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The pharma industry in Gujarat may well be on its way to becoming a global pharma hub. All it needs is a push in the right direction

of bulk drugs and include every- opportunities. It is estimated that as thing from injectibles and oint- many as 52,000 people in the state are ments to orals such as tablets, cap- employed in the sector. sules and liquids. According to Gujarat's pharmaceutical industry is Industry estimates, there are nearly one of the oldest industries in India and 325 large and medium-scale indus- goes back more than a century. What trial companies and 50 multination- started with the first pharma unit, al corporations. Nearly 11,000 Bengal Chemical and Pharmaceutical operation. The state made for 42 lowed by Alembic Chemicals Works Co. per cent of India's pharmaceutical Ltd six years later in Vadodara, Gujarat, total exports, bulk drugs make for Chemicals, started the pharma industry 40 per cent while formulations con- In this state in Western India. These stitute 60 per cent of the other companies that have stood the test of the mere 10 per cent share in 2002- in point not only of the Gujarati entre-03. The exports accounted for nearly 22 per cent of the country's phar-ma exports in 2005-06, as against 8 per cent in 2002-03.

According to studies done on the sector, the \$4.4 billion pharma industry in 2005-06 has grown at a compound annual growth rate (CAGR) of nearly 88 per cent between 2002-03 and 2005-06. The \$1.1 billion exports in 2005-06 have also clocked a CAGR of 78 per cent between that financial year and 2002-

In 1999-2000, the production of bulk drugs in India clocked nearly Rs 37.77 billion, while formulation products were at Rs 158 billion. The exports of drugs from India for the year 2003-04 were Rs 146 billion and the export value is increasing at an average rate of 17 per rent annually. This hasn't happened overnight. The state and central governments are taking positive initiatives to

is one of the largest and most Gujarat. After all, it not only helps the the state grow by leaps and bounds. advanced in the world. We spe- state grow by way of boosting the econcialize mostly in the manufacture omy but also provides employment

small-scale enterprises are also in Works in Kolkata, West Bengal, was folturnover in 2005-06. Of the state's And with Almebic, later Sarabhai export market. Contrast this with time for several generations are a case.

ated sectors such as information tech-

Proposed SEZs promise to take the pharma industry to a whole new level with much more competency. These SEZs will not only help the industry in the area by providing state-of-the-art infrastructure, but also better technology

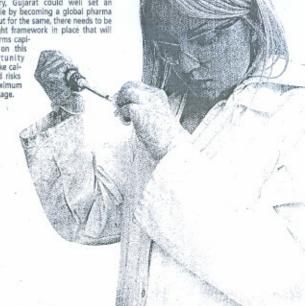
in Ahmedabad and Baroda. Some of the culated risks significant companies in the state to maximum include Torrent Pharma, Zydus Cadila, advantage. Alembic, Sun Pharma, Claris, Intas Pharmaceuticals and Dishman Pharmaceuticals. The Ahmedabad cluster of pharma units is made up of small firms that were set up in the 1970s and 1980s. It got a boost from exports demand at that time from Russian and African countries, it was during these 20 years that smaller players became medium or large players and looking at the promising future of the industry, a lot more new entrants made a mark in the state. Major products manufactured by the Ahmedabad cluster includes both allopathic and avurvedic formulations in the form of capsules, tablets, liquid, injectables and externals as well as medical disposable products such as IV sets. The fact that there are strong linkages between players of all sizes, industrial bodies, financial institutions, med-

ducive to doing business in the sector. Then there are the proposed pharma special economic zones (SEZs) that

ical bodies makes this cluster not only a

highly profitable one but extremely con-

ndia's pharmaceutical industry promote the growth of the industry in preneurial spirit but also how it helped nology, pharma machinery and chemi-promise to take the industry to a whole cals. It is also an example of how seri- new level with much more competency. The industry has further received a ously the industry was taken in the These SEZs will not only help the induspush with strong linkages with associ- state, with enough educational and try in the area by providing state-of-thetraining opportunities for the people, art infrastructure, but also better tech-Back in 1940, the Drugs Laboratory in nology. With its growth enablers and a Vadodara was founded, and the LM conducive environment for the pharma College of Pharmacy followed soon industry, Gujarat could well set an thereafter. The trend continues -- in example by becoming a global pharma 1989, the B V Patel Education Trust of hub, But for the same, there needs to be Ahmedabad was formed, which opened the right framework in place that will Guiarat Branch of Indian help firms capi-Pharmaceutical Association in the same talize on this opportunity Most pharma companies are located and take cal-



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