global excipients market is currently estimated at US\$ 5 billion with an average growth of seven to eight percent in volume - reveals a recent study. Owing to the large chunk of drugs going off patent in the coming years, the experts expect a growth rate of Indian excipients market at around 15 to 18 per cent annum as against the global growth rate.

"Billions of dollars worth medicines are to go off patent in various countries, especially in the US. With several generic drugs slated to go off patent by 2012, the Indian excipient market is expected to grow in response, possibly by about 15 to 18 per cent per annum," said Harish Shah, managing director, Signet Chemical Corporation Pvt Ltd - a Mumbai-based chemical trading company.

Considering that the country has the largest number of US Food and Drug Administration (FDA) approved facilities outside US and the aggressive product filings of Indian companies with the US drug regulator to grab the emerging generic market, the excipients business in India is ought to grow to support the manufacturing activities.

North America and Europe, the major excipient manufacturing sites are also consuming almost 70 per cent of their production for formulations manufacturing. The opening up of a vast generic market will allow more Indian players to market their products in these countries, which will in effect increase the excipients business handled by the Indian players as expected, reveals an expert in excipients business.

The increase in excipients market in the country would be a good news for the multinational giants in the business, who have put their offices in India. And there are very few any Indian majors for them to compete with. Despite the huge potential, only a few Indian companies have established their brand in a major way, that too in commodity excipients while the demand is growing more in speciality segment. The fast growing needs for speciality excipients for uses in modified and extended release forms are now met with products from multinationals including Dow Chemicals, BASF, Colorcon and Roquette, which continues to increase their operations in the country.

"No serious excipient producer exists in India as the investment can be big,

technology sophisticated and economy of scale absent. Several companies have tried but unfortunately none have attained any stature and remain confined to supplying small volume mainly to producers of domestic formulations. This situation is not likely to change in the near future," said Shah.

Added with this, lack of interest from the government and the central regulatory body to set up standards for majority of the excipients marketed in the country also poses a threat for the quality of the finished products, says a source from an international excipient manufacturing company.

Only a minimum number of excipients are covered by the Indian Pharmacopoeia at present. These monographs, which ranges around 400 to 500 against a total of nearly 4000 excipients all over the world, consists only the basic products from sources like starch and lactose. A regulation for the sector is extremely important, as the excipients play a major role in high dose formulations and controlled release drugs which are most common in the market now, he added.