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Health seems to be a priority only on paper, say stakeholders

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If the Government had health on its mind, it certainly did not show in Budget 2013.

Its flagship programme involving the distribution of free medicines, for instance, did not get directional mention from the Finance Minister. And if the pharmaceutical industry was looking for big-ticket initiatives to stir research, at a time they are faced by multiple challenges including price control and patent exclusivity enforcement, that did not come either.

This Budget too has overlooked crucial points such as the spending on healthcare, observed Pramod Lele, Chief Executive of Mumbai's Hinduja Hospital. "The developed countries spend close to 15 per cent of their GDP on healthcare whereas we are at merely one per cent," he said.

A good option to reduce the cost of healthcare would be to encourage medical equipment manufacturers to set up plants in India. This way, the cost of acquiring such equipment goes down, and the benefit can be passed on to consumers, he added.

Dr Rajeev Boudhankar, Vice-President of the three-year-old Kohinoor Hospital, adds that over 60 per cent of hospital equipment is import-



ed, and they attract between five and seven per cent import duty. As there are no sops for life-saving drugs or medical equipment, healthcare is doled out step-motherly treatment, he said.

Even basic things like clarifying on service tax on clinical trials did not happen, observes Hitesh Sharma, Partner and Head of Life Sciences at Ernst & Young.

While the 24 per cent increase in the revised estimates of spending on the National Health Mission (involving rural and urban missions) sounds impressive, Amit Chander, Partner with Baring India, points out that allocation is important, so that it reaches people who need it.

There is a continuation of initiatives started earlier, in-

cluding that of more hospitals like the All India Institute of Medical Sciences. But Ranjit Shahani, Novartis India's Vice Chairman and Managing Director, and head of the Organisation of Pharmaceutical Producers of India, sum its up. "We were hoping the budget would breathe some life into the economy.

The expectations of a big bang announcement to restart the economy were belied - expectations were high. Given what the market was grappling with there is a dearth of big ideas."

So again, if the Finance Minister said, health for all was a priority - it clearly did not show. And that is what a cross-section of healthcare stakeholders seem to be saying.

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