

## RX PHARMACY: PHYSICAL VERSUS ONLINE OPTIONS

---

*Sandeep Puri and Siddhant Puri wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.*

*This publication may not be transmitted, photocopied, digitized or otherwise reproduced in any form or by any means without the permission of the copyright holder. Reproduction of this material is not covered under authorization by any reproduction rights organization. To order copies or request permission to reproduce materials, contact Ivey Publishing, Ivey Business School, Western University, London, Ontario, Canada, N6G 0N1; (t) 519.661.3208; (e) cases@ivey.ca; www.iveycases.com.*

*Copyright © 2016, Richard Ivey School of Business Foundation*

*Version: 2016-06-27*

---

In May 2015, Alok Kumar Agarwal, the chairman and managing director of Alankit Group, was poring over the company's performance in financial year 2014/15. The group had done well, with some of its companies recording impressive growth—except Alankit Life Care Limited. Alankit Life Care had reported net revenue of ₹2.6 billion, with a very low profit of ₹500,000.<sup>1</sup> The company was also reporting high operational expenses (see Exhibit 1). Agarwal was immersed in thought about the future strategy for the group (and Alankit Life Care in particular) when his son Ankit, the managing director of Alankit Life Care, walked into his office looking concerned. Agarwal asked his son, “Why the worried look Ankit? What is bothering you?”

Ankit replied: “Bothering me? That is an understatement! Have you seen the changes sweeping across the online pharmacy industry? We are working in an uncertain and hypercompetitive business environment. Business volatility is on the rise and customer expectations are going up.”

Ankit noted that Maharashtra State's Food and Drugs Administration (FDA) had raided the premises of e-commerce giant Snapdeal.com for allegedly selling medicines online.<sup>2</sup> Ankit was concerned about the future of Rx Pharmacy, Alankit Life Care's online pharmacy retail venture. The company had a physical as well as an online platform for Rx Pharmacy, but the physical stores were not doing well because of various aggressive marketing strategies adopted by competitors. Yet, due to government regulations, the future of online pharmacy was also under threat.

Ankit had considered different expansion options for the online Rx Pharmacy. He was targeting a customer base of 50,000 customers and 2,000 associated retail pharmacies by 2016. He wanted Rx Pharmacy to have a pan-India presence like other companies within the Alankit Group. However, he was unsure about how to achieve that goal. He wondered if Rx Pharmacy should have both physical and digital retail platforms, or stick to pursuing an online path only. What strategy (or strategies) could help to strengthen the online business?

## COMPANY BACKGROUND

Alankit Assignments Limited, the flagship company of Alankit Group, was established by Agarwal in 1995, with a small capital of ₹1 million and 20 employees. Within a year, Alankit Assignments started national stock exchange trading, and it was the first depository participant outside Mumbai in India. Over time, it grew into a multi-dimensional financial house with a presence across all realms of the financial market. The company had emerged as one of the most respected stock-broking and wealth management companies in India. It was ranked among the fastest-growing companies in the country, and had an employee base of approximately 1,500. Alankit Group was aiming for a net revenue of US\$8 billion in FY2015/16.

Alankit Group had a presence across India through 2,343 business locations across 673 cities. It served over 20 million customers (both in India and abroad) through its presence in Dubai, London, and Singapore. Alankit Group's business included the following different services:

- Offline and online trading in equity, future and option segments, commodities, currency, and derivatives
- Depository participation with the National Securities Depository Limited and the Central Depository Services Limited
- The debt market
- Interest rate futures
- Tax information network
- Permanent account number facilitation centre
- Central record-keeping agency facilitation centre
- Unique Identification Number enrolment agency
- Point of presence for the new pension system
- Third-party financial products (e.g., mutual funds, initial public offerings, bonds, and fixed deposits.)

Its group of companies also dealt in pharmaceutical retail (e.g., Rx Pharmacy), electronic health records (e.g., the online database recordxpert), third-party administrative services, and insurance broking for both life and non-life insurance, along with issuance of online policies (see Exhibit 2).

In light of the company's performance, leading international business information and risk assessment agency Dun & Bradstreet, Inc. named Alankit Group as India's leading equity broking house five years in a row (from 2008 to 2012).<sup>3</sup> The National Securities Depository Limited also awarded the company for "maximum new demat accounts generation" in 2013.<sup>4</sup>

## ALANKIT LIFE CARE

Alankit Life Care was started in 2004 to provide daily health solutions to customers by ensuring their continued health and well-being. The company had two strategic business units: recordxpert and Rx Pharmacy.

### Rx Pharmacy: Physical Stores

Rx Pharmacy was launched in 2004, with a single pharmacy store in Delhi. In the initial phase, Rx Pharmacy predominantly supplied medicines to government institutions, such as the Central Government Health Scheme, Ram Manohar Lohia Hospital, Deen Dyal Hospital, Safdarjung Hospital, the Air Force, the Delhi Police Department, the Border Security Force, the Indo-Tibetan Border Force, and many other hospitals run by the

Delhi government. The company had only three stores until 2009. These stores were opened to support supplies for government hospitals and dispensaries in keeping with the government rule that every supplier ought to have a retail store. By 2012, Rx Pharmacy had increased from three to 14 stores. However, business was not as lucrative as expected. When the company started to lose money, it decided to shut down most of its physical store operations. By May 2015, Rx Pharmacy was left with only one store to support its government supplies business.

### **Rx Pharmacy: Online**

To keep pace with the changing needs of its extensive customer base, Alankit Life Care entered the e-commerce space in 2013, with the innovative concept of creating an online retail pharmacy where customers could place orders for medicines and other fast-moving health goods online. Rx Pharmacy's feature-rich web portal was designed to be user friendly, and ease of access was its core principle. Using a novel procurement-and-delivery model, the initiative aimed to modernize the pharmacy retail model, which had yet not been able to reap the advantages of technology in India.

### **FAILURE OF THE PHYSICAL FORMAT**

Ankit analyzed the reasons for the failure of the Rx Pharmacy physical stores. He realized that most of the staff members had no pharmacy background. Undoubtedly, their lack of knowledge about pharmacy products affected profitability because they were unaware of the different substitutes to acquire government orders. Many pharmaceutical companies had sales promotion schemes, discounts, and higher margins to promote their sales. Many staff members of the Rx Pharmacy simply put this additional money in their own pockets. In addition, most company purchases were made in cash or based on short-term credit period; this also affected the profitability. Expiry and breakages were not settled properly, and, in many cases, were not even credited to the company. Some Rx Pharmacy outlets had even witnessed pilferage of costly products. Another major reason for the lack of profitability was the high cost of rent, because the company had selected prominent locations for many of its stores.

Because different shops had different requirements with respect to medicines, purchasing was also decentralized to support the different stores in keeping the required inventory. This had an adverse effect on stock availability. Some store managers kept high stock of non-moving items only because of bonus purchasing offers. But they did this at the expense of other products, because the company allowed a fixed amount of total inventory at each store. As a result, some fast-moving medicines were often out of stock, which affected customer loyalty, and made it difficult for Rx Pharmacy to retain customers.

Heavy discounts by competitive retail stores also put pressure on Rx Pharmacy's margins. Ankit and Harish Kapoor, vice president of Alankit Life Care, decided to reduce the number of stores to make the company more viable. They renegotiated with the vendors for increases in credit periods and discounts. They also put systems in place to ensure better availability of stocks. Furthermore, the company started a customer loyalty program to increase sales volumes.

When Rx Pharmacy returned overstock products to its vendors, its credibility with these vendors was affected, and the vendors reduced supplies to the company. This lack of trust further compounded the problem, and volumes started to go down. Ankit also found that employee satisfaction was low because of low salaries and long working hours. Employee morale was also affected by out-of-stock conditions, which made it difficult for the employees to satisfy regular customers.

## **BUSINESS MODEL OF ONLINE RX PHARMACY**

As well as being a marketplace for medicines, Rx Pharmacy was an online portal that provided a messenger service between customers and pharmacists. It worked as a marketplace, connecting customers and pharmacies in the health care industry. The company had more than 12,000 registered users and collaborated with 200 pharmacies in Delhi, Noida, and Ghaziabad. Discounts were pre-decided with these pharmacies. The pharmacies that were enrolled to sell medicines on Rx Pharmacy had passed through stringent checks to ensure that medicines were procured from authorized distributors, certifying the authenticity of the product. As many as 150 to 200 customers visited the website daily, and the average number of orders per day was 80 to 90.

Customers could place their orders online, and Rx Pharmacy passed these orders on to the associated pharmacy nearest to the customer's location. Customers could easily upload their prescriptions on the website to buy medicines that could be verified through qualified pharmacists. Alternatively, prescriptions could also be sent directly through email, or provided at the time of delivery.

After the receipt of customers' orders, a company representative called customers about their preferred delivery time. The orders were then submitted to the nearest pharmacy after confirming the availability of different products, total invoice value, and delivery time with it. A company representative again called the customers and informed them of the delivery time and invoice amount. After confirmation from the customer, the pharmacy was also contacted again to confirm the order, the customer's address, and the delivery time. Pharmacies made home deliveries, and gave instructions on the dosage of different products. However, Rx Pharmacy provided courier services (at customers' expense) for orders outside Delhi, Noida, and Ghaziabad. These orders were procured from authorized pharmacies and sent to customers along with the invoices. Rx Pharmacy used 10 to 12 such couriers on a daily basis. Although the company often received customer inquiries from abroad, it could not offer international shipment.

Rx Pharmacy adopted both pre- and post-paid models for revenue. In the pre-paid model, associated pharmacies were required to pay a deposit in advance, which was then adjusted according to the business given to that pharmacy. In the post-paid model, pharmacies were required to pay the necessary fees every 30 days, as per the business given to them by Rx Pharmacy.

## **THE INDIAN PHARMACEUTICAL RETAIL MARKET**

The Indian pharmaceutical sector had long been growing at a double-digit rate, and was expected to reach approximately US\$55 billion in sales by 2020—nearly five times the sales in 2009.<sup>5</sup> India's pharmaceutical industry was the third largest in the world in terms of volume, and 10th in terms of value. Driven by low drug penetration, a burgeoning middle class, increased spending on health care infrastructure, greater acceptance of medical insurance, changing demographic patterns, and a rise in lifestyle-related diseases, the industry had grown at a compound annual growth rate of more than 15 per cent.<sup>6</sup>

Small independent (i.e., "mom-and-pop") pharmacy stores dominated the Indian pharmacy retail market, which was estimated at around ₹800 billion annually.<sup>7</sup> The retail pharmacy segment had the second-largest share in the Indian health care sector. Retail pharmacies received a 20 per cent margin on drugs outside the price control net<sup>8</sup>, and 16 per cent on drugs that fell under price controls.<sup>9</sup> The sector comprised institutional and non-institutional sales. Institutional sales consisted of medicines sold to hospitals, nursing homes, and other such health institutions that procured bulk drugs from manufacturers or authorized distributors and retailers. Non-institutional sales were those that occurred through retail pharmacies.

Because unorganized participants accounted for over 95 per cent of the market, the Indian pharmacy retail industry was highly fragmented. One report noted that by 2025, Indians were expected to spend as much as 13 per cent of their disposable incomes on health care—nearly double the 7 per cent they spent in 2005; Rana Mehta of PricewaterhouseCoopers elaborated: “The India market is under-penetrated in terms of organized retail; there is huge potential to grow. Organized pharmacy retail is a low-margin, high-volume business, so scale is important to become profitable and attract investments.”<sup>10</sup>

## ONLINE PHARMACIES IN INDIA

Online pharmacies (e-pharmacies) had been a preferred channel for purchasing medicines in developed countries since 2005, but they were still at a nascent stage in India. E-pharmacies had yet to thrive like other online businesses in India, but entrepreneurs believed the sector had significant potential.<sup>11</sup> There were two kinds of models in the e-pharmacy sector: (a) those that worked with partner pharmacies (e.g., Rx Pharmacy) that delivered medicines, and (b) those that delivered medicines directly to customers. Companies following the latter model had physical pharmacy outlets.

Former iGate chief executive officer Phaneesh Murthy had started PM Health and Life Care to float an e-pharmacy venture that would deliver drugs within committed delivery timelines. He had raised US\$10 million for this venture, and planned to launch it across 10 cities in India in September 2015. “The Indian pharmaceutical market is estimated to touch US\$56 billion by 2020. There is no trusted health care brand in the online pharmacy space. Buying medicines online is a different culture altogether. There is great scope as consumers are increasingly shopping online,” said Murthy, the chairman of the new venture.<sup>12</sup>

Prashant Tandon, the managing director and co-founder of another e-pharmacy—1mg.com—made the following remarks: “Today, the health space is completely dominated by multiple intermediaries [and] middlemen, many of whom take advantage of the fact that consumers don’t have [enough] information at their disposal. Consequently, they are forced to follow blindly. An informed consumer will change the game.”<sup>13</sup>

## MAJOR COMPANIES IN E-PHARMACY

Many online companies had already entered the e-pharmacy business or were intending to sell medicines online. The major players included Medidart Healthcare Services Private Limited (Medidart), Mera Medicare, PharmEasy, and 1mg.com.

### Medidart

An end-to-end health care service provider, Bengaluru-based Medidart used a system in which doctors’ prescriptions, patients’ prescriptions, and periodic vitals could all be uploaded on the site through a mobile application (app) and the web portal app. Consumers could order their medications via a phone call to the store or online, and have the deliveries come to their doorstep. Besides taking orders and delivering medicines, Medidart helped customers gain awareness about their health conditions, prescriptions, doctor appointments, and so on. Co-founder Shravan Kesarla claimed that the company serviced over 75,000 registered users and made deliveries to over 2,500 pin-code locations in India.<sup>14</sup> The offline pharmacies enrolled to sell medicines on Medidart had to pass through stringent checks to ensure that the medicines available online were procured from authorized distributors, thus certifying the authenticity of the product.<sup>15</sup>

**Mera Medicare**

Mera Medicare worked as a marketplace, connecting buyers and sellers in the health care industry. It offered far greater discounts to its customers than any competitor. Mera Medicare assured a reduction of 40 to 60 per cent on standard medical bills. It also guaranteed the delivery of medicines within four hours of placing an order. One of Mera Medicare's co-founders, Pankaj Gupta, claimed that the company had more than 5,000 registered patients. The company had partnered with 250 pharmacies to meet its guarantee of timely delivery of medicines.<sup>16</sup>

**PharmEasy**

PharmEasy was a lead-generating platform started by 91streets Media Technologies Private Limited. It claimed to offer the best and most genuine health products, with the highest savings and in the shortest time possible.<sup>17</sup> It enabled customers to order medicines and to schedule diagnostic tests.<sup>18</sup> PharmEasy was close to securing a venture capital funding of US\$8 to US\$15 million. The PharmEasy app had seen 75,000 downloads and the company was executing 500 orders a day, while boasting a discount of 20 per cent on medicines.<sup>19</sup>

**1mg.com**

1mg.com started out as an online medicine delivery service launched by HealthKartPlus in April 2013.<sup>20</sup> HealthKartPlus generated tremendous user responses and had become the number one free medical app in 25 countries by the beginning of 2015. As the company's mobile app, 1mg.com helped users find information about their medicines, including side effects and generic substitutes.<sup>21</sup>

**E-PHARMACIES WITH PHYSICAL STORES**

Many pharmacy retail chains had started online platforms to take advantage of the potential growth opportunity that e-pharmacy offered. The major companies in this segment included Apollo Pharmacy, MedPlusMart, and Buy Drug Pharmacy.

**Apollo Pharmacy**

With 1,600 pharmacy stores, Apollo Pharmacy was the leading company in the Indian pharmaceutical retail market. It delivered medicines through clinics within two hours of orders being placed, and had also set up automated teller machines for the dispensing of medicines. Apollo Pharmacy provided a "nurse's station" facility at its stores, which provided paramedic services such as bandaging, wound dressing, and blood pressure monitoring.<sup>22</sup>

**MedPlusMart**

MedPlusMart was the online pharmacy store of MedPlus. MedPlus was launched in Hyderabad in February 2006. It was one of India's leading pharmacy chains, with over 1,050 pharmacy locations serving over 150,000 customers daily. Its stores were conveniently located and sold a wide selection of prescription medicines and general fast-moving consumer goods. MedPlusMart's business model was based on

customers ordering the products online and picking them up from a MedPlus store near their home. MedPlusMart's hub-and-spoke model included a central warehouse and many stores, which paid for the cost of the warehouse. The company depended heavily on technology to ensure efficient supply-chain management, and to network its stores and warehouses.<sup>23</sup>

### Buy Drug Pharmacy

A unit of Buy Drug Private Limited, retail pharmacy chain Buy Drug Pharmacy made medicines available to its consumers through its website (www.buydrug.in). The company sold authentic prescription and over-the-counter drugs with genuine invoices. It also had a home-delivery service option (via self-pick-up or courier services); for such sales, an authorized pharmacist verified and supervised the dispensing of medicines before dispatching them from Buy Drug's physical stores.<sup>24</sup>

### CHALLENGES OF E-PHARMACY

E-pharmacy was a complicated and legally risky sector because of the immense confusion surrounding laws regarding the sale of medication in India. According to the Maharashtra FDA commissioner, there were not enough laws to ensure the purity and authenticity of drugs sold online.<sup>25</sup> The *Drugs and Cosmetics Act, 1940*, and the *Drugs and Cosmetics Rules, 1945*, both mandated that Schedule H and Schedule X drugs could not be sold without a prescription, and had specific rules even for labelling. "Online pharmacies are illegal. Schedule X drugs include narcotics and psychotropic substances, and these too are available online. The medications are couriered to the destination, and this is a dangerous trend," stated a former director of the Directorate of Drugs Control. The president of the Indian Medical Association (Tamil Nadu), L. P. Thangavelu, added that online pharmacies could result in widespread misuse of drugs, especially sedatives and painkillers.<sup>26</sup>

The absence of clear guidelines and rules left pertinent legislation open to interpretation; each e-pharmacy applied its own version of the two drug-related acts to its business. According to a senior legal representative of many online and offline pharmacies, the key confusion was with respect to how pharmacists stamped the prescriptions—as mandated under the *Drugs and Cosmetics Act, 1940*—for drugs dispensed online. The lawyer also drew attention to the fact although Section 4 of the *Information Technology Act* legally recognized electronic records (which meant scanned documents were acceptable and could be used as a prescription for an e-pharmacy). However, an electronic copy could not be presented as evidence in court if a legal dispute arose.<sup>27</sup>

Tandon (of 1mg.com) pointed out that there was no separate licence for online pharmacies as per the *Drugs and Cosmetics Act, 1940*: "We are only an online platform connecting consumers with existing offline pharmacies [for which have a licence]."<sup>28</sup> Nevertheless, the authorities had cancelled the licences of three online portals selling drugs and cosmetics online.<sup>29</sup> Most Indian customers preferred buying medicines from pharmacies within hospital premises because many prescribed medicines were rarely available at non-hospital pharmacies. In addition, customers were not always confident in a delivery person's knowledge regarding the use and dosage of their medicines; they wanted contact with doctors and pharmacists who possessed enough knowledge to guide them.

Another major issue was the security of online transactions. Indian consumers remained concerned about issues such as security of financial information while transacting on websites.<sup>30</sup> Convenience was a factor as well; some crucial concerns persisted among consumers, such as the quality and speed of available Internet connections. Less than 15 per cent of India's population had access to the Internet, and nearly 80 per cent relied on second-generation phone networks.<sup>31</sup> These consumers could not have a reliable, convenient online shopping experience, which was largely dependent on high Internet speeds (even more so with increasingly

sophisticated websites laden with images and video). The final challenge for e-pharmacy companies was to attract consumers to their portals in the midst of the hyper-competitive environment.

## **THE ROAD AHEAD**

Rx Pharmacy's online business was profitable from its very first year. The concept was unique, the people behind it were passionate, the marketing communications mix was apt, and the promises were delivered. In light of these facts, Ankit considered different expansion options. His aim was a customer base of 50,000 and a total of 2,000 associated retail pharmacies by 2016.

Agarwal and Ankit were essentially weighing two options: to invest in both physical and digital retail stores for Rx Pharmacy, or to pursue online stores exclusively. Ankit was also considering the different strategies that could strengthen the company's online business. How could Rx Pharmacy increase awareness about its online portal? How could it encourage pharmacies in different areas to become associates? Should the company also have a mobile app now that most e-commerce companies were moving from websites to mobile apps?



**EXHIBIT 1: SELECTED FINANCIALS OF ALANKIT LIFE CARE LIMITED (in ₹ Millions)**

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Net Revenue	2,283.3	2,257.3	4,779.6	1,179.2	2,558.9
Other Income	1.60	3.05	9.88	1.42	1.33
Operating Expenses	2,284.2	2,258.4	4,780.4	1,192.6	2,560.2
Profit before tax	0.67	1.98	1.72	0.71	0.50

Source: Company sources.

**EXHIBIT 2: DIFFERENT COMPANIES OF ALANKIT GROUP**

Company Name	Activity Name
Alankit Assignments	Authentication User Agency
	Central Record Keeping Agency Facilitation Centre
	.IN (Dot In) Registrar
	Depository Participant—NSDL and CDSL
	Equity Broking
	e-Return Intermediary
	Facilitator—National Payments Corporation of India
	Investment Advisory
	Mahatma Gandhi Pravasi Suraksha Yojna
	New Pension System Lite—Aggregator
	Online Initial Public Offerings Applications
	Point of Presence—Service Provider for the New Pension System
	Point of Service—National Skills Registry
	Registrars and Share Transfer Agent
	Tax Information Network Facilitation Centre
	Permanent Account Number Centre
	UID Enrolment
	Value Added Tax Facilitation Centre
Alankit Imaginations Limited	Commodity Broking
Alankit Healthcare TPA Limited	Rashtriya Swasthya Bima Yojna
	Third-Party Administrator
Alankit Insurance Brokers Limited	Insurance Broking (Life Insurance, Non-Life Insurance)
Alankit Life Care Limited	Rx Pharmacy
	www.recordxpert.com
Alankit Global Resources DMCC	Trading in Dubai Gold and Commodities Exchange

Notes: NSDL = National Securities Depository Limited; CDSL = Central Depository Services Limited; UID = Unique Identification Number; TPA = Third-Party Administrator; DMCC = Dubai Multi Commodities Centre.

Source: Company sources.

## ENDNOTES

- <sup>1</sup> ₹ = Indian rupee; all currency amounts in ₹ unless otherwise specified; US\$1.00 = ₹ 63.25 on May 2, 2015.
- <sup>2</sup> Sumitra Deb Roy, "Maharashtra FDA Raids Snapdeal Office for Selling Prescription Drugs," *The Times of India*, April 17, 2015, accessed April 21, 2015, <http://timesofindia.indiatimes.com/india/Maharashtra-FDA-raids-Snapdeal-office-for-selling-prescription-drugs/articleshow/46962153.cms>.
- <sup>3</sup> "About Us," Alankit, accessed March 26, 2015, [www.alankit.com/MasterPage/about\\_us.aspx](http://www.alankit.com/MasterPage/about_us.aspx).
- <sup>4</sup> A demat account holds the certificates of financial instruments like shares, bonds, government securities, mutual funds, and exchange traded funds in electronic or dematerialized form. One cannot trade in the stock market in India without a demat account; "All about Dematerialization and Demat Accounts," Kotak Securities Limited, accessed March 17, 2015, [www.kotaksecurities.com/ksweb/Research/Investment-Knowledge-Bank/what-is-demat-account](http://www.kotaksecurities.com/ksweb/Research/Investment-Knowledge-Bank/what-is-demat-account).
- <sup>5</sup> Anjan Sen, "Indian Pharmaceuticals: A Long-term Story," *Express Pharma*, January 2, 2013, accessed April 2, 2015, <http://archivepharma.financialexpress.com/sections/market-section/1591-indian-pharmaceuticals-a-long-term-story>.
- <sup>6</sup> "Indian Pharma Industry: An Overview," *India Biznews*, April 13, 2012, accessed April 11, 2015, [www.indiabiznews.com/?q=node/2873](http://www.indiabiznews.com/?q=node/2873).
- <sup>7</sup> Vishwanath Pilla, "MedPlus Plans to Raise \$50–75 Million, Open 10,000 Stores," *Live Mint*, March 19, 2015, accessed March 19, 2015, [www.livemint.com/Companies/Jvsp2nBDtnDJ6elpbOW9cM/MedPlus-plans-to-raise-5075-million-open-10000-stores.html](http://www.livemint.com/Companies/Jvsp2nBDtnDJ6elpbOW9cM/MedPlus-plans-to-raise-5075-million-open-10000-stores.html).
- <sup>8</sup> "What Margins are Allowed to a Wholesaler and a Retailer as per DPCO," 1995, accessed April 16, 2015, [www.nppaindia.nic.in/frequent.html#10](http://www.nppaindia.nic.in/frequent.html#10).
- <sup>9</sup> Soma Das, "Drug Retailers' Margin to Come under Pressure, Warn Chemists," *The Economic Times*, March 6, 2013, accessed February 17, 2015, [http://articles.economictimes.indiatimes.com/2013-03-06/news/37500459\\_1\\_price-control-aiocd-awacs-new-pharma](http://articles.economictimes.indiatimes.com/2013-03-06/news/37500459_1_price-control-aiocd-awacs-new-pharma).
- <sup>10</sup> Vishwanath Pilla, op. cit.
- <sup>11</sup> Shobita Dhar, "The Pharmacist Goes Online," *The Times of India*, May 11, 2015, accessed May 14, 2015, <http://timesofindia.indiatimes.com/india/The-pharmacist-goes-online/articleshow/47228104.cms>.
- <sup>12</sup> The information in this paragraph came from FE Bureau, "Phaneesh Murthy Launches E-Commerce Pharmacy Venture," *The Financial Express*, March 24, 2015, accessed April 2, 2015, [www.financialexpress.com/article/industry/companies/phaneesh-murthy-launches-e-commerce-pharmacy-venture/56727/](http://www.financialexpress.com/article/industry/companies/phaneesh-murthy-launches-e-commerce-pharmacy-venture/56727/).
- <sup>13</sup> Sanjeev Sinha, "How E-Pharmacy Can Empower Consumers," *The Economic Times*, May 25, 2015, accessed May 28, 2015, [http://articles.economictimes.indiatimes.com/2015-05-25/news/62624766\\_1\\_registered-pharmacists-prescription-model](http://articles.economictimes.indiatimes.com/2015-05-25/news/62624766_1_registered-pharmacists-prescription-model).
- <sup>14</sup> "About Us," Medidart, 2015, accessed April 2, 2015, [www.medidart.com/customer/about.html](http://www.medidart.com/customer/about.html).
- <sup>15</sup> "Healthcare: Medidart Unlocks Potential That Goes beyond Stores," *The Economic Times*, March 25, 2015, accessed March 26, 2015, [http://articles.economictimes.indiatimes.com/2015-03-25/news/60475222\\_1\\_medicines-prescriptions-available-online](http://articles.economictimes.indiatimes.com/2015-03-25/news/60475222_1_medicines-prescriptions-available-online).
- <sup>16</sup> Aditya Bhushan Dwivedi, "MeraMedicare, an E-Commerce Portal for Generic Medicines, Aims to Provide Cheaper Drugs," *YourStory*, March 16, 2015, accessed April 2, 2015, <http://yourstory.com/2015/03/mera-medicare/#>.
- <sup>17</sup> "PharmEasy Takes a Step Towards Helping Dharavi Residents Live a Healthier Life," *Dailyhunt*, May 18, 2015, accessed May 17, 2015, <http://m.dailyhunt.in/news/india/english/apherald-epaper-apherald/pharmeasy-takes-a-step-towards-helping-dharavi-residents-live-a-healthier-life-newsid-53374748>.
- <sup>18</sup> "PharmEasy: Features," *PharmEasy*, accessed April 6, 2015, [www.pharmeasy.in/features.php](http://www.pharmeasy.in/features.php).
- <sup>19</sup> Ajay Modi, "Investors Rush to Fund Online Pharmacy Players," *Business Standard*, November 2, 2015, accessed November 26, 2015, [www.business-standard.com/article/companies/investors-rush-to-fund-online-pharmacy-players-115110200022\\_1.html](http://www.business-standard.com/article/companies/investors-rush-to-fund-online-pharmacy-players-115110200022_1.html).
- <sup>20</sup> Sanghamitra Mazumdar, "Drugs on the Net," *The Indian Express*, July 27, 2013, accessed April 2, 2015, <http://archive.indianexpress.com/news/drugs-on-the-net/1147273/>.
- <sup>21</sup> "Generic Drugs Search App Gets 2 Lakh Downloads in 2 Weeks," *Business Line*, February 9, 2014, accessed January 26, 2015, [www.thehindubusinessline.com/info-tech/generic-drugs-search-app-gets-2-lakh-downloads-in-2-weeks/article5670496.ece](http://www.thehindubusinessline.com/info-tech/generic-drugs-search-app-gets-2-lakh-downloads-in-2-weeks/article5670496.ece).
- <sup>22</sup> "Cracking Indian Pharmacy Retail Code," *ET Retail.com*, October 18, 2013, accessed March 12, 2015, <http://retail.economictimes.indiatimes.com/news/health-and-beauty/pharmacy/cracking-indian-pharmacy-retail-code/24336115>.
- <sup>23</sup> MedPlus Health Services Pvt. Ltd., "About Us: Our Story," *MedPlus*, accessed March 12, 2015, [www.medplusindia.com/our-story.html](http://www.medplusindia.com/our-story.html).
- <sup>24</sup> "About Us," *BuyDrug.In*, accessed March 12, 2015, [www.buydrug.in/aboutus.php](http://www.buydrug.in/aboutus.php).
- <sup>25</sup> Ibid.
- <sup>26</sup> M. Serena Josephine, "State to Crack Down on Online Pharmacies," *The Hindu*, April 29, 2013, accessed March 12, 2015, [www.thehindu.com/news/cities/chennai/state-to-crack-down-on-online-pharmacies/article4663917.ece](http://www.thehindu.com/news/cities/chennai/state-to-crack-down-on-online-pharmacies/article4663917.ece).
- <sup>27</sup> Shobita Dhar, "The Pharmacist Goes Online," *The Times of India*, May 11, 2015, accessed May 17, 2015, <http://timesofindia.indiatimes.com/india/The-pharmacist-goes-online/articleshow/47228104.cms>.
- <sup>28</sup> Ibid.
- <sup>29</sup> Sunitha Rao R., "Online Pharma Portal Runs into Resistance from Store Chemists," *The Times of India*, May 14, 2015, accessed May 17, 2015, <http://timesofindia.indiatimes.com/city/bengaluru/Online-pharma-portal-runs-into-resistance-from-store-chemists/articleshow/47273452.cms>.
- <sup>30</sup> S. Puri, A. Gaurav, and R. Agarwal, "Changing Contours of Online Retail," *Progressive Grocer*, 18–24, May 2015.
- <sup>31</sup> Ibid.