



Urgently Notify e-Pharmacy Rules and Save 30,000 Livelihoods: IAMAI

Regulatory uncertainty discouraging new investment

New Delhi, October 14, 2020: Leading industry representatives have urged the government to finalize the draft e-pharmacy rules and notify them immediately. In the current form, the draft guidelines do not recognise “platforms or marketplaces” that enable sellers to sell drugs online. The regulatory uncertainty puts a cloud over existing players who operate with this business model currently, and completely discourage new investment in that space. Unless the guidelines clearly recognize marketplace platforms, there remains ambiguity on the legality of marketplaces, and it discourages investment and adversely impacts the sector’s growth. This is one of the main concerns raised by panelists in a virtual discussion titled “ePharmacy: Digitally Empowering Consumers & Small Businesses” organised by the Internet and Mobile Association of India (IAMAI). The discussion had representatives from civil society, law firms and industry to explore the various facets of the issue related to the importance of e-pharmacy especially considering the National Digital Health Mission. Panelists included Tanmay Saksena, Chief Operating Officer, 1mg; Ravi Kant Sharma, Founder & CEO, SastaSundar.com; Prof. Bejon Misra, Founder Director, Patients Safety and Access; and Krishna Sarma, Managing Partner, Corporate Law Group.

Panelists pointed out that e-Pharmacy sector has stood the test of times and proved the backbone for fight against COVID-19 in recent times, making life-saving drugs available to every corner of India. A vibrant e-pharmacy remains a vital cog in the implementation of the National Digital Health Mission, and the industry is of the opinion that the Government notify the final e-pharmacy rules.

Allaying fears and misconceptions around the sector regarding consumer safety, experts stated that the e-Pharmacy sector is very conservative, organized and disciplined in its approach when it comes to consumer safety. In e-Pharmacy model, every request for medicines must be accompanied with a valid prescription (Doctors details, Patient details, Medicine details and date of consultation) – which is not necessarily followed in practice by any physical pharmacy.

As far as drug abuse/drug re-use is concerned, sensitive medicines with incentive for reuse for abuse like Narcotic, Schedule X and Schedule H1 are restricted to be processed by e-Pharmacy in e-Pharmacy Draft Rules. In addition, restricted list can be published with the draft rules. As part of voluntary code of conduct, e-pharmacies have restricted all the sensitive medicines. In the case of regular medicines/ medicines for chronic diseases are concerned, the key thing for this class of medicines is that the medicine to be used should be decided by a qualified professional, and the consumer has no incentive/ reason to abuse.

To further check the misuse of prescription, electronic surveillance for sensitive medicines can be created in phased manner. Instead of maintaining a digital serial number of Prescriptions, each Pharmacy – whether online or offline should maintain a unique transaction ID and map the same with a unique ID of patient such as Mobile number. Data on such transactions shall be available for digital analytics and

inspection of authorities, to check for abuse and misuse of the system. Insisting for prescriptions with a unique ID for digital transactions and having No ID for a physical transaction provides an incentive for abuse with the offline channel and compromises the health of Indians, while being discriminatory to the patients and doctors.

Experts are of the opinion that there should be a level playing field and regulations should require the conditions are being met without any differentiation between online and offline channels. The principle of equal footing for all channels, and consumer choice being paramount should prevail. There should be no specific onerous requirements on any one channel over the other.

IAMAI has said that the sector needs urgent government support to notify the e-pharmacy draft rules which are pending since long. Notifying the rules will unleash the potential of technology to improve the access and affordability of quality medicines for the country.

The retail pharmacy sector needs a lot of supply chain, technology and access solutions to make healthcare delivery more efficient and affordable, and a pre-requisite for this is a simple and clear regulatory pathway for innovation to thrive in this important space. IAMAI hopes that the issues being faced by the e-Pharmacy sector will now be addressed through a quick notification of the pending e-Pharmacy draft rules

About IAMAI

The Internet and Mobile Association of India [IAMAI] is a young and vibrant association with ambitions of representing the entire gamut of digital businesses in India. It was established in 2004 by the leading online publishers, and in the last 16 years has come to effectively address the challenges facing the digital and online industry including mobile content and services, online publishing, mobile advertising, online advertising, ecommerce and mobile & digital payments among others.

Sixteen years after its establishment, the association is still the only professional industry body representing the online industry in India. The association is registered under the Societies Act and is a recognized charity in Maharashtra. With a membership of nearly 300 Indian and overseas companies, and with offices in Delhi, Mumbai, Bengaluru and Kolkata, the association is well placed to work towards charting a growth path for the digital industry in India.

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