



PHARMACEUTICALS EXPORT PROMOTION COUNCIL

(Set up by Ministry of Commerce, Govt. of India)

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Govt to monitor drug exports using new tech

8 Jul 2010, 0236 hrs IST, Khomba Singh, ET Bureau

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<http://economictimes.indiatimes.com/news/news-by-industry/healthcare/biotech/pharmaceuticals/Govt-to-monitor-drug-exports-using-new-tech/articleshow/6140890.cms>

NEW DELHI: The government plans to track each medicine exported out of the country using new technologies to prevent drugs from being duplicated and protect local exporters from allegations of supplying counterfeit drugs.

In a meeting last week, the commerce ministry had asked Pharmexcil — a body of Indian drug exporters, set up by the commerce & industry ministry — to finalise a mechanism of tracking medicine shipments.

At present, though medicines carry details of the manufacturer and batch number, they can be easily duplicated and often the local drugmakers have to take the blame.

“The government wants to ensure the Indian drug industry’s name is not tarnished,” Smitesh Shah, chairman Pharmexcil said. The plan is to create a robust process approved by the drug regulator of each country where Indian firms export their products, he said.

Indian firms have often been accused of making counterfeit drugs by drugmakers in the US and European markets.

Local pharma companies say these allegations are used to erect non-tariff barriers for restricting competition from Indian companies who sell their low-cost drugs in the developed markets.

Indian drugmakers export medicines worth over Rs 40,000 crore every year, and growing at over 15%. As per a health ministry study, about 0.3% of drugs in India are spurious, while about 5% are counterfeit.

Pharmexcil has appointed consultancy firm E&Y to co-ordinate dialogue between drugmakers, packaging and supply chain firms to identify the most appropriate technology.

E&Y is expected to submit its report to the government in the next two-three months.

Pune-based company Bilcare has proposed to use radio frequency technology to trace medicines from the moment it is despatched from the factory to where it will be consumed. It could cost an additional Rs 1.50 on a strip for 10 tabs to use the medicine, a person familiar with the matter said. But small drugmakers have opposed the move.

“Since it tracks movement of each medicine, the data can be misused by bigger companies and kill our competitiveness,” Lalit Kumar Jain, chairman, SMPIC, a body of small drugmakers, said.