

Pharma to hit \$60bn mkt size in 2 yrs on generics

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Mumbai: The domestic pharma industry is expected to grow about 11% over the next two years to cross \$60 billion in market size, driven by generic opportunities available globally, according to a study. With an existing market size of around \$45 billion in FY21, the industry ranks third globally in terms of volume, and 13th in terms of value.

The main drivers, said the study by CARE Ratings, include ability to leverage the opportunity available for Indian pharma companies due to patent expiries of drugs globally, ebbing of regulatory risks and de-risking strategies from dependency on China for key raw materials. The solid fundamentals of the industry and increasing trend of PE investments will also contribute to the growth, it adds.

The domestic pharma market, which was about \$18 billion during FY17, has exhibited a compounded annual growth rate (CAGR) of 4.5% to reach \$21 billion during FY21. Further, pharma exports, which totalled \$17 billion during FY17, have reported a CAGR of 10% to touch \$24 billion during FY21.