

PM's help sought to bring down medicine prices

Small pharma confederation writes to Manmohan

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Staff Reporter

NEW DELHI: The Small and Medium Enterprise Pharma Industries' Confederation has approached the Prime Minister to work out a solution to reduce the escalating prices of medicines.

"The current situation in India is such that research has saturated which means new molecules are far too few. In this scenario, the government has to consider multi-national companies investments absolutely essential and has to appease them to the detriment of consumers," said Confederation chairman Rohan Hede.

"Considering the multi-national companies' takeovers and consumers' interest, the survival of small and medium pharma enterprises is essential. Last five years have witnessed many changes in laws and policy for the pharma industry and each change has targeted small and medium

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enterprises for elimination for providing competitiveness. It is this competitiveness to the big companies that has helped keep the price of medicines in check in India. This competition enables removal of shortage and providing lowest priced medicines, not only for local market but for the whole world," he added.

The Confederation has complained that changes in the Drug Act by the Union Health Ministry, levy of maximum retail price (MRP) excise by the Union Finance Ministry and minimum turnover clause stipulation in tenders have made small and medium scale enterprises ei-

ther close down or struggle for survival.

Though the Government acknowledged anomalies in MRP excise it hasn't removed them despite the Prime Minister's intervention and despite serious price rise and revenue loss.

"Our warnings about the escalating costs of medicines have never been taken seriously but now when 25 per cent of the Indian pharma market has been annexed by a group of multi-national companies the Central Government seems worried. Lack of inter-ministerial coordination remains a chink in the armour which can very well be exploited to annex the entire Indian market by the multi-nationals," said Mr. Hede.

In the letter to the Prime Minister the group has noted that the prices of medicines have been allowed to skyrocket despite over-production and a prevalent glut situation.

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