

## Indian formulation industry to grow by 10-12%

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**Singapore:** The Indian pharmaceutical industry is estimated to continue to experience strong growth in the near-term although there would be some moderation in the growth trajectory, a report by the rating agency ICRA said in a new report.

The domestic formulation industry is expected to grow 10-12 percent in 2013-14, mostly driven by generic opportunities in the US, the ICRA survey estimated.

The report further pointed out that the Indian pharmaceutical industry would continue to experience strong growth in the near-term although there would be some moderation in the growth trajectory.

While growth momentum in the domestic formulation industry slowed down in 2012-13 owing to several reasons, ICRA believes that the industry would revert to its long-term growth trajectory in the medium-term as 'structural growth drivers continue to remain impervious'.

According to the report, the growth momentum has picked-up over the past few months and with pricing policy related matters sorted to some extent, ICRA expects the industry to revert to a growth of 10-12 per cent in 2013-14. The report further stated that the impact of new DPCO though expected to be limited, could also get offset by volume expansion and efforts of industry participants to take price hike in rest of the portfolio.

"In Europe, the performance of Indian companies improved in 2012-13 in comparison to the prior year led by primarily new product launches which helped to offset the impact of pricing pressure. However, given the pace of healthcare reforms and the way competitive landscape is changing in Europe, the performance of generic companies would remain contingent on new product introductions," the report stated.