

# For the Street, pharma's quite in the pink of health

Product launches seen driving 13-15% growth, dermatology, cardiac care, gynaecology to grow strongly; even nutraceuticals, wellness to flourish

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The pharmaceutical sector is expected to log reasonable growth

next fiscal, whether or not the draft National Pharmaceuticals Pricing Policy is passed by the government in the near future.

Industry experts believe a 13-15% growth is a given, led by new product launches and consolidation of current businesses.

For the record, the domestic pharmaceutical market was worth ₹60,000 crore in 2011, as per industry data.

Besides, lifestyle therapeutic segments like cardiac care and diabetes, the industry expects segments like infectious diseases,

dermatology and diseases of the central nervous system to see good action.

As such, segments like dermatology, cardiac care and gynaecology are growing strongly, said A M Jandani, business head, Himalaya Drug Company.

In dermatology, which includes both ointments for serious infections as well as creams for blemishes and acne, increasing awareness about skin care and ability to spend on treatment are driving growth, said Jandani.

"Dermatology is seeing a 16% growth. Overall, we expect to grow at about 15-18% in the domestic market."

On its part, GSK Pharma India

## On steroids

Annual turnover of Indian pharmaceutical industry; in ₹ '000 crore

	Exports	Domestic	
10	88	66	
12	10	44	
14	12.8	15.2	
16	17.9	22.2	
18	24.9	30.8	
20	38.4	42.2	
22	30.4	32.6	
24	34.1	40.0	
26	45.4	50.9	
28	55.5	62.1	
30	62.1		
FY03	FY04	FY05	FY06
FY07	FY08	FY09	FY10

Source: Department of Pharmaceuticals

is looking at a 13-14% growth, pretty much in line with the sector, said Mehernosh Kapadia, senior executive director, GSK Pharma India. The company is

A particular month might see more growth for a particular segment, depending on the climatic conditions, said Sujay Shetty, partner, PricewaterhouseCoopers. "But on the whole, not just lifestyle illnesses, but also drugs for segments like cough and cold, TB, infectious diseases are seeing strong growth."

Indeed, even segments like nutraceuticals and wellness are seen gaining prominence. "Branches like ayurveda and homeopathy are also doing well due to the interest shown towards alternative medicine," said Aditya Bhat, managing director at Protiviti Consulting.

looking at introducing a small basket of 5-6 branded generics this year, in segments like metabolic disorders, cardio vascular diseases and anti-infectives.

According to a February 27 report by SBI CAP Securities, over the last 24 months, the pharma index has outperformed other indices on the stock market by 19%. Experts see the players using their sales force to engage more with doctors and also conducting campaigns to create awareness among the public about disease areas in which they sell medicines.

"Interaction with doctors is crucial and from 600 a few years ago, our sales force has grown to 2,400 today," said Jandani.

GSK, which added 700 people last year, expects to keep it at the current level of 3,500, said Kapadia.

Industry