CONTENTS

ACKNOWLEDGEMENTS .................................................. i
LIST OF TABLES ........................................................ vii
INTRODUCTION ........................................................ 1-8

CHAPTER I

INDIAN PHARMACEUTICAL INDUSTRY AND THE POST INDEPENDENCE DEVELOPMENT 9-59

I.1 Introduction ................................................... 9
I.1.1 Unique Features Of Pharmaceutical Industry ............ 10
I.2 World Pharmaceutical Industry: Origin and Characteristic Features 12

I.2.1 World Pharmaceutical Production 14
I.2.2 Mergers and Acquisitions 16
I.3 Generic Competition In The World Pharmaceutical Industry 21
I.4 Indian Pharmaceutical Industry: The Size 22
I.5 Historical Context Of The Indian Pharmaceutical Industry 24
I.5.1 The Nehruvian Legacy 29
I.6 Industrialisation and Science and Technology Generation and Acquisition 31
I.6.1 Period 1: Strong Dirigisme (1947-70) 32
I.6.1.1 Science Policy 36
I.6.3 Period 3: *Dirigisme* In Retreat (1981-90) .................. 44
I.7 Situating Indian Pharmaceutical Industry In The Context Of The WTO ........................................ 53
I.8 Summary ........................................................................ 56

CHAPTER II

GOVERNMENT'S POLICY AND TECHNOLOGY ACQUISITION IN THE PHARMACEUTICAL INDUSTRY ........ 60 -91

II.1 Government's Policy Towards The Drug Industry ................................................................. 60
II.2 New Drug Policy Of 1978 ..................................................... 62
II.3 Drug Policy Of 1986 ............................................................. 66
II.4 Drug Policy Of 1994 ............................................................. 68
II.5 The Post-WTO Pricing Policy .............................................. 73
II.6 Implications of the WTO on The Pharmaceutical Pricing In India ........................................ 78
II.7 Equitable Pricing Policies ........................................................ 86
II.7.1 Therapeutic Value Pricing .................................................... 87
II.7.2 Pooled Procurement ............................................................ 87
II.7.3 Negotiated Procurement ....................................................... 88
II.7.4 Planned Donations .............................................................. 88
II.7.5 Lobbying Pharmaceutical Companies .................................... 88
II.8 Summary ........................................................................ 89
### CHAPTER III
GLOBALIZATION AND INTELLECTUAL PROPERTY RIGHTS ................................................. 92-143

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>III. 1</td>
<td>Globalisation and the WTO</td>
<td>92</td>
</tr>
<tr>
<td>III.2</td>
<td>The Genesis Of GATT and the WTO</td>
<td>93</td>
</tr>
<tr>
<td>III.2.1</td>
<td>The Uruguay Round</td>
<td>96</td>
</tr>
<tr>
<td>III.2.1.1</td>
<td>A Brief GATT/WTO Chronology</td>
<td>97</td>
</tr>
<tr>
<td>III.3</td>
<td>The WTO Order and The IPRs</td>
<td>98</td>
</tr>
<tr>
<td>III.4</td>
<td>The History And Economics Of IPRs</td>
<td>105</td>
</tr>
<tr>
<td>III.4.1</td>
<td>Is Knowledge A Commodity?</td>
<td>106</td>
</tr>
<tr>
<td>III.4.2</td>
<td>Evolution Of International Intellectual Property Law</td>
<td>108</td>
</tr>
<tr>
<td>III.4.2.1</td>
<td>Paris Convention And Patents</td>
<td>109</td>
</tr>
<tr>
<td>III.4.2.2</td>
<td>Berne Convention And Copyright</td>
<td>110</td>
</tr>
<tr>
<td>III.5</td>
<td>India and the TRIPS</td>
<td>110</td>
</tr>
<tr>
<td>III.6</td>
<td>TRIPs and The Indian Pharmaceutical Industry</td>
<td>112</td>
</tr>
<tr>
<td>III.6.1</td>
<td>Parallel Importing</td>
<td>121</td>
</tr>
<tr>
<td>III.7</td>
<td>Public Funded R&amp;D in the US</td>
<td>123</td>
</tr>
<tr>
<td>III.8</td>
<td>Is There A Relationship Between Stronger IPRs And Pharmaceutical Innovation?</td>
<td>129</td>
</tr>
<tr>
<td>III.8.1</td>
<td>Stronger IPRs and Pharmaceutical Innovation: Recent Empirical Research</td>
<td>134</td>
</tr>
<tr>
<td>III.9</td>
<td>Summary</td>
<td>140</td>
</tr>
</tbody>
</table>
CHAPTER IV

INDIAN DRUG INDUSTRY: GROWTH, SELF-RELIANCE AND IMPLICATIONS OF THE WTO......................... 144 -189

IV.1 Structure And Composition Of The Indian Pharmaceutical Industry........................................ 146

IV.2 Major Trends In The Growth Of Indian Pharmaceutical Industry............................................. 151

IV.2.1 Export Strategies Of Indian Pharmaceutical Firms.................................................... 158

IV.3 Employment Trends In The Pharmaceutical Industry...................................................... 160

IV.4 Major Therapeutic Categories In Indian Pharmaceutical Industry........................................ 161

IV.5 Profit Analysis.................................................................................................................. 163

IV.5.1 Pharmaceutical Distribution In India........................................................................... 165

IV.5.1.1 Post-WTO Changes In Drug Distribution In India.............................................. 166

IV.5.2. Profitability Trend Analysis...................................................................................... 167

IV.6 Corporate Restructuring And Implications For Indian Pharmaceutical Industry.................. 169

IV.7 Profit Trends in Pharmaceutical Industry 2000............................................................... 172

IV.7.1 Major Therapeutic Segments in Indian Pharmaceutical Industry in 2000 and Beyond in the Context Of WTO Trips Agreements....................................................... 178

IV.8 Summary.......................................................................................................................... 186
CHAPTER V

TECHNOLOGY ACQUISITION EXPERIENCE IN THE INDIAN DRUG INDUSTRY: IMPLICATIONS OF THE WTO

V.1 Pre-WTO Technology Acquisition Experience In The Indian Pharmaceutical Industry

V.2 Foreign Collaborations In Indian Pharmaceutical Industry 1950-1991

V.3 Technology Generation In The Public Funded Research Laboratories

V.4 The Post-WTO Implications For The Indian Pharmaceutical Industry

V.5 Summary

SUMMARY AND CONCLUSIONS

ANNEXURE I

APPENDIX

BIBLIOGRAPHY