

INDUSTRY INSIGHT

CRAMS IN INDIA

March 2008



4th & 5th Floors, Astral Heights, Road No. 1, Banjara Hills, Hyderabad-500034, India
Tel: +91-40-23430203-07, Fax: +91-40-23430201, E-mail: info@cygnusindia.com
Website: www.cygnusindia.com

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PREFACE

Increasing costs of R&D, coupled with low productivity and poor bottom lines, have forced major pharmaceutical companies worldwide to outsource part of their research and manufacturing activities to low-cost countries, thereby saving costs and time in the process. The global pharmaceutical outsourcing market was worth USD57.2 billion in 2007. It is expected to grow at a CAGR of 10% to reach USD76 billion by 2010. Global market for Contract Research and Manufacturing Services (CRAMS) in 2007 is estimated to be USD55.48 billion. Out of the total global CRAMS market, contract research was USD16.58 billion, growing at a CAGR of 13.8% and contract manufacturing was USD38.89 billion accounting for the major share (approximately 68%) of the total global pharmaceutical outsourcing market.

India, with more than 80 US FDA-approved manufacturing facilities, is one of the most preferred locations for outsourcing manufacturing services in India by the multinationals and global pharmaceutical companies. The Indian pharmaceutical outsourcing market was valued at USD1.27m in 2007 and is expected to reach USD3.33 billion by 2010, growing at a CAGR of 37.6%. The Indian CRAMS market stood at USD1.21 billion in 2007, and is estimated to reach USD3.16 billion by 2010.

This report gains significance in view of the growing prospects of CRAMS and the increasing interest of Indian pharma companies in exploiting the current opportunities. Containing 10 chapters, the report starts with the Introduction that outlines the broad overview of the concept of CRAMS, followed by Market Overview, which covers Indian market, its size, growth, characteristics with a brief global reference to outsourcing. Growth Drivers, Issues and Challenges, Critical Success Factors, Regulations and Future Outlook provide a directional view of the industry. This report would be useful to pharma companies interested in CRAMS, financial institutes keeping a track of the development of outsourcing opportunities in pharma industry and foreign investors, industry analysts and students enrolled in pharma or contract research institutes.

The report has total 100 pages, 10 chapters, 4 Annexures, 11 tables and 23 figures. Annexure 4 gives a brief of 20 companies, either engaged in contract research or manufacturing in India.

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