



News Updates: July 12-14, 2014

Drug Pricing

Publication: The Times of India

Edition: National

Date: July 14, 2014

Headline: [Major diabetes, cardiac drugs to become up to 35% cheaper](#)

Synopsis: In a move that has surprised and shaken the industry, prices of widely-used expensive anti-diabetic and cardiac medicines will reduce by as much as 35% over the next few weeks, with the drug pricing regulator, National Pharmaceutical Pricing Authority (NPPA), deciding to bring them under price control. The drugs that will become cheaper include Gliclazide, Glimepiride, Sitagliptin, Voglibose, Amlodipine, Telmisartan and Rosuvastatin, Heparin and Ramipril.

Clinical Trials

Publication: Business Standard

Edition: Online

Date: July 14, 2014

Headline: [Service tax pain for drug trials as Budget cuts sop](#)

Synopsis: Drug research in India faces a setback with the Union Budget proposal to withdraw the service tax exemption on clinical trials or technical testing of new drugs on humans. The proposal has resulted in a stir among clinical research organisations (CROs) and both multinational and domestic pharmaceutical companies. The cost of conducting clinical trials is set to go up by 12.3 per cent, including the surcharge, once the Budget gets Parliament's approval. Research-oriented companies such as Biocon, Lupin and Glenmark have started eyeing places abroad to shift their trials. Many say the move would significantly impact the domestic CRO industry, which conducts clinical trials for drug firms, primarily for multinationals.

Similar report in:

The Times of India: [Service tax on clinical trials may hurt R&D \(no link available...scan attached\)](#)

Publication: Pharmabiz

Edition: Online

Date: July 14, 2014

Headline: [Apex committee on clinical trials gives nod to 41 fresh proposals](#)

Synopsis: The apex committee on clinical trials, constituted by the Union health ministry on the directive of the Supreme Court to monitor the clinical trial sector in the country, has cleared a total of 41 new proposals, 26 proposals of global clinical trials and 15 in other areas. These trials were approved by new drug advisory committees (NDACs) and thereafter the technical committee, another high-level panel formed by the ministry on this purpose.

Budget 2014- Industry views: Health/ Pharma

Publication: The Financial Express

Edition: National

Date: July 14, 2014

Headline: [Health in small doses](#)

Synopsis: The Union Budget of 2014 offers some symptomatic palliation to the health sector while more

definitive treatment is still awaited. More allocations have been provided for tertiary care institutions in the public sector, public private partnerships in infrastructure may expand hospital services and raising the foreign direct investment cap in insurance may open up private insurance in the health sector. However, the proposed National Health Assurance Programme remained invisible and primary health care remained unaddressed except for setting up of 15 model Rural Health Research Centres. Happily, sanitation and safe drinking water are being accorded high priority and the raised taxes on tobacco products and sugar sweetened beverages (SSBs) are good public health measures.

Publication: The Hindu Business Line

Edition: National

Date: July 13, 2014

Headline: [‘AIIMS in each State in a phased manner’](#)

Synopsis: Union Health Minister Harsh Vardhan on Friday announced plans to set up an AIIMS (All India Institute of Medical Sciences) in each State in a phased manner. The government announced four more AIIMS-like centres in the Budget tabled on Thursday. Six new AIIMS campus have come up under the first phase of the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) in Bhopal, Bhubaneswar, Jodhpur, Patna, Raipur and Rishikesh. The Minister said outdoor patient department (OPD) services were functional at each of the six new AIIMS.

Publication: The Financial Express

Edition: National

Date: July 11, 2014

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. It has spelt out its commitment to public-private partnerships (PPP) to drive investment.

Publication: DNA

Edition: National

Date: July 12, 2014

Headline: [No specific incentives for pharma sector](#)

Synopsis: The FM needs to be lauded for his assurance of providing affordable healthcare to all in his maiden budget. Announcement of measures like providing free drug and diagnostic services to needy patients and the vision of creating AIIMS in every state of the country shows this intent. It is important to address the critical challenge of providing access to high quality medicines and medical treatment to our 1.2 billion-plus population, and one wished that there were more specific measures announced in this direction.

For long, the budget has been a non-event for the pharma sector, in particular and budget 2014-15 is no exception. Hence, we were not surprised when there were no specific incentives were announced for the sector. Measures like incentives for innovation R&D in the pharma industry has not been recognised separately by the finance minister. The government needs to implement favourable policies that enhance innovation and drive collaborations, besides addressing issues in critical building blocks like talent and infrastructure.

Publication: The Hindu Business Line

Edition: National

Date: July 12, 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.”

Publication: The Indian Express

Edition: National

Date: July 12, 2014

Opinion piece: Mahendra Dev, director and vice chancellor, IGIDR, Mumbai

Headline: [In bits and pieces](#)

Synopsis: The NDA has just taken over, and we cannot expect big changes on policies in the social sector. As the finance minister mentioned, his aim is to lay down a broad policy direction. We focus here on budget proposals on education and skills, health and social sector schemes like the MGNREGA.

The overall framework for the sector is not clear, although bits and pieces of proposals have been given. There are few proposals on health. The free drug service and free diagnosis service will, apparently, be prioritised, although the funding has not been mentioned. Four more AIIMS will be set up in four states. There is no mention of universal healthcare, including health insurance for all. Note that India’s public expenditure on health (1.4 per cent of the GDP) is one of the lowest in the world. It is good to see that the government intends to provide total sanitation to every household by 2019, the 150th year of Mahatma Gandhi’s birth, through the Swatchh Bharat Abhiyan.

Modi Government

Publication: Business Standard

Edition: National

Date: July 14, 2014

Headline: [Modi talks to states on most policies](#)

Synopsis: Prime Minister Narendra Modi’s idea of cooperative federalism is on display as the Centre increasingly engages with states on policies many of which were partly executed by the United Progressive Alliance. In a little over a month and a half the National Democratic Alliance has been in power, there has been discussions with states on drought, inflation, housing, cleaning up the Ganga, mining bans, a tobacco tax, drug prices, land acquisition and food security. The dialogue could mean anything from tweaks to drastic policy changes, officials said. The Centre is teleconferencing with state government officials every week to understand their problems and gather updates on drought mitigation efforts.

Publication: The Financial Express

Edition: National

Date: July 12, 2014

Headline: [Obama formally invites Modi, wants defining ties](#)

Synopsis: Extending a formal invitation to Prime Minister Narendra Modi for a visit to the US, President Barack Obama has expressed keenness to work closely with him to make the bilateral relations a “defining partnership” in the 21st century. Thanking Obama for the invitation, Modi said he looks forward to a result-oriented visit in September with “concrete outcomes” that impart “new momentum and energy” to the strategic partnership. In his letter, Obama reiterated his invitation to Modi to visit Washington in September and to work closely with him to make India-US relations a “defining partnership” for the 21st century, a PMO statement said on Friday.

Similar report in:

The Indian Express: [Obama invites Modi, will meet on September 30 at White House](#)

General Industry

Publication: The Times of India

Edition: National

Date: July 14, 2014

Headline: [Hospitals make a killing on medical devices like stents, implants](#)

Synopsis: The cost of medical devices like stents and pacemakers is enough to give anyone a heart attack. TOI found that patients were being forced to pay double or even triple the price for medical devices at hospitals. As most of these are not available in the open market, patients can't check prices and are held hostage by hospitals, which force them to buy at the price they quote.

Sources in the healthcare sector told TOI that in several hospitals, the margins on devices — ranging from stents, implants and pacemakers to artificial joints, titanium plates for fractures, and valves — could add up to as much as 30% of their profits. Hundreds of such devices are used in a hospital every day. Of course, it is the patient who pays for these handsome margins.

Publication: The Times of India

Edition: National

Date: July 13, 2014

Headline: [India becomes world's largest consumer of antibiotics](#)

Synopsis: India has emerged as the world's largest consumer of antibiotics with a 62% increase in popping habits over the last decade. As the world braces for its worst ever threat in the last century - global antibiotic resistance due to unnecessary and unregulated popping of antibiotics, an average Indian has been found to be popping over 11 antibiotic pills a year.

India's antibiotic use went up from 8 billion units in 2001 to 12.9 billion units in 2010.