IN 2016 VOLUME OF SALES OF INDIAN GENERICS WILL REACH 26.1 BILLION DOLLARS.

Indian pharmaceutical market is estimated: last year at $ 20 billion, in 2020 it will increase to $ 55 billion, says the research of GlobalData consulting company. According to analysts, the cumulative average annual growth of pharmaceutical market in India will make 22.4%. The experts report that exports of Indian products will grow more slowly due to the hardening of regulations on the markets of Russia, USA and Africa.

The rapid pace of development explains the high rate of production of generics, the share of which in domestic market is about 70%, say experts of the GlobalData company. It is expected that in 2016 the sales of Indian generics will reach $ 26.1 billion. Senior analyst of the consulting company Adam Dion notes that India supplies 20% of the world’s generic medicines, which makes the country the largest supplier of generics worldwide.

"Indian pharmaceutical companies are exporting now to such countries as Brazil, Mexico, South Africa, Russia and Japan, and, according to the Indian Ministry of Commerce and Industry, the export of pharmaceutical products from 2008 to 2014 has risen more than two times: from $ 7.8 billion to $ 16.5 billion, accordingly" - the expert commented.

The biosimilars market will stimulate the growth of the pharmaceutical sector in India, predicts the GlobalData. This sphere is expected to increase to $ 40 billion in 2020 in the world. In their research, the GlobalData regards as the main growth factors the increase of coverage of health insurance, improving access to health services in urban and rural areas and government initiatives for quick access to health care institutions.

The main groups of drugs that being developed: antibiotics, anti-diabetic drugs, and drugs for the treatment of cardiovascular, cancer and rheumatic diseases. In the competitive campaign Indian companies are using a variety of strategies, such as focusing their efforts on a variety of growing regional markets, on the development of generic drugs, as well as on provision of outsourcing services. The peculiarity of the pharmaceutical market of India is in high proportion of expenses on research and development of new drugs. The number of pharmaceutical companies of India exceeds 20 thousand with a tendency to increase, indicating the ongoing process of the pharmaceutical industry of India getting on to the world market.

Other analysts – of Assocham and TechSci companies - in their joint report give the same predictions, but point out that the growth of export products from India can be slowed down by an average of 7.98%. Experts point out that the export of Indian
medicines will grow more slowly due to the tightening of regulations in USA, Africa and Russia.

"Consolidation of pharmacy players leads to increasing of the price pressure in the US market, which is expected to lead to a reduction in the annualized rate of growth of the pharmaceutical exports from India in the next five years", - the document says.

The sharp fall of currency in emerging markets in Africa, Russia, Ukraine and Venezuela may add difficulties for pharmaceutical manufacturers in India who supply drugs to this region and are not able to generate high incomes due to the sale of medicines at low cost.

The report concludes that, for example, Dr. Reddy's income in Russia fell by 9% in dollar terms, despite a 30% growth in rubles. Thus, the stabilization of the currency is of paramount importance in the creation of income through exports. In addition, many Indian companies are involved in the bidding for the supply of drugs from the list of VEM (vital and essential medicines), the prices of which are being regulated. Export of pharmaceutical products to Africa is difficult because of the prolonged testing and certification procedures, as well as the registration of the drug. India is the largest supplier of drugs in the United States: pharmaceutical export grew from $3.44 billion in 2013 to $3.76 billion in 2014.

"Pharmaceutical export to the US is growing due to the increasing demand for high-quality generic drugs, - the report says. - At the same time, the growth rate is decreasing due to the increasing number of studies on quality by the FDA pharmaceutical products produced in India."

In order to increase the export growth to the US, Indian companies will be required to fully comply with FDA regulations.

Manufacturers:
The pharmaceutical industry of the country is worthily represented both by Indian and multinational companies. Last act primarily in the segment of pharmaceutical substances but in the manufacture of finished dosage forms their part insignificant. Such multinational companies as GlaxoSmithKline, Pfizer, Novartis, Aventis and Merck have created a wide network in India for selling their products. The leading position among the domestic companies take Cipla, Ranbaxy, Nicholas Piramal, Sun Pharma, Dr. Reddy's, Wockhardt, Torrent Pharma, Lupin. The share of the ten largest companies is accounted for 36% of the pharmaceutical market of India. Leading Indian companies have subsidiaries in 60 countries around the world.