To boost pharma investments, Modi govt sets up panel to revamp policies & draw up action plan

The expert panel, consisting of 5 members from the industry and a govt official, has highlighted archaic labour laws & flawed definitions of fast-tracking mechanisms as hiccups.

HIMANI CHANDNA

7 November, 2020 7:50 pm IST

A pharmacy in Jammu (representational image) | Dhiraj Singh | Bloomberg

New Delhi: The Modi government has formed an expert committee to identify the bottlenecks in the pharmaceutical industry and design an action plan to attract investments, ThePrint has learnt.

In an office memorandum issued 2 November by the Department of Pharmaceuticals (DoP), six representatives were chosen by the government to revamp the pharma policies in India. Of them, five are members from the pharma industry and one is a government official.

The DoP is an apex authority that designs policies related to medicines in India under the Ministry of Chemicals and Fertilizers.

The expert panel includes Dinesh Dua, chairman of Pharmaceuticals Export Promotion Council of India (Pharmexcil); B.R. Sikri, president of Federation of Pharma Entrepreneurs (FOPE); Mahesh Doshi, president, Indian Drug Manufacturers Association; V.V. Krishna Reddy, president, Bull Drug Manufacturers of India; and Sudarshan Jain, secretary-general, Indian Pharmaceutical Alliances (IPA). Dr Sumit Garg, deputy secretary, DoP, is the government official on the panel.

All these associations represent big pharmaceutical companies, including Glenmark, Sun Pharma, Dr Reddy's, Lupin, Ipca labs and others.

Also read: *Govt repeats warning to pharma firms, says don't 'promote products in unethical ways'*

Duties of the panel

According to the office memorandum, seen by ThePrint, the government has tasked the panel with three basic responsibilities.

"Examine the number and type of approvals and compliances needed in the sector by investors for setting up operations and compare them with those of the best countries in the world," it said.

The panel mist also "identify common hurdles and bottlenecks pertaining to the investments".

The final directive is to "prepare an action plan for maximum process improvements" based on the bottlenecks identified.

Labour laws, multiple window clearance & other impediments discussed

The panel held its first meeting immediately after the rolling out of the notification.

From archaic labour laws to flawed definitions of fast-tracking mechanisms, the panel highlighted several hiccups.

"The first meeting took place on 3 November where everyone was heard and their points were noted," a member of the committee told ThePrint.

"The members so far have highlighted the need to give incentives to the companies to manufacture in India. There is a need to bring policies which encourage the industry to manufacture the latest molecules in India," the member added.

"Newer diseases like Covid have placed enough evidence on the table that India needs to revamp its manufacturing policies for pharmaceuticals' sector," Sikri, another panel member, told ThePrint.

"Labourers are a big hindrance in the growth of our industry. There are 1,248 different laws. There are 17 definitions of wages, 22 definitions of workers, and 19 definitions of Enterprise. These laws hurt more than help," he added.

The amount of skilling which is required in the sector is not happening despite having a separate Union ministry for skill development, Sikri noted. On the contrary, he said, one of the reasons for China's success in the pharmaceutical sector is its technical strength in skill development. "We have highlighted the issue," he said.

The panel has also highlighted the need for a 'single-window clearance' concept on the lines of China. Instead of using a generic term of "expediting the process or fast tracking the approval mechanism", a stipulated time-frame should be decided for each clearance, the panel has suggested.

Also read: *PM Modi warns pharma companies not to bribe doctors with women, foreign trips and gadgets*
