

## **Panel asks health ministry to ensure big domestic pharma cos remain in Indian hands**

Wednesday, August 11, 2010 08:00 IST

**Ramesh Shankar, Mumbai**

The Parliamentary standing committee on Health and Family Welfare led by Rajya Sabha MP Amar Singh has asked the Union Ministry of Health to take up the issue of major Indian pharma companies being taken over by the multinational pharma companies with the Ministry of Chemicals & Fertilizers without any delay to come up with policy options to ensure that major Indian pharma companies remain in Indian hands.

Expressing concern over the recent developments in which some of the major pharma companies have been taken over by the MNCs, the 31-member parliamentary panel said that these developments would result in MNCs gaining market supremacy and essential medicines are bound to become costlier.

The committee, in its 45th report on 'issues relating to availability of generic, generic-branded and branded medicines, their formulation and therapeutic efficacy and effectiveness', noted that "Another pertinent issue that attracted the attention of the Committee was a news-item dated May 31, 2010 published in the Hindustan Times which highlights the following issues: 61 drugs worth over \$ 80 billion are going off patent of the US Patent and Trademark Office between 2011 and 2013 making it possible for domestic pharma companies in India to produce cheaper versions of off patent drugs".

"However, promoters of some of the Indian pharma companies like Piramal Healthcare, Ranbaxy, Shanta Biotech and Dabur Pharma have already sold their controlling shares to US, Japanese and German MNCs. Many other drug manufacturers are reportedly interested in similar disinvestment. These developments would result in MNCs gaining market supremacy and essential medicines are bound to become costlier. The Committee would appreciate if the Ministry of Health and Family Welfare takes up this issue with the Ministry of Chemicals and Fertilizers without any delay to come up with policy options to ensure that major Indian pharma companies remain in Indian hands".

The report which was presented to the Rajya Sabha on August 4, 2010.