

Novartis hits out at India's IPR environment

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Novartis: India is losing R&D investments to China due to poor IP regulations



New Delhi: After losing a patent case for its cancer drug Glivec, drug maker Novartis has lashed out at India's way of dealing with Intellectual Property Rights (IPR) issues. The company has said that India has been losing R&D investments from MNCs to China, due to the lack of an innovation fostering ecosystem.

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[Citing its recent case, where the company lost a patent case in India for its cancer drug Glivec](#) Novartis has said that the country needs to set up fast track courts to deal with IPR issues.Ã?Ã Novartis India vice chairman and managing director, Mr Ranjit Shahani, told the Press Trust of India that China has been able to attract leading global companies to invest in R&D, while India has failed to do so.

"What we certainly would like to see is an ecosystem that fosters innovation and fast-track courts to hear and decide cases involving IPR. China has drawn all the leading global companies to invest in R&D there while India has not. That itself should serve as food for thought," Mr Shahani said.

India's Supreme Court had in April, rejected Novartis' plea for a patent on Glivec, its cancer drug. However, last year the [Indian government invoked a compulsory license on Bayer's cancer-treatment drug Nexavar permitting Hyderabad-based Natco Pharma to manufacture and sell the drug at a price lesser by over 30 times charged by its patent-holder](#).

"The recent cases that we have seen in the area of IPR do not in any way point to an environment that encourages innovation. A patent is granted then revoked. A patent is granted then violated. A patent is granted then a compulsory license is issued," he said.

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He added that the Indian government should develop a holistic approach and look at global companies as being part of the solution. "All stakeholders must come together to find sustainable solutions that balance the need for innovation with the need for medicines that are affordable, all within a robust intellectual property rights environment," he said.

Mr Shahani suggested setting up of fast-track courts to address IP disputes and also focused on foreign direct investment in the pharmaceutical sector for better growth.

The foreign direct investment (FDI) would lead to upgrading of the country's skills in the sector, he opined. As president of the Organisation of Pharmaceutical Producers of India (OPPI), he said, "One area that needs to be re-looked at by government is FDI in both brownfield and greenfield ventures in the pharmaceutical space. India needs to upgrade her pharmaceutical skills and FDI should be looked at in this context."