



Review On - Indian Pharmaceutical Industry and Expansion of Indian Pharmaceutical Market In Year 20-21

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ABSTRACT

India occupies a very important position in the world pharmaceutical sector. India is the largest supplier of generics globally with Indian generics accounting for 200th of world exports by volume. India's pharmaceutical business is expected to grow to \$ 100 billion by the end of 2025. Pharmaceutical exports from India were \$ 24.44 billion in 2020-21. India's biotech business was valued at \$ 64 billion in 2019 and is projected to reach \$ 150 billion by 2025. India also has the widest range of manufacturing sites approved by the United State Food). and Drug Administration outside the United States.

Keywords: Indian Pharmaceutical Market, Indian Pharmaceutical Exports, R&D, OMC, SWOT Analysis

INTRODUCTION

January 1st 2005 could be a turning point for the Indian pharmaceutical business. Following the international organization agreement signed by the year 1995, the Asian country had to recognize international patent laws which were enforced with impact from New Year's Day by the year 2005. This meant that Indian pharmaceutical companies have had to adapt their development processes which were not infringing and venerating the patents of the inks not only on the processes but also on the products, in contrast to the previous amount from the year 1970. From the year 2005, it was necessary that the companies Indian nationals extended pay for research and development to remain competitive within the world market marking a major amendment in their operations. With well-educated scientists and technical power to manufacture bulk medicines and formulations, Indian companies have braced themselves for the challenges despite inadequate funding available for drug discovery programs. To grasp the current scenario of the Indian pharmaceutical trade and also the future evolution, it could facilitate the revision of the historical past.

The pharmaceutical trade during the year was at least one of the main distinctive exchanges because it serves society to the core; not only does it provide jobs, but it also saves immeasurable lives with its medicines and vaccinations. The pharmaceutical trade has been marked as the most innovative trade of the past and a gift for the development of the globe. India Republic of the Asian country | Bharat | Asian country | Asian nation} is the fastest growing economy in the world with its second largest population in the world makes India a boost for the Indian pharmaceutical sector event. India has a distinctive demographic advantage and a disadvantage at an equivalent time, attributable to its incredibly massive population. The government began encouraging the expansion of drug manufacturing by Indian companies in the early 1960s and with the Patents Act in 1970. Indian companies have carved a distinct segment in each Indian and world market with their expertise in reverse engineering of new processes for the production of low value medicines which has become the advantage for the trade. India's bio pharmaceutical trade recorded 17% growth with revenues of Rs 137 billion (US \$ 1.8 billion) in the year 2009-10 compared to the previous fiscal year. The bio-pharmacy was the most important contributor generating 60% of the commercial growth at eight,829 Rs Crore, followed by bio-services at two,639 large and bio-agree integers at Rs one,936 crore. Most pharmaceutical companies operating with high level management. Home Prescribed Medicines, such as several business activities in the Asian country, area unit Generally combination of public and personal enterprise.[1],[2],[3].

Evolution of Pharmaceutical Sector in India :

1. The evolution of the pharmaceutical sector in the Asian country will be divided into four phases. the main part is that the amount before 1970 the Indian market was once dominated by foreign companies with very little domestic participation.
2. The second section is that the amount between 1970 and 1990. During this era many national companies started operating. during this era the Indian Patent Act, 1970 was enacted. Export initiatives were taken during this era [4].
3. The trade has seen major policy changes such as the National Pharmaceutical Evaluation Policy 2012 (NPPP-2012) which aimed to regulate the value of essential drugs that were not covered by the Drug Control Order.
4. Such drugs should have an MRP Associate in Nursing value that is less than the government-notified cancellation value. Another policy was developed and implemented by the director of the food and pharmaceutical sector, the New Drug Control Order 2013 which intended to reduce the value of medicine. [5] [6].

Advantage India

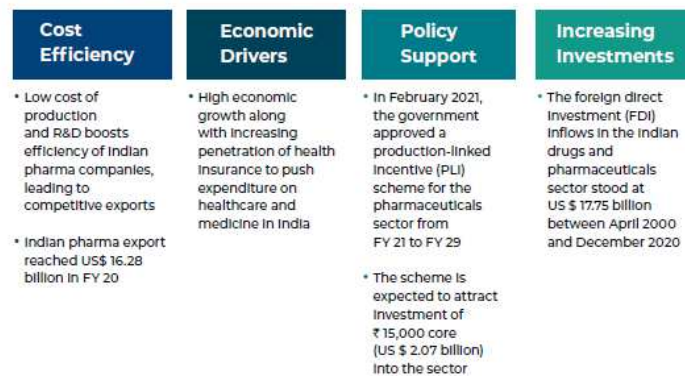


Figure No - 1

Market Leaders:

- List of the best pharmaceutical companies in India.
- Torrent Pharmaceuticals Ltd.
- Glen mark Pharmaceuticals Ltd.
- Cadila Healthcare Ltd.
- Dr. Reddy Laboratories Ltd.
- Cipla.
- Lupin
- Aurobindo Pharma Ltd.
- Sun Pharmaceuticals Industries Ltd. [7].



Figure No - 2 Top 10 Pharmaceutical Companies 2020

Market Size :-

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3 times over the decade.

India's domestic pharmaceutical market is estimated at \$ 41 billion in 2021 and is likely to reach \$ 65 billion by 2024 and further expand to around \$ 120-130 billion by 2030. [8].

India's biotech industry was valued at \$ 64 billion in 2019 and is expected to reach \$ 150 billion by 2025 [9].

Impact Of GST in Indian Pharmaceutical :

The Asian country's pharmaceutical business is currently being reconditioned from the impacts of GST with the correction of retailers' drug inventories.

The validation was completed supported by a slight increase seen in domestic sales of major pharmaceutical companies that in the Torrent unit area have prescribed limited drugs, Alambic prescribed limited drugs and Cadila trending limited.

Torrent's in-house prescription drug writing activity limited the marked revenue of Rs. Whole large 607 in the July-September 2017 quarter, a half-hour increase in excess of the Rs 464 large integer revenues recorded in the first quarter in the year 2017-2018. [10]

As a result, the narrow sales scale of crooked prescription drugs increased by sixty-three, 3% to a whole large Rs.385 in domestic trade, particularly in second-quarter control.

Cadila Trending Jointly found the surge in domestic business sales to a whole great Rs 895 in the second quarter for the 2017-2018 financial year. [11]

Pharma Export To Continue Witnessing High Growth :-

Indian pharmaceutical sector could see 20% growth due to exports to the United States New Delhi, February 3: Major Indian pharmaceutical players will continue to grow strongly at over 20% in 2013, mainly driven by exports to the market American. [12]

India Ratings has stated that in its outlook for the Indian pharmaceutical sector it could see a growth of 20 due to exports to the United States The Indian pharmaceutical sector could see a growth of 20% due to exports to US PTI 03 February 2013 14 : 51 IST advertising.

New Delhi, February 3: Major Indian pharmaceutical players will continue to grow strongly by more than 20% in 2013, mainly driven by exports to the US market, India Ratings said in its outlook for the sector. will continue to grow strongly in 2013 (over 20% annually), led by Primaria Exports. [13]

Pharma Giants Raise their R&D Spending

R&D spending has been hyperbolic in recent years as pharmaceutical company players have designed solid portfolios of USFDA approved products. Most companies even have a solid pipeline of products pending approval, he said.

A solid pipeline of new products could pay off in 2013 on development.

However, it appears that incremental investment needs will remain modest within the year as several companies appreciate the existing infrastructure which may be sufficient to anticipate an increase in operations, hand in hand with the agency. [14]

INDIAN PHARMA MARKET

The Indian pharmaceutical market saw growth at a CAGR of 5.64% during fiscal year 11-16 with the market increasing from US \$ 20.95 billion in fiscal year 11 to 27.57 billion. US dollars in fiscal year 16 are estimated to have grown 7.4% in fiscal 2017. India's cost of production is significantly lower than that of the United States and nearly half of the Europe. It gives India a competitive edge over the others. Sales of medicines in India increased 8.1% year-on-year in November 2017. [15] [16]

Expansion of Indian Pharmaceutical market

- The Indian pharmaceutical sector has come a long way, being almost non-existent before 1970 for a major healthcare provider, meeting nearly 95% of the country's pharmaceutical needs.
- National sales of pharmaceuticals increased from Rs 4 billion in 1970-71 to Rs 214 billion in 2002, at a CAGR of 13.7% per annum. [17]
- The components of total Indian production represent approximately 1.3% of the world market in terms of value and 8% in terms of volume.
- Per capita drug use in India, at USD 3, is among the lowest in the world, compared to Japan - USD 412 and USD 222 and the United States - USD 191.
- The Indian pharmaceutical industry is increasing the value chain. [18]

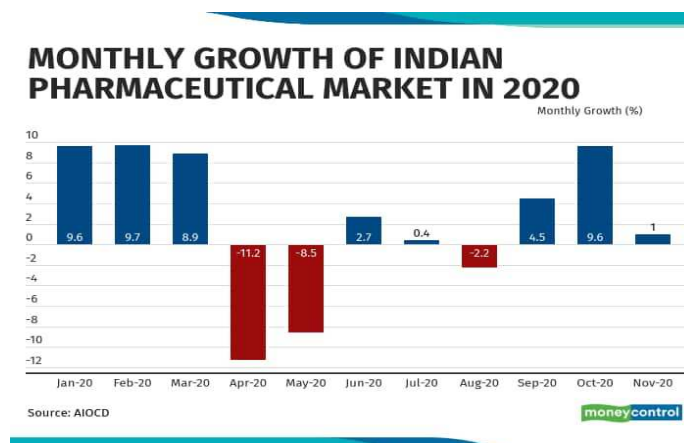


Figure No - 3

Reasons for Growth

Cost Advantage

- The most critical challenge facing the global pharmaceutical industry today is the rising costs of drug discovery and development and the increasing time-to-market.
- This is further compounded by: impending patent expiration of the successful molecule
- Price pressures

- Low public opinion
- Challenges to intellectual property from increasingly aggressive generic companies
- Medicare / Medicaid reform raises regulatory hurdles. This scenario is forcing pharmaceutical multinationals (MNCs) to rethink their strategic options to leverage their core competencies around the world. In this situation, India has a lot to gain thanks to its inherent advantages such as stability, culture, cost and an educated workforce. [19] [20]

Contract Manufacturing

- Many global pharmaceutical majors are looking to outsource manufacturing from Indian companies, which enjoy much lower costs (both capital and recurring) than their Western counterparts.
- Many Indian companies have made their facilities CGMP compliant, and India also has the largest number of USFDA-approved factories outside the United States. Indian companies are proving better at developing active pharmaceutical ingredients (APIs) than their competitors from target markets and also with non-infringement processes. [21]

Research and Development

India is becoming an increasingly attractive destination for research and development in the pharmaceutical industry. A variety of factors, from changing intellectual property and patent laws, through cost-effective skill rations, to the past success of IT outsourcing, have come together to create a compelling business opportunity for Indian companies in the research and development of pharmaceutical products. [22]

Sales Contract Manufacturing Deals in India

Indian Company	Multinational	Product
Lupin Laboratories	Fujisawa	Cefixime
	Apotex	Cefuroxime Axetil, Lisinopril (Bulk)
Nicholas Piramal	Allergen	Bulk and formulations
	Advanced Medical Optics	Eye Products
Wockhardt	Iva x	Nizatidine (anti-ulcerant)
Dish man Pharmaceuticals	Solvay Pharmaceuticals	Eprosartan Mesylate
IPCA Labs	Merck	Bulk Drugs
	Tillomed	Atenolol
Orchid Chemicals and Pharmaceuticals	Apotex	Cephalosporine and other injectables
Sun Pharma	Eli Lilly	CVS products, anti-infective Drugs and insulin
Kop-ran	Syopac Pharmaceuticals	Penicillin G Bulk Drug
Cadila Healthcare	Altana Pharma	Intermediates for Pantoprazole
	Boehringer Ingelheim	Gastrointestinal and CVS Products
Bio con	Bristol Myres Squibb	Bulk Drugs

Mergers and Acquisitions -

The pharmaceutical industry leads the wave of mergers and acquisitions after IT.

This trend is fueled by the need to explore new markets and products for the future growth of this sector. Furthermore, the acquisitions also act as a mechanism to alleviate regulatory constraints in overseas market penetration. [23] Therefore, Indian pharmaceutical companies are increasingly focusing on global acquisitions and adopting the acquisition strategy and adopting the strategy of acquiring existing generic drug marketing companies that hold valid drug licenses. Pharmaceutical companies have aggressively made overseas acquisitions, especially in the United States and Europe, over the past two to three years. [24]

Efforts by the Indian Pharmaceutical Industry :-

The IPI, seeking to claim the full benefit of the benefits offered by the government, has earmarked money for research and development. Its focal points are drug discovery in the area unit, drug delivery system development, biotechnology and biological information processing. unit area of companies by re-evaluating their strength and accentuating the product section that unit of the profitable area for the company. [25]

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Slow growth

The Indian pharmaceutical market is one of the least penetrated in the world. However, growth has been slow. As a result, the Indian majors rely on exports for growth. To put things in perspective, India accounts for nearly 16% of the world population, while the total industry size is only 1% of the global pharmaceutical industry. [32]

Low entry barriers

Due to the very low barriers to entry, the Indian pharmaceutical industry is highly fragmented. This makes the Indian pharmaceutical market increasingly competitive. The sector is seeing price competition, which reduces the growth of the sector in terms of value. To put things in perspective,

in the year 2003, the industry actually grew by 10.4% but due to price competition, the growth in value terms was 8.2% (prices are actually decreased by 2.2%).

I Labor legislation -

Outdated and restrictive labor laws are hindering all industries in India and making it impractical for multinationals to create a manufacturing base in India

Animal rights -

Animal experiments are an essential part of pharmaceutical research and development. Each drug molecule must be screened using animals in research and development tests, the IPI will be forced to turn to other countries for animal studies. There is a great need to provide adequate information to animal rights activists in India so that a balance can be found between animal rights and human rights.

Infrastructure -

The infrastructure in India is good but could be improved. Infrastructure development is a key to success and the IPI needs to take more definitive steps to overcome this weakness.

Switching from "process" patent to "product" patent - This is the main threat that the Indian pharmaceutical industry is facing. [42] Indian companies, especially small and medium-sized enterprises, lack the ability to develop new molecules and could succumb to the giants. Counterfeit drugs - The extent of the counterfeit drug problem is unknown. [43]

Trends and strategies -

India's domestic pharmaceutical industry is becoming increasingly competitive globally to counter weaknesses and threats. Key trends and strategies adopted by the local pharmaceutical industry are: Increased focus on research and development Driven by the imminent change of a product patent regime at home since 2005, major pharmaceutical companies in India have increased their research budgets and development over the years [44] [45].

CONCLUSION

The achievements of the Indian pharmaceutical industry are spectacular in recent times and are worthy of praise, which has evolved as the country's model industry in terms of performance. India has a solid infrastructure for the pharmaceutical trading environment. But, in the 21st century, the pharmaceutical value chain will depend on the ability of pharmaceutical companies to make the technological changes necessary to maintain and increase their competitive positions

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