

## EMPLOYMENT OF WORKERS AND CAPITAL BY SIZE OF FIRMS—A STUDY OF INDIAN PHARMACEUTICAL INDUSTRY

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### **ABSTRACT**

*This paper analyses employment of workers and capital by size of firms in Indian Pharmaceutical Industry and covers the period 1994–95 to 2016–17. This paper examines the trends in the employment of labour and capital that determines the performance and productivity in the pharma-industry based on the size of the firms. The Indian Pharmaceutical industry has undergone massive structural changes and contributed immensely in the Government's flagship programme of 'Make in India' initiative. The Pharma industry has established itself of ensuring quality, affordable and accessible medicine to the world market. World class capabilities and favorable market conditions over the last many years have ensured that India continues to be one of the most lucrative pharma markets in the world. The favorable market for the Indian health care products to be one of the most lucrative market is more pronounced in the second decade of the 21st century (2007–08 and thereafter), compared with the pre-recession period (1994–95 to 2006–07). Smaller sized firms have experienced excess capacity while the mid sized firms exhibit increased labour productivity with a near constant capital productivity.*

**KEYWORDS:** *Employment of Workers and Capital by Size of Firms, Indian Health Care Products*