

## HEALTH CARE

## Nutraceutical industry seeks simplified regulations in the Biological Diversity Act

ET Bureau • Last Updated: Jul 12, 2023, 08:29 PM IST



### Synopsis

The Indian nutraceutical industry, which produces exports valued at \$1.5 billion annually, has called for a revision of the Biological Diversity (Amendment) Bill 2022. Company leaders say the legislation should recognise the industry's products as value-added goods in the context of sustainable farming and effective bioresource management.

By ET Bureau

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The contiguous Biological Diversity (Amendment) Bill, 2022, is expected to be taken up in the forthcoming monsoon session of Parliament.

Muhammed Majeed, Chairman, Sami-Sabinsa Group, a company in the manufacture and export of nutraceuticals, said that the proposed amendments must serve the primary goal of the law, which would boost the industry and motivate it to collaborate with the farming community for sustainable management of bioresources in India.

The Indian nutraceutical industry generates exports worth \$1.5 billion annually. For the sector to realise its potential, the industry requests that the act recognize its value-added products as oleoresins, extracts, and isolated phytochemicals and include them in Section 2(p) of the act pertaining to value-added products, Majeed said in a press statement.

He said that although, after much consideration, the definition of the non-Indian entity in Section 3(2) of the Bill has been amended, it was still not in harmony with Section 2(42) of the Companies Act 2013. There is the inclusion of the term "foreigner" in the amendment, which has caused uncertainty for the industry. In the interpretation of the law, there is a significant difference between the terms "foreign controlled company", "foreign company," and "foreigner," and hence the Act needs to be harmonised with the Companies Act.

Majeed stated that, due to the requirement that importers of bioresources must approach the National Biodiversity Authority for clearance of each consignment, the industry is currently paralysed by production delays. But as per the UN Rio Declaration of 1992, each nation has sovereign rights over its own bioresources, and another nation cannot control them. Hence, the imported raw materials must be brought out of the purview of the act, he said.

The absolute powers vested to raid the business premises by authorities must be limited to certain situations only, which need to be defined, he added.