CURRENT MARKET SCENARIO OF NEPALESE PHARMACEUTICAL INDUSTRIES IN BIRGUNJ

(A Study with respect to NPL Pvt. Ltd., Birgunj)

Submitted by:

Rakesh Kumar Jha

T.U. Regd. No.: 65069-88

Campus Roll No.: 42/060

Thakur Ram Multiple Campus

A Thesis

Submitted To:

Office of Dean
Faculty of management
Tribhuvan University

In partial fulfillment of the requirements for the Degree of Master of Business Studies (M.B.S.)

Birgunj

2011

RECOMMENDATION

This is to certify that the thesis:

SUBMITTED BY RAKESH KUMAR JHA

Entitled

CURRENT MARKET SCENARIO OF NEPALESE PHARMACEUTICAL INDUSTRIES IN BIRGUNJ

(A Study with respect to NPL Pvt. Ltd., Birgunj)

D. D 1. Ch 1 (D 1)	D. D 1. (1 1 (D 1)
Dr. Deepak Shakya (Reader) (Thesis Supervisor)	Dr. Deepak Shakya (Reader) (Head of Research Department)
M	r
	(Campus Chief)

VIVA VOCE SHEET

We have conducted the viva voce examination of the thesis presented

by RAKESH KUMAR JHA

Entitled

CURRENT MARKET SCENARIO OF NEPALESE PHARMACEUTICAL INDUSTRIES IN BIRGUNJ

(A Study with respect to NPL Pvt. Ltd., Birgunj)

and have found the thesis as the original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for

Master's Degree in Business Studies (M.B.S)

Viva Voce Committee

Head of Research Department	••••
Member (Thesis Supervisor)	
Member (External Expert)	
Date:	

DECLARATION

I hereby declare that the work reported in this thesis entitled "Current Market scenario of Nepalese Pharmaceutical Industries in Birgunj (A study with respect to NPL Pvt. Ltd., Birgunj) submitted to Faculty of Management, Tribhuvan University, Thakur Ram Multiple Campus, Birgunj is my original work done for the partial fulfillment of the requirement for the Master's Degree in Business Studies (MBS) under the supervision of Dr. Deepak Shakya, Reader of Thakur Ram Multiple Campus, Birgunj.

Rakesh Kumar Jha (Researcher)
Date:-

Acknowledgement

First of all, I wish to express my sincere gratitude and appreciation to my supervisor, Dr. Deepak Shakya, for the invaluable suggestions, able supervision, uninterrupted help and constant encouragement given to me during the entire duration of this thesis work.

For his very useful suggestions and ever willing help given to me from time to time, I am very much thankful to Mr. Sanjay Shrestha. I am also thankful to all the teachers and staffs of Thakur Ram Multiple Campus for all the supports.

I am very much thankful to Mr. Mahendra B. Amatya, M.D., Nepal Pharmaceuticals Laboratory Pvt. Ltd. for all the knowledge that I got from his views regarding the market status of Nepalese pharmaceutical industries in Nepal.

I am also thankful to the members of Nepal Pharm. Lab Pvt. Ltd. and Nepal Research Foundation Pvt. Ltd. for all the moral supports that I got during the research work.

I am specially thankful to Mrs. Namrata Basnet who has been a source of inspiration through out the research work. I am also thankful to Mr. Ramesh M. Shrestha for all the supports I got during the research work.

I would like to express my deep gratitude to all the respondents who provided me the invaluable information regarding their views, desires and wants which were very important for the study.

I am equally thankful to all my family members including my parents Mr. Mahendra Jha & Mrs. Karpura Jha and brothers Pramod, Amod, Ratnesh, Sudesh and Kamod.

Last but not the least, I would like to express my heartfelt gratitude to my wife Mrs. Pinky Jha, my daughter Sneha and my son Rahul for their continuous encouragements and supports to complete this thesis work.

Rakesh Kumar Jha T. U. Reg. No:- 65069-88 Birgunj 2011

TABLE OF CONTENTS

IIILE PAGE	I
VIVA-VOCE SHEET	ii
Recommendation letter	iii
Declaration	iv
Acknowledgement	v
Table of contents	vi
Lists of Tables	viii
Lists of Figures	x
Abbreviations	xii
CHAPTER – ONE	
INTRODUCTION	
1.1 Background of study	1
1.2 Significance of the study	8
1.3 Statement of the problem	9
1.4 Objectives of the study	10
1.5 Limitations of the study	10
1.6 Rationale for selection of Birgunj	10
1.7 Organization of the study	11
CHAPTER- TWO	
REVIEW OF LITERATURE	
2.1. Meaning of marketing position	13
2.2. Product	15
2.3. Pricing	18
2.4. Promotion	20
2.4.1 Advertising	20
2.4.2 Sales promotion	21
2.4.3 Public Relation	23
2.4.4 Publicity	24
2.5. Distribution	24
2.6 Historical background	27
2.7 Review of previous research works	30

CHAPTER- THREE

RESEARCH METHODOLOGY	
3.1 Introduction	32
3.2 Research Design	33
3.3 Nature and Sources of Data	33
3.4 Data collection procedure	33
3.5 Population	34
3.6 Sampling	34
3.7 Data processing and analysis	34
CHAPTER- FOUR	
DATA PRESENTATION AND ANALYSIS	
4.1 Current medicine consumption & market scenario	36
4.2 Market position study	36
4.3 Consumer Behavior	37
4.3.1 Details of customers	37
4.3.2 Buying behavior of customers	43
4.4 Retail sellers' / shopkeepers' behavior	53
4.5 Major findings of the study	71
CHAPTER-FIVE	
SUMMARY, CONCLUSION AND RECOMMENDATION	
5.1 Summary	74
5.2 Conclusions	75
5.3 Recommendations	75
Bibliography	78
Appendices	81

List of Tables

Table No.	<u>Title</u>	Page No.
3.1	Sampling for data collection	34
4.1	No of Response received	37
4.2	No of Male/ Female respondents	37
4.3	Customer's age group in years	38
4.4	Profession of the customers	39
4.5	Education level of respondents	40
4.6	Respondents' family size	41
4.7	Monthly income of respondents	42
4.8	Companies whose products customers usually buy	44
4.9	Purchase of medicine without going to a doctor	45
4.10	Acceptance of substitute medicine against doctor's	
	prescription	46
4.11	Number of customers who have heard the name of NPL	47
4.12	Factors that customers consider while buying medicines	47
4.13	Availability of prescribed/required medicines	48
4.14	Quality of medicines manufactured in Nepal	49
4.15	Quality of Medicines manufactured by NPL	50
4.16	Monthly expenditure on Medicine in a family	51
4.17	Health insurance by customers	52
4.18	Category of shops surveyed	54
4.19	Shop keeper's age group in years	55
4.20	No. of shops stocking the products of different manufacturers	56
4.21	Shopkeeper's buying behavior	57
4.22	Which company's products have more sales from your shop?	
		58
4.23	Convincing behavior of shopkeepers	59

4.24	No. of followers of shopkeeper's advice	59
4.25	Age groups who come to buy medicines	60
4.26	Noticing promotional activities of different company	61
4.27	Promotional activities observed by retailers	62
4.28	The best company in view of retailers	63
4.29	Quality of medicines manufactured in Nepal	64
4.30	Quality of medicines manufactured by NPL	65
4.31	Which Nepalese companies products are prescribed more by	66
	the doctor?	
4.32	Best sales promotion offer in view of retailers	67
4.33	Delivery status of NPL	68
4.34	Sales promotion offer of NPL	69
4.35	Average sales percentage of Nepalese medicines	70

List of Figures

<u>Fig. No.</u>	<u>Title</u>	Page No
4.1	No of Male/ Female respondents	38
4.2	Customer's age group in years	39
4.3	Profession of the customers	40
4.4	Education level of respondents	41
4.5	Respondents' family size	42
4.6	Monthly income of respondents	43
4.7	Companies whose products customers usually buy	44
4.8	Purchase of medicine without going to a doctor	45
4.9	Acceptance of substitute medicine against doctor's	
	prescription	46
4.10	Number of customers who have heard the name of NPL	47
4.11	Factors that customers consider while buying medicines	48
4.12	Availability of prescribed/required medicines	49
4.13	Quality of medicines manufactured in Nepal	50
4.14	Quality of Medicines manufactured by NPL	51
4.15	Monthly expenditure on Medicine in a family	52
4.16	Health insurance by customers	53
4.17	Category of shops surveyed	54
4.18	Shop keeper's age group in years	55
4.19	No. of shops stocking the products of different manufacturers	56
4.20	Shopkeeper's buying behavior	57
4.21	Which company's products have more sales from your shop?	
		58
4.22	Convincing behavior of shopkeepers	59
4.23	No. of followers of shopkeeper's advice	60
	• •	

4.24	Age groups who come to buy medicines	61
4.25	Noticing promotional activities of different company	62
4.26	Promotional activities observed by retailers	63
4.27	The best company in view of retailers	64
4.28	Quality of medicines manufactured in Nepal	65
4.29	Quality of medicines manufactured by NPL	66
4.30	Which Nepalese companies' products are prescribed more by	67
	the doctor?	
4.31	Best sales promotion offer in view of retailers	68
4.32	Delivery status of NPL	69
4.33	Sales promotion offer of NPL	70
4.34	Average sales percentage of Nepalese medicines	71

ABBREVIATIONS

CRS - Contraceptive retail sales

WTO - World Trade Organization

NPL - Nepal Pharmaceuticals Laboratory

WHO - World Health Organization

FNCCI - Federation of Nepalese Chamber of

Commerce and Industry

NRF - Nepal Research Foundation

DDA - Department of Drug Administration

GMP - Good Manufacturing Practice

MR - Medical Representative

OTC - Over the Counter

DPHO - District Public Health Office

NHC - National Health Care

DJPL - Deurali Janta Pharmaceuticals Pvt. Ltd.