

## Northeast India poised to be major pharma hub

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*Indian pharma companies are investing considerably in the northeast region owing to the tax benefits offered under NEIIPP 2007*

A good many pharma companies are moving toward the northeast because of the multitudes of tax benefits being offered by the state under 'North East Industrial and Investment Promotion Policy (NEIIPP), 2007. The benefits include excise duty exemption on finished products, income tax exemption and capital investment subsidy on investment in plant and machinery, among others. Consequently, many pharma companies are shifting their manufacturing units from Baddi, Himachal Pradesh to Sikkim.

Sikkim, a tiny hill state in the Eastern Himalayas with a geographical area of 7096. sq. kms and bestowed with abundant natural resources, is now home to as many as 14 major pharma companies. These include units by Cipla, Sun Pharma, Zydus Cadila, Alembic, IPCA, Alkem Lab, Intas Pharma, Torrent Pharmaceuticals and Unichem. Some of these companies have invested over \$400 mn (2000 crore) in the last three years.

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Under the NEIIPP announced by Department of Industrial Policy and Promotion (Ministry of Commerce and Industry, Government of India), all new units and existing ones going for expansion in the northeast region get a full exemption from income tax and excise duty, apart from a 30 percent subsidy on investment in plant and machinery, together with interest subsidy of 3 percent on capital loan and a reimbursement of 100 percent insurance premium.

The northeastern region of India comprises the states of Arunachal Pradesh, Assam, Meghalaya, Manipur, Tripura, Mizoram, Sikkim and Nagaland. All the eight states have high biodiversity and have been a priority for leading conservation agencies of the world. The region has been identified by the Indian Council of Agricultural Research (ICAR) as a center for rice

germplasm. The National Bureau of Plant Genetic Resources (NBPGR), India, has highlighted the region as being rich in wild relatives of crop plants. The northeast is also rich in medicinal plants and many other rare and endangered taxa. Northeast also opens up the possibility of setting up research and development centers to work on herbal medicines.

To support R&D in pharma, biotech and allied activities in the region, the Department of Biotechnology (Ministry of Science & Technology) has come up with initiatives with education, bioinformatics and infrastructure projects. The DBT has earmarked 10 percent of its total budget amounting to about \$20 mn (in 100 crore) on these projects.

## **Biodiversity documentation is significant for NER**

- About 51 forest types are found in the region broadly classified into six major forest types viz., tropical moist deciduous forests, tropical semi evergreen forests, tropical wet evergreen forests, subtropical forests, temperate forests and alpine forests
- Out of the nine important vegetation types of India, six are found in the North Eastern region.
- These forests harbor 80,000 out of 15,000 species of flowering plants. These include:
  - 40 out of 54 species of gymnosperms
  - 500 out of 1012 species of Pteridophytes
  - 825 out of 1145 species of orchids
  - 80 out of 90 species of rhododendrons
  - 60 out of 110 species of bamboo
  - 25 out of 56 species of canes
- In terms of floral species richness, the highest diversity is reported from the states of Arunachal Pradesh and Sikkim amongst the northeaster states. These species belong to about 200 plant families out of 315 recorded from North East India. Some of the families such as Nepenthaceae, Illiciaceae and Clethraceae are unique in the world. These families are reported from the South East Asian countries and are represented by a limited number of species like Clethra sp. and Nepenthus khasiana in North East India (A. R. K. Sastry pers comm.).
- According to the Indian Red data book published by the Botanical Survey of India, 10 percent of the total flowering plants in the country are endangered. Of the 1500 endangered floral species, 800 are reported from North East India.
- High biological diversity is often related to the forest cover of a region. Most of the North Eastern states have more than 60 percent of their geographical area under forest cover, a minimum suggested coverage for the hill states in the country.
- The fauna diversity is relatively better documented than its floral counterparts for the North Eastern region. However the discovery of newer species like the Tawang Macaque (Macaca sp) and range extensions of the Chinese goral (Nemorhaedatus caudatus) and leaf deer (Mentiacus putaoensis) highlights the dire need for more extensive research and systematic documentation of biodiversity of the North East.

*Source: National Biodiversity Strategy and Action Plan Report (2003)*

## **DBT support programs**

### **Infrastructure**

- A biotechnology incubator for entrepreneurship development in Assam
- Established regional research center of IBSD in Sikkim State
- Women's biotechnology park
- Bioresources Centre at NEHU, Shillong
- Modern infectious disease detection laboratory/infrastructure in 11 Medical Schools
- A rural bio-resource complex targeting 1500 households from 15 villages spread over 5 clusters Establishment of biotech hubs and state nodal centers

### **Bio-informatics**

- Establishment of North Eastern Bioinformatics Network (NEBINet)
- On-line information access facility for Schools
- Creation of e-Journal Access Facility
- NER-DeLCON- E-Journals access to NER institutions

### **Education**

*Promote star colleges of (North East Region) NER in life sciences education and training*

- Programme support in the areas of biotechnology to Indian Institute of Technology (IIT), Guwahati
- Programme support to clinical research network in NER
- Network programme on developing drugs from medicinal plants of NER
- Network on management of classical swine fever in piggeries in NER
- Launching of special fellowship/associateship
- DNA Clubs (DBT's Natural Resources Awareness Clubs) for NER
- Exclusive biotechnology overseas associateship for NER scientists
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**Narayan Kulkarni** in Bangalore