

India records lowest sales of drugs in 8 months

24 September 2013 | News | By BioSpectrum Bureau



Singapore: As per latest data released by pharma market researcher, IMS Health, India witnessed a decline in the sale of drugs from \$1.09 billion in August as compared to \$1.11 billion in July.

The report stated that the sales of drugs in the country grew at a tepid 4.9 percent in August, which is the slowest pace of growth in at least eight months. It cited that this was mainly due to lower stock intake by distributors and retailers, favourable weather conditions and weakening of the rupee against the US dollar.

The \$12.24 billion (Rs75,933 crore) local drug market grew at an average 12-to-13 percent during January-to-July. The report added that August also saw dramatic changes in the rankings of leading drugmakers and their top-selling brands.

Drugs worth \$1.09 billion (Rs 6,793 crore) were sold in August compared with \$1.11 billion (Rs 6,883 crore) in July. It stated that local companies posted an average sales growth of 5.7 percent and foreign drugmakers grew at only 2.8 percent in August.

The report also mentioned that the new drug price control order notification seeking to regulate prices of 348 essential medicines that came into effect on July 1 this year proved to be a major contributor to the sluggishness of the market. The national list of essential medicines accounted for close to 17 percent of the total drug market and IMS report said that prices of these medicines will drop by 25-to-30 percent.

The report pointed out that the sales of products affected by this regulation fell nine percent in August from a year earlier. The IMS report explained that this was mainly on account of the delay in the delivery of new stocks with changed retail prices from manufacturers, coupled with opposition to the proposed reduction in prices of these drugs.

The report further specified other contributing factors like the monsoon rain in August, which was milder as compared to the same period in the previous year. The report explained that this resulted in a 4.7 percent decline in sales of drugs for certain therapies, especially anti-infectives that contribute to about 16 percent of the drug market.