

News Updates: January 4 -6, 2014

#### **OPPI**

**Publication: The Times of India** 

Edition: Mumbai Date: January 5, 2014

Headline: Desi pharma companies may gain as MNCs set to swallow bitter marketing pill

Synopsis: Drug major GSK may have created a flutter in the pharma industry recently when it announced "revolutionary" changes to stop aggressive marketing of medicines, but the gain could well be of the domestic industry here. A cautious strategy adopted by MNCs in promoting medicines could affect multinationals, including GSK, and impact their growth prospects in the Indian market, while the benefit may flow to top domestic companies which will continue to aggressively promote medicines through their field force to doctors. Globally, and in India, the pharma industry has been under fire due to its aggressive marketing and unethical promotion of drugs, and the nexus it enjoys with healthcare professionals. At present, MNCs follow the "code of pharmaceutical practices" laid down by industry body OPPI, while the domestic industry has certain guidelines in place too. But since these are not mandatory, there have been instances when companies have been charged with unethical marketing practices. However, an executive from a domestic player feels that the code should be made mandatory so that no company flouts the guidelines.

**Publication: Pharmabiz** 

**Edition: Online** 

Date: January 6, 2014

Headline: IDMA,OPPI want Karnataka Labour Dept to withdraw order fixing work hrs for MRs

**Synopsis:** Indian Drug Manufacturers Association (IDMA) and Organisation of Pharmaceutical Producers of India (OPPI) have taken serious objection to a Karnataka Labour Department's recent notification fixing working hours for sales promotion employees in the state. In a representation, industry bodies pointed out that the notification was not only unconstitutional and uncalled for but also issued without taking into account any views from the industry.

Karnataka Labour Department, in the notification, fixed the working hours of the medical representatives (MRs) in the state. Experts point out that this notification on several grounds have been found to be unjustified especially since no provisions in either the Sales and Promotion Employees (Conditions of Service) Act, 1976 nor the Minimum Wages Act, 1948 empowers the state government to fix the timing of work for any sales promotion employees.

## **Patents**

Publication: Business Standard (No link available)

Edition: National Date: January 6, 2014

Headline: Bitter battles over medicines

**Synopsis:** There are more bitter medicines for multinational pharmaceutical companies even after the Novartis judgment in the patent case. The court has asked the government to bring a report in January on the trials on 157 drugs which were not evaluated and had not passed the three-tier mandatory tests. The court is monitoring the procedure following complaints of misuse of clinical tests on unsuspecting patients. In another PIL, the court is watching the drug price orders to make medicines available at reasonable rates.

**Publication: DNA** 

Edition: Online Date: January 5, 2014

Headline: Bombay High Court restrains pharma firm for using other's trademark

**Synopsis:** The Bombay High Court has restrained Innova Cap Tab and its sister companies from manufacturing and marketing any medicinal preparation or product by using the mark 'MONTINAL', which is identical to a registered trademark of Aristo Pharmaceuticals Pvt Ltd. The order was passed by Justice S J Kathawala recently after Aristo approached the court accusing Innova Cap Tab and others for infringing its trademark.

## **Clinical Trials**

Website: Bloomberg Edition: Online Date: January 3, 2014

Headline: Drugmakers Should Disclose More Trial Data: U.K. Report

**Synopsis:** Doctors and researchers should have access to information from clinical trials related to all uses of medicines on the market, U.K. lawmakers said in a report to influence the government's purchasing decisions. The Department of Health should ensure that drugmakers register clinical trials and those methods and results of all tests are available for scrutiny, according to the House of Commons Public Accounts Committee.

### FDI

**Publication: The Hindu Business Line Edition: National** (Reproduced from PTI)

Date: January 5, 2014

Headline: FDI in pharma sector jumps 86.5% during April-Oct

**Synopsis:** Foreign direct investment in the pharmaceutical sector jumped 86.5 per cent to \$1.08 billion during April-October period of the current fiscal amid concerns over continuous mergers and acquisitions of domestic drug makers by multinationals. FDI in drugs and pharmaceuticals stood at \$580 million during April-October 2012, according to the data of the Department of Industrial Policy and Promotion (DIPP).

## FDA / Drug Regulatory / DCGI / Pharma Policy

**Publication: Business Standard** 

Edition: National Date: January 2, 2014

Headline: Mumbai: Ketamine drug under FDA lens

**Synopsis:** Over 5,000 chemists to return medicines if they don't have permission to stock under new rule. After the government made acquiring Ketamine drug difficult as it may be misused, the state regulatory body Food and Drug Administration (FDA) has instructed close to 5,000 chemists in the city to return the stocked drug in case they don't have permission to stock or sale the drug under the revised rules.

In November, the Central Government had revised the rules to bring Ketamine under the stringent Schedule X drugs instead of its previous listing as a Schedule H drug.

Ketamine is an anaesthetic drug, a painkiller and a bronchodilator, which opens up the airway of a patient. However, it has a wide scope for misuse as it leads to hallucination and is often used by people as a recreational drug.

# **General Industry**

Publication: Pune Mirror (appeared in other Mirrors as well)

**Edition: Pune** 

Date: January 5, 2014

Headline: Chemists' body fined Rs 50 cr for holding pharma cos to ransom

**Synopsis:** The Competition Commission of India has fined the All India Organisation of Chemists and Druggists (AIOCD) Rs 50 crore for using its control over chemists across the country to dictate terms to pharma companies on pricing and distribution. The Competition Commission order issued in December is being seen as the first blow to the cartelisation of AIOCD, which had been using its distribution muscle to force pharma companies to set aside higher margins for medicines, in the process pushing up retail prices of drugs and hurting consumers. The AIOCD also imposed its choices on pharma companies in appointing distributors and stockists across the country and stalled launch of new drugs unless the companies subscribed to its Product Information Service, which is nothing but a booklet listing new products introduced in the market.

**Publication: The Financial Chronicle** 

Edition: National Date: January 6, 2014

Headline: US generic launches to drive pharma growth

**Synopsis:** The pharma sector, which has been facing a series of issues in the domestic market since the new price control order came into effect, is expected to report healthy growth in terms of revenue and margins in the third quarter of the present financial year, according to analysts. Ranjit Kapadia, senior VP- pharma, Centrum Broking expects pharma companies to deliver healthy growth for Q3 in 2013-14 despite a slowdown in the domestic business due to National Pharmaceutical Pricing Policy (NPPP) and trade related issues. On exports too, companies are likely to report strong growth due to new launches in the US generics market. Exports are likely to be prime movers of earnings before interests, depreciation, taxes and amortisation (EBIDTA) margins. All these should lead to companies under our coverage to report a 27 per cent year-on-year growth in net profit.

Publication: DNA Edition: Online Date: January 3, 2014

Headline: Mylan ropes in Biocon honcho Bamzai

**Synopsis:** Post the US parent Mylan Inc accomplishing the \$1.75-billion acquisition of Agila injectables businesses from Strides Arcolab in December last year, the Indian subsidiary is now understood to be getting on board a topnotch pharma industry veteran to lead its Indian business activities.

Touted to be taking up a leadership position with Mylan India is Rakesh Bamzai, who recently quit as president of Bangalore-based biopharmaceutical company, Biocon Ltd, after 19 years of association.

**Publication: The Economic Times** 

Edition: Online Date: January 5, 2014

Headline: GlaxoSmithKline seeks FIPB nod to hike stake in Indian arm

**Synopsis:** UK-based pharmaceuticals major GlaxoSmithKline has approached the FIPB to hike stake in its domestic arm by buying 24.33 per cent for an estimated Rs 6,400 crore. The proposal will come up before the meeting of the Foreign Investment Promotion Board (FIPB), headed by Economic Affairs Secretary Arvind Mayaram, on January 10. According to sources, the Singapore subsidiary of the UK- based pharma firm will be buying 24.33 per cent stake or 2.06 crore equity shares in GlaxoSmithKline Pharmaceuticals Ltd through an open offer.

**Publication: The Economic Times** 

Edition: National Date: January 6, 2014

Headline: Corporate hospitals seek to narrow trust deficit

**Synopsis:** What do Indians think about private medical care? Going by anecdotal evidence and data, the answer seems to be that they need it more and more but that they have their reservations. Some hospital chains such as

Max Healthcare, Manipal Hospitals and Fortis Healthcare say they are trying hard to reduce this trust deficit.

Publication: DNA Edition: Online

Date: January 5, 2014

Headline: People change scheme's names & don't give credit: Ghulam Nabi Azad

**Synopsis:** Union health minister Ghulam Nabi Azad indirectly took a dig at Narendra Modi government for not giving credit to the central government for its various health schemes at a press conference in the city on Saturday. According to him, the central government has disbursed Rs4164.37 crore since the inception of National Rural Health Mission (NRHM), with Rs608.41 crore disbursed in the current financial year.

While giving details of different schemes introduced by the central government, Azad said that people change scheme's names and do not give credit to the central government. He then elaborated on different schemes introduced for pregnant women, children and people living below the poverty line (BPL).

Publication: DNA Edition: Online Date: January 5, 2014

Headline: Polls in mind, Maharashtra government to launch health schemes

**Synopsis:** Cong-NCP alliance to unveil initiatives to provide free medicines in govt hospitals, to launch ambulance services. Keeping in mind the drubbing in recent assembly polls and this year's general elections, the Congress-NCP dispensation in Maharashtra has decided to roll out three major health schemes. The initiatives include free distribution of medicines to patients in government hospitals, easy accessibility of blood and blood components and setting up of a network of 937 ambulances for emergency services.

Website: NDTV Profit Edition: Online Date: January 5, 2014

Headline: GlaxoSmithKline seeks FIPB nod to hike stake in Indian arm: report

**Synopsis:** UK-based pharmaceuticals major GlaxoSmithKline has approached the FIPB to hike stake in its domestic arm by buying 24.33 per cent for an estimated Rs. 6,400 crore. The proposal will come up before the meeting of the Foreign Investment Promotion Board (FIPB), headed by Economic Affairs Secretary Arvind Mayaram, on January 10.