

A DIAGNOSTIC VIEW OF INDIAN PHARMA INDUSTRY- NEED FOR CLINICAL APPROACH

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ABSTRACT

It is often said that the pharma sector has no cyclical factor attached to it. Irrespective of whether the economy is in a downturn or in an upturn, the general belief is that demand for drugs is likely to grow steadily over the long-term. The Indian pharmaceutical industry is fragmented, but has grown rapidly due to friendly patent regime and low cost manufacturing structure. Intense competition, high volumes and low prices characterize the Indian domestic market. Exports have been raising at around 30% Compounded Annual Growth Rate (CAGR) over last few years. There is a shift in export profile towards value added formulations from low value bulk drugs. The drug pricing control order (DPCO) has been mile stone around the neck of Indian industry as its severely restricted profitability and hence innovation. This paper focuses on the three important issues; i) Diagnostic Analysis ii) Challenges faced by pharma industry and iii) Future prospects.

KEYWORDS: Pharma Industry: Problems, Challenges, Future Growth.