

OPPI News Update
Monday, October 13, 2014

Patent considerations

Publication: [The Indian Express](#)

Following Prime Minister Narendra Modi's meeting with US President Barack Obama during his visit to America last month, the leaders released a joint statement enumerating a number of areas for bilateral collaboration. Among other things, they committed to establishing an annual intellectual property (IP) working group as a core element of the bilateral trade policy forum. US industry widely welcomed this statement, since a bilateral dialogue on IP will be an important part of optimising the US-India trade relationship. This comes on the heels of another important statement on IP. Recently, officials of the Modi administration announced plans to establish an overarching intellectual property policy that, in concept, would both define India's approach to intellectual property and enhance the clarity and transparency of its relevant laws. Such a step would be welcome news to the global business community that looks to India as a market of tremendous potential growth and already well-developed global influence.

NPPA slaps Rs 300-crore penalty on Novartis

Publication: [Business Standard](#)

The National Pharmaceutical Pricing Authority (NPPA) has imposed a fine of around Rs 300 crore on Swiss multinational drug company Novartis for overcharging consumers on sale of Voveran, its best-selling painkiller medicine. The drug pricing regulator also served a showcause notice on the company, asking to explain within two weeks why action should not be taken against it for overcharging, a source in the know of the development, who did not wish to be named, told Business Standard.

Rahul Gandhi pulls up Modi over "false promises"

Publication: [Hindustan Times](#)

The recent hike in price of life-saving drugs was also discussed by Gandhi in his 20-minute speech. He said that while the UPA government had kept medicine prices under control, Modi in his trip to the US had met industrialists from the drug-manufacturing cartel and agreed to lift the ban on price restrictions. Gandhi said that the UPA government had kept the prices of medicines under control, but when Modi travelled to US and met 11 top industrialists from the drug-manufacturing cartel, he had agreed to enhance the drug prices and lift the ban of price restrictions. "Now, life-saving medicines for diseases, like cancer, diabetes and blood pressure have increased drastically. This will affect the poor sections of society," he said, pointing out that a cancer drug which was earlier available for Rs. 8,000 will now be sold for Rs. one lakh.

Less competition, demand-supply gap push US drug prices

Publication: [Business Standard](#)

Even as the US legislature has initiated a probe against several leading generic drug makers, including three Indian companies, for the extent of price increases, industry officials say several factors have led to the significant increase in prices of medicine in America. Competition in the US pharmaceutical market swelled in recent years, with increasing generic penetration. This had many companies opting out of low-margin segments, as competition resulted in lower prices. This created a gap between demand and supply. "Such unusual price hikes take place when there is withdrawal of some of the key competitors, which leads to demand override and as a consequence prices start soaring in a free-pricing market. But despite these hikes, the generic drug still would be cheaper than the original patented drugs," said an executive from a domestic drug firm. In the latest letter to generic drug manufacturing companies, the US legislature, the Congress, has pointed to 390-8,200 per cent of price rises across 10 products.

Similar report:

Deccan Herald – Less competition, demand-supply gap push US drug prices (*link unavailable, scan attached*)

After years of discussions, DoP yet to finalise policy on pricing of patented drugs

Publication: [Pharmabiz](#)

Even after several years of deliberations and negotiations with the stakeholders and others, the Department of Pharmaceuticals (DoP) is yet to finalise a policy on pricing of patented drugs before they are imported into country. Though the DoP had constituted an inter-ministerial committee of joint secretaries of different ministries in February this year to find a pricing formula for fixing the prices of patented drugs before they are imported into country, the committee is yet to come out with a lasting solution to the issue.

Modi visit changes perception of Indian government

Publication: [Mid-Day](#)

It is more than a week since the prime minister has returned from the US and by norm, reporting should have whittled down, attention should have shifted to the Next Big Story, and follow-up should have been left to the babus of Delhi to do in 'due course of time'. But, there is a new energy and urgency in the way things are done in the new government. Before, during, and after the US visit, high performance standards were set and met. Everybody on the team was highly motivated, equipped with technical skills and competence and if they didn't, they either stepped aside or assisted in the best way that they could. Those who worked behind the scenes are terming it 'a fantasy visit' because of the high energy levels and higher adrenalin drives. From one meeting to another with a timetable on how to achieve, what and when, the focus was on deliverables. One bureaucrat remarked, "How could we even try to slow down when the PM would put in fourteen-hour days?"

Giving a fillip to the pharma sector

Publication: [The Financial Express](#)

There is an air of optimism coupled with slight apprehension regarding the new foreign trade policy (FTP) 2014-19, which is likely to be unveiled later this month. Apprehension, because the commerce and industry minister, Nirmala Sitharaman, last week affirmed that the structure of the FTP would be significantly different from that of previous FTPs. Optimism, about the forward-looking policies in the new FTP that Sitharaman hinted would include incentives for domestic value-added products, new rules for SEZs and a review of the FTAs that India has signed with partner countries. On the domestic value-addition front, pharmaceuticals is one such sector in India that has emerged as a global hub for manufacturing in recent years. The pharmaceuticals exports account for 3.5% of India's total exports and have recorded a compound annual growth rate of 20% over the decade 2003-13, indicating that the pharmaceuticals sector in India is definitely a major thrust area for export promotion.

Indian pharma industry not as attractive for acquisitions: Ajay Piramal

Publication: [The Hindu](#)

He was one of the original 'takeover tycoons' in India's post-liberalisation era with an appetite for taking over pharmaceutical businesses. Ajay Piramal, Chairman of the Piramal Group, has since diversified his business interests, having sold his then flagship, Piramal Healthcare to Abbott for a whopping \$3.7 billion in 2010. Mr. Piramal spoke to The Hindu on the industry, and his plans going forward. Edited excerpts from the interview.