

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

STARRED QUESTION NO:258  
ANSWERED ON:08.12.2006  
NATIONAL BIO TECH POLICY  
Lagadapati Shri Rajagopal

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

- (a) whether the Government has implemented the National Bio-tech Policy in the country ;
- (b) if so, the details in this regard ;
- (d) the manner in which the target set for bio-technology industry in the coming years is to be achieved looking at the slump in bio-technology in the last couple of years; and
- (c) the details of the areas benefited and success achieved so far under the said policy ;
- (e) the current status of the Government's plan to set up a separate Council for Bio- technology to boost this sector ?

**Answer**

MINISTER OF SCIENCE & TECHNOLOGY AND MINISTER OF EARTH SCIENCES

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

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO.258 TO BE ANSWERED ON 08.12.2006 REGARDING NATIONAL BIO-TECH POLICY

(a)&(b) A Draft National Biotechnology Development Strategy has been formulated by Department of Biotechnology, Government of India, after detailed consultation with various stake holders, scientists, NGOs, civil society, policy makers and industry. The Draft Strategy has been sent to Cabinet for approval. The Draft National Biotechnology Development Strategy 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. The Draft Strategy is a comprehensive road map for addressing cross-cutting issues related to human resource development, infrastructure strengthening, promotion of industry and trade and public awareness, and an action plan for specific sub-sectors. The strategic action plan will direct the future priorities and activities in different sectors of biotechnology.

(c) Although the Draft Strategy is yet awaiting the Cabinet approval, some new initiatives on ongoing schemes have already been taken such as launch of the Small Business Innovation Research Initiative (SBIRI) to support pre-proof-of-concept stage funding to SME's for promotion of innovation;

establishing Centers of excellence for promoting innovation and improvement in quality of Human Resource and infrastructure through creation of pool of physician scientists, increased number of Ph.D and post doctoral fellowships, rapid grant scheme for younger scientists and teachers training programme. Reforms in the biotechnology regulation as recommended by Mashelkar Committee have been adopted with effect from 1st April 2006. Special incentives for the industry have been announced to give a boost to the growth of the industrial sector.

(d) 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. Currently the Biotechnology Industry is growing at a rate of approximately 40% and has achieved a turnover of US\$1.5 billion. It is expected that the annual turnover of the biotech industry would cross US\$ 9.00 billion by 2010, with employment opportunities for atleast 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.

(e)The government has no plans to set up a separate council for biotechnology, however in the Draft Biotechnology Strategy an independent Biotechnology Commission has been proposed.