

# Pharma exports slowest in 15 years

**NEW DELHI: India's pharmaceutical exports registered slowest growth in at least 15 years at 1.2 per cent to \$14.84 billion last fiscal amid growing tension with the US over intellectual property rights related issues.**

As the IPR issues raised by the US - India's biggest market - are unlikely to be resolved anytime soon, industry observers say that pharma exports will miss the target of \$25 billion set for 2014-15 in a government strategy paper. According to the Commerce Min-

istry data, in 2012-13, the country's pharma exports aggregated \$14.66 billion.

The growth registered in 2013-14 is the slowest in nearly 15 years. The previous slowest was in 2009-10 when the pharma exports grew by just 5.9 per cent. In calendar year 2000, they grew by 7 per cent.

"2013-14 has seen slowdown in growth because of the US raising concerns and due to increase in global competition," PV Appaji, Executive Director, Pharmexcil told PTI. Elaborating on hurdles faced by Indian companies, an official said:



"The US industry is alleging that India's IPR laws particularly with regard to pharmaceuticals discriminate American firms. They are putting pressure on their government to take actions against India."

The US is the top destination for Indian pharma exports followed by the UK. America ac-

counts for about 25 per cent of India's pharma exports. The Obama administration has been strongly criticising India's investment climate and IPR laws, especially in the pharmaceuticals sectors. US pharma companies had objected to India's move to issue a compulsory license in March, 2012 to Hyderabad-based Narco Pharma to manufacture and sell Bayer's cancer-treatment drug 'Nexavar' at a cheaper price.

Compounding the problems for Indian pharma firms, Vietnam too has raised concerns over medicines imported from

India. An industry official stated that "if Vietnam were to ban imports from India, it will further impact our exports".

Appaji, however, said: "DCGI is looking into concerns raised by Vietnam over quality defects in drugs supplied from various countries, including India which is a major supplier to the country." Despite the challenges, he said: "India has been able to make its name as a quality supplier of affordable medicines across the globe. We are expecting around 12 per cent growth this fiscal."

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Exports