

A policy to check API imports from China needed: IPA

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The India Pharmaceuticals Association (IPA) has urged the Finance Ministry to come up with a policy framework to incentivize drug innovation, and ease dependence on the import of essential Active Pharma Ingredients (APIs) from China.

India is dependent on China for some of the APIs and this may become a serious concern, if problems arise in the supply chain system, informed IPA President Mr K Satish Reddy.

"If there is breakdown in the supply chain for any reason for the ingredients coming from China, we will suffer because India does not have the capacity to meet that kind of demand and it will lead to higher costs," he explained.

The association also suggested that the government concentrate on setting up industrial clusters to manufacture some of the essential drugs in bulk. Further, it has also requested an increase in the weighted deduction on R&D expenses from 200 percent to 250 percent in the upcoming union Budget.

"If we would like to spur innovation in this country, we expect a policy framework which would incentivize innovation," said Mr Reddy, chairman, Dr Reddy's Laboratories. He also believes that the current system is not favorable for incubating innovative ideas. He stressed that the linking of incubation centers with universities should be encouraged.