

BDMAI/DOC/2026

4th April 2026

Shri Rajesh Agrawal, IAS
Secretary
Department of Commerce
Ministry of Commerce & Industry
Government of India
New Delhi

Dear Sir,

Sub: Request for Intervention to curb abnormal rise in the prices of Raw materials.

BDMAI sincerely appreciates the initiative taken by your esteemed office to personally interact with the Pharma Industry at Hyderabad on 4th April 2026. We take this opportunity to bring to your kind notice a very serious and genuine issue being faced by the Bulk Drug Industry.

The industry understands that, due to the prevailing conditions in West Asia, there has been a disruption in the supply of petroleum products, affecting the production of certain solvents and chemicals. However, the Bulk Drug Industry observes that the increase in prices of several key raw materials required for manufacturing APIs and intermediates is highly disproportionate to the actual supply impact. The price escalation in many cases ranges between 50% to 180%.

Despite this abnormal surge in input costs, the Bulk Drug Industry has consciously refrained from increasing the prices of bulk drugs used in pharmaceutical formulations, keeping in view the larger national interest of ensuring uninterrupted supply of medicines, as well as honouring commitments in international markets.

The industry is grateful for the timely intervention of the Government of India in waiving Customs Duty on certain chemicals for a period of three months, which has provided relief to companies dependent on imports.

However, it is pertinent to highlight that a significant number of MSME units in the Bulk Drug sector procure raw materials domestically through traders. These traders, who previously extended credit of up to 180 days, are now quoting abnormally high prices with validity limited to a single day. This sudden shift indicates that traders may be taking undue advantage of the current situation, leading to artificial scarcity and unjustified price escalation.

In view of the above, on behalf of the Bulk Drug Industry, we sincerely request your good office to kindly intervene and take necessary measures to prevent such practices, including artificial demand creation and unreasonable price increases by traders.

We look forward to your kind support and timely action in this matter.

Thanking you,

Yours sincerely,



Ch A P Rameswara Rao
National President

