

## Looking Ahead

### 2014: Full of promise



**Ranjit Shahani,  
Vice-Chairman and  
Managing Director,  
Novartis India Ltd**

The year 2013 was eventful, particularly for the pharmaceutical industry. It was a year full of uncertainty – high inflation and low GDP growth worsened matters. Capital investments were deferred due to the uncertainty. The air was filled with trepidation as the media speculated on more compulsory licenses

to come. Lack of an ecosystem which encouraged innovation was defined by various indicators including denial of patents and patent infringement. Clinical trials all but came to standstill.

#### **TOO MANY UNCERTAINTIES**

The Drug Price Control Order when finally announced brought with it a series of court cases as companies grappled with having to recall and re-label stocks with new prices. While revenues were impacted, the trade was unhappy over the impact on their margins, adding to the atmosphere of uncertainty. Then there was the debate over FDI in the industry. These multiple uncertainties, spread through the year, only served to act as a dampener.

A new year always brings hope for the better and the pharmaceutical industry is no different. Of course, the fact that general elections are around the corner could mean that the next six months will see little meaningful business transacted in the corridors of power. Much will depend on which party eventually forms the new Government. But hope springs eternal. The pharmaceutical industry certainly hopes that healthcare will be granted infrastructure status. This will certainly raise the level of expenditure on healthcare from the current abysmal levels.

Industry would like to see more clarity on intellectual property rights, particularly with regard to on-the-ground implementation and regulatory data protection. We would like to see a coming together of like-minded stakeholders to address the various issues that hamper the industry and in turn impact patient needs and healthcare outcomes. Even though the hope is that post the Lok Sabha elections GDP growth gets a boost and inflation is tamed, we will have to make up for lost time and opportunities. Yes, 2014 is full of promise. The promise of taking India to the top league across all fields. The pharmaceutical industry is particularly hopeful that 2014 will deliver.

*As told to Amrita Nair-Ghaswalla*

Industry