

IPA calls for time-bound implementation of Katoch committee report on API

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The Indian Pharmaceutical Association (IPA) has now pressed for the speedy implementation of the Katoch committee report for the bulk drug industry in the country. In this regard, the association has submitted a memorandum urging the government for the speedy execution of the same. Besides it has pressed for benefits related to Brownfield projects on bulk drugs manufactured through intermediates that are not imported among others requirements.

With the department of pharmaceuticals (DoP) declaring 2015 as the year for API, the government's efforts to reduce dependence on imports and boost the Make in India programme as per the recommendations of the Katoch report are encouraging moves. While this is a step in the right direction, we hope that the suggestions made by Dr VM Katoch and his panel will be implemented in time bound manner so that the API industry is encouraged, said Kaushik Desai, general secretary, IPA.

Four suggestions came forth from the members of the IPA representing the API industry. These are on the newly proposed manufacturing zone benefits to existing facilities going in for expansion. The association has appreciated the idea because it is backed by soft loans and tax holiday for the large units.

With 60 to 70 per cent of intermediates used to manufacture APIs in the country are imported from China, therefore this has led the IPA to lobby for extension of the incentives for API manufacturers also to be offered to the domestic chemical intermediate players.

Further, the IPA is of the view that since API intermediates are already being heavily imported, the Union government should consider giving incentives for new product, novel process and new technology. This is because it will not only nurture innovation but also promote Make in India and make the country self-reliant. Also it would encourage a culture to innovate in a fast transforming world.

Appreciating the efforts of the Katoch report to revive the public sector units manufacturing bulk drugs, the association pointed out that even in the private sector there should be some incentives for the acquisition of non-performing units by other Indian players. The effort would enable possible revival of these units.

On a concluding note, the IPA maintained that the fiscal package should be formulated to incentivise acquisition of sick units by the private sector and insisted that the DoP would need to favourably consider these suggestions while finalising the draft policy.