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Research Paper

Emerging generics and manufacturers of the pharmaceutical industry in Bangladesh

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ABSTRACT

Background: Bangladesh's pharmaceutical industry is progressing at a great pace due to its large population and continuous industrialization.
Objective: To identify the emerging generics, the growth rate, overall value and manufacturers of the pharmaceutical industry in Bangladesh.
Methodology: Data for this study were sourced from IQVIA for the MAT 4Q 2018 to MAT 4Q 2022.
Result: As of MAT 4Q 2018, the pharmaceutical market of Bangladesh is valued at Tk 212.26 billion with 1183 generics and 230 manufacturers. Five years later, in MAT 4Q 2022, the industry has rallied to TK 294.59 billion and includes 1,246 generics while it has a limited number of manufacturers, with only 178. The industry is growing slowly, but small manufacturers are decreasing in volume or going out of business, suggesting that the industry is coalescing around large companies, with the top 20 manufacturers accounting for 91.5% of the industry. ESOMEPRAZOLE has made inroads into the market share of OMEPRAZOLE and RABEPRAZOLE, whereas PREGABALIN has posted the highest growth rate among top 20 generics in MAT 4Q 2022. The top 20 generics account for 37.2% of the industry as a whole.
Conclusion: Market shares are reported generics-wise and manufacturers-wise and are a snapshot at MAT 4Q 2022. The findings provide industry practitioners, researchers and other industry stakeholders a handy resource for pharmaceutical industry in Bangladesh for future research and business planning.

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1. INTRODUCTION

Bangladesh is a south Asian country with a large population. It has 168 million population meaning, by population size, it is the 8th and 5th largest country in the world and Asia, respectively. Agriculture, industry, and service are the three dimensions of its economy. Although the contribution of the service sector is the highest, 50.63%, in its national Gross Domestic Product (GDP), the contribution of the industrial sector is increasing, while the contribution of the agricultural and service sectors is decreasing [1]. In Bangladesh, 15% of industrial production comes from the pharma and chemical sectors [2]. In FY 2019-20 based on FY 2004-05 base year, the second-highest industrial growth sector of the country was the pharma and medical used chemical industry as it showed a quantum index value of 29.24.

Before the 1982 ordinance, 75% of the pharma market in Bangladesh was controlled by various foreign companies [3]. In present Bangladesh, the situation is different where local manufacturers are controlling the pharma industry. Now, the country has 858 drug manufacturers including Allopathic - 271, Ayurvedic - 205, Unani - 271, Herbal - 32, and Homeopathic - 79. The country is now exporting its pharma products to more than 100 countries after meeting its local demand [4]. Bangladesh has a large population and investment facilities, so the pharmaceutical industry is growing fast [3]. In Bangladesh, the pharmaceutical market is fast thriving and exporting pharma products to over 90 countries [5].

The pharma industry contributes 1.0% of the GDP of the country. The pharmaceutical industry is not a very big contributory sector to the country's GDP, but the industry has an important role in the revenue collection of the government of Bangladesh. The second largest revenue collection sector of the Bangladesh government is the pharmaceutical industry [6]. The pharmaceutical sector is the third largest revenue-earning source of the government of Bangladesh. The industry has a significant contribution not only to revenue collection but also to export earnings growth rate. In Bangladesh, In FY 2020-21, the export value of the pharma industry was $ 169.02 million, but it returned to $ 188.78 million in FY 2021-22 along with an 11.7% growth rate.

The above works of literature indicate the importance of the pharmaceutical industry in the economy of Bangladesh. The previous studies showed the market value, growth rate, and economic contribution of the pharma market in Bangladesh. Further, previous studies done by various scholars emphasized the history of the pharma industry, government policy, drug development issues, and similar things. The pharmaceutical industry is a combination of many generic markets. According to the knowledge of the author, no study has been discovered on the generic-wise contribution and growth rate in the pharma industry in Bangladesh. By understanding this clear research gap, this study is designed to discover the generic-wise contribution and growth rate in the pharma industry of Bangladesh based on the IQVIA data. The study also shows the overall industry value and growth rate. Further, it shows the manufacturer-wise market share and growth rate of the pharma industry in Bangladesh. Industry practitioners, researchers, and other stakeholders might be used this study to understand the pharma market of Bangladesh for their future business or research.

2. METHODOLOGY

The entire study is done by using secondary data collected from the IQVIA Bangladesh office. For overall market assessment, the study has analyzed the data of the five consecutive MATs (Moving Annual Turnover) from MAT 4Q, 2018 to MAT 4Q, 2022. Here, MAT 4Q, 2018 is equal to the calendar period January 2018 to December 2018, and MAT 4Q, 2019 is equal to the calendar period January 2109 to December 2019, and so on. On the other hand, for generic-wise and manufacture-wise market share and growth rate assessment, the study has analyzed the data of MAT 4Q, 2022. In the original data file, all market values are given in TK (Taka), the local currency of Bangladesh. For an easy understanding of the international communities, the study has also shown the overall market size in USD. According to the Bangladesh Bank, the central bank of Bangladesh, the day's lowest and highest interbank USD/TK exchange rate was 106.00 and 107.00, respectively, on 22 March 2023. The study has taken the exchange

rate of USD/TK as the average of 106. 00 and 107.00, so 1 USD is equal to 106.5 TK in this study. All analyses and graphs are constructed by using MS Office Excel software.

3. RESULTS AND DISCUSSION

According to Table 1, the value of the Bangladesh pharmaceutical industry was TK 212.26 billion, USD 1.99 billion, in MAT 4Q, 2018. The industry value returned to TK 294.59 billion, USD 2.77 billion, in MAT 4Q, 2022. The IQVIA provides the pharma industry value based on estimation, so the real value of the industry may be more or less than the estimated value. On average, quarterly, the true industry sales value in the Bangladesh pharma market is 23.8% higher than the IQVIA estimation. The number of manufacturers in the industry was 230 in MAT 4Q, 2018 which reduced to 178 in MAT 4Q, 2022. In the last 5 years, 52 firms left the industry. On average, in every MAT, approximately 10 firms have left the industry. The small firms are leaving the industry, and this is an alarming signal for the Bangladesh pharma industry. The number of generics in the Bangladesh pharma industry was 1,183 in MAT 4Q, 2018 which raised to 1,246 in MAT 4Q, 2022. In the last 5 years, 63 generics added to the industry. On average, in every MAT, approximately 12 generics have been added to the industry. This is a good signal of industry expansion.

Table 1. Bangladesh Pharma Industry Value and Growth Rate

IQVIA Period	TK. (Billion)	Growth Rate %	USD (Billion)	Number of Manufacturers	Number of Generic
MAT 4Q, 2018	212.26	7.8	1.99	230	1,183
MAT 4Q, 2019	231.84	9.2	2.18	211	1,177
MAT 4Q, 2020	262.39	13.2	2.46	189	1,218
MAT 4Q, 2021	261.63	-0.3	2.46	181	1,230
MAT 4Q, 2022	294.59	12.6	2.77	178	1,246

Figure 1 shows the more visible picture of industry value and growth rate. The primary axis, the left side, of the figure presents the industry value whereas the secondary axis, the right side, shows the growth rate. The growth rate of the industry was 7.8% in MAT 4Q, 2018 as the value of the industry was TK 196.83 billion in MAT 4Q, 2017. The industry shows a healthy growth rate every year except MAT 4Q, 2021. The industry showed the highest growth rate of 13.2% in MAT 4Q, 2020 because it was the first COVID-19 shock in Bangladesh. During the first COVID-19 shock, people took more vitamins, different food supplementary, and similar medication to increase their immunity, so the industry showed the highest growth rate in MAT 4Q, 2020. COVID-19 hit in March 2020 for the first time in Bangladesh. As almost every manufacturer stocks its raw materials for 3 to 9 months based on material types, capacity, and inventory management. Although the international supply chain passed a difficult period in 2020, the industry showed a remarkable growth rate due to internal stock in MAT 4Q, 2020. After consuming the internal stock and the presence of international lockdowns, the industry faced a raw material crisis, so the industry showed a negative, -0.3%, growth rate in MAT 4Q, 2021.

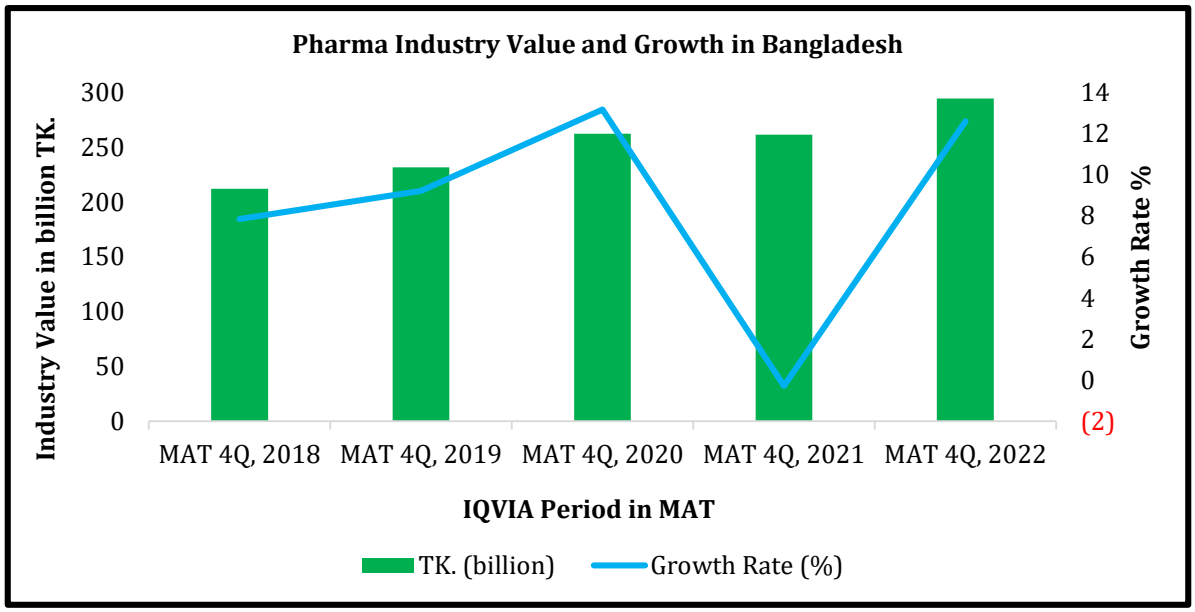


Figure 1. Pharma Industry Value and Growth Rate in Bangladesh

The above analysis and discussion show the overall industry picture. The pharma industry market value is the sum of many generic market values. Table 2 shows the top 20 generics in the Bangladesh pharma market. The rank of the generic is taken based on the market value. The rank of ESOMEPRAZOLE is 1 means it shows the highest market value among all generics in the industry, and the rank of CALCIUM+COLECALCIFEROL is 2 means it shows the second highest market value among all generics in the industry, and so on. The ESOMEPRAZOLE captured a 7.3% market share and showed a 13.3% growth rate in MAT 4Q, 2022. PREGABALIN showed the highest growth rate among the top 20 generics in MAT 4Q, 2022 meaning it is the fastest-growing generic among the top generic market in the industry. Only three generics OMEPRAZOLE, RABEPRAZOLE, and AZITHROMYCIN showed a negative growth rate in MAT 4Q, 2022. The ESOMEPRAZOLE is taking the market share from the OMEPRAZOLE, RABEPRAZOLE. Although the industry had 1,246 generics, the top 20 generics combinedly held 37.2% industry share and showed a 10.9% growth rate in MAT 4Q, 2022.

Table 2. Generic-wise Market Value, Share, and Growth of the Pharma Market in Bangladesh

		MAT 4Q, 2022		
Rank	**Generic**	**Market in Billion TK.**	**Market Share%**	**Growth Rate%**
1	ESOMEPRAZOLE	21.46	7.3	13.3
2	CALCIUM+COLECALCIFEROL	9.08	3.1	11.1
3	MONTELUKAST	7.18	2.4	5.2
4	CEFUROXIME AXETIL+CLAVULANIC ACID	6.92	2.3	20.1
5	CEFIXIME	6.90	2.3	9.1
6	OMEPRAZOLE	5.21	1.8	-7.1
7	INSULIN HUMAN BASE+INSULIN HUMAN ISOPHANE	4.57	1.6	9.7
8	PARACETAMOL	4.49	1.5	39.2
9	CYANOCOBALAMIN+PYRIDOXINE+THIAMINE	4.44	1.5	11.3
10	PREGABALIN	4.38	1.5	43.2
11	AMLODIPINE+OLMESARTAN MEDOXOMIL	4.21	1.4	11.6
12	ROSUVASTATIN	4.05	1.4	33.3

13	PANTOPRAZOLE	3.75	1.3	6.7
14	CLONAZEPAM	3.73	1.3	5.3
15	RABEPRAZOLE	3.61	1.2	-9.2
16	AZITHROMYCIN	3.58	1.2	-11.9
17	ATORVASTATIN	3.35	1.1	9.6
18	DOMPERIDONE	3.31	1.1	12.5
19	GLICLAZIDE	2.78	0.9	9.5
20	FEXOFENADINE	2.71	0.9	12.1
	Top 20 Generics	109.71	37.2	10.9
	Pharma Industry Total	294.59	100.0	12.6

Table 3 presents the manufacturer-wise market value, market share, and growth rate in MAT 4Q, 2022. The rank of manufacturers is taken based on the market value. The rank of the SQUARE is 1 means it showed the highest market value, TK 55.05 billion, in MAT 4Q, 2022, and the rank of the INCEPTA PHARMA is 2 means it showed the second highest market value, TK 34.70 billion, in MAT 4Q, 2022, and so on. The SQUARE held an 18.7% market share and showed an 18.1% growth rate in MAT 4Q, 2022. The POPULAR PHARMA showed the highest growth rate, 23.0%, among the top 20 manufacturers in MAT 4Q, 2022. Only the IBN SINA showed a negative growth rate, -0.4%, among the top 20 manufacturers in MAT 4Q, 2022. Though the industry was 178 manufacturers in 2022, the top 20 manufacturers combinedly held 91.5% industry share and showed a 13.4% growth rate in MAT 4Q, 2022. Though there are many firms in the pharma industry of Bangladesh, the industry is controlled by a few firms. Similar findings are found in previous studies. In Bangladesh, 70% of the pharma market is controlled by the top 10 companies [7]. The industry growth rate is 12.6%, but the combined growth rate of the top 20 manufacturers is 13.4% meaning the industry is converging to the top manufacturers. The small firms are either leaving the industry or losing the market share whereas the big firms gaining the market share

Table 3. Manufacture-wise Value, Share, and Growth of the Pharma Market in Bangladesh

		MAT 4Q, 2022		
Rank	**Manufacturer**	**Market in Billion TK.**	**Market Share%**	**Growth Rate%**
1	SQUARE	55.05	18.7	18.1
2	INCEPTA PHARMA	34.70	11.8	16.2
3	BEXIMCO	28.18	9.6	19.7
4	HEALTHCARE PHARMA	21.19	7.2	16.2
5	RENATA	14.44	4.9	3.3
6	OPSONIN PHARMA	13.44	4.6	3.0
7	ARISTOPHARMA	11.92	4.0	17.8
8	ESKAYEF	11.74	4.0	4.4
9	RADIANT PHARMA	10.89	3.7	17.3
10	ACME	10.86	3.7	15.0
11	A.C.I.	10.44	3.5	14.8
12	DRUG INTERNATIONAL	9.04	3.1	0.2
13	POPULAR PHARMA	8.33	2.8	23.0
14	UNIMED &UNIHEALTH	7.01	2.4	6.3
15	NOVO NORDISK	4.76	1.6	2.3
16	GENERAL	4.39	1.5	11.1
17	BEACON PHARMA	3.84	1.3	9.9
18	ZISKA	3.21	1.1	2.4
19	NIPRO JMI PHARMA	3.18	1.1	14.7
20	IBN SINA	2.90	1.0	-0.4

	Top 20 Manufacturers	269.52	91.5	13.4
	Pharma Industry Total	294.59	100.0	12.6

4. CONCLUSION

According to IQVIA estimation, the pharmaceutical market of Bangladesh was TK 212.26 billion along with 1,183 generics and 230 manufacturers in MAT 4Q, 2018. After 5 years, in MAT 4Q, 2022, the industry returned at TK 294.59 billion along with 1,246 generics and 178 manufacturers. In every MAT, the industry shows a significant growth rate except MAT 4Q, 2021. There is no doubt that the pharmaceutical industry in Bangladesh is expanding gradually, but the small firms are either losing market share or leaving the industry meaning that the industry is converging to the large firms. The top 20 manufacturers are controlling 91.5% of the industry. On the other hand, the top 20 generics are controlling 37.2% of the industry. However, these market share analyses of manufacturers and generics are done based on the static picture of MAT 4Q, 2022. Further analyses are required based on time series data to depict the more-clear picture regarding the pharmaceutical industrial movements in Bangladesh. Nevertheless, this study may be helpful for national and international researchers and practitioners to understand the pharmaceutical industry in Bangladesh.

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Author Contributions Statement

Name of Author	C	M	So	Va	Fo	I	R	D	O	E	Vi	Su	P	Fu
Mehedi Hasan Manik	✓	✓	✓			✓	✓	✓		✓	✓		✓	

C : **C**onceptualization
M : **M**ethodology
So : **So**ftware
Va : **Va**lidation
Fo : **Fo**rmal analysis
I : **I**nvestigation
R : **R**esources
D : **D**ata Curation
O : Writing - **O**riginal Draft
E : Writing - Review & **E**diting
Vi : **Vi**sualization
Su : **Su**pervision
P : **P**roject administration
Fu : **Fu**nding acquisition

Conflict of Interest Statement

The authors declare that there are no conflicts of interest regarding the publication of this paper.

Informed Consent

All participants were informed about the purpose of the study, and their voluntary consent was obtained prior to data collection.

Ethical Approval

The study was conducted in compliance with the ethical principles outlined in the Declaration of Helsinki and approved by the relevant institutional authorities.

Data Availability

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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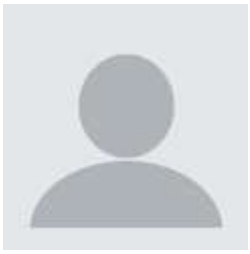
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