



PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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

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India seeks better market access for pharma goods in Lanka

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Commerce Ministry to raise issue bilaterally soon.

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New Delhi, June 16

Snapshot

Drug makers need registration from reference countries like US and UK to market bio-similar medicines

Foreign cos must get an NOC from existing partner to do business with different local partner

Indian pharma exports to Lanka were \$89.5 million in '08-09 and \$70.23 million in Apr-Dec '09

India will soon take up with Sri Lanka the difficulties faced by Indian pharmaceutical companies such as Wockhardt, Biocon and Serum Institute in getting more market access in that country.

According to Sri Lanka's new norms, drug makers need to get registration in one of the reference countries like the US and UK, if they want to market bio-similar medicines in Sri Lanka, Dr P.V. Appaji, Executive Director, Pharmaceuticals Export Promotion Council (Pharmexcil), told Business Line.

Also, according to Sri Lankan rules, foreign companies have to choose a Sri Lankan partner to export pharma products to that country. If the foreign firms want to do business with a different local partner, they will have to get a No Objection Certificate from the existing partner. Indian exporters have reported difficulties getting an NOC from their existing Sri Lankan partners.

Industry sources said these rules are non-tariff barriers and are hurting Indian pharma exporters. Commerce Ministry sources told Business Line that they have received a representation from Pharmexcil in this regard. They said these issues will be taken up with the Sri Lankan authorities soon.

According to the Indian pharma industry, these new norms are unfair and seem to be done at the behest of some vested interests.

“On one hand Sri Lanka is facing shortage of essential drugs and has said it will import medicine from India and on the other hand, it is making it difficult for Indian pharma companies to do business there. Such blanket rules do not make sense,” said an official of an Indian drug company, who did not wish to be identified as the issue is being taken up at the Government level.

Another drug company said, “The proposed rules will increase our costs which in turn could impact the drug prices. The Sri Lankan Government should realise that Indian generic makers are enabling people in that country to get cheaper drugs compared to products of MNC pharma majors.”

Exports of Indian pharmaceutical products to Sri Lanka were \$89.5 million in 2008-09 and \$70.23 million in the April-December 2009 period.

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