

## €Tax benefits for companies working in biodiversity conservation€

15 May 2015 | Interviews | By Rahul Koul Koul

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#### **Q: Do we require current Biodiversity Act which many feel is hampering the innovation in biotech?**

It is a noteworthy fact that India has 26 recognized endemic centers that are home to nearly a third of all the flowering plants identified and described to date. The Biodiversity Act defines biological diversity as the variability among living organisms from all sources and the ecological complexes of which they are part, and includes diversity within species or between species and of ecosystems. Therefore, it is very important to safeguard India's biodiversity and with this view the biological diversity act, 2002 plays an important role. According to section 3, all foreign nationals require prior approval from NBA for obtaining biological resources. It is important to safeguard the biological resources from being misused by any entity.

The current timeline to dispose the application is six months from the date of its receipts. That is hampering the innovation in biotech by delaying the approval process from the date of receipt of application. In my view, the timeline should not be more than two months to grant the approval as the long time period would refrain foreign nationals from investing their resources in India.

Subsequently, a balance of convenience has to be maintained in safeguarding the biological resources and at the same time respecting the research and development activities of scientific institutions. Any person desirous of transferring results of research relating to biological resources obtained from India for monetary consideration to foreign nationals, companies and Non Resident Indians (NRIs), should definitely seek approval for transferring results of research in the national interest of the country.

#### **Q: What is the extent to which the law should be amended?**

There should be a provision of express request by increasing the fee schedule for applying for approval for access to biological resources to expedite the grant approval process. This will not only encourage more entities to apply for the approval but at the same time will generate more revenues for the Indian government. Secondly, the current timeline to grant approval for transferring results of research is within a period of three months from the receipt of the application. In this case

also, the provision of express request should be introduced by increasing the fee schedule.

**Q: What do you suggest on how these (law) can be improvised for the mutual benefit of biodiversity conservation and for biotech industry?**

Special lucrative schemes should be introduced for the mutual benefit of biodiversity conservation and for the biotech industry. For example, tax benefits for the biotech entities researching in the area of biodiversity conservation and for the betterment of mankind. Indirectly, it will lead to innovation and innovation will lead to job creation in the country.