

Executive Summary

Arun Jaitley in his Budget for this year announced a 10 per cent tax rebate on earnings from patent filings. This is seen as a welcome move for the pharmaceutical industry where many players have emerged on the global scene with patents indicating that the industry is seeing a widening base in research, from generics to new drugs. The pharmaceutical industry in India has not just strengthened its hold in generics but is beginning to see years of research that for so long perceived as fruitless. The pharmaceutical budgets may not match the global numbers but the RDI of the companies is slowly reaching the global scale. A stringent patent regime and reduced paperwork are bound to improve the innovation intensity in this sector. Academic and industry tie-up is seen as a win-win partnership and both sides are looking at each other expectantly. The government's role in facilitating this would go a long way in creating better output as has been observed globally. Successful PPP ventures like Pharma City have paved the way for more such ventures. The industry's interest in innovation and support of the government can act as a catalyst to boost the capabilities of the Indian industry. Interactions with industry experts, CEOs, contract research organizations, multinational company representatives, and advisors have helped corroborate these views.
