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The Indian pharma industry in need of fundamental reforms: EY-FICCI report

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To reach $ 130 bn in size by 2030 from the current $42 bn the Indian pharmaceutical (pharma) industry will require to double the last decadeâ??s growth rate of 6% to 12%



The Indian pharma industry should consolidate on its advantages and undertake fundamental reforms to reset on innovation-led industrial growth to meet the ambition of $130 bn by 2030 says the EY-FICCI report titled, ‘Indian Pharmaceutical Industry 2021: future is now.’

This report reassesses the Indian pharma industry’s positioning and defines India’s ambition by 2030 by identifying a set of imperatives for all stakeholders – the government, pharma and healthcare industry leaders, functional experts of the pharma industry and experts in the allied sectors.

The Indian pharma industry has grown at a compounded growth rate of (CAGR) of ~11 per cent in the domestic market and ~16 per cent in exports over the last two decades. The overall growth has been driven by the industry’s leadership in supplying generic formulations to markets across the globe. In the 2020-2030 period, it is envisaged that the Indian pharma industry will grow at a CAGR of ~12 per cent to reach $130 bn by 2030 from $41.7 bn in 2020.

Sriram Shrinivasan, Global Generics and National Health and Lifesciences Leader, EY, says, “We must take upon ourselves a moon-shot target for the pharma industry in India, whereby all stakeholders come together on one platform and take a pledge of commercialising indigenous novel drugs (both biological and chemical).”

Pankaj Patel, Mentor, FICCI Pharma Committee and Chairman & Managing Director, Zydus Cadila said, “An increase in spending by the government on healthcare and investment is necessary with a policy that is clear and coherent resulting in the sustainability of the industry.”

The global pharmaceutical trade is expected to reach a size of $1-1.3 trillion by 2030, the ambition is to garner a global share of 6-7 per cent by value to attain a size of ~$73 billion.

The opportunities that have emerged to accelerate the growth of Indian pharmaceutical and healthcare industry are - innovation led research and development, healthcare delivery (R&D), manufacturing and supply chain, and market access.