

# **Confederation of Indian Pharmaceutical Industry (SSI)**

**Circular No.: 10**

**Date: 15.10.2005**

1. **Minutes : Draft** Minutes of the Executive Committee meeting at Indore – have been circulated to the members. It was a marathon meeting. The following points which were left to be included in the draft minutes have now been incorporated:
  - (i) It was decided that a bank account in the name and style of confederation of Indian Pharmaceutical Industry (small scale) may be opened with a scheduled bank at Delhi. The said account shall be operated by Mr. R.K. Jain, Treasurer CIPI jointly either with Mr. P.K. Gupta, Co-Chairman or with Mr. Umesh Sanghi, Secretary General.
  - (ii) It was further decided that the Registration of CIPI as a society with the Registrar of Societies may be taken up on priority basis. Mr. P.K. Gupta and Mr. Umesh Sanghi were authorized to take all the necessary steps for a speedy registration.
  - (iii) It was suggested by Mr. Lalit Kumar Jain that CIPI shall try to get a nomination on the advisory board of NIPER so that small scale pharma units may get benefits of the policies of the Institute. It was decided that a representation may be made with the help of Mr. L.K. Jain to the Ministry of Chemicals and Fertilizers for achieving this objective.
2. In line with the discussion at Indore, a written submission has been made to the Jt. Parliamentary committee examining Drugs & Cosmetics (Amendment Bills) 2005 on spurious drugs so that interest of bonafied manufacturers may be protected.
3. A certified copy of the order of the Kolkata High Court has been made available to the Jt. Parliamentary Committee which is examining the provisions of revised schedule 'M'. The same shall be placed before the committee which is scheduled to meet soon. It is expected that CIPI shall be called for a final evidence before the committee.
4. **VAT & CST:** It is expected that CST could be reduced to 2% from 4% at present. This indication has been given by the empowered committee of State finance ministers headed by Mr. Asim Das Gupta. This will be subject to compensation of loss suffered by states by the Central Government. Five BJP ruled States may also switchover to VAT from 1<sup>st</sup> April, 2006.
5. **Penal on drug over pricing :** The Government is working on a proposal to wind-up the committee on drug over pricing. This committee was set up to quantify the over pricing and pay to drug equalization fund. The proposal is to

set up a settlement commission as per recommendation of the task force and to come to a one time settlement instead of going in for litigation.

6. **Help Centers :** Under circular No. 815/12/2005 – CX dated 13-05-2005 Central Board of Excise & Customs has written to all the commissioners to constitute Help Centers for small scale manufacturers in their regions. These help centers are different from grievances cells already working in different regions. These help centers are to be established with the participation of local small scale manufacturers associations, NGO and professionals, where matters relating to Excise, customs, service tax, VAT can be deliberated and resolved. From the Government side, the representatives from Central Excise, Departments of Industry will be members.

Such help centers, it is stated in the circular can not function from Excise offices and shall operate from the offices of the local associations.

7. **Meeting with Mr. Paresh Johri – Dy. Secretary, DC&P.** - In follow – up about the recommendations of the task force, in a meeting with Mr. Johri, CIPI was informed that the report of the Task Force has been seen by the PM and now the same is being forwarded to the Ministry of Finance. Mr. Johri also informed that a fund is being created for S.S. pharma sector to be disbursed for schedule ‘M’ compliance. The scheme will shortly be announced. Mr. Johri was very courteous and also very receptive to S.S. pharma sector problems. He was for active participation of CIPI in various issues relating to pharma sector and also assured that communications to CIPI from his ministry shall be sent on regular basis.

8. **Full Report of the Task Force :** CIPI has requested the Ministry of Chemicals & Fertilizers to make available full text of the final report submitted by the Task Force. The Ministry is considering the matter. The report will be circulated to the Members as soon as the same is made available to CIPI.

9. **News from Industry :**

- Hyderabad based Matrix Laboratory has acquired a Belgian Company Docpharma a major player in retail segment in that country.
- Jubilant : orga nosys has acquired a New Jersey, USA based Clinical research organization ( CRO ). Target Research Associates. Target conducts clinical trials in phase 1 to phase IV.
- Zydus Cadila has got US FDA approval for its Ribavirin Tablets 200mg. This Drug will go off patent in Dec, 2005. Zydus Cadila has also launched the drug Atenolol in USA recently.

- Boots Plc. U.K. is to acquire Allance Unoichem Plc. This will result in creating a pan-European chain of 3000 drug retail and distribution stores with expected turnover of US\$ 23 billion.
- Cadila, Bharat serum and vaccines, Biological Evans, Sudershan Biotech and Swami Labs have applied for Government support to fund their research.

Under Pharmaceutical Research and Development support Fund ( PRDSF ) programme, Ministry of Science and Technology funds 50% of the total research cost. This is paid either as a non – repayable grant or as unsecured soft loan at 3% simple interest to be returned in 10 years after research is completed. Under this scheme the Government has earlier released Rs. 50 Crores for about 20 projects which includes Dabur’s cancer drug and Ranbaxy’s asthma drug.

Funds for 6 other projects are expected to be released soon : These projects are r human parathyroid to treat osteoporosis, ( Virschow Biotech ), medicine for CHD and neuro – degenerative disease ( Tulsi Ayurvedic ), anti cancer lead agent ( Dabur ), clinically validation of a Bhasma ( Indian Medicine Pharmaceuticals )

10. **2005 Noble Prizes :** Two Australian doctors have been awarded Nobel prize in physiology or medicine for the year 2005. The names of the joint winners are Prof. Barry J. Marshall and Dr. Robin Warren a pathologist.

In their research work they have shown that Helicobacter pylori bacterium is the most common cause of ulcers. Before their discovery, it was considered that stress and life style were the major causes of gastric and peptic ulcer disease and helicobacter pylori also played a role in such disease.

It was Dr. Warren who observed a small curved bacteria colonizing in lower part of the stomach of patients. His crucial observations was that “ signs of inflammation were always present in gastric mucosa close to where bacteria were seen”.

Prof. Marshall after several attempts succeeded in isolating this hither to unknown bacterial species which was denoted as Helicobacter pylori. (Source: ET ).