

## **Gearing Up to Meet Healthcare Needs**

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The market for chronic illness medicines has grown at a much faster rate than that for other ailments. The last five years has seen the highest volume growth in anti-diabetic medicines followed by those for treating semi-chronic ailments in urology (urinary-related) and dermatology (skin care). According to data from industry body AIOCD, the Indian pharma market grew at a compound annual growth rate of 3.3% in volume terms in the past five years. Against this, medicines for combating diabetes, urology and dermatological ailments have grown at more than double the industry growth rate. Incidentally, the volume growth for traditional and larger acute therapies like anti-infectives (antibiotics) and analgesics (pain killers) has been lower than the overall industry growth.

The trend is likely to sustain given the increased incidence of chronic lifestyle disorders in a steadily prospering economy. For instance, India is estimated to soon overtake China to become the world's diabetes capital. The pharmaceutical companies have benefited from this trend. The highest value growth has been in the drugs for chronic lifestyle ailments like diabetes, cancer, dermatology and urology in the past five years.

This was partly because the government's drug price control policy managed to cap the prices of many of the drugs in the acute therapies portfolio.

Gearing up for the growth of chronic illnesses in the country, Indian pharma companies have gradually changed their portfolio from being predominantly acute therapies focused to include more of the higher-margin chronic therapies.

Today, Sun Pharma is the leader in most of the chronic therapies. Other listed companies like Abbott India, Lupin and Torrent Pharma are also leading players in key chronic therapies like diabetes and cardiac space.