

## Invest in drug development: Sibal

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Union Minister for Science and Technology, Kapil Sibal has reiterated that the Central government is committed to help the biotech industry in developing new drugs through public-private partnership and urged industry leaders to invest in drug development in a bigger way.

Speaking after inaugurating Bangalore Bio 2006 at the Palace Grounds in Bangalore on June 7, 2006, he said, "India can be a natural ally for developed nations for drug discovery. The US spends around \$2 billion on single drug development. The same drug can be developed in India for about \$500 million. This has to be exploited fully. Though there are several low cost economies in Africa and Asian countries, they do not have skilled workforce. The combination of skilled workforce and low cost economy is not available anywhere else in the world including China."

Sixty percent of the country's revenue earnings came from export of bulk drugs and the services sector contributed to over 50 per cent of India's GDP, he informed adding that India's low cost economy along with high quality human resource had made it a sought-after destination for clinical research outsourcing.

The minister also informed that the norms for biotech SEZ have also been eased. Companies with 10 hectares of land and with 400,000 sq ft of built-up area will be entitled to SEZ status and get all the tax and import concessions.

Refuting the industry's estimation of creation of a million jobs by 2010, Sibal said that the biotech sector required capital

investment for growth unlike the IT sector and companies needed to invest a greater percentage of their sales revenue in R&D.

Karnataka chief minister, HD Kumaraswamy, who presided over the inaugural session of Bangalore Bio 2006, said biotechnology would help increase agricultural productivity and his government would accord utmost priority to the life sciences sector.

The government would set up a venture fund for the IT and Biotechnology sectors and the State Cabinet had approved the setting up of Bangalore Helix biotechnology park on an area of 106 acres at a cost of Rs 103 crore, the chief minister informed.

"The biotech sector is growing by 40 to 50 percent year-on-year and to sustain this growth we need to focus on creation of infrastructure for the biotech industry. The human resources needs have to be addressed urgently and the government will pay attention to biotech courses in the colleges and universities," he said and urged biotech educational institutions to fine-tune their syllabus to meet the requirements of the biotech industry.