

Pharma Industry –The Shining Star for India

Manas Tikka

Student of (PGDM-IB) at Jagannath International Management School
New Delhi

Abstract

India is now accepted as global manufacturing & research hub in pharmaceutical sector. It is growing at rapid pace in worldwide In pharmaceutical sector India is ranked 14th in terms of value & 3rd in terms of production with also a strong network of 3000 drug companies & 10500 manufacturing unit. Excessive availability of skilled workforce & raw material has given the sector an enormous advantage. India is the biggest supplier for generic medicines overseas with fulfilling 60% of vaccine demand globally. It is also fulfilling 20% of worldwide demand supply by volume also. It contributes about 1.72% of country's GDP.

Keyword – GDP, Pharmaceutical industry, manufacturing unit, India, Government, Sector

Introduction

India has the 2nd largest number of US FDA accepted plants outside the US. India is the biggest provider of generic drugs overseas. Major Segments of the Pharmaceutical Industry are Generic drugs, over the counter Medicines and API/Bulk Drugs, Vaccines, Contract Research & Manufacturing, Biologics, vaccines. Government is also providing subsidies to magnify India's manufacturing potential. It is also working on investment in the sector & variation of high value goods therefore India is currently having 8% share in global API industry. Constant support by government to pharmaceutical sector also makes it an attractive sector for foreign investment. Currently government has increased 7.95% than previous year of budget for health schemes in 2021-2022.

Market Size

As per Indian economic survey report of 2021 the domestic market is expected to grow threefold in next decade. India's domestic market is likely to reach US\$65 billion by 2024 & further increase to US\$ 120-130 billion by 2030. India's medical devices market upright at US\$ 10.36 billion in year 2020. Biopharmaceutical is the biggest sector contributing about 62 per cent of the total revenue. In august 2021 Indian pharmaceutical sector has gained at 17.7% yearly.

[EXHIBIT1]

Investments & Recent Developments

- In February
Russian Ministry of Health allowed Glenmark Pharmaceuticals for selling its novel fixed-dose fusion nasal spray in Russia.
Natco Pharma launched Brivaracetam for the therapy of epilepsy in India.
Glenmark Pharmaceuticals Limited bring out SUTIB, a generic version of Sunitinib oral capsules, for the therapy of kidney cancer in India.
Telangana government collaborated with Cytiva to open a 'Fast Track' lab to build up biopharmaceutical industry of the state.
Aurobindo Pharma announced plans to acquire solar power from two open access projects of NVNR Power and Infra in Hyderabad.
- In April 2021
National Pharmaceutical Pricing Authority (NPPA) confirmed the rate of 81 medicines including off-patent anti-diabetic drugs giving permission to due advantages of patent expiry to the patients

The CSIR-CMERI, Durgapur, originally worked upon the technology of Oxygen Enrichment Unit (OEU)

- In May 2021
Eli Lilly & Company issued universal voluntary licenses to pharmaceutical companies—Cipla Ltd., Lupin Ltd., Natco Pharma & Sun Pharmaceutical Industries Ltd.—to manufacture and dispense Baricitinib, a drug for therapy of Corona virus
Indian Immunological Ltd. (IIL) and Bharat Immunological and Biological Corporation inked technology transfer collaborates with Bharat Biotech to manufacture the vaccine locally to speed up India's vaccination drive
Cipla launched a real-time COVID-19 detection kit 'ViraGen' that is constructed on multiplex polymerase chain reaction (PCR) technology.
- In June 2021
Lupin Ltd. issued a statement about its aim to walk in to digital healthcare space in India. It include Lupin Digital Health Ltd., a wholly owned subsidiary, to give a digital therapeutics platform for medical practitioners and patients in the country
Sun Pharmaceuticals gained the patent license for Dapagliflozin from AstraZeneca. The company will be dispensing and marketing the drug under the brand name 'Oxra'
- In July 2021
Generic Health (an Australia-based subsidiary of Lupin Limited) signed an acceptance with Southern Cross Pharma Pty Ltd. (SCP). Under this deal, Lupin will acquire 100% shares of SCP
Generic Health (an Australia-based subsidiary of Lupin Limited) signed an acceptance with Southern Cross Pharma Pty Ltd. (SCP). Under this deal, Lupin will acquire 100% shares of SCP. The acquisition is expected to further strengthen Lupin's foothold in Australia
- In August 2021
Alkem Laboratories launched Famotidine and Ibuprofen tablets to treat osteoarthritis and rheumatoid arthritis symptoms in the US
Uniza Group, an Ahmedabad-based pharmaceutical firm, signed an acceptance with Lysulin Inc. (an US-based firm) to launch Lysulin, a nutritional product for Indian consumers
Glenmark collaborated with SaNOtize to launch spray for corona virus treatment in India and other Asian markets.
- In September 2021
The Indian government provided US\$ 4 billion to the pharmaceutical and medical industries
- In October 2021
AstraZeneca India bring out a Clinical Data and Insights (CDI) division to further reinforce its overseas presence and manage data-related aspects of its clinical trials
- Ayushman Bharat is National Health Protection Scheme, which will cover over 100 million poor and vulnerable families providing coverage up to INR 5 lakh per family per year for secondary and tertiary care hospitalization

Exports

Indian pharmaceutical industry makes over \$11 billion of trade surplus every year. The industry is having a growth rate of 10-12% with 33% lower cost of manufacturing than other western markets. Currently India is having 18.7% per year export growth & also the biggest manufacturers and exporters of generic medicines. In terms of medical goods export India is currently ranked 12th also having contribution of 6.6% of total merchandise export. US is the key market for Indian drugs export despite of exporting pharmaceutical products to 200 countries.

[EXHIBIT2]

[EXHIBIT3]

Government Initiatives

Government has launched various schemes to safeguard the industry. Some of the schemes are:-

- Pharmaceutical Technology up gradation Assistance Scheme

- Pharmaceutical Promotion & Development Scheme
- Assistance to pharmaceutical industry for common Facilities
- Personal Protective Equipment Footwear Amendment Order 2021
- Operational Guidelines for the production Linked Incentives Scheme for Pharmaceuticals
- Production linked incentive scheme for pharmaceuticals
- Guidelines for implementing the provisions of public procurement
- PLI Scheme to 10 key sector for Enhancing India's manufacturing capabilities
- Guidelines for the production linked Incentive scheme for promotion of domestic manufacturing of critical key starting materials

Some of the major Government initiatives for pharmaceutical industry are-

- In February 2021, Punjab government issued a statement for setting up 3 pharmacy park
- In April 2021, the Union Government decided to organize and speed up the regulatory system for COVID-19 vaccines
- In May 2021, under Atmanirbhar Bharat 3.0, Mission COVID Suraksha was declared by the Government of India to speed up growth and manufacturing of indigenous COVID vaccines.
- In June 2021, Finance Minister Ms. Nirmala Sitharaman declared a supplementary outlay of Rs. 197,000 crore that will be used for over 5 years for the pharmaceutical PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.
- In August 2021, Union Health Minister, Mr. Mansukh Mandaviya declared that a supplementary number of pharmaceutical companies in India are hopefully to commence production of anti-coronavirus vaccines by October-November 2021.

[EXHIBIT 4]

Road Ahead

Spending on pharmaceutical industry in India is projected to grow 9 12% over the next 5 years, making India to become one of the top 10 countries in terms of spending on pharmaceutical. Government has continuously working on reduction in healthcare expenses & bring down the cost. Major focus of the government is on exposure of generic medicines in domestic market & helping out Indian pharmaceutical to gain profit margin

EXHIBIT 1

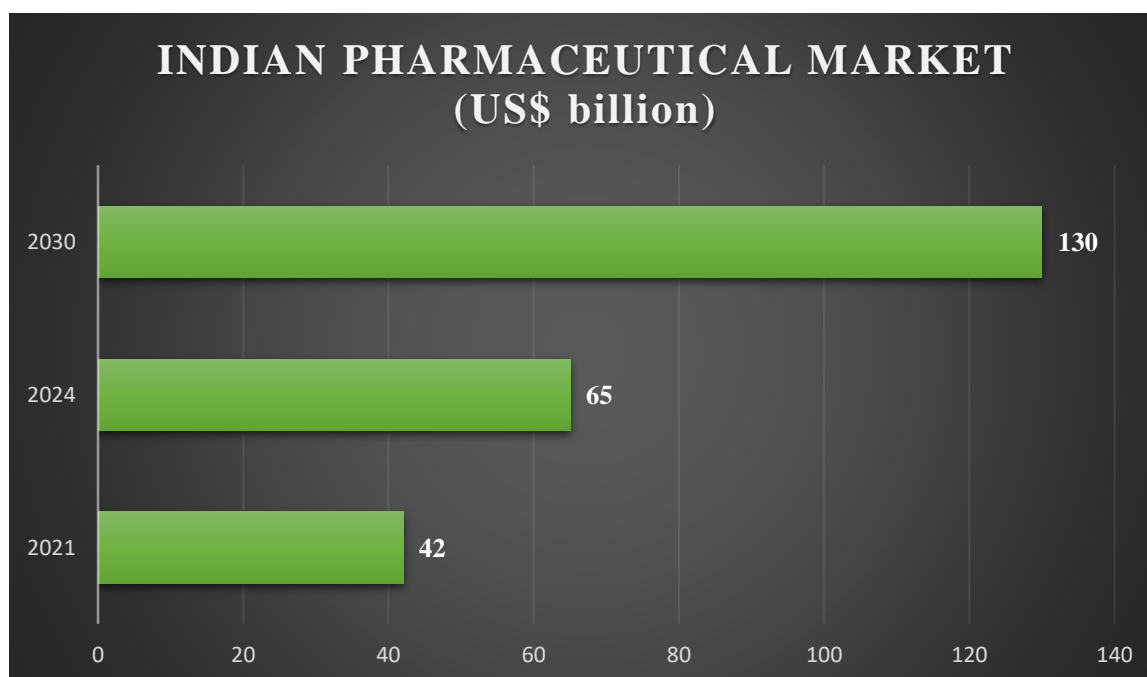


EXHIBIT 2

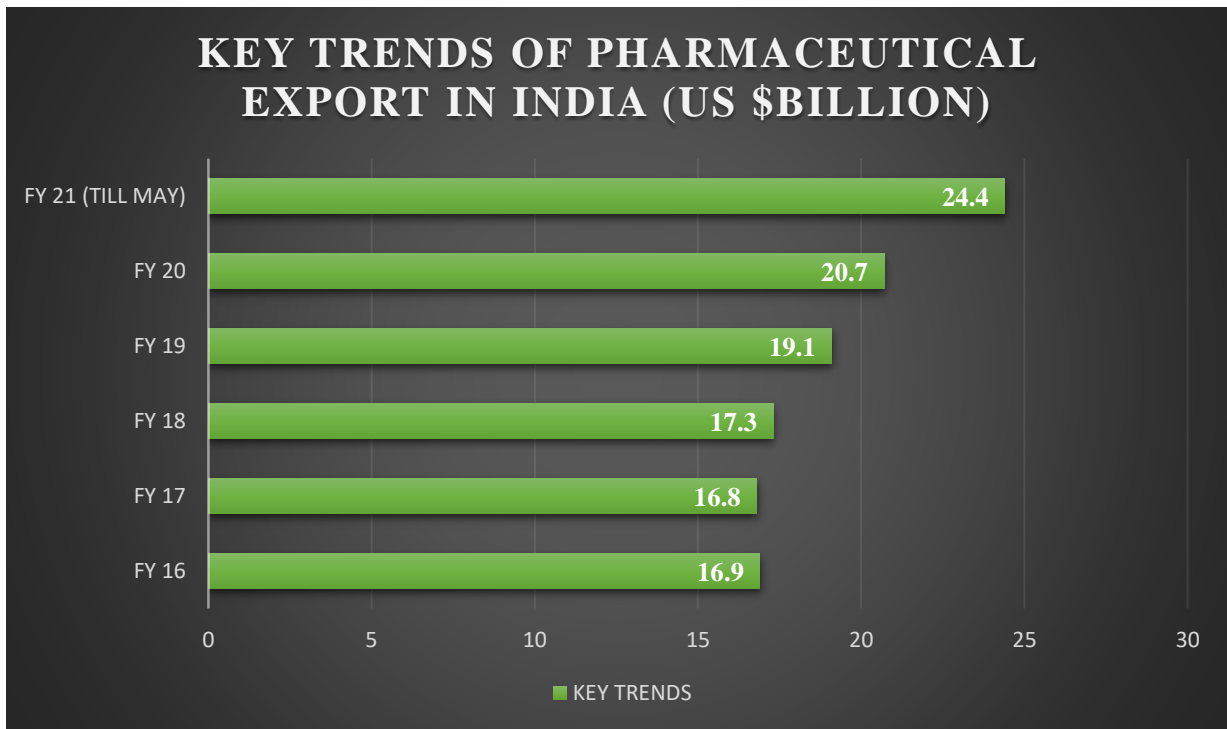


EXHIBIT 3

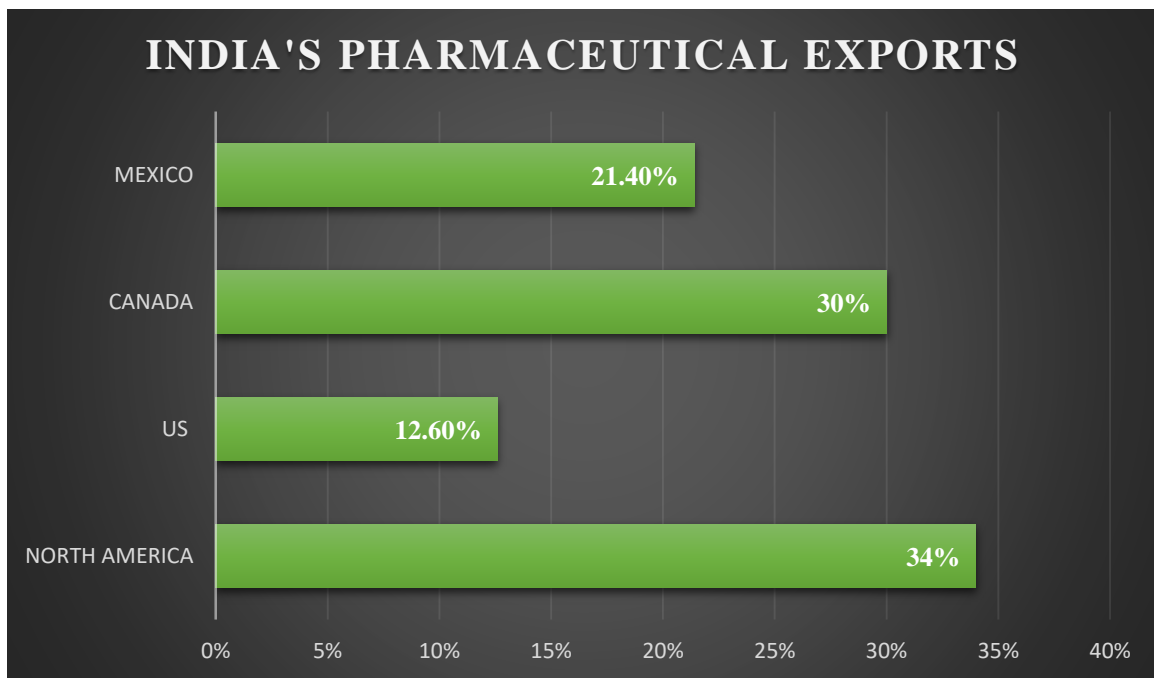
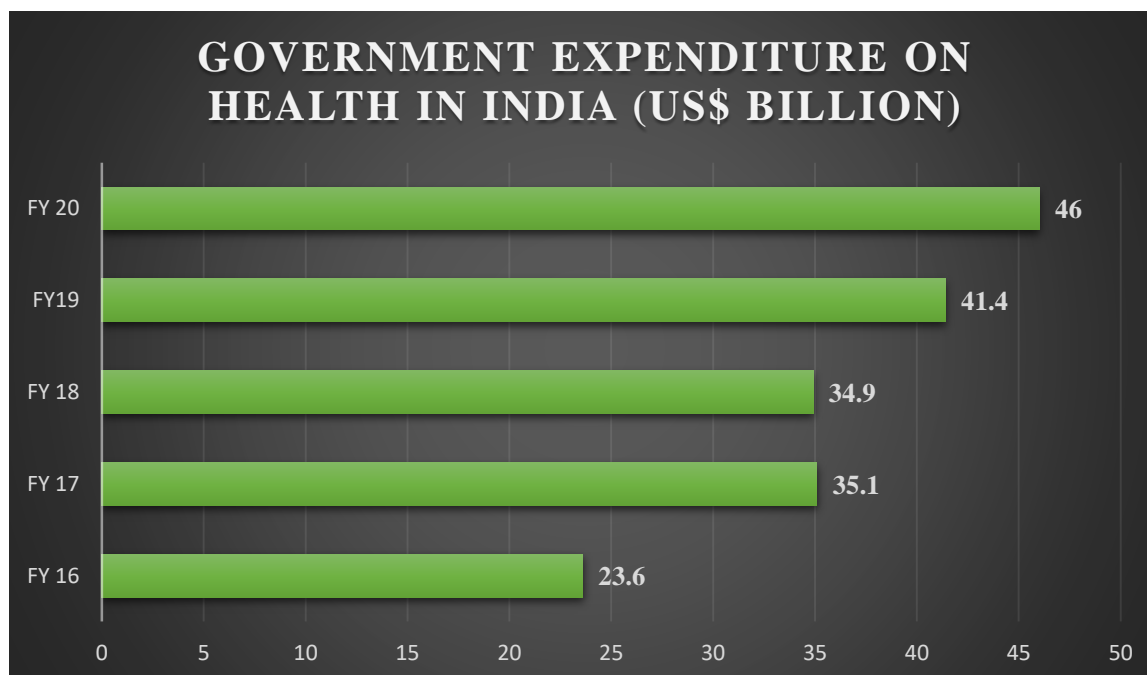


EXHIBIT 4



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