



भारत 2023 INDIA

Indian Pharmaceutical Industry

Overview and Way Forward

August 2023

वसुधैव कुटुम्बकम्

ONE EARTH • ONE FAMILY • ONE FUTURE

Indian Pharma: Global Manufacturing Powerhouse

Global Trade



20%

of total global exports of generic drugs



3rd largest

Volume Terms



14th largest

Value Terms

Economic Outcomes



2.7 Mn

Jobs created directly and indirectly



USD 17.5 Bn

Annual trade surplus;
One of the top 5 sectors reducing trade deficit



USD 50 Bn

Total market size in 2021-22

India has played a significant role in global healthcare



Lower per person disease burden in India (DALY, 1990-2016)³



Lower treatment costs of life-threatening diseases (Hep-C, Leukemia)¹



Eradication of Polio by collaboration between all stakeholders²



Global vaccine demand Supplied by India⁵



With access to affordable AIDS treatment in Africa in 2009 through ARVs V/s 2% in 2003⁶



Pills taken in the US are by Indian manufacturers⁴

¹ Access to Costly New Hepatitis C Drugs: Medicine, Money, and Advocacy, Oxford Journals, Vol 61, Issue 12; Changing the cost of care for chronic myeloid leukaemia, PMC, October 2015; ² Press Information Bureau, WHO;

³ Measured as Disability Adjusted Life Years (DALYs) after adjusting for changes in population age structure; ICMR, Public Health Foundation and Institute of Health Metrics and Evaluation; ⁴ IQVIA 2019;

⁵ Press Information Bureau; IDMA report;

⁷ Export Import Data Bank, Department of Commerce, PHARMEXCEL, IDMA report on "Journey towards Pharma 2020 & beyond";

⁸ In-ovo life sciences: Vision 2030, FICCI June 2015, Growth estimated by IHS Market;

⁹ RBI Database on India's Economy, Department of Industrial Policy and Promotion

The pharma industry has evolved over a period of time

Pre-1970s

Prior to process patent regime

- Limited penetration; market dominated by innovators

1970 - 2005

Post impln. of process patent

- Decades of strong growth and penetration, driven by low cost process reengineering and manufacturing
- Balance tilted towards local players
- Export initiatives taken

2005 - 2020

Post reform & product patent

- Gradual rerating of growth from 8-9% to 13-15% levels
- Driven by growth in affordability and some progress in access
- Liberalized market - Indian companies going beyond India

2020 onwards

The next decade

- Innovation and Quality
- Building API Self-reliance
- Ease of Doing Business
- Significant build-up in accessibility and acceptability
- Global strategic alliance

COVID-19 : Most unprecedented humanitarian crisis

- ❑ Indian Pharmaceutical industry showed resilience, supplied quality-assured medicines to over 150 countries
- ❑ The **Industry, Government and Regulators worked together** and constantly adapted to meet the challenging environment : **Collaboration among all stakeholders across the world**
- ❑ Biggest vaccination program in the world -

44.9 Million

Total Cases in India

0.53 Million

Total Deaths in India

2.2 Billion

Total Vaccination in India

Note: Data as on 12 August 2023

India ensured an uninterrupted supply of medicines

- ❑ Industry stepped up to the plate to meet the challenges posed by COVID-19 with **thrust on digitalisation and collaboration**
- ❑ High-level of engagement with the Government of India : **Pharmaceuticals recognized as Essential Goods; Permissions granted for ensuring continuity of Transport and Logistics**
- ❑ **Coordination with industry associations** in India and with WHO, IGBA, AAM and others



Ensuring employee safety and wellbeing at facilities

Successful implementation of safety protocols across the industry has limited the spread of COVID-19



Integrated efforts to upgrade and share the best practices

Reviving the domestic API industry

In context of the recent coronavirus outbreak

February 2020



White paper on **Reviving the domestic API Industry**

Policy initiatives for self-reliance on API

C+WIN

Winning Over Covid-19

- A benchmark for **digital infrastructure** for world's largest vaccination drive
- **E-governance** for faster approvals of drugs, vaccines

REVIVING THE PHARMA ANCILLARY INDUSTRY

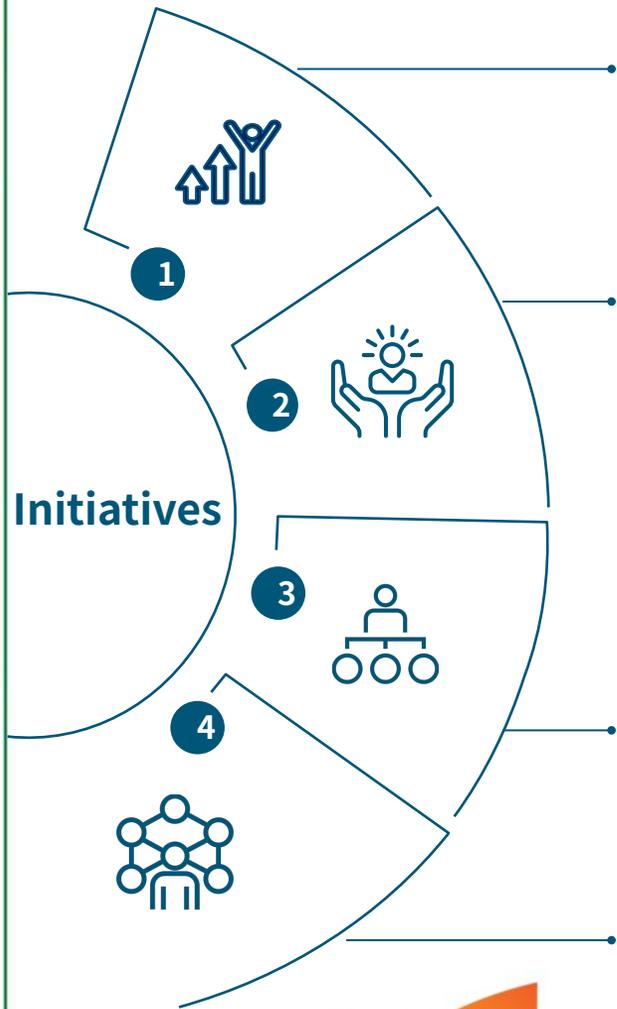
Roadmap for Resilience with Excellence

22nd May, 2020



White paper on **Reviving the Pharma Ancillary Industry**

Key initiatives by the Government of India



Policy to boost **manufacturing of APIs/KSMs** and **thrust on value-added formulations**

R&D Policy to enable an **innovation ecosystem** in the country:

- Industry-Academia Collaboration
- Regulatory Reforms
- Building Infrastructure
- Funding Mechanism in progress

High-level Regulatory Committee Setup for regulatory reforms and **ease of doing business**

National Digital Health Mission announced for building a digital health ecosystem

The global healthcare ecosystem is undergoing a paradigm shift



Shift in disease burden: from acute to chronic and in future degenerative diseases



Technology Advancement: Convergence and emergence of newer innovative research platforms across drugs, devices, delivery



Volatility in the environment because of the **changing geopolitical landscape; Uncertainty in pricing**



Consumerization of holistic health: physical, mental and spiritual well being



Environmental, Social and Governance (ESG) Agenda

Opportunity in India: Robust healthcare ecosystem

- ❑ **Demographic, Digital and Democratic Advantage**
 - Demographic advantage with **largest working population (65% of India's population less than 35 years) to continue for next 30 years**
- ❑ **STEM Talent graduating every year: 110,000+ doctors (Current 1.4M + Doctors); 400,000+ pharmacy (Current 1.7M+ Pharmacists); 15,00,000+ engineers**
- ❑ **Conducive Policies:** Regulatory Reforms with focus on quality, Self reliance in API, Thrust of R&D through incentivizing innovation and industry-academia collaboration
- ❑ **Service Delivery:** CDMO, Clinical Trials and IT Services
- ❑ **Global Lighthouse Network:** Cipla and Dr Reddy's plants declared by World Economic Forum

Way Forward: Building resilient & sustainable global supply chains

- Creating a **global cooperative framework** among nations with **investments in critical areas, technology exchange and procurement commitment**:
 - **Health emergency prevention, preparedness and response** with a focus on antimicrobial resistance and the One Health framework
 - **Strengthening cooperation in the pharmaceutical sector** with a focus on access and availability to safe, effective, quality and affordable medical countermeasures (VTDs)
 - **Digital health innovations and solutions** to aid universal health coverage and improve healthcare service delivery

Way Forward: Building resilient & sustainable global supply chains

- ❑ **Augmenting digital infra:** Tech-enabled platforms for disease profiling and better flow of goods and services etc
- ❑ Developing **Government-2-Government information-sharing and crisis-response mechanisms:** Address supply chain vulnerabilities
- ❑ Strengthening **supply chain & logistics infras:** Integrating land, air, waterway, the maritime and port facilities
- ❑ Establishing **transparency in the supply chain:** Balance between corporate risks and ESG agenda

Thank you