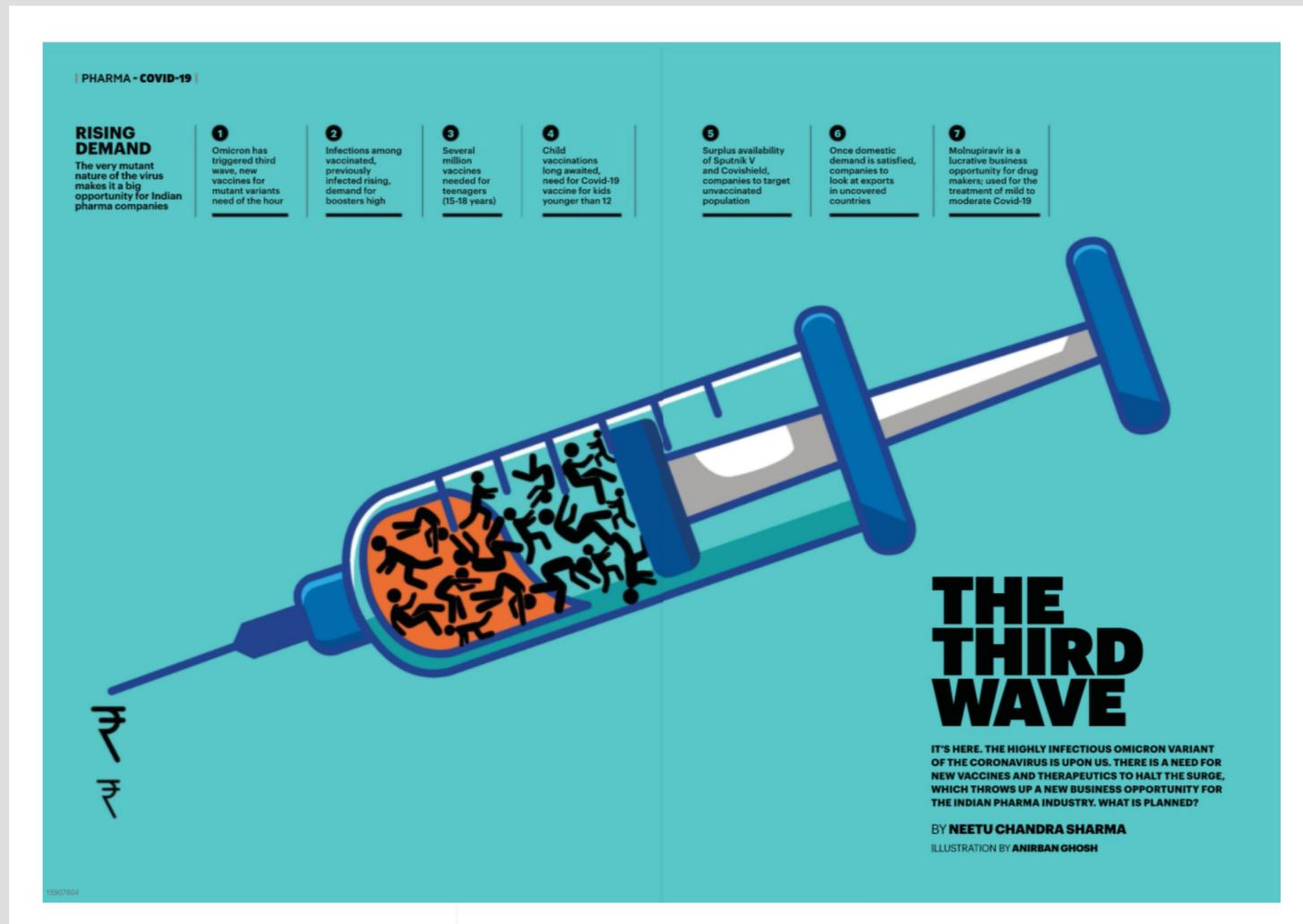




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Title : The Third Wave



PHARMA - COVID-19

THE COVID-19 PANDEMIC is not dving down anyspread of the Omicron variant of the SARS CoV2 virus. Aside from the tragedy of it all, this has also thrown open an opportunity for revenue growth for the Indian pharma industry. According to an analysis by Motilal 44 per cent of the total Indian pharma market's sales at the peak of the second wave in April-May 2021. That's a lot of money, considering the size of the Indian pharma market was \$42 billion (more than ₹3 lakh crore) in 2021

In the current crisis, growth will be driven by new vaccines and therapeutics to treat the highly infectious Omicron variant. Manufacturers of the three major vaccines under the national Covid-19 immunisation pro-Covaxin (Bharat Biotech) and Sputnik V (Dr. Reddy's Laboratories)—have already announced they are working on vaccines to beat the mutant variants of SARS CoV2, including Omicron. Other vaccine makers such booster doses in India in collaboration with Indian companies. And Cadila Healthcare's vaccine ZyCov-D has been approved for inoculating children (12-18 years) along with Covaxin (15-18 years).

sults from a study conducted at Emory University, US, demonstrating that a booster dose of Covaxin six months after getting a primary two-dose series of the vaccine ants. The study, however, is yet to be peer reviewed. "We are in a continuous state of innovation and product development

for Covaxin," says Krishna Ella, Chairman and MD of the Hyderabad-based company. At the CII Partnership Summit last December, Adar Poonawalla, CEO of Serum Institute of India (SII), said: "SII is working towards developing a vaccine booster shot which is more effective. On the back of enough data, it is safe to say that booster vaccines are a proven strategy to get

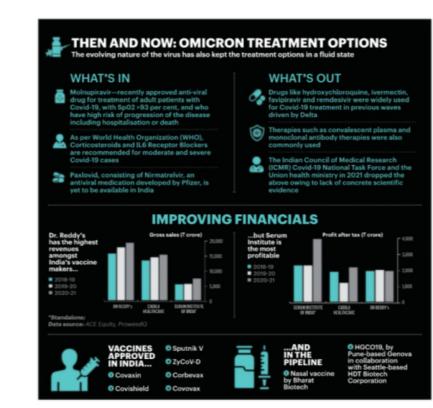
antibodies up to a great extent."

Dr. Reddy's is conducting clinical trials for Sputnik Light, which is promoted as a booster shot. The company is competing with vaccines that the government is administering for free—Covaxin and Covishield. Plus, Sputnik's launch in India was also delayed by around five months because of production scale-up issues in Russia. As a result, only nearly 1.2 million doses of Sputnik V million+ Covaxin doses and 1.34 billion+ doses of Covishield. "While the delay in commercial manufacturing had impacted offtake of Sputnik V during the previous two Covid-19 waves, the scale-up needs to be seen in the ongoing third wave in India," says Tushar Manudhane, Research Analyst at Motilal Oswal Financial Services. "Notably, the export opportunities of Sputnik V vaccine also seems boosted with global rise in Covid-19 cases."

With over 60 per cent of India's adult population fully vaccinated and vaccines available in surplus, the government's announcement of inoculation of booster doses to specific categories of beneficiaries-healthcare workers, frontline workers, all persons aged 60 and above with comorbidities who have received two doses-opened anticipated. For the moment, though, the governmen has allowed only the same vaccine that an individual has been vaccinated by, as a booster dose. That means a clear

path of action for Bharat Biotech, SII and Dr. Reddy's. Vaccine manufacturers' next target for sales is the un vaccinated population and children. Cadila Healthcare's ZyCov-D was the first vaccine to be approved for children aged 12-18 by the Drugs Controller General of India (DCGI). Sharvil Patel, Managing Director, Zydus Group, says the company is growing well, but is more focussed on providing support to people through its therapeutics,

nostics and vaccines. "Our teams have been scaling up production to supply critical medicines," says Patel. "Our researchers are working ering the vaccine to prevent the disease and now on ZRC3308 Covimabs, the monoclonal antibody to treat Covid-19." Bharat Biotech also claimed success in clinical trials for chila global vaccine against Covid-19 has been achieved with the use of Covaxin as a univer-sal vaccine for adults and children," says Ella.



Charu Sehgal, Life Sciences and Healthcare Leader, Deloitte India, believe the industry will see good growth, especially companies with a Covid-19 portfolio. "Not only will we see demand for new vaccines and drugs relevant to the Omicron virus, but there will also be a push age of the population," she says.

HE NEW ENTRANTS in India's basket of Covid-19 vaccines—Covovax and Corbevax-have also vovax, a protein sub-unit Covid-19 vaccine developed by Novavax marketed in India by SII. Corbevax, developed by Texas Children's

Hospital and Dynavax Technologies, is licensed to Hyderabad-based Biological E., which plans to produce more than 100 million per month from February 2022. These capacities will enable the Hyderabad-based company to end of this year as promised to the

Reliance Life Sciences' candidate

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is in Phase I clinical trials. "The vaccine has a unique cor struct, which is expected to be effective against a range of Covid-19 virus variants, going by data from extensive in-vitro and animal studies. Human clinical trials would have to reaffirm the safety and efficacy," says K.V. Subrananiam, President, Reliance Life Sciences.

vaccines across different technology platforms, includsion. The company is also expanding manufacturing capacity across multiple facilities in Hyderabad, Ankle-shwar and Bengaluru. "Currently, we are delivering 55-60 million doses each month, which will touch 70-80 target to accomplish our 1 billion annualised target for axin production," a company spokesperson told BT.

HERE ARE OTHER drugs, too, that mitigate the impact of infection. Many Indian pharma companies are looking at the antiviral mol-nupiravir as a revenue option. Molnupiravir, developed by Merck and Ridgeback Biotherapeutics, high-risk adults with mild to moderate Covid-19. The DCGI granted emergency use authorisation to several pharma companies in India to manufacture and market generic versions of molnupiravir, including Dr. Reddy's, orrent Pharmaceuticals, Cipla, Sun Pharma, Natco Pharma, Viatris, Hetero Drugs, and Mankind Pharma.

A report released by Fitch Solutions says this will make India the largest global hub for Covid-19 antiviral generic drug production. Generic molnupiravir will ease access to the medicine. Being in oral form, it would also simplify current supply chain obstacles compared to Covid-19 intravenous antivirals such as Ronapreve (casirivimab/imdevimab) or Veklury (remdesivir). "Having a solid, compact form, oral drugs and the tablets can be tightly packed without risk of breakage. Similarly, a larger quantity of the drug can be contained within a set space, increasing the rate at

which the drug can be distributed," the report says. The bigger benefit is cost reduction. A five-day treat ment course with molnupiravir in the US costs around \$712. Generic versions of the drug cost significantly ower—between \$18.79 and \$21.48 for a five-day course. For instance, Dr. Reddy's has set the price of its molnupiravir generic version, Molflu, at \$0.4693 per capsule and \$18.79 for a five-day course of 40 capsules. There are drugs beyond molnupiravir, too, that are being developed by Indian companies. A Sun Pharma

spokesperson says the company is providing patients



access to multiple treatment options for dealing with Covid-19, including molnupiravir, favipiravir, remdesi-

vir, itolizumab, liposomal amphotericin b, and hydroxy chloroquine. With the Omicron wave taking root, Kirti Ganorkar, CEO-India Business, Sun Pharma, feels there will be opportunities for companies to expand their Covid-19 portfolio as new antivirals and vaccine booster doses will be in demand. "In line with our consistent treatment, our endeavour will be to make new therapies available at an economical price," says Ganorkar.

Dr. Reddy's, too, produces several Covid-19 drugs-

remdesivir, Avigan (favipiravir) and 2-deoxy-D-glucose (2-DG)—apart from the Sputnik V vaccine. The firm has commercialised all these products in India and some in overseas markets, too. Glenmark's monthly sales of Covid-19 products grew four times during the second wave of the pandemic due to its flagship Covid brand FabiFlu according to pharma analysts. "Glenmark was the first pharma company to launch favipiravir (brand name FabiFlu) in India, for the treatment of mild to moderate Covid-19 cases. Since its launch, FabiFlu has benefitted more than 5 million patients and their families during the first and second waves of the pandemic, and continues to help Covid-19 patients during the ongoing third

wave," a company spokesperson at Glenmark told BT. Clearly, the Omicron threat throws open the opportunity for pharma companies to generate rev India's pharma market is expected to reach \$65 billion by 2024. How much of that will be from Covid-19-relat ed therapies depends on the Mutants of Corona.

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BILLION

ESTIMATED SIZE OF INDIA'S DOMESTIC

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