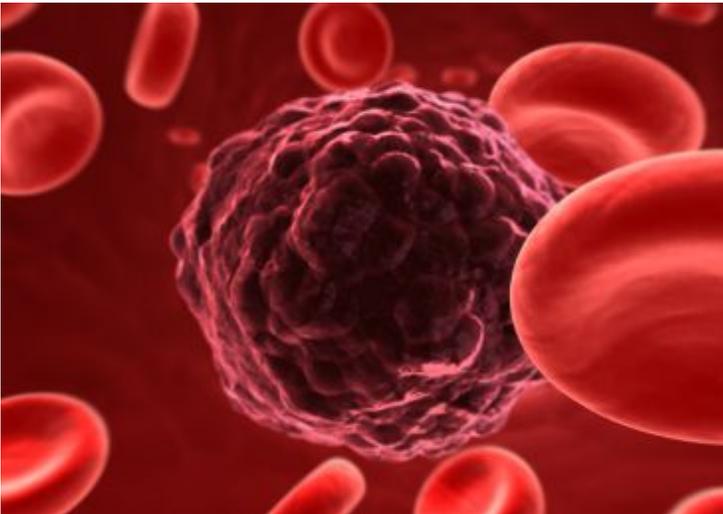


Indian oncology market to grow 15.46% by 2017 says report

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Cancer cases have been rising at an alarming rate in India. Studies have revealed that incidence of cancer is higher amongst women than men. According to Frost & Sullivan, the Oncology market in India is presently growing at 20 percent year-on-year. Chemotherapy, biologics, targeted therapy, hormonal therapy, and supportive care are the different types of available cancer treatment in India; among which chemotherapy recorded the highest market value of approximately INR 700 Crore in 2012. Oncology market in India is forecasted to grow to INR 3831 Cr by 2017 at a compounded annual growth rate (CAGR) of 15.46 percent.

Cancers of oral cavity and lungs in males, and cervix and breast in females, account for over 50 percent of all cancer-related deaths in India at present. In India, there are 28 lakh prevalent cases of all types of cancer, while at least 8 lakh new cases are being witnessed every year. Moving forward, there will be a sharp rise in the market share percentage of biologics and targeted therapy, which are poised to overtake chemotherapy as the preferred treatment option.

Discussing the Oncology market in India, Dr Ajaykumar Sharma, Associate Director, Pharma and Lifescience, Healthcare Practice, Frost & Sullivan, says, "Moving forward, Oncology will be a key area of growth in India's healthcare sector. With increase in emphasis on health coverage both by Central and State Governments, spending on coverage of medicines for Oncology will see substantial rise in coming 3-5 years."

Among the key challenges currently being faced includes regulatory hurdles, like approvals for Oncology trial procedures. In addition, tight budgets act to further restrict use of new therapies in Oncology. Differential pricing of expensive drugs is another challenge. Also, there is huge shortage of specialized surgical and medical oncologists in India; and there are only 30 Regional Care Centers (RCCs), wherein only 5-6 RCCs employ skilled medical oncologists.

Another key challenge is compulsory licensing and patent revocation in India, which has dented the country's image of having a transparent regulatory regime. Instead, the Government should focus more on purchasing expensive drugs, such as ones

used for cancer treatment, at tender prices and providing the same at subsidized costs to the population, in order to keep the market forces in equilibrium.

Furthermore, less than 15 percent of the Indian population is covered under some form of health insurance, including government-supported schemes while India suffers 20 percent of the global disease burden ratio. Only around 2.2 percent of the population is covered under private health insurance, of which rural health insurance penetration is less than 10 percent. 60 percent of the total health expenditure in India is out-of-pocket expenses borne by the patient.

Infrastructure to handle the high incidence of Cancer is still very poor in India. India has close to 1,600 Oncologists (including Medical, Surgical and Radiation Oncologists), thereby creating a huge shortage of Surgical Oncologists followed by Medical Oncologists. There are ~ 30 RCCs (Regional Cancer Centers) of which only 5 to 6 RCCs have adequately trained medical oncologists.