

OTC drug market in India to reach \$6.6 billion by '16

Companies will benefit from off-patenting between 2011 & 2016

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THE over the counter (OTC) drug market in India is expected to grow to \$6.6 billion by 2016 with pharma companies and chemists increasing their presence in the rural market.

India's OTC drug market stood at \$3 billion in 2011 and a rise to \$6.6 billion is forecast by 2016, according to a sectoral document for the pharmaceuticals industry under the 'Make In India' campaign.

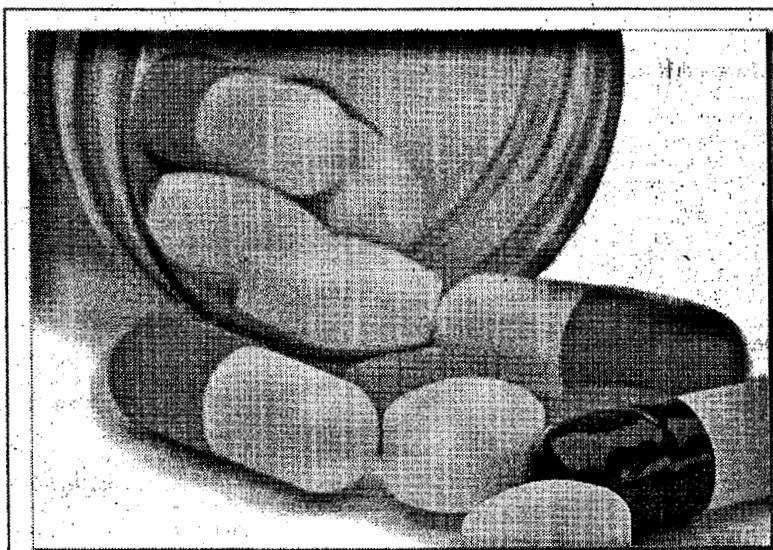
Pharma companies have increased spending to tap rural markets and develop better infrastructure. The market share of hospitals is expected to increase from 13.1 per cent in 2009 to 26 per cent in 2020, it added.

With increasing penetration of chemists, especially in rural areas, OTC drugs will be readily available, the document said.

The purported rise of lifestyle diseases in the country is expected to boost the industry sales figures, it added.

Highlighting the size of Indian pharmaceuticals market, the document said that India is the sixth largest market globally in terms of size, and is expected to rank amongst the top three pharmaceutical markets in terms of incremental growth by 2020.

Besides the growing domestic market, the Indian drug companies will also see tremendous opportunities arising out of huge surge in the generic drugs as an estimated \$255 billion worth of patent medicines are to go off-patent between 2011



Health issues

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India's pharmaceuticals industry accounts for about 2.4 per cent of the global pharma industry by value and 10 per cent by volume.

The worldwide market for over-the-counter (OTC) drugs could exceed \$70 billion by 2015, according to a report by Visiongain, a British research company. The US market for OTC drugs was \$17.4 billion in 2011, according to the consumer healthcare products association (CHPA), an OTC industry trade group. That's a steady, though not

radical increase from 1964 when OTC sales were recorded at \$1.9 billion. More than 700 of the OTC drugs on the market required a prescription 30 years ago.

The US food and drug administration has been considering making more commonly used prescription drugs for birth control, headache, asthma, high blood-pressure and diabetes available over-the-counter.

The term over-the-counter may be somewhat counterintuitive, since, in many countries, these drugs are often located on the

shelves of stores like any other packaged product.

In contrast, prescription drugs are almost always passed over a counter from the pharmacist to the customer. Some drugs may be legally classified as over-the-counter (i.e., no prescription is required), but may only be dispensed by a pharmacist after an assessment of the patient's needs or the provision of patient education. In many countries, a number of OTC drugs are available in establishments without a pharmacy, such as general stores, supermarkets, gas stations.

Miscellaneous