

# India's Shot-in-the-Arm Window



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The approval of Covid-19 vaccines and their availability for application marks an important milestone. A number of vaccines have been developed, tested and approved for administration in different countries, including India, within a year. The sheer pace of development is, in itself, remarkable, considering vaccine development usually takes 5-10 years. This has been made possible by cooperative collaboration between scientists, doctors, government and pharmaceutical companies.

An equally remarkable development has been the nature of the collaboration between small and big pharmaceutical companies, and between publicly funded research institutions and private sector

firms. The vaccine developed for Pfizer, a US-based multinational firm, was innovated by a much smaller German company, BioNTech. The vaccine being marketed by another Big Pharma company, AstraZeneca, has been developed by Oxford University. In India, Bharat Biotech and Zydus Cadila have developed the vaccine and Serum Institute of India (SII) is manufacturing the vaccines for Indian and global markets.

An Indian firm like Wockhardt has developed and marketed two antibiotics and has also received Qualified Infectious Disease Product (QIDP) status for four other antibiotic products from the US Food and Drug Administration (FDA). These are all significant developments that should become benchmarks for future policy with respect to drug discovery and clinical trials.

While some sceptics have questioned the speed with which Covid vaccines have been approved, the Indian experience with vaccine development demonstrates the welfare and business potential of public-private partnership (PPP) in



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## Time to overtake

this field. It underlines India's proven capability in the pharmaceuticals development. In the highly competitive US market, Indian generic drugs now have a 40% share. An increasing number of prescription drugs in the US market are of Indian origin. This is one industry in which India has had a competitive edge over China. The edge that was lost in active pharmaceutical ingredients (APIs) can easily be regained. Public policy must support the global rise of the Indian pharmaceuticals sector.

The experience with Covid vaccine development has provided India a unique opportunity to burnish its credentials as a global leader in the discovery of new drugs and medicines, and as a manufacturing base for

the global market. To build on this foundation, the sector needs a clear policy roadmap that is supportive of innovative development of drug research. Public funding can be an important catalyst.

A development-oriented regulatory regime based on scientific principles — and managed by technically competent and qualified persons rather than bureaucrats — is necessary. The government must provide both a policy regime and financial support, in the form of grants and interest-free long-term loans, to facilitate this.

The global pharma industry manages its tax liabilities through a global tax-planning regime. That research and innovative companies in India are also encouraged to conduct global manufacturing, distribution and marketing is desirable. This could be further achieved if in the upcoming Union budget, GoI makes required income-tax provisions for 'patented new drug discovery' products during the life of the patent.

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