

By continuing to use this site you consent to the use of cookies. We'll use them to enhance your navigation, analyze site usage, and assist in our marketing efforts. (Privacy Policy) unless you have disabled them. You can opt out at any time. If you do not accept our cookies, our site will not function correctly without them.



Keep abreast of the latest in business. Get notified about stories and events as they happen.

No Thanks

Yes Please

Business Standard

JUST IN

Top headlines: US to consult India on Ukraine, India Inc faces margin dip

Search News, Stock Quotes or Companies

You are here: [Home](#) » [Companies](#) » News

Expand PLI scheme for pharma to make it research-linked, says industry

So far 55 drug manufacturers have been selected under the PLI scheme for pharma.

Topics

[PLI scheme](#) | [Indian pharma](#) | [Pharma sector](#)

Sohini Das | Mumbai

Last Updated at February 25, 2022 13:28 IST



Follow us on

Google News



Representative image

ALSO READ

Lupin, Glenmark shift focus to inhalation and nasal Covid-19 drugs

Our aim is to create ecosystem to make India lead in drug discovery: PM

Covid-19 & low base in 2020 boost anti-infectives growth, shows data

Bugworks Research gets \$18mn funding as it scales up clinical research

Glenmark, Alembic, Cipla: Pharma stocks on a booster dose this December



India
linke

Keep abreast of the latest in business. Get notified about stories and events as they happen.



Speaking at BioAsia 2022, Kiran Mazumdar, chairperson, Biocon Group, said that there needs to be a different **PLI scheme** that needs to focus on the emerging opportunities for **Indian pharma**. "As a nation we need to start moving towards large molecules of biologics. There is a huge growing interest in combination immuno-therapies. Can we leap-frog? The **PLI scheme** was far too skewed far too much towards generic drugs. There should have been a much greater allocation for biologics, biosimilars, cell and gene therapies etc, which did not happen," Shaw explained.

In fact she cited the example of Biocon to say, "We could not be eligible for category A **companies** because we did not have that many ANDAs. So, we got a very small amount."

The Rs 15,000 crore **PLI scheme** announced by the Centre has three categories of **companies** – category A (FY20 global manufacturing revenue of pharma goods more than equal to Rs 5000 crore), category B (between Rs 500 crore to Rs 5000 crore) and category C (revenue less than Rs 500 crore). The quantum of incentives vary for the three groups – Rs 11,000 crore (Group A), Rs 2250 crore (Group B) and Rs 1750 crore (Group C).

So far 55 drug manufacturers have been selected under the PLI scheme.

Sanjiv Navangul, MD & CEO, Bharat Serums and Vaccines too, agreed with Shaw.

"If we look at our own PLI scheme, huge emphasis was given to abbreviated new drug applications (ANDAs). It is not innovation. We are talking about atmanirbhar in terms of what we don't produce in terms of chemical and generic drugs. This is not enough. There is not enough risk capital to encourage innovation," Navangul pointed out.

An ANDA contains data which is submitted to USFDA for the review and potential approval of a generic drug product. In comparison, for biologic products **companies** file a Biologics License Application (BLA) which is a request for permission to introduce a biologic product in the US market.

Shaw said, "I have tried to point out that one BLA is equivalent to almost 20 ANDAs in terms of investments. But, the PLI scheme had not adopted that as a criterion. We can expand the PLI scheme. PLI schemes need to evolve with time. We can have a research-PLI scheme, where you include research in the PLI scheme."

On the whole, the pharma industry captains seemed to agree that the way forward lies in innovation in biologics if the Indian drug industry were to achieve a turnover of \$120-130 bn over the next decades.

Sharvil Patel, MD, Zydus Lifesciences said: "If 8 out of 10 top molecules in the world are biological, we have to find money to be invested in these. No one can invest unless there is a significant financial benefit associated with it. So unless the ecosystem is set right, and the financial incentive and benefit are in place whether it is for an individual scientist, a start-up or a company or an institution, we will never succeed."

He added that doing incremental innovation would not help the **Indian pharma** industry to grow and would not take us from a value share of 3-4 percent in the global pharma industry to a value share of 10-20 percent.

Satish Reddy, Chairman, Dr. Reddy's Laboratories pointed out that "Indian companies are not risk averse, but there has to be some participation from the government – funding, regulatory support, etc."