

A booster shot for biotech

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Is India's biotechnology sector mirroring its software industry cousin? This question comes up regularly whenever a comparison is made between these two sectors. Like software, biotech too has been consistently growing at over 35 percent for the last three consecutive years. More than half of biotech industry's revenue comes from exports, similar to software.

Like software, first time entrepreneurs are rewriting the rules of the game and keeping the industry flag flying high. From a small activity, biotech exports is gradually reaching the big league. Last year's exports of \$750 million (approx Rs 3,357 crore) makes it a big player in the exports market. By the end of this year, biotech exports may cross the \$1 billion mark. Not many industries contribute \$1 billion or more to the national exports kitty in a year.

When I pointed out this to India's minister of state for commerce, Mr Jairam Ramesh during the launch of the 4th BioSpectrum-ABLE Industry Survey in Bangalore on June 9, he was appreciative of the fact. But he was also apprehensive that biotech industry may ask for various concessions. The industry leaders present on the occasions did not ask for any export subsidy to help biotech exports. That is the way it should be.

But there are many ways in which Indian government can help the industry to reach even greater heights. Many of the country's other export-led sectors were created as part of the nation's strategic policy thrust on "import substitution." No such compulsion exists for the biotech sector.

Exports have happened because the biotech products are highly competitive in the international markets. Many of India's biotech exporters have world class manufacturing facilities and their strong business models are based on high quality exports, as it should be in an industry, which touches human lives in many ways. If more than 150 countries buy products from India's top biotech company like Serum Institute of India, what is the status within the our country. Not very encouraging.

Does it mean that India's own citizens are not benefiting much from the biotech revolution underway in the country? The domestic market for BioPharma products is very small. The government has a role and responsibility to encourage the growth of the domestic market for biotechnology products. The successful Pulse Polio Immunization programme should be extended to offer cover to people against many other diseases. Hepatitis B gives an excellent opportunity to benefit millions of our needy citizens with affordable preventive steps. Vaccines are under development for various other diseases, which are more prevalent in our own country. The government should include these in an expanded immunization program, create awareness and demand for preventive vaccination and remove regulatory and procedural hurdles in their path.

A strong domestic market for vaccines and therapeutics is a vital requirement. Increased volumes from the domestic market will further increase the efficiency of our production centers and improve the affordability of these key products, to the less fortunate citizens around the world.

This is what the world's richest man, Bill Gates is planning to do with the billions of dollars at his disposal through the Bill and Melinda Gates Foundation, which also saw an eye-popping \$37 billion endowment from his friend, Warren Buffet. The Gates foundations and global vaccine alliance have done more to reach out affordable drugs to the people in extreme need. Indian biotech companies are playing a key role in stretching the philanthropic billions a lot more than what it would have been otherwise. They need the national encouragement in this noble mission. This is what they want and not export subsidies.