

# 47TH ANNUAL REPORT 2007-08

*Dear Member,*

*This 47<sup>th</sup> Annual Report covers the varied activities, initiatives and achievements by your Association during the last year. This has been possible due to the consistent efforts, support and involvement of our President, Past Presidents, Office-Bearers, and Chairmen and members of various Sub-committees. Due to their efforts and that of our consultants / advisors, we have been able to make effective recommendations and representations to the government. We continue to be known as “Voice of the National Sector” and we shall always be the apex body of Pharma and Bulk Drug Manufacturers in the country. We have successfully managed to get many issues resolved in our Industry’s favour, such as:*

- ✓ Reduction of Excise Duty on medicines from 16% to 8% to have a proper level playing field between Excise and Non-Excise zones (Government has subsequently reduced this further to 4% recently)*
- ✓ Ensuring that patent approvals do not hinder marketing approvals of generic drugs by DCG(I)*
- ✓ Ensuring that the term ‘history’ is deleted from the definition proposed by WHO – IMPACT (International Medical Products Anti-Counterfeiting Taskforce) to safeguard our generic drugs industry; our representative has been accepted as a member of WHO-IMPACT*
- ✓ Ensuring that phased reduction of CST from 3% to 2% as provided by the Government in the Budget is notified for benefit of the Industry*
- ✓ Extending the implementation date of IP 2007 from 1 April 2008 to 1 July 2008 so that members gain enough time to make necessary arrangements*

## **Limiting Tender Application criteria**

*An ongoing issue, specifically for our MSME members, has been the policy of late of governmental bodies such as Railways, Steel Authority, Coal Authority etc to specify high sales turnover as a condition when applying for tenders for medicines. We strongly objected to this and requested the appropriate ministers and officials against continuing this practice as our MSME members strictly adhered to revised GMP norms in producing quality affordable medicines and sales turnover in itself is not a proper criterion. We informed them that such limiting factors hinder the development and growth of MSMEs, so vital to the continued growth of our Pharmaceutical Industry and to the Nation. Our efforts will continue in this direction till we succeed.*

## **Increase Prices of Bulk Drugs and Formulations**

*Following a spurt in prices of raw materials for bulk drugs and formulations, we met concerned Government officials and appraised them in detail about the need for urgent review and requested for the following:*

- *ad hoc price increase of 25% on all APIs falling in the scheduled category*
- *at least 20% on all non-scheduled formulations to tide over the crisis arising out of the unprecedented rise in prices of raw materials imported from China.*

*We continuously pursued the matter with our Ministry and also highlighted this issue through various media to inform the public at large on the seriousness of the matter. Finally, NPPA agreed to consider price increase on a case to case basis.*

## **Fixed Dose Combinations**

*A major ongoing issue was that of the Fixed Dose Combinations. In our sustained follow-up with the DCG (I), we managed to have our Medical Sub-Committee Chairman Dr. R. K. Sanghavi selected as Chairman of the Screening Committee to represent the Industry. The new DCG (I) took very proactive interest and till date has convened 2-3 meetings with the Expert Group comprising of the Chairman and his team of medical experts to sort out this issue. Efforts are on and we expect a successful outcome of the FDC issue by next year.*

## **Spurious Drugs**

*Both Houses of Parliament passed the amendments to the Drugs And Cosmetics Act which was also approved by the President of India for rigorously punishing makers of spurious drugs. We agreed, in principle, to these amendments to discourage such manufacture, but our major concern was that innocent manufacturers should not be harassed or victimized when implementing these Rules. DCG (I) accepted our suggestion of preparing a Manual of Guidelines and Practice for the Drug Inspectors and other officials vested with the powers to take penal action.*

## **DCG (I) Time Limits**

*Following our members' continued concern about the long delays in processing various documents and licenses with the Central Drug Control administration, we held meetings with the new DCG (I) and represented our case to him. The DCG (I) was very positive and has worked out time limits for various approvals, which considerably shortened the waiting periods. Same is now on the website of DCG(I).*

## **Enhanced Interaction with State Boards**

*In our endeavour to involve our members all over India in our activities, we held Members' informal business meeting in Mumbai and also Interactive meetings with Members of Haryana and Gujarat State Boards. The meetings were very productive and many of the invitees have expressed their eagerness to be closely associated with and be part of the national body as members.*

## **Sustained PR efforts**

*Responding to the request of Members to publish rejoinders in newspapers whenever adverse comments were made against the Industry by any NGO or Government Department / Minister / NPPA and also with a view to enhance the image of our Association as well as of the Pharmaceutical Industry, we strengthened our PR initiatives by engaging the services of a professional agency, to give greater media exposure to our representations & views from time to time. This ensured that our views/comments/suggestions were being published in leading newspapers all over India.*

*Towards the later half of this year, it became a cause for concern that the world economies were floundering and in recession. Our Government also announced major initiatives and sops to protect and boost the sagging industry growth. Though our industry had not been impacted that severely, it still had to bear some effect of the global economic slowdown. However, our strength over the years was always quality affordable generic medicines, which is now being increasingly recognized by all countries throughout the world and hence the theme for this year: 'India's Quality Affordable Generics: For Global Healthcare'*

*All representations and achievements of IDMA were regularly published in the weekly IDMA Bulletin for the benefit of the members and readers.*

*A detailed report of your Association's activities during the last year is presented in the following pages of this Annual Report.*

*Thanking you for your support,*

*Best wishes,*



*Daara B Patel  
Secretary-General*