

## INDUSTRY PRACTICES

# Govt plans mandatory marketing code for pharmaceutical firms

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Drugmakers may soon be prohibited from offering gifts to doctors to prescribe their products, with the government finding that an existing voluntary code discouraging the practice has made little impact.

The mandatory code will replace the voluntary Uniform Code of Pharmaceutical Marketing Practices (UCPMP) released by the department of pharmaceuticals in January.

"A voluntary code has been in place for last few months. However, we found it very difficult to enforce it as a voluntary code. Hence, the government is planning to make it compulsory," said V.K. Subburaj, secretary of department of pharmaceuticals.

The government will consult stakeholders, such as the Medical Council of India (MCI), Drugs Controller General of India (DCGI), industry bodies and consumer groups before finalizing the code, which is expected in six months, said Subburaj.

While the DCGI Dr. G.N. Singh refused to comment on the matter, an MCI member, who declined to be identified, said the council will wait until the draft guidelines are released.

The move will sensitize the pharmaceutical companies, said Pavan Choudhary, co-chairman of medical technology division of the Confederation of Indian Industry (CII). "However, the mandatory norms should be a refined version of the current voluntary code. UCPMP's voluntary version states that you cannot even give snacks to doctors

attending a company workshop. It also says that a medical device sample can only be provided if a doctor makes a written recommendation. Such types of regulations may become counterproductive and hence it should be diluted," Choudhary added.

In 2011, the ministry of chemicals and fertilizers had backed away from making such a mandatory code after protests from the industry.

P.K. Gupta, chairman of the Confederation of Indian Pharmaceutical Industry (Cipi), called the move a wastage of time.

"For the last eight to ten years, the government is planning to come up with guidelines on marketing. The current marketing practices prevailing in India is a global phenomenon, and it must continue. If the government wants to manage the (pharma) industry, they should implement price control measures properly. Tightening of norms should not be on the marketing side," said Gupta.

The new code is likely to be strict on medical representatives as well, prohibiting them from employing any inducement or payment to gain access to a healthcare practitioner.

According to Sarabjit Kour Nangra, vice-president, research, at brokerage Angel Broking, marketing is a "grey area" as far as the pharmaceutical industry is concerned. "Many malpractices are happening in the sector and, as a result, a compulsory law would mean cost enhancement for some companies who are not following ethical practices, as they have to find new ways to market their products," Nangra

said.

The existing voluntary code states that all associations of pharmaceutical firms should have a complaint handling committee empowered to expel anyone found violating the code.

Under the voluntary code, companies must keep a detailed list of their marketing expenses. Travel expenses should not be paid for the spouses of doctors or other accompanying persons, unless they are healthcare professionals, who qualify as participants of those events in their own right. (Travel expenses of doctors can be paid for by pharmaceutical companies as long as it's a work-related trip and only within India.) Moreover, the events must be organized only in India and should not coincide with sporting, entertainment or other leisure events.

The code also says funding of healthcare professionals to compensate them for the time spent in attending an event is not permitted. It also bars supply of free medicine samples to any person not qualified to prescribe such products.

CII's Choudhary added, "The law should not be half-baked and should not be implemented in haste. Firms must get basic freedom to operate. Though the move is positive, there should be a proper regulatory set-up in place to implement this."

The US and European Union already have stringent marketing regulations in place and even have disclosure norms for the companies in this regard.

In the past, Indian companies had faced heat from the US and EU regulators related to its manufacturing practices.

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