

YUSUF HAMED/CIPLA

Cancer drugs which can be produced legally will be offered at affordable prices

By MINI MENON

Tougher patent regulations have made it difficult for Indian generic pharmaceutical companies to make cheaper versions of established drugs. Yusuf Hamed, chairman, Cipla Ltd, in an interview explains the company's strategy and why it is increasing its focus on exports. Edited excerpts:

Let's talk about oncology, which is the main focus area. Can you replicate what you did there? What is stacked against you in bringing down the cost?

When you look at oncology, one of the big factors is diagnosis. Do you know how many breast cancer cases there are in India today? At least 25,000 cases are there and they are all detected at a very late stage. The primary thing that we require for cancer today is proper diagnosis. Second, since it is a disease which is very much doctor dependent, 70% of all the medication for cancer is

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injectibles. So it's up to the doctors to decide what they want to use or not use. Unlike in AIDS, where the doctor prescribes you the medication and then you take it for life... the methodology in cancer is slightly different.

My point is that the drugs which I can legally produce for cancer, I will offer them at affordable prices. To give you an example, there are two or three drugs that are classified as NIBs. In India, the multinational companies' prices range from ₹1.5-3 lakh a month for tablets. We are giving them (patients) the equivalent between ₹6,500 to the most expensive as ₹80,000 a month. But there is a very big difference even now.

The point that we are making here is that wherever legally possible, the drugs that we can offer and make ourselves, we will give those drugs at af-



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Health market: Hamed says the primary thing that India requires for cancer treatment today is proper diagnosis.

fordable prices in India and from India elsewhere in the world as well.

What you did with the cocktail of HIV drugs was done at a different time and space. There was a chronic epidemic which people didn't understand. It was a big scare across

But there are newer drugs coming up very rapidly in the area of diseases such as cancer. Today there are new drugs for hepatitis C which we cannot do. Our cut-off is 1995; that is a big bottleneck. I cannot produce the newer drugs that are there today for resistant TB (tuberculosis). I can't produce drugs for TB, hepatitis and cancer. I can't produce some of the biotech products as well.

Juxtapose that with another trend that is happening where every government across the world is bringing down the cost of health care. Do you see a lot of thinking changing or do you think the whole issue of patent and IP (intellectual property) is so dominated by the big pharma that they are going to rule the roost?

You must understand that if the world's business today is trillions of dollars, 45% of that total value is USA. When you say big pharma, essentially you are talking about US companies. They virtually run the government.

The Obama administration is trying to bring down the costs of drugs. Do you believe that?

Who says so? I don't think in reality that is true. What will happen is that the end user will be paying a lower price but somewhere down the line the price is still high. So somebody

else is paying it. Maybe the government is paying it like in England the NHS (national health service) subsidizes the costs.

If the journey so far was about bringing down costs and helping people by providing them affordable health care, what is the road ahead for Cipla since you cannot do the same thing if the environment has changed, the market pace has changed and the dynamics are changing?

In 1995 we had 10% export and 90% local. Today we are 55% export and 45% local. Maybe in the next 5 years we will be 70% export and 30% local. The whole emphasis has been to globalize using local facilities. Some of the factories of Indian companies including Cipla's are among the best you will see anywhere in the world. feedback@themint.com

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