



**News Updates: July 11, 2014**

**Budget 2014- Industry views: Health/ Pharma**

**Publication: Business Standard**

**Edition: Online**

**Date: July 11, 2014**

**Headline: [Mixed reactions in health care sector](#)**

**Synopsis:** Even as Finance Minister Arun Jaitley announced populist measures like setting up of four new All India Institute of Medical Sciences (AIIMS), 12 more government medical colleges and prioritisation of free drug and diagnosis services, Budget 2014-15 failed to woo those eyeing a higher health care spend and private investment opportunities in areas such as clinical trials and drug research. While the government has taken up measures to promote research on local health issues concerning the rural population by proposing to set up 15 Model Rural Health Research, clinical research organisations testing new drugs on human subjects might now have to pay service tax, with the exemption proposed to be withdrawn.

**Similar reports in-**

**Mint- [Budget offers marginal solution to India's unmet healthcare access](#)**

**The Economic Times- [Budget 2014: Healthcare sector welcomes move for more AIIMS in India](#)**

**The Times of India- [Union Budget 2014: Govt takes AIIMS at health for all Indians](#)**

**The Hindustan Times- [Budget gets a thumbs up from health sector](#)**

**The Hindu Business Line- [Directionally good, but no big healthcare idea, say experts](#)**

**The Hindu Business Line- [Industry recommends doubling of Govt spending on medicare](#)**

**Business Standard- [India's health budget gets 27 percent hike \(Third Lead\)](#)**

**The Hindu- [Budget brings no cheer to pharma sector](#)**

**India Today- [Budget 2014: Finance Minister Arun Jaitley prescribes 'health for all'](#)**

**Deccan Chronicle- [Free drugs, diagnosis to ensure 'Health for All' on priority](#)**

**Deccan Herald- [A tough dose to ensure public health](#)**

**The Telegraph- [Free drugs plan paradox](#)**

**Business Today- [Budget 2014 supports health care, muted on pharma](#)**

**The Asian Age- ['Free drugs, diagnosis for health care for all'](#)**

**Outlook- [Union Budget: Free Drugs, Diagnosis to Ensure 'Health for All'](#)**

**The Wall Street Journal- [In Budget Speech, Few Specifics on Health Care](#)**

**Firstpost- [Budget 2014: Jaitley to improve fiscal health by taxing aerated drinks, unhealthy cigarettes](#)**

**Publication: The Financial Express**

**Edition: Online**

**Date: July 11, 2014**

**Opinion piece: Satish Reddy, President, Indian Pharmaceutical Alliance (IPA)**

**Headline: [Healthcare needs a strong dose](#)**

**Synopsis:** The attention given to the healthcare, transportation, education and energy sectors' requirement is the need of the hour. If the government is able to deliver on these proposals, it would help in achieving the fiscal deficit targets. Setting up of four new All India Institutes of Medical Sciences (AIIMS) and earmarking R500 crore for this are positive moves. The mention of affordable healthcare is a sign of development, creation of new drug testing laboratories and 15 model rural health research centres are steps in right direction.

**Publication: The Hindu Business Line**

**Edition: National**

**Date: July 10, 2014**

**Opinion piece: Kiran Mazumdar-Shaw, CMD, Biocon**

**Headline: [What about health?](#)**

**Synopsis:** The Budget sets a directional and aspirational agenda for the Indian economy. While reiterating the Modi Government's intention to be industry- and investor-friendly, it delivers little by way of decisive action or bold reform. Most disappointingly, the Budget fails to provide the pharma sector with much-needed incentives to build global leadership. It is most puzzling to see the withdrawal of service tax exemption on drug testing on clinical trials.

**Similar reports in-**

**The Economic Times (blog)- [No 'wow' factor in Budget 2014](#)**

**The Financial Express- [Directional, not innovative enough: Kiran Mazumdar-Shaw](#)**

**The Asian Age- [We wanted a sprint, he's running a marathon](#)**

**Publication: The Financial Express**

**Edition: National**

**Date: July 11, 2014**

**Opinion piece: Glenn Saldanha, CMD, Glenmark Pharmaceuticals**

**Headline: [A non-event for Indian pharma](#)**

**Synopsis:** The Union Budget 2014-15 is a growth-oriented, balanced and pragmatic one — given the context of the precarious state of the country's finances with GDP growth being below 5% for the past two years. While finance minister Arun Jaitley's promise of an economic revival with return to 7-8% GDP growth in the next three to four years is encouraging, one needs to wait and watch how the government plans to execute its plan to put the economy back on the fast growth track. Also, encouraging are measures for reining in inflation with special focus on manufacturing, infrastructure building and skill development.

**Publication: Business Standard**

**Edition: National**

**Date: July 11, 2014**

**Opinion piece: Murtaza Khorakiwala, MD, Wockhardt**

**Headline: [Gov't's health care contribution to increase with new steps: Murtaza Khorakiwala](#)**

**Synopsis:** The Union Budget 2014, presented by a government barely six weeks in office, is well-balanced. It addresses the issue of enhancing economic growth to 7-8 per cent over the next few years through a slew of measures. The focus on infrastructural development across transportation, education and healthcare is noteworthy as this will go a long way in nation-building.

**Similar report in-**

**The Hindu Business Line- [From the C-suite- Murtaza Khorakiwala, Managing Director, Wockhardt Ltd](#)**

**Publication: Mint**

**Edition: Online**

**Date: July 10, 2014**

**Opinion piece: A.K. Shivakumar, economist and policy adviser**

**Headline: [Budget 2014: Where is the vision for the social sector?](#)**

**Synopsis:** Take the case of health. Most policymakers agree that the low levels of public spending on health are a major factor accounting for health inequities, inadequate availability, poor reach, unequal access, poor quality and high costs. At the same time, catastrophic expenditures on health drive millions of families into indebtedness and poverty. The previous United Progressive Alliance government failed to live up to its promise of stepping up public expenditures on health, from around 1.2% currently to 2.5 or 3% of gross domestic product. I would have expected the finance minister to acknowledge this fact,

and at least give some assurance of increasing public investments in health over the medium and long term. The budget remains silent.

**Publication: The Economic Times**

**Edition: Online**

**Date: July 10, 2014**

**Opinion piece: Rahul Patni, Tax Partner, EY**

**Headline: [Budget 2014: Pharma sector left ailing for remedial measures](#)**

**Synopsis:** Finance Minister presented the much awaited maiden Budget of the new BJP-led government yesterday. Given the prevailing situation of low growth combined with high inflation and a large fiscal deficit, the budget was anticipated with a sense of hope and aspiration, the belief that it would ring in achche din, albeit in the long run. While the cash-strapped Government was not expected to announce massive sops for industry, it was nevertheless hoped that the Budget would provide directional clarity as to what the next five years are going to look like. The provisions and announcements in the budget are focussed towards the Government's commitment of "Health for All", especially "Free Drug Service" and "Free Diagnosis Service". To achieve the same, Government announced some positive steps such as opening of new AIIMS like institution, creation of new drug testing laboratories, 15 Model Rural Health Research Centres, strengthening of at least five research centres (which interalia includes research in bio-medical technology devices).

**Publication: The Economic Times**

**Edition: Online**

**Date: July 10, 2014**

**Headline: [Budget 2014: Rural healthcare set to get a fillip](#)**

**Synopsis:** Providing impetus to rural healthcare, fifteen Model Rural Health Research have been proposed to be set up in the states, which shall take up research on local health issues concerning rural population. Overall positive for the pharma and healthcare sectors as it will help to highlight healthcare issues suffered by rural population and thereby help these companies to devise ways to solve them.

**Publication: The Financial Chronicle**

**Edition: Online**

**Date: July 11, 2014**

**Headline: [Biotech sector hails budget proposals, wants more](#)**

**Synopsis:** The government has decided to allocate two new biotech clusters at Bangalore and Faridabad and two more agri-bio clusters at Pune and Kolkata. "These efforts will include global partnerships in accessing model organism resources for disease biology, stem cell biology and for high-end electron microscopy," the finance minister said. Looking at innovation in a PPP mode, the government also plans to boost R&D by setting up five technical research institutions through the department of science and technology. The biotech and pharma sector needs a 30-35 per cent growth to achieve the \$100 billion revenue target by 2025. Hence the plan to set up clusters and focus on research in the budget drew mixed reactions.

**Similar reports in-**

**The Times of India- [Union Budget 2014: Cluster shot for biotech growth](#)**

**The Hindu- [Shot in the arm for research on disease biology](#)**

**Publication: The Economic Times**

**Edition: Online**

**Date: July 10, 2014**

**Headline: [Budget 2104: Raising of FDI cap in insurance may help pharma industry, says Experts](#)**

**Synopsis:** The hike in FDI cap in insurance is expected to help patients as well as the pharma industry, say experts. "The hike in insurance investment limit to 49 per cent is expected to help both the patients and the pharma industry. Free drugs and free diagnostics for all sounds potentially promising for patients," PwC India Leader (Pharma and Life Sciences) Sujay Shetty said. In a big relief to the capital-starved private insurance sector, Finance Minister Arun Jaitley today proposed raising the FDI cap from 26 per cent to 49 per cent.

**Publication:** The Economic Times

**Edition:** Online

**Date:** July 10, 2014

**Opinion piece:** Antony Jacob, CEO, Apollo Munich Health Insurance

**Headline:** [Union Budget 2014 brought good news for insurance sector](#)

**Synopsis:** Today's Union Budget speech has certainly brought good news for the insurance sector by the government clearly stating its intent to raise the current FDI cap of 26% to 49% via the FIPB route. An enhanced flow of foreign capital and international expertise will result in accelerating overall development of the insurance industry through increased access to international insurance products, distribution channels and world-class business practices. It should have a positive impact in boosting overall growth of the Indian insurance sector and more so for the fast growing health insurance sector.

**Publication:** The Hindu Business Line

**Edition:** Online

**Date:** July 10, 2014

**Headline:** [Setting up labs a noteworthy step: Cadila Pharma](#)

**Synopsis:** "The Modi government in its first budget has addressed the current challenges facing the Indian economy by taking key measures to stimulate the investment climate, revive growth and create a sustainable growth model. Healthcare has received special attention in the budget and the government has put greater emphasis on providing quality affordable healthcare and strengthening the existing healthcare infrastructure. Setting up of 15 model rural health research centres will be very important in providing access to quality healthcare in rural India."

### Vaccines/ Universal Immunisation Programme (UIP)

**Publication:** Deccan Herald

**Edition:** Online

**Date:** July 11, 2014

**Headline:** [New vaccines: Gates Foundation's philanthropy or business?](#)

**Synopsis:** Immunisation is an important vehicle for health promotion and therefore is a true national investment. The ministry of health brings out policies that determine the type of vaccines that need to be made available in this country. Earlier the Universal Immunisation Programme (UIP) was introduced in India during 1985-86 with the objective to cover at least 85 per cent of all infants against the six vaccine preventable diseases which include diphtheria, pertussis (whooping cough), tetanus, polio, measles and tuberculosis. Of these six, the first three are given together as injections, popularly known as DPT or triple injection. Now, the recent national vaccine policy draft, submitted by the government of India, strongly favours inclusion of new vaccines in the UIP of the country without doing a cost-benefit analysis and substantiating it with proper scientific evidence to suggest the prevalence of the diseases. The new vaccine that is being promoted is the pentavalent (a combination of five vaccines in one shot) vaccine to protect children against hepatitis B and haemophilus influenza type B (Hib) in addition to diphtheria, pertussis and tetanus (DPT), which are already covered under the UIP.

### Drug regulation

**Website:** Pharmabiz

**Edition:** Online

**Date:** July 11, 2014

**Headline:** [Special cell in CDSCO to coordinate with agencies like ICMR for monitoring studies](#)

**Synopsis:** The Union health ministry has constituted a special Cell in the Central Drugs Standard Control Organisation (CDSCO) to coordinate with research agencies like ICMR for monitoring several studies to enable CDSCO for continued evaluation of drugs marketed in India and to take regulatory actions. Dr Ramkishan, deputy drugs controller of India (CDSCO HQ); Somnath Basu, assistant drugs controller of India (CDSCO HQ); and M Balakumar, drugs inspector (CDSCO HQ) are the members of the Cell which will coordinate with research agencies like ICMR for the conduct of various studies.

**Website:** Pharmabiz

**Edition:** Online

**Date:** July 11, 2014

**Headline:** [IMA writes to govt to bring rules to deter pharma cos from using trade names for medicines](#)

**Synopsis:** Requesting for a considerable share of the total outlay to be set apart for health sector in the first general budget of the new government at the centre, the Indian Medical Association (IMA) has submitted a set of suggestions to the government to be considered while drafting the financial plans for the next fiscal. IMA is underscored to have suggested that the government should bring in legislation to deter the pharmaceutical companies from using trade names for their products for the purpose of marketing.

## Obamacare

**Publication:** Business Insider India

**Edition:** Online

**Date:** July 10, 2014

**Headline:** [Major New Study Says Obamacare Is Working - Even For Republicans](#)

**Synopsis:** The Affordable Care Act has been successful at achieving some major goals in the first year of its full implementation, according to a new study from The Commonwealth Fund. There are three important findings from the study: The uninsured rate is dropping, most people like their new insurance plans (even Republicans!), and most people are finding it easy to visit a doctor.