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SUPPLY CHAIN MANAGEMENT SERVICES

'PHARMANIAGA NOT A MONOPOLY'

Firm confident concession to supply medicine will be extended

AYISY YUSOF
PETALING JAYA
bt@mediaprima.com.my

PHARMANIAGA Bhd has dismissed the notion that it is a monopoly and is confident its concession to supply medicines to public health facilities will be extended. Managing director Datuk Farshila Emran said it was incorrect to categorise Pharmaniaga's business as a monopoly as other vendors were also supplying directly to the Health Ministry's facilities.

She added that Pharmaniaga's concession only accounted for 33 per cent of the government's total concession budget for the health-care sector.

Pharmaniaga's 10-year concession is due to end in November.

"We primarily provide supply chain management services. As far as we are concerned, we have met the government's key performance indicators, including seven-working-day delivery of medicine in the peninsula and 10 working days in Sabah and Sarawak," said Farshila after the company's annual general meeting, here, yesterday.

The Domestic Trade and Consumer Affairs Ministry earlier this month announced that the cabinet committee would scrutinise market monopolies, in-

cluding Pharmaniaga, My EG Services Bhd, Padiberas Nasional Bhd and Puspakom Sdn Bhd.

Farshila said the government would prefer local companies that offered cost savings and high operational efficiency in its supply chain.

She said Pharmaniaga was promoting healthy competition with its proven track record and technology capability.

"We have the infrastructure, systems and processes. Hence, I believe it would be difficult for others to deliver what we have been delivering to the government."

Farshila said Pharmaniaga had received Sirim Bhd's anti-bribery management system certification, proving that the company conducted its business with integrity.

Pharmaniaga director Mohd Suffian Haron said negotiations with the government seemed "encouraging".

"We don't see any negative outcome. There has been a number of engagements. We would like to believe that this (agreement) can be concluded in the short term before our concession ends this November."

Suffian is optimistic about getting the concession extension.

"Despite the change in government, we are committed to do our part professionally," he added.



(From left) Pharmaniaga Bhd managing director Datuk Farshila Emran, Pharmaniaga director Mohd Suffian Haron and Boustead Holdings Bhd executive director Datuk Seri Ghazali Mohd Ali at Pharmaniaga's annual general meeting in Petaling Jaya yesterday. PIC BY ROSDAN WAHID

Farshila said Pharmaniaga's concession business contributed 53 per cent of group revenue.

"We aim to expand our portfolio and explore viable oppor-

tunities. These include medical devices and new areas of oncology and vaccines to meet the growing demand."

Farshila said Pharmaniaga had

allocated about RM174 million in capital expenditure this year.

It will be for warehouse expansion and research and development.