BioSpectrum
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

"Technology intervention can enhance pharma supply chain"

10 October 2019 | Interviews

Marg ERP has a market share of more than 70% in the pharma segment as far as providing the ERP solutions is considered for seamlessly managing the demand and supply situation of its consumers



As per a report prepared by the IPA, at its current rate of 7-8 percent CAGR, the Indian pharmaceutical industry is expected to grow about USD 80 to 90 billion by 2030. According to the report, Indian pharmaceutical industry can achieve a target of double-digit growth by 2030 through a host of measures including regulatory support from the government like an increase in budgetary allocations for healthcare and promotion of innovation. However, supply chain management remains the toughest challenge for the most promising segment of the industry. In order to address the challenge, New Delhi based Marg ERP Ltd. offers solutions to the pharma industry in the form of Enterprise Resource Planning (ERP).

To find out more about the solutions being provided by the company, BioSpectrum got in touch with **Sudhir Singh, Managing Director, Marg ERP**.

Edited Excerpts

What are the key services Marg ERP is providing to the pharma industry?

We, Marg ERP has a complete line up to cater right from manufacturing till last-mile retail connectivity. Our focus, however, remains to be a supply chain consisting of 2 lakh of distributors and suppliers. We have developed technology solutions suited to the unique elements, requirements, and challenges of pharma industry supply chain. Proper management of Pharma products and inventory as we know are very crucial, there is very little scope for errors.

We have a good line up of solutions available for the Pharma industry, such as Salesman and Retailer ordering platform, Pharma next medicine directory, DMSxpertweb based reporting system etc. **Marg ERP** is the flagship product that we offer to supply chain having capability configure it to manage the dynamics of the supply chain. Our customers have shared positive feedback for our solutions and has shown appreciation towards our approach and commitment.

We do have plans to launch ‘New Marg’ which will focus on Pharma Retail and cater to their specific requirements. We aim to have 2.5 lakh plus chemist shop computerised in the next 18-24 months. We constantly want to improve our offerings to the Pharma Sector and add great value to these businesses.

How do you view the supply chain management in the Indian pharma sector? What are the core challenges being faced in the supply chain area?

In comparison to developed countries, the Supply Chain of Pharma Industry in India is fragmented and suffers loosely managed inventory threats. Also, technology penetration is quite low in the supply chain. A country of our size requires a lot of inclusive Pharma distribution which is largely being done by the supply chain. We require a large and efficient tech-enabled supply chain to service the country's needs. Currently, the country has approximately 2 lakh plus distributors (which includes wholesaler, traders and C&F agents) and approximately 9 lakh Plus retails points.

Some argue that the Indian Pharma industry is over-regulated, but being regulated has pushed the industry's structured distribution to expand in reach, depth, and quality far ahead compared to many countries. Still, there is a lot of gaps that need to be fixed before we can actually call the supply chain all-inclusive and secure. Still we have possibilities of digitalization that will make it more robust and effective.

Technology intervention in the Indian Pharma supply chain would enable reduction of miss-management in inventory and weed out counterfeits from the system.

For how long has Marg ERP been providing its services to the pharma sector? What has been the output? What more needs to be done?

We started working with the Pharma Sector since our inception. Since then we have worked very closely with the industry constantly understanding their needs and upgrading our solutions to suit their requirements more efficiently. We have got 1 million total user base out of which 5.5 lakhs come from Pharma trade. We have observed that the use of technology solutions customised to suit the Pharma Sector increases the efficiency of business operations many folds. The gaps in inventory management and supply chain management are one of the biggest challenges that small players in this industry have been struggling with and with automation simplifying these tasks the businesses are able to reduce losses on these accounts.

How much revenue is generated by the company through its services to the pharma sector?

We have earned and maintained a leadership position in the Pharma segment, specially because of our focus, commitment, and innovative approach. The sector contributes to more than 60% of our revenues. There is a growing demand from the Pharma sector for technology solutions and automation.

Does the company provide services to the life sciences and healthcare sector as well?

Wherever there is a need for Accounting and Inventory Management Marg Software is available. We cater to more than 2,50,000 SMEs & MSMEs.

How does Marg ERP plan to help the MSMEs in the pharma, life sciences, and healthcare sector?

It is critical that businesses which directly affect human well-being and health are operationally efficient, have a secure supply chain and foolproof from malpractices and counterfeits. With innovation in the organisation's DNA, we are tirelessly supporting MSMEs to rewrite India's incredible growth story. Being one of the most versatile software solution providers for every business need of MSMEs across economies, we are democratizing technology for Retailers, Distributors, and Manufacturers to fuel empowerment, profitability and growth of businesses. Especially working closely with critical businesses like Pharma, Life Sciences and Health.

By disrupting future technologies such as big data, machine learning & artificial intelligence to enable maximum automation, better information for quick decision making and accelerate operational efficiency, the company is successfully simplifying inventory management, accounting, payments, GST compliance, sales, marketing, HR and other basic yet complex needs of the last mile MSMEs in India and other geographies. Technology helps us plug-in any holes in the supply chain and operational management.

Chasing our dream to energize the MSMEs as growth engines of the country we started Marg ERP. We are humbled that large, medium, small and micro-enterprise are in Pharma Industry today trust our organization as their technology partners for their success, growth, and ease of doing business.