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BITTER PILL

Parliamentary panel says import cuts to slash medicine prices

Chemical import curbs to hit bulk drug makers

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The Parliamentary panel to the Department of Pharmaceuticals has stated that importing of chemicals,

which are the raw materials for medicines, must be allowed only in "extreme circumstances" as unwanted imports are increasing the cost of medicines.

The panel pointed out that there was enough production of chemicals and raw materials in the country and importing them was not required. A time-bound action plan is required by the government to restrict

import of these chemicals.

Meanwhile, bulk drug manufacturers were shocked by this observation, as many base chemicals are not available in India.

For example, sodium is imported from Europe and South America and phosphorus is imported from China and the two are mixed to make chemicals. Similarly some chemicals are procured from South East Asian countries, they state.

Vijay Kiran, the secretary of Bulk Drug Manufacturers Association in Hyderabad, said, "As we do not get these base materials

in India, we have to import them. These are then mixed with other chemicals and the bulk drugs are formed. We sell the base products to formulation companies and they brand them. The price increases at that point."

The manufacturers state that there is stiff competition at their level. A slight increase will not help as chemicals can be sourced at cheap rates.

There are 300 bulk drug manufacturers and 1,500 pharma companies in Andhra Pradesh, making it the most affected by this order. Reducing imports will

impact those who are completely dependent on it and currently, 30 per cent of them are using imported chemicals in antibiotics, hypertension, diabetes and cancer medicines.

Another member of the Association said, "The price paid by the Indian consumer is the lowest in the world. The industry, which has 30 per cent exports and 70 per cent national consumption, requires support from the government, which is completely lacking. The order is not acceptable to the bulk drug manufacturers as it is irrational and unrealistic."

The global consultant that submitted the report to the Parliamentary committee found that the country had enough potential for drug discovery and innovation and it must be given a conducive climate for the same. This would allow for production of cheap, but quality medicines. The report found that imports had risen by 29.43 per cent in 2011-12 from the previous year.

The rising imports are proof that the pharma sector is not doing enough by using the country's available resources to create a pool of its own.

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