

**GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA**

STARRED QUESTION NO:267
ANSWERED ON:11.08.2006
POLICY OF BIO TECHNOLOGY
Ahir Shri Hansraj Gangaram

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

- (a) whether the Government has finalised the National policy for the development of bio-technology sector;
- (b) if so, the details thereof; and
- (c) the likely impact of the proposed policy particularly on trade and employment?

Answer

MINISTER OF SCIENCE AND TECHNOLOGY AND MINISTER OF EARTH SCIENCES

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO. 267 TO BE ANSWERED ON 11.08.2006 REGARDING POLICY OF BIO-TECHNOLOGY

(a),(b)&(c) A Draft National Biotechnology Development Strategy has been prepared by Department of Biotechnology which aims at creating such tools and technologies that address the problems of the largest section of the society, provide products and services at affordable prices and make India globally competitive in the emerging bio-economy. The basic goal of the Draft National Biotechnology Development Strategy is to enable emergence of an ecosystem that promotes innovation. The Strategy provides for producing more world class researchers, establishing centres of excellence and interdisciplinary networks in the university system, strengthening technology transfer and patenting skills, promoting biotech clusters and parks, building a strong regulatory system, improving transnational movement of biologicals, building new institutes in a few key areas where there is deficiency and link international partnerships to national goals.

In the Draft National Biotechnology Development Strategy special incentives have been provided for, to promote the biotechnology industry, which would help increase the trade in the biotechnology sector and also create new avenues of employment. It is expected that the annual turnover of the biotech industry would cross US\$ 9.00 billion by 2010, with employment opportunities for at least 1 million. The enabling factors to facilitate this growth relate to simplification and streamlining of procedures for import, clearance and storage of biologicals; harmonization of the regulatory approvals for biotech products; promoting international trade opportunities to guide R&D investments and fostering research, trade and industrial partnerships. Incentives have also been provided for promoting industrial growth such as exemption of biotech sector from compulsory licensing; permitting 100% Foreign Direct Investment (FDI) in the sector; reducing the qualifying area criteria of Special Economic Zones to bring it at par with Information Technology sector; providing fiscal incentives to in-house R&D units in terms of exemption of custom duty on capital goods and 150% weighted deduction against expenditure incurred on in-house R&D.