

Life Sciences industry generates \$ 10 billion worth trade: FICCI report

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Union health and family welfare minister, Mr J P Nadda released the FICCI knowledge paper titled "Indian Life Sciences: Vision 2030, Expanding Global Relevance and Driving Domestic Access" at Lifesciences Conference 2015, organized by FICCI in New Delhi on June.

As per report, the Indian life sciences industry is now the third-largest contributor to reducing India's merchandise trade deficit. The industry generates around USD 10 billion of trade surplus every year, allowing it to neutralize around 4 to 5 per cent of total energy imports for India. In addition, it also generates jobs and self-employment for around 2.5 million people.

In pharmaceuticals, India is now the eighth largest country by value globally with one of the highest growth rates. It is strongly positioned in key overseas markets like USA. In clinical trials, India continues to be one of the top 15 destinations globally. Significantly, Indian drugs are available at affordable prices as compared to global markets. Further, India is the primary supplier of essential medicines for numerous diseases, helping save millions of lives globally.

Indian medicine industry has also built strong value chain capabilities. In manufacturing, India continues to have the highest number of FDA-approved formulation plants outside the US. In R&D and regulatory, Indian industry has accounted for 32 per cent of the ANDA filings last year, second only to the US at 44 percent.

However, under changing market dynamics the road ahead for the industry is challenging. Margins continue to be under pressure, driven by customer consolidation in developed markets and evolving regulations in few emerging markets. Cost position is under threat with new entrants in and Indian players are facing an increasing number of quality issues, affecting its supply reliability. Gaps in the industry's competitive ability have a considerable impact on the industry's ability to sustain its future growth. India's position in the innovation space continues to be nascent given that innovation could represent the next wave of growth for the industry.

FICCI's estimates indicate that failing to address these issues could pull the growth rate down to 8 to 10 per cent over the coming years, also impacting the ability to serve the local market and maintaining its global position. It is, therefore, important for the industry and the government to come together and align on a common vision to help the industry unlocking its full potential.

Vision 2030 builds on the successful trajectory of the Indian life sciences industry. It lays out the path forward to unlock the industry's true potential. This can become a reality if all the stakeholders collaborate and build on the strengths.