



# **SNS COLLEGE OF TECHNOLOGY**

## **DEPARTMENT OF MECHANICAL ENGINEERING**

**COURSE NAME: 16GE302 Engineering Economics and Cost Analysis**

**IV YEAR/ VII SEM**

**Unit-4 FINANCING**

**Topic : Case study on Beximco Pharmaceuticals**



# BEXIMCO PHARMACEUTICALS



[www.bleximophsarma.com](http://www.bleximophsarma.com)



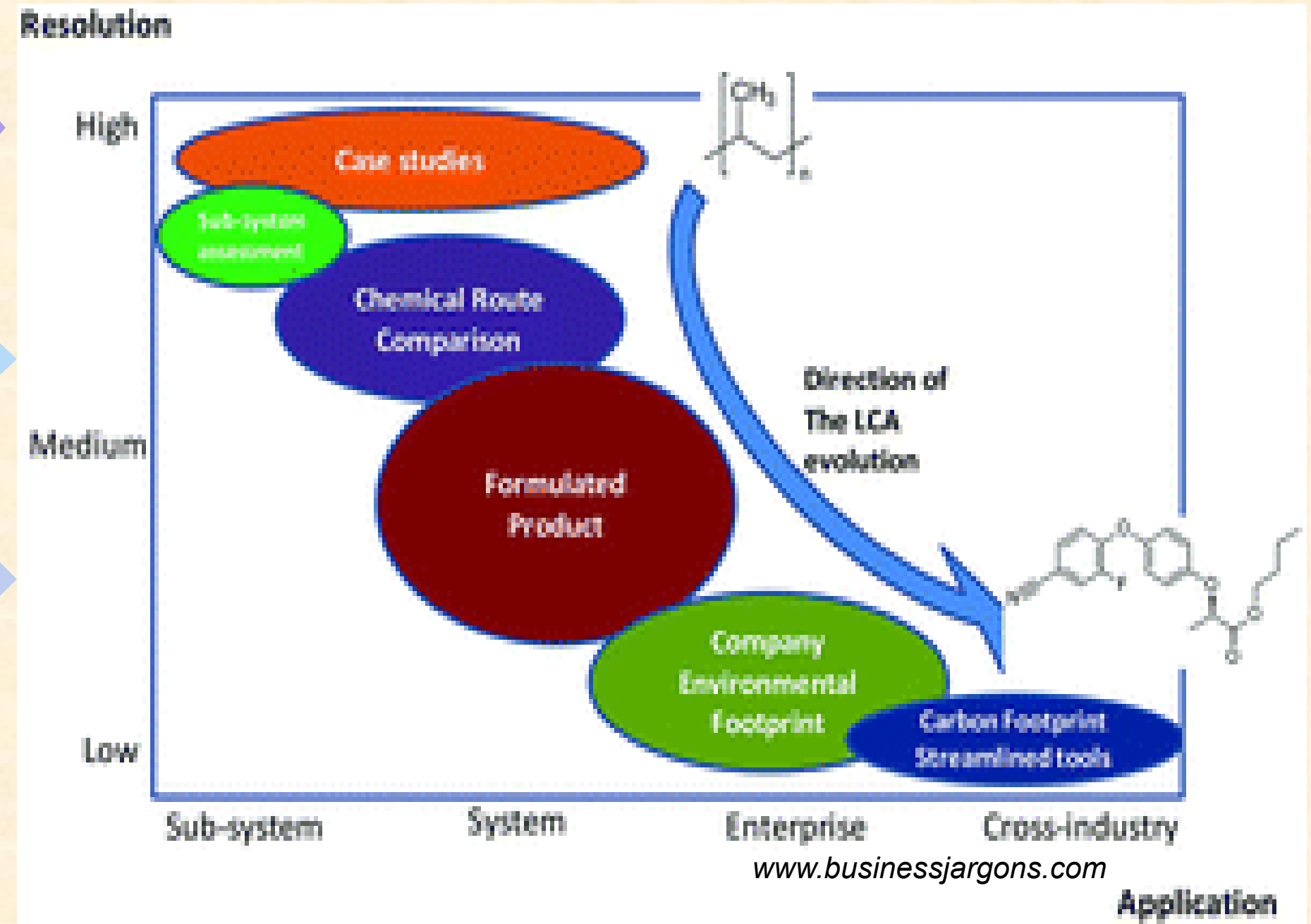
# Pharmaceuticals - Overview

There are about 231 companies in this sector

95% of the medicines - by the local companies and the rest 5% is imported

Total market size is about Taka 30,000 million per year

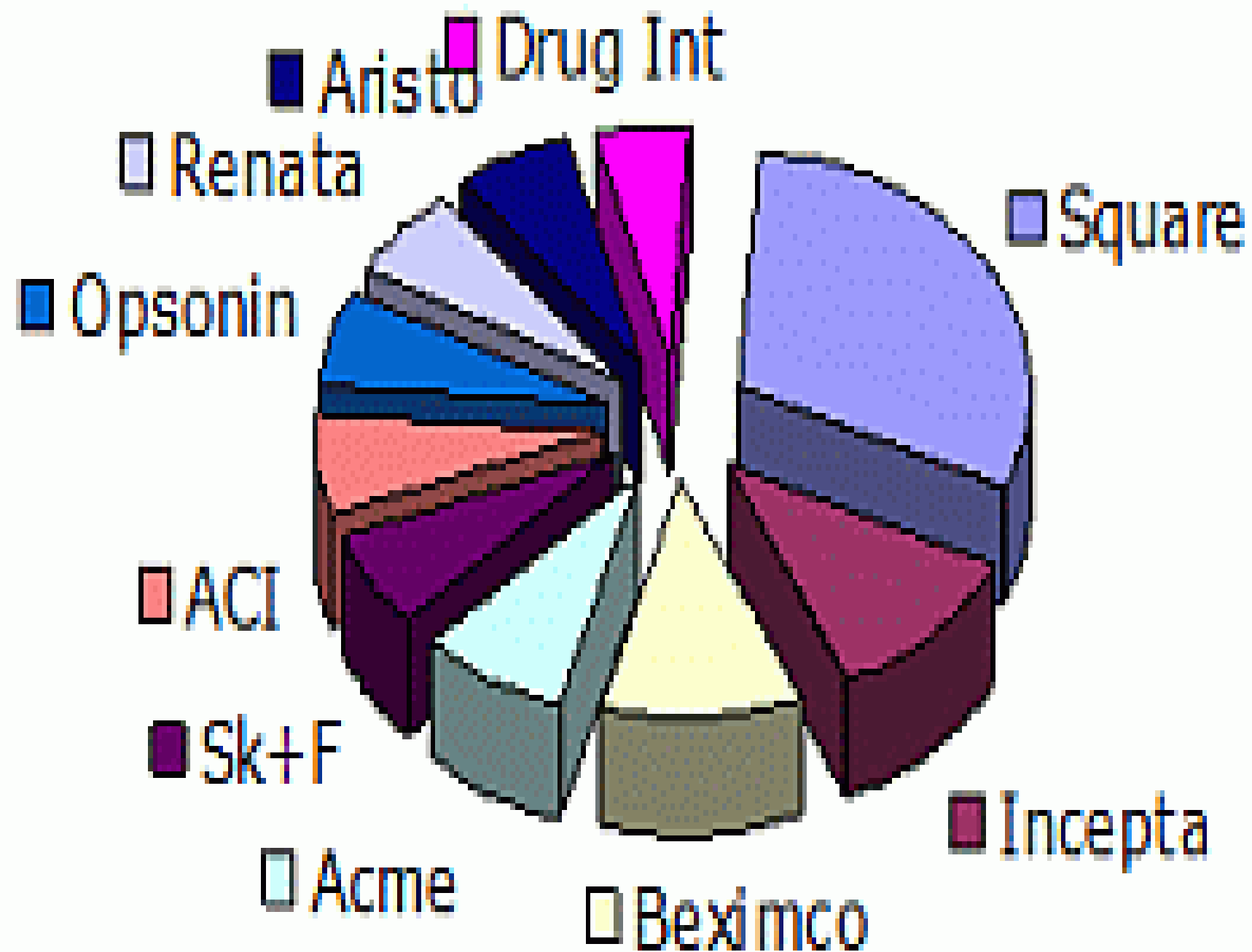
Local companies - market share 80%  
MNCs - market share of 20%







# Beximco Sales



Top 10	Sales in \$ Mn
Square	\$138.7
Incepta	\$ 52.1
Beximco	\$ 49.0
Acme	\$ 36.3
Eskayef	\$ 32.1
ACI	\$ 31.3
Opsonin	\$ 29.7
Renata	\$ 29.1
Aristopharma	\$ 28.8
Drug International	\$ 23.4

[www.bleximophsarma.com](http://www.bleximophsarma.com)



# Recommendations

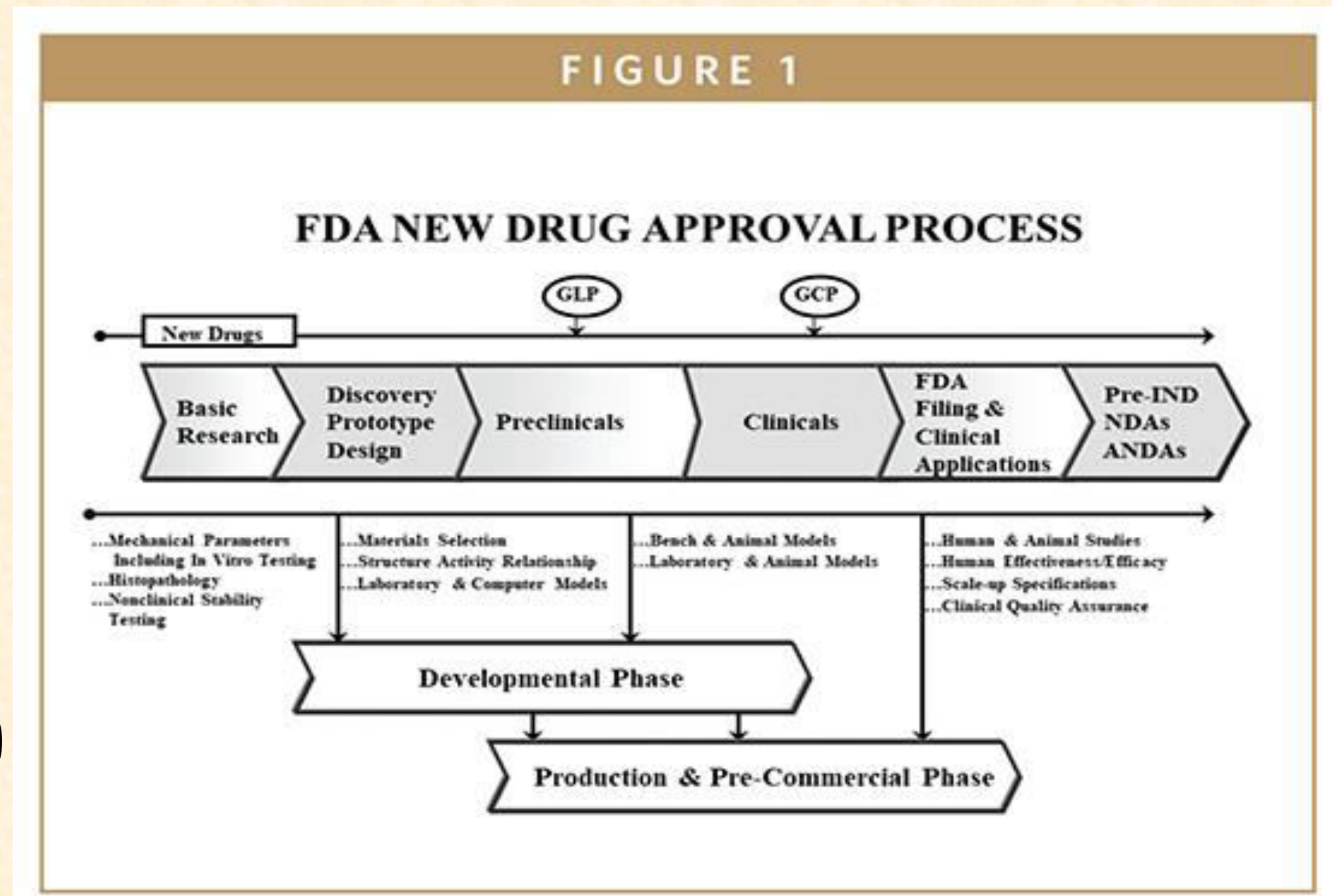
Quality and Control

Local Market Share

Dynamic Sales Strategies

Foreign Market

Focus on Least Developed Countries (LDCs)



[www.hpcwire.com](http://www.hpcwire.com)



# Lifecycle of Pharmaceuticals Product

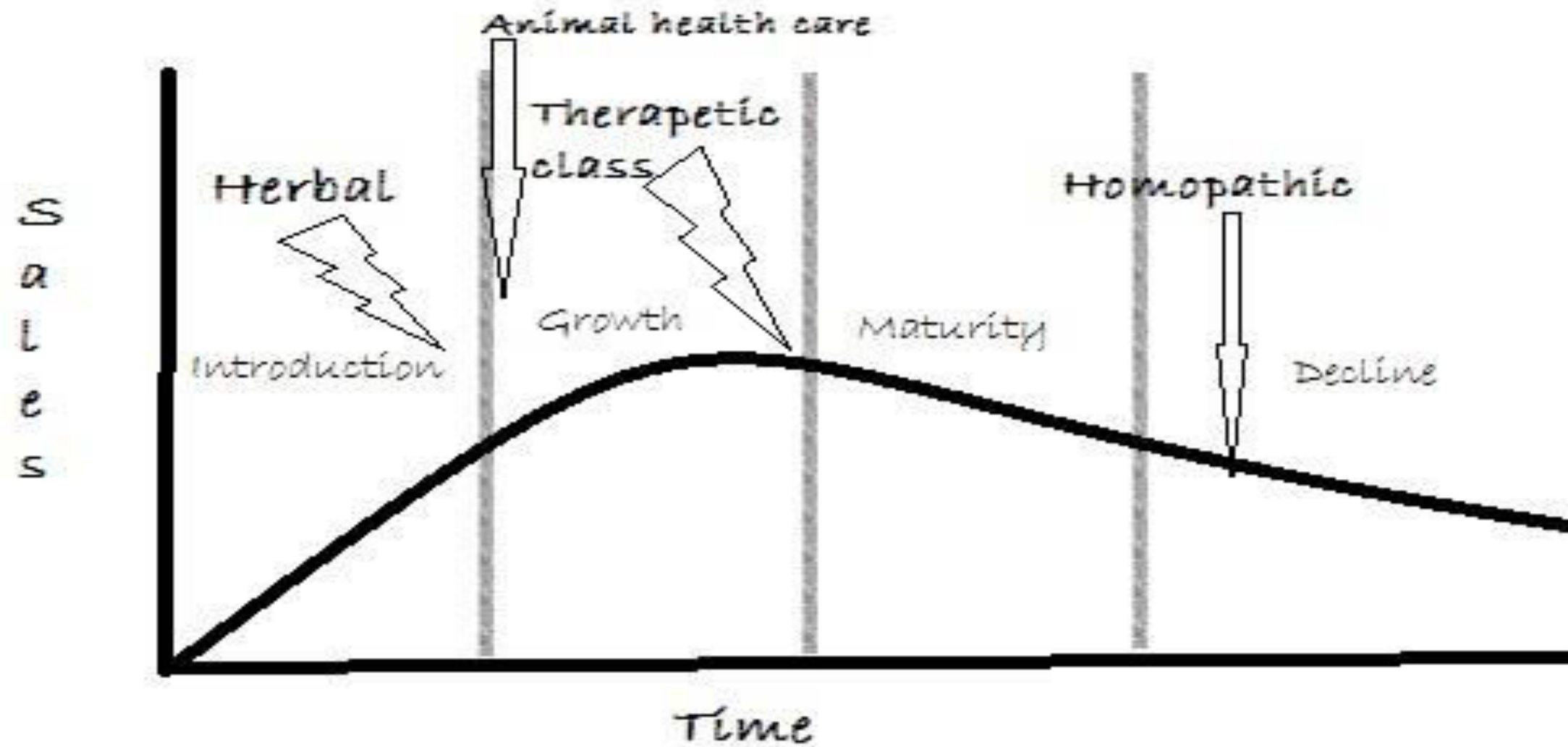


Fig: Industry Life Cycle of Pharmaceuticals in Bangladesh

[www.pharmapulse.net](http://www.pharmapulse.net)





# SWOT Analysis

## Strengths

- Large population base
- Use of allopathic medicine
- Increased medical practitioners
- Technology - capacity - standard products

## Weakness

- Manufactures 95% of drugs
- Imported raw materials
- Bulk drug manufacturing
- Based on the local demand
- Smaller internal market

## Opportunities

- Member of LDC
- Produce patented drugs
- Expertise in RE
- API park - Chittagong
- Facility to house 20 plants



[www.pharmapulse.net](http://www.pharmapulse.net)

## Threats

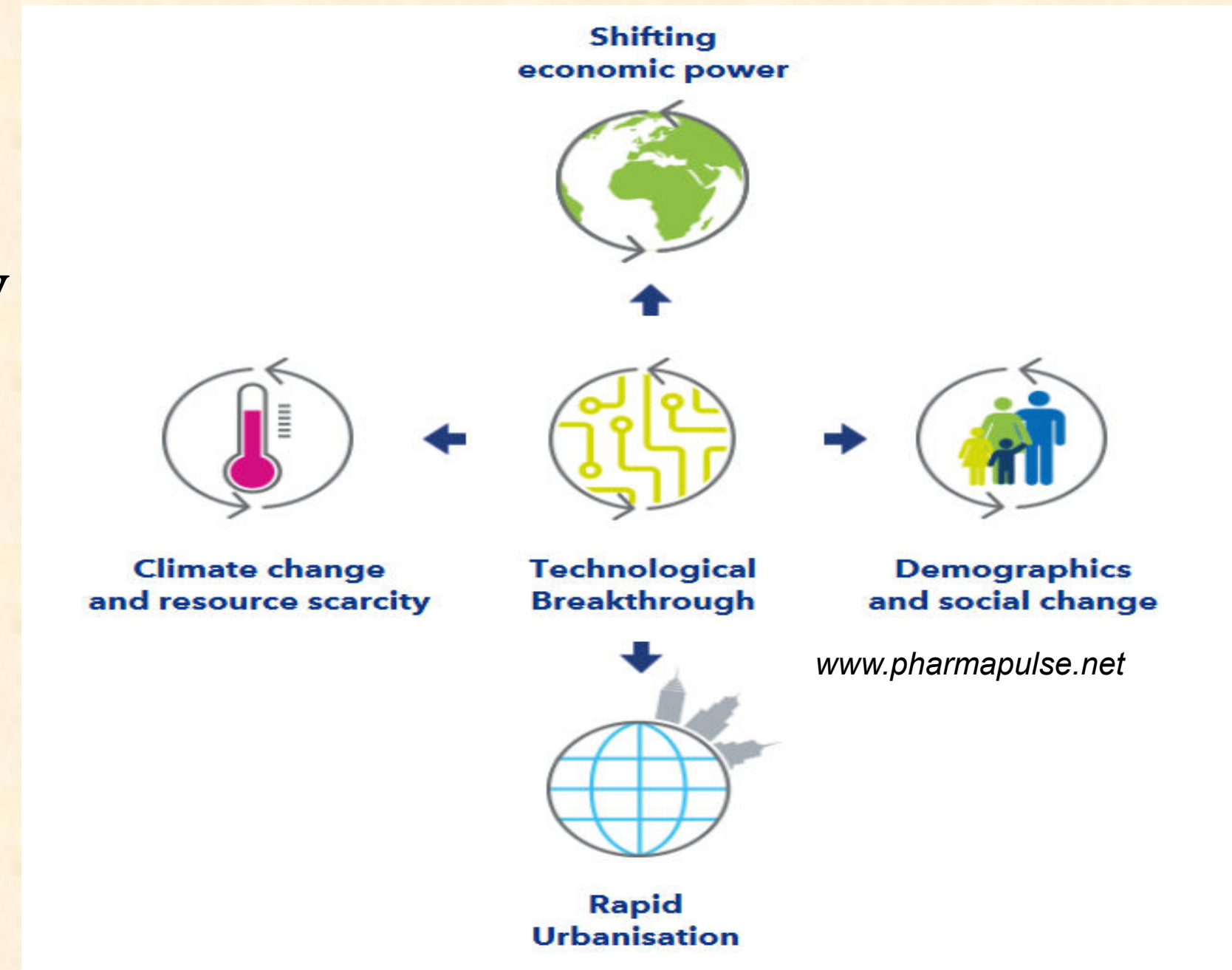
- Increased Cost of production
- Big multinational
- Superior quality & product patent
- Cheap and substandard drugs
- Destabilize market illegally



# Technological Breakthrough

*The industry is fragmented because ten biggest pharmaceutical manufacturers cover only approximately 35 percent of the entire market volume*

- Product centric strategy to customer centric strategy
- New medical legislation
- Re-shaping the healthcare space
- Customer feedback can reside
- Online communities
- Internal CRM systems
- Doctor patient interactions







# Integration

*The rapidly growing industry is consist of approximate 250 companies which contributes almost 1% of the GDP and is currently the third largest tax paying sector in the country*

Clinical integration

Administrative integration

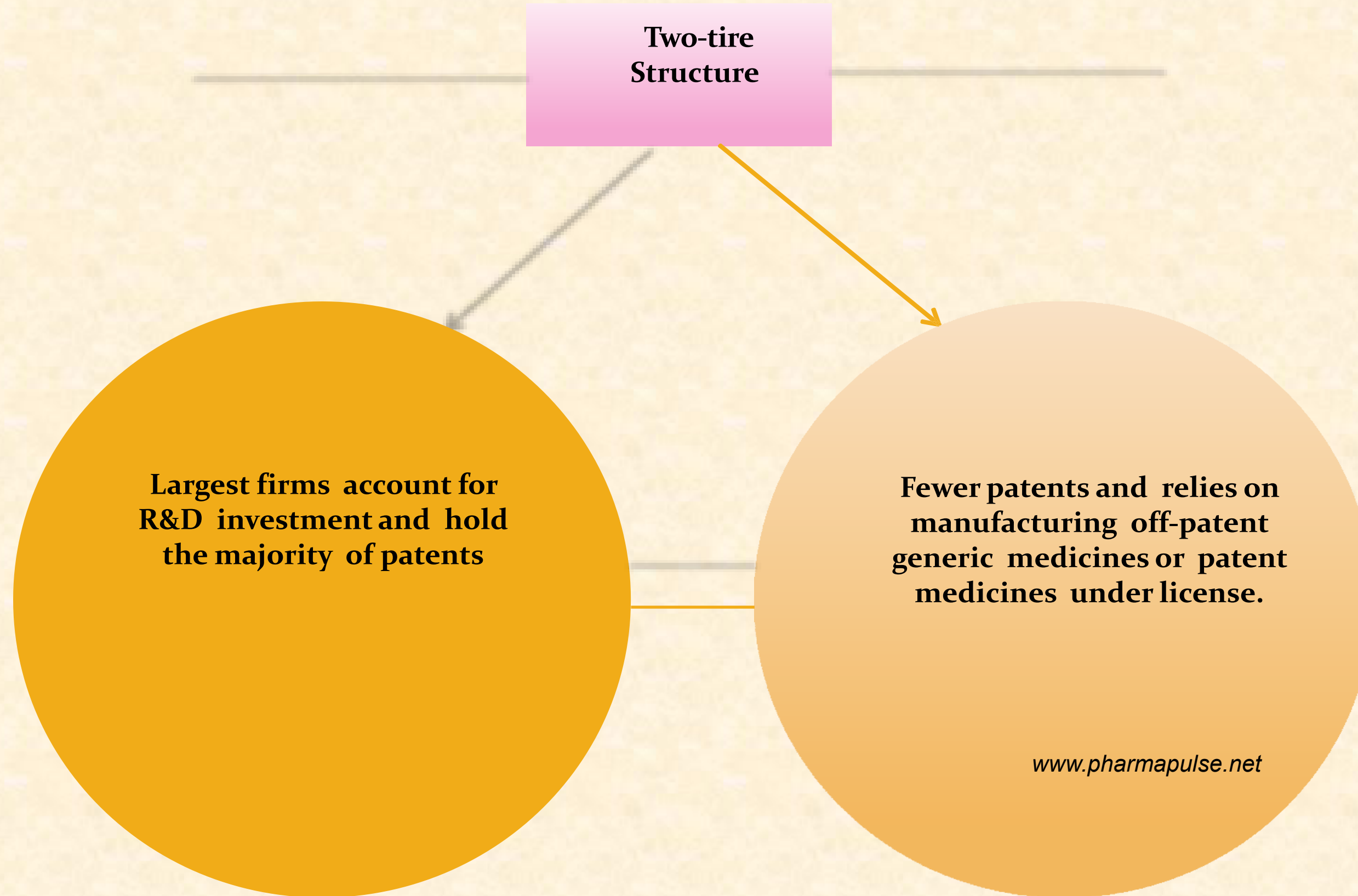
Financial integration

	Growth Rate
2001	22.46%
2002	10.18%
2003	5.90%
2004	8.60%
2005	17.50%
2006	4.08%
2007	15.80%
2008	6.91%
2009	16.80%

[www.pharmabrainly.in](http://www.pharmabrainly.in)



# Two - Tire Structure







# Production Tree

one of the fastest growing sectors.

mainly dominated by domestic manufacturers.

operates in a smaller internal market.

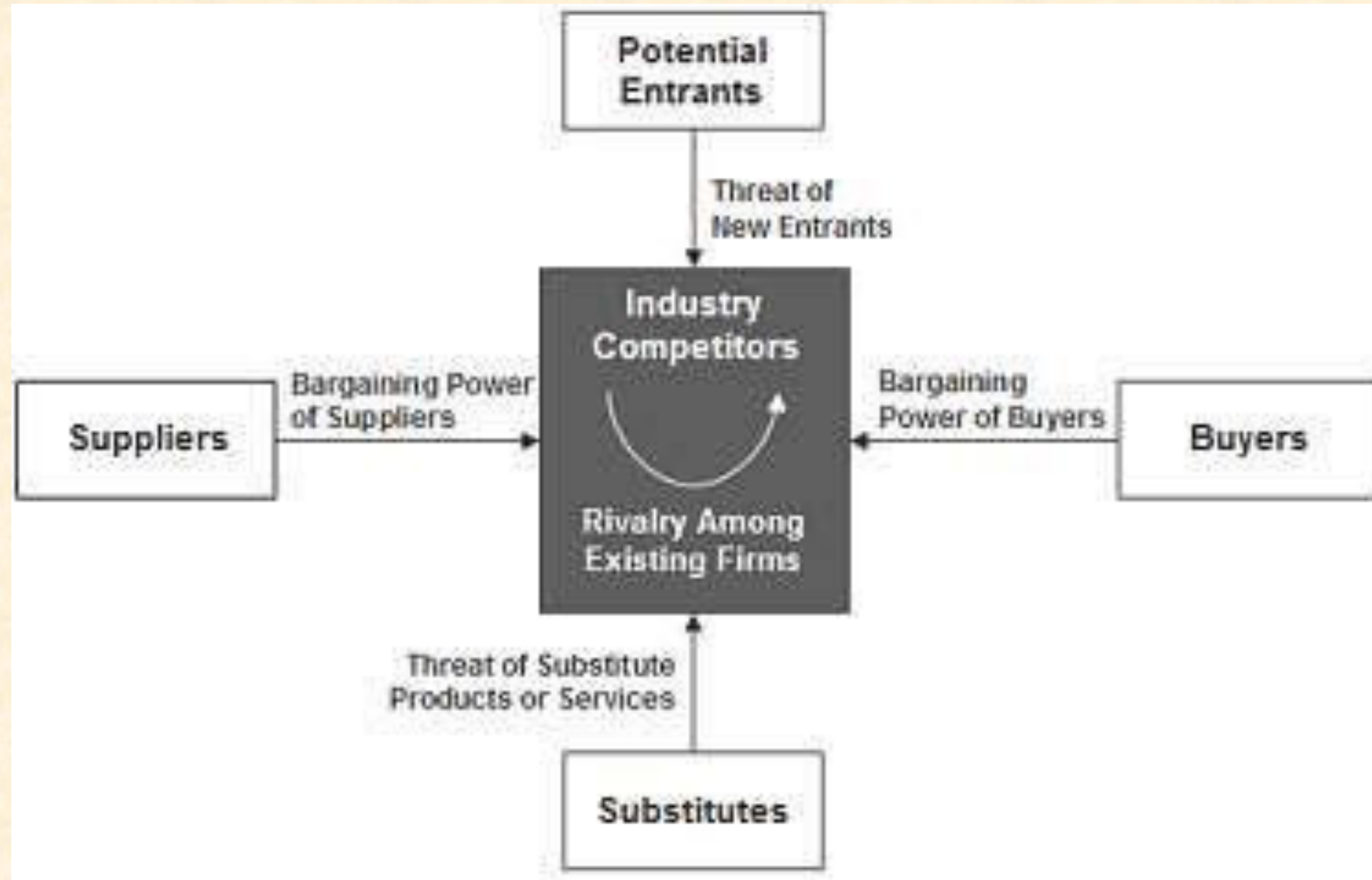
Export opportunity is huge

Cost of production is increasing because of foreign imported raw materials

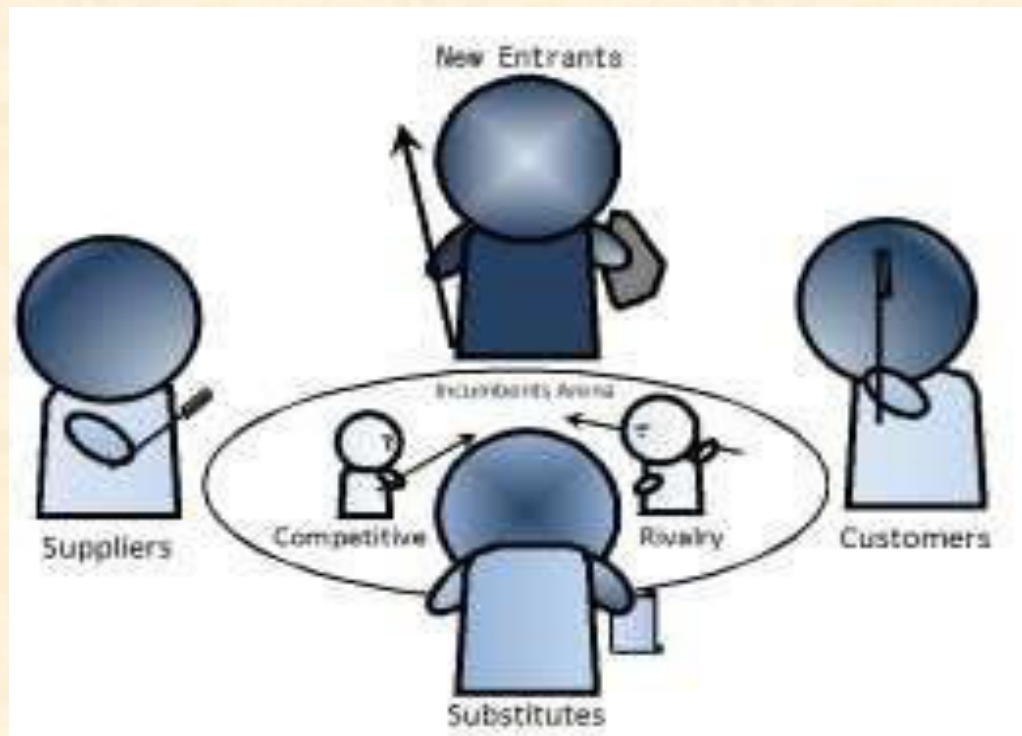
[www.brainly.in](http://www.brainly.in)



# Competitors



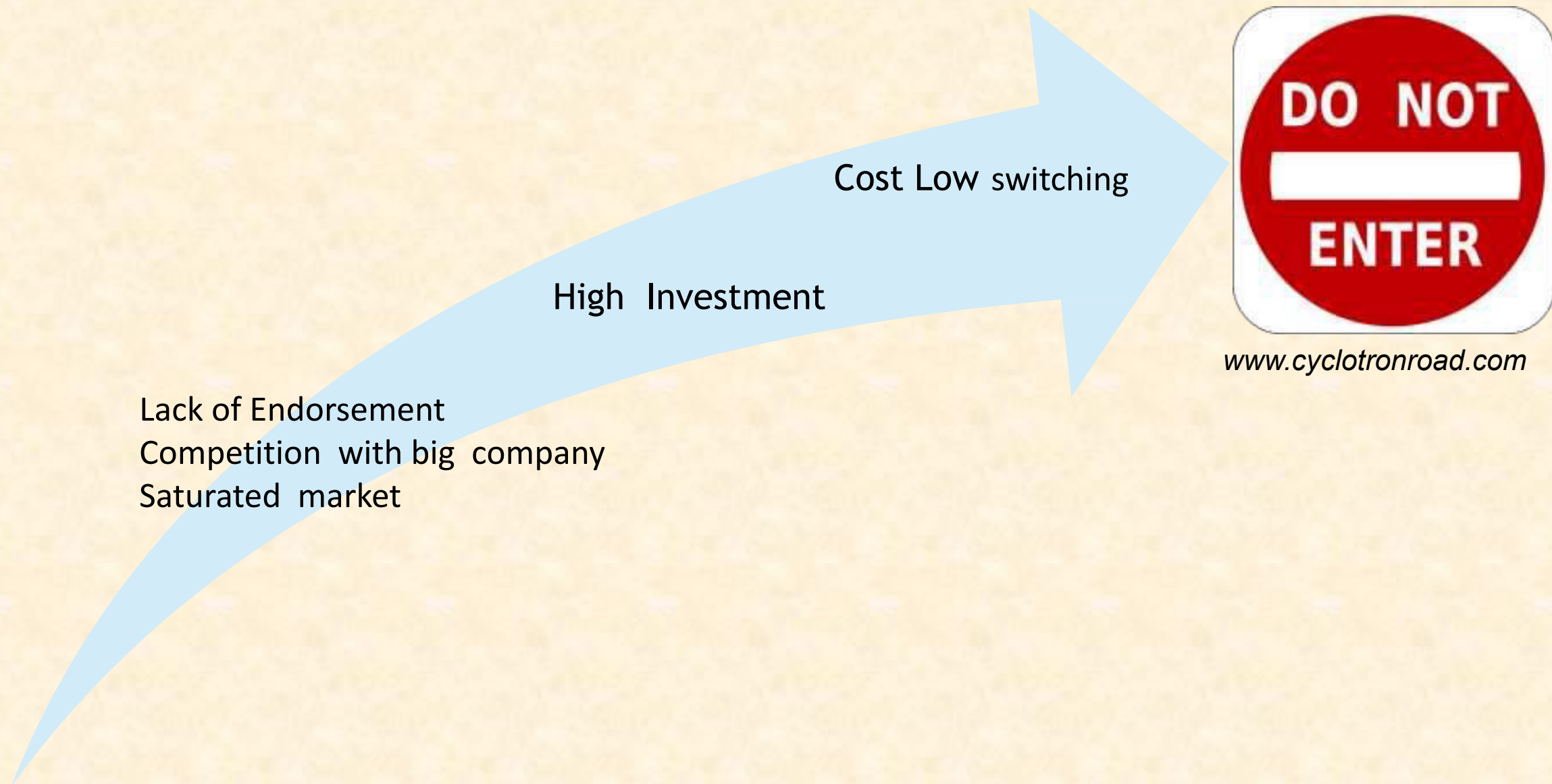
[www.cyclotronroad.com](http://www.cyclotronroad.com)





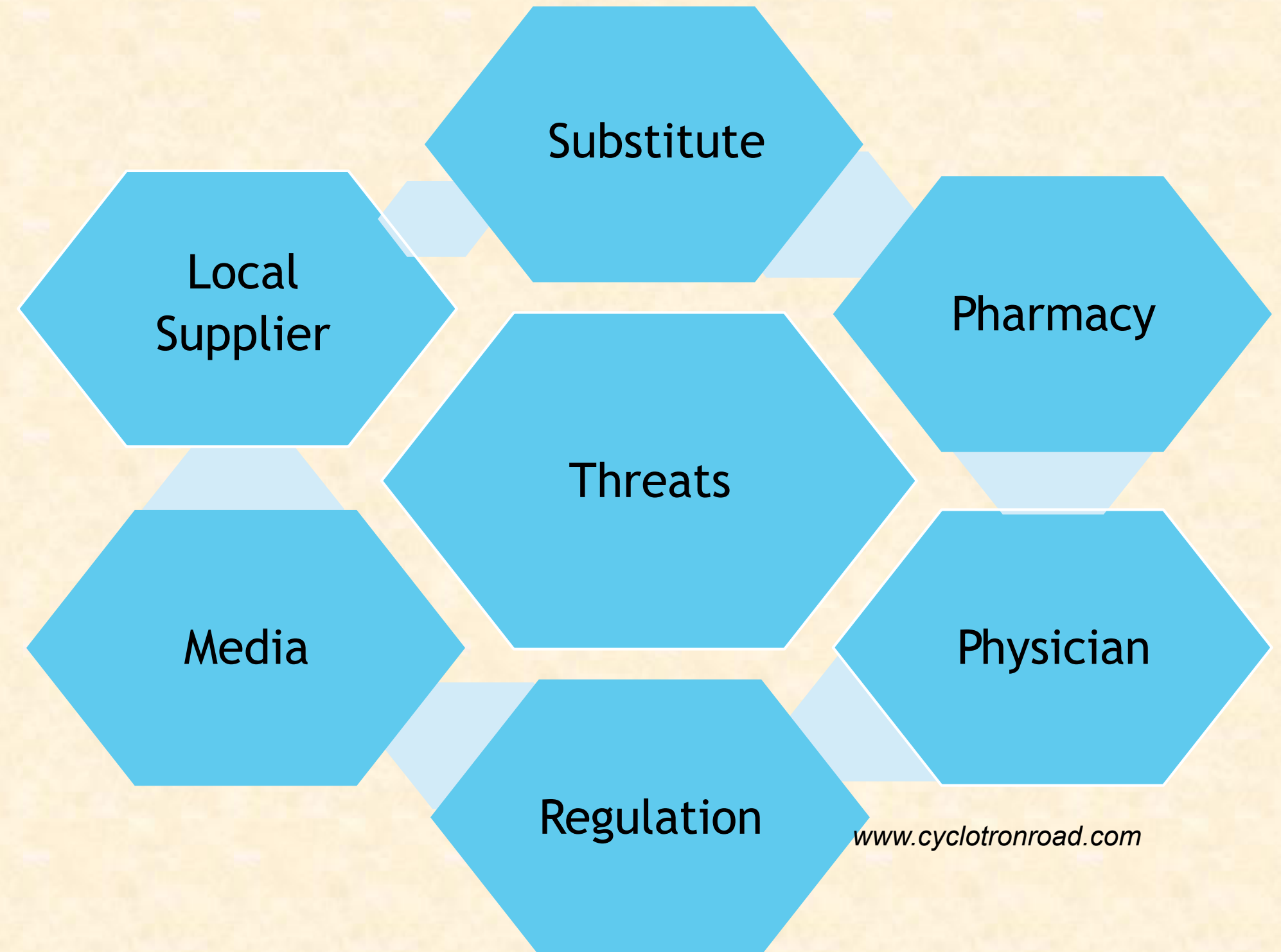


# Threats of New Entrants





# Cumulative Forces

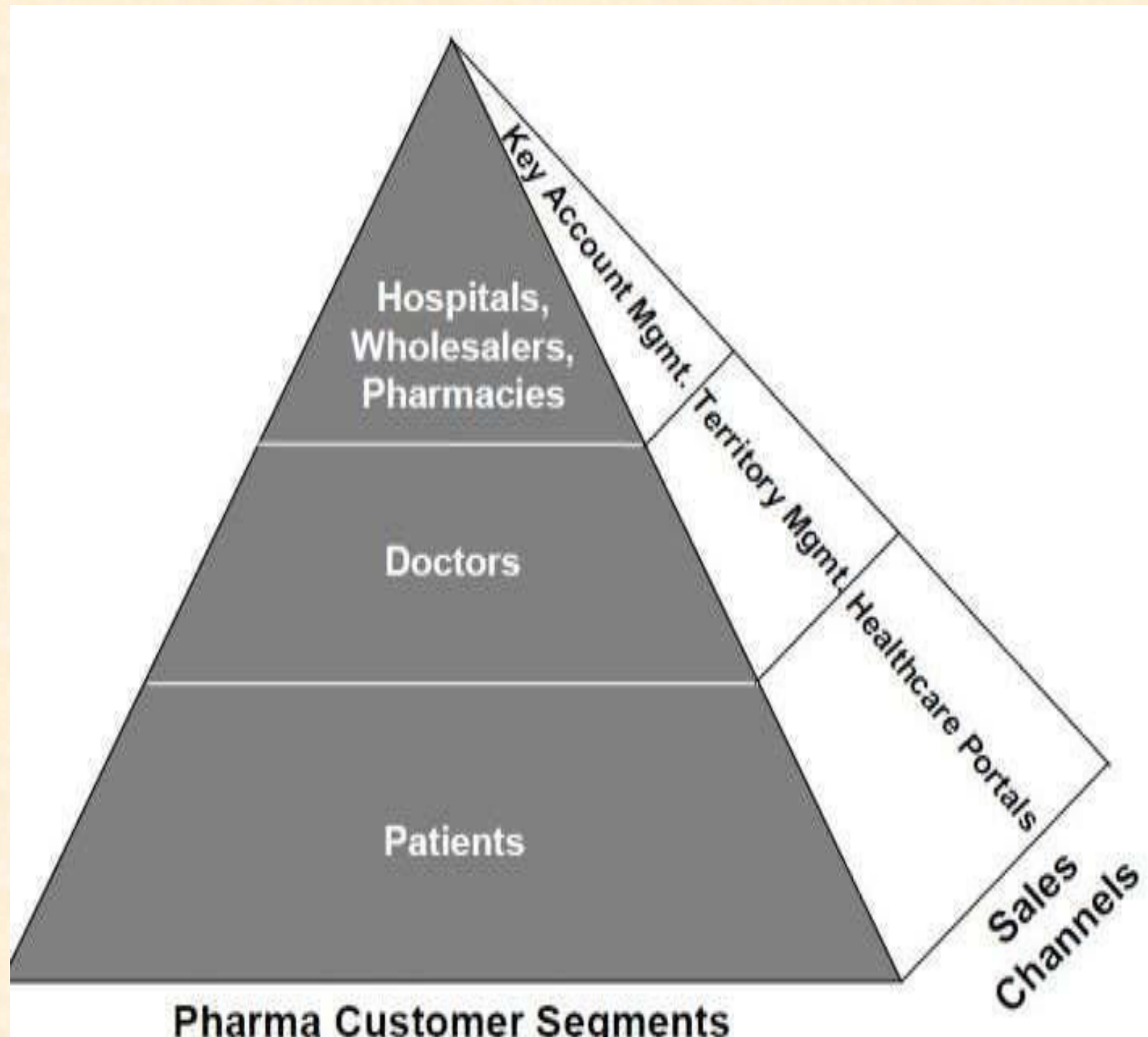


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# Customer Segments



[www.quickonomics.com](http://www.quickonomics.com)

WTO's TRIPS  
(Trade Related Aspects of Intellectual Property)

External Forces

Rapidly changing international marketplace

