



# Urgent action required to revive the pharma ancillary industry: IPA

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## Synopsis

For the revival of the ancillary industry, several short-term and long-term efforts are required to be made by all stakeholders, a report on the theme of 'Reviving the Pharma Ancillary industry - A Roadmap with Resilience to Excellence' by IPA and Accenture has said.



According to the findings, the short-term focus should be on providing disbursement of financial relief to MSME ancillaries by the government and for them to ensure manpower attendance at work.

NEW DELHI: The **ancillary industry**, a key contributor in the success of pharma sector in the country, has faced severe restrictions due to a variety of factors during the coronavirus-induced lockdown and needs concerted efforts for revival, **the India Pharmaceutical Alliance (IPA)** said on Monday. Micro, small and medium enterprises (**MSMEs**) have significant presence within the ancillary industry, **IPA** said

in a statement.

"The ancillary industry is a vital part of the **pharmaceutical supply chain**. For the industry to function, immediate action is required to support the ancillaries by identifying interventions that will enable their early revival in select segments and clusters," IPA President Satish Reddy said.

For the revival of the ancillary industry, several short-term and long-term efforts are required to be made by all stakeholders, a report on the theme of 'Reviving the Pharma Ancillary industry - A Roadmap with Resilience to Excellence' by IPA and **Accenture** has said.

According to the findings, the short-term focus should be on providing disbursement of financial relief to MSME ancillaries by the government and for them to ensure manpower attendance at work.

Robust disaster management framework backed by greater transparency across the ancillary network needs to be implemented. The study also recommended a cross-industry collaboration platform, led by large Indian pharma manufacturers to drive greater visibility in the ancillary value chain to proactively identify supply risks, it added.

As per the recommendations made in the report, long-term goals for the ancillary industry should include reducing reliance on imports from a single geography to manage supply disruptions and this will require the government to identify strategic active pharmaceutical ingredient (APIs) for indigenous manufacturing.

It should facilitate execution of this plan through inducing clusters by early approvals, set-up of common utilities, lowered borrowing costs and research-based linkages to continuously innovate, the report said.

Mentorship and knowledge sharing, facilitated by IPA and pharma companies, will enable ancillary competitiveness through access to frugal innovation, sourcing assistance, better payment terms and persuading the pharma companies to accept price hikes, it added.

"The Indian pharma landscape is evolving. With the revival of the **API** industry and the ancillary industry, we are well on our way to become a self-reliant pharma sector. IPA will work collaboratively with all stakeholders to help implement the recommendations in the report to help industry," IPA Secretary General Sudarshan Jain said.

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