Chinese Aid Norms Hit Indian Drug Biz

China's conditional lending curbing Indian pharma exports to some markets in Africa, Asia & eastern Europe

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Hyderabad: The stipulations increasingly being made by China while extending financial aid to several developing economies to buy medicines produced by their manufacturers have of late begun denting the exports of Indian drugs to these countries.

A senior commerce ministry official said India currently exports around $16 billion worth medicines and the stipulations of China are probably affecting India's drug exports in a fourth in some markets in Africa, Asia and eastern Europe.

China has been steadily accelerating aid to several developing economies towards capacity building in infrastructure, goods, materials, technical, human resources, agriculture, medical and health sectors. Against the $16 billion assistance extended between 2009 and 2012, Chinese President Xi Jinping announced doubling the aid to $30 billion during 2013-15.

Cautioning the Indian drug makers on such adverse results, Director General of Indian Pharmaceuticals Export Promotion Council (Pharmexcil) PV Appaji said the domestic pharmaceutical companies were advised to step up their marketing efforts. "China has been increasingly insisting on several African, eastern European and a few Asian countries to buy its medicines while extending financial aid. As a result, there has been a dent in Indian drug exports to these economies," Appaji told ET. "We are advising our medicine manufacturers to take note of this and accordingly sharpen their strategies for these markets to regain the lost ground and improve market share."