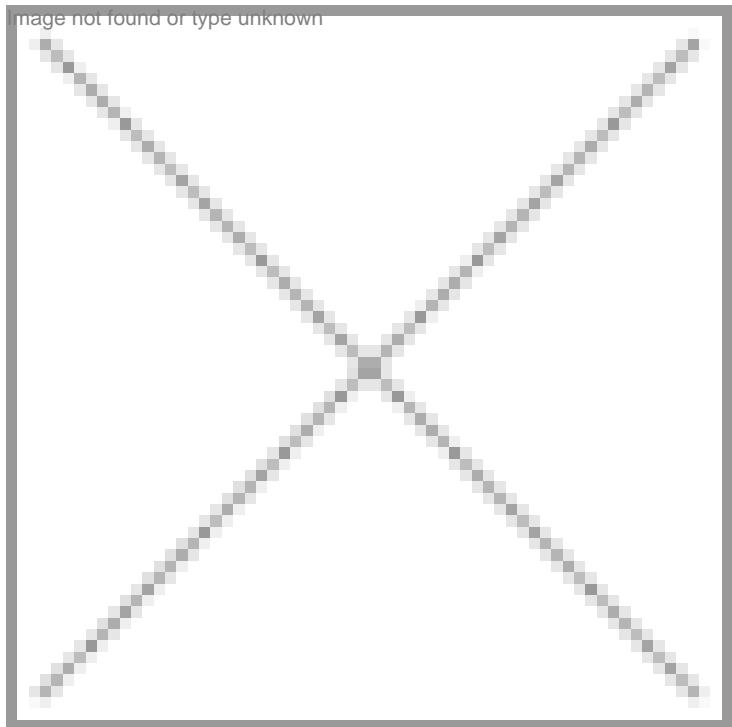


NCR:The Nucleus of Research

04 February 2011 | News



Home to regulatory authorities, key companies and major institutes, National Capital Region (NCR) is beginning to get its due from the biotech industry

In 1962, the Government of India took the decision to create National Capital Region (NCR) with an aim to relieve New Delhi's burden of growing demands from corporate bodies and government establishments. Therefore, the neighboring states such as Rajasthan, Haryana and Uttar Pradesh were considered for developing satellite cities of Gurgaon, Noida, Ghaziabad and Faridabad. However, it took many years to actually implement the infrastructural changes. Now, the biotech industry in the region is emerging from its nascent stage to

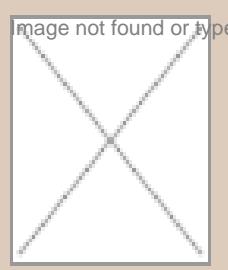
The major attraction of NCR is the presence of national and international research institutions. Institutes such as National Institute of Immunology (NII), International Center for Genetic Engineering and Biology (ICGEB), Institute of Genetics and Integrative Biology (IGIB), Indian Agricultural Research Institute (IARI), Jawaharlal Nehru University (JNU), National Plant Genome Research Institute (NPGR), National Research Center for DNA Fingerprinting (NRCD) provide a great atmosphere for research in

The Department of Biotechnology (DBT) that formulates the policies and strategies for the development of biotech sector in India is based in New Delhi. The region is also home to four key government departments - the Department of Science and Technology (DST), the Ministry of Health and Family Welfare, the Ministry of Agriculture and the Ministry of Environment and Forests - which are involved closely with the growth of biotechnology. Two other important government agencies - the Council of Scientific and Industrial Research (CSIR), which runs a chain of 39 laboratories out of which 12 are dominant players in biotech; and the Indian Council of Agricultural Research (ICAR), with 91 laboratories - are also headquartered in New Delhi.

Despite the dominance of government sector, NCR region is now home to major international and domestic biotech, pharma, CROs, medical technology and biosupplier companies. Nearly 25 big and small biotech companies operate in the region.

Going by the statistics, in the year 2009-10, the northern biocluster contributed just about one-seventh of the total biotech revenues at \$444 million (Image not found or type unknown). NCR is home to the top three companies - Panacea [\$154 million (Image not found or type unknown)], Jubilant [\$55 million (Image not found or type unknown)] and Eli Lilly [\$41 million (Image not found or type unknown)] contributed 56 percent of the revenues from North India. Of the three large companies in the North, Panacea is the only one that grew at 17.86 percent, a growth rate higher than the industry growth rate. In the clinical research industry, Max Neeman International was among the fastest growing CROs in the country. In the biosupplier space, Becton Dickinson was the leading player from the NCR with close to 17 percent of the market share and was followed by Imperial Life Sciences with eight percent market share. The top five players in North, mostly from this region, accounted for 44 percent of the total \$291 million (Image not found or type unknown) generated by the companies based in North.

The leading industry associations, the Confederation of Indian Industry (CII), the Federation of Indian Chamber of Commerce (FICCI) and the Associated Chambers of Commerce and Industry (ASSOCHAM), based in the New Delhi, have been promoting biotech in a big way since the last five years. CII organizes an annual biotech show and ASSOCHAM has been organizing a Biotechnology Millennium Summit. Besides that, FICCI has been active in promoting the biotech industry by offering platform to interact through various activities. The core industry associations such as Association of Biotechnology Led Enterprises-Agriculture Group (ABLE-AG), All India Biotech Association (AIBA), and Biotech Consortium India Limited (BCIL) are among the leading associations in the region.



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- Dr Ajoy Kumar, CEO, Max Neeman International

Advantage NCR

During the last decade, the landscape of this region has been transformed completely with the construction of new skyscrapers, roads and flyovers. Commercial buildings and offices are ever increasing owing to growing demand from foreign and domestic companies. There is better connectivity and improved infrastructure between Delhi and any other satellite cities. This includes the establishment of metro line between Noida and Gurgaon along with the international airport that is located in NCR.

“The recent incentives offered by Haryana government to the biotechnology companies to promote their growth in the region could provide the required impetus. Preferential allotment of land to biotech industry, and rebate on land cost to set up industrial unit would help to accelerate biotech industry growth in Haryana,” says Dr Ajoy Kumar, CEO, Max Neeman International.

Home to major biotech companies, Gurgaon provides the best infrastructure in terms of roads, rented space for companies, uninterrupted housing societies and medical facilities. The Indian arm of global giants such as Genzyme, Biogen Idec, DuPont and Eli Lilly have based their operations in Gurgaon. Besides that a number of start-up biotech ventures such as Ara Healthcare, Life Care Innovations are located in the region. Also, a temporary Translational Health Science and Research Institute (THSTI) lab was recently inaugurated. This will be relocated to the main site at Faridabad in the next three years after the infrastructure is ready.

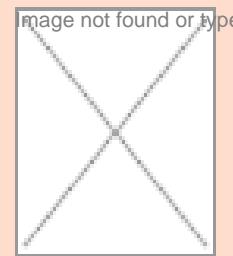
Mr SK Mukherjee, director, CliniRx, Haryana, says, “As a CRO, we feel that the NCR currently offers a very good infrastructure. The presence of government agencies is an added advantage for us.”

Faridabad is one of the main industrial cities in NCR. New Faridabad is the most preferred destination for industries, IT companies, corporate bodies and government departments. The focus on research institutes is visible in the 200-acre Health Biotech Science Cluster (HBSC) at Faridabad. Being a multi-disciplinary approach to education and research, this biotech cluster comprises of Translational Health Science and Technology Institute (THSTI), regional center for biotechnology (RCB), center for vaccinology, molecular medicine center, center for diagnostics, biotech park, center for health science technology, center for platform technologies, UNESCO center, incubator and a center for animal model for clinical development.

Dr Shrikumar Suryanarayanan, director general, ABLE, who has been associated with Health Biotech Science Cluster at Faridabad, says, “NCR has a huge potential because of the presence of high-quality institutes. But comparatively, a large industrial hub is missing. Within Delhi's small radius, density of institutes is much thicker. The NCR is competitive and offers roads and communications. It lacks large industry but within a short span of time innovative industry will come up. Though the institutes have been there for long time, the translation is slowly coming up.”

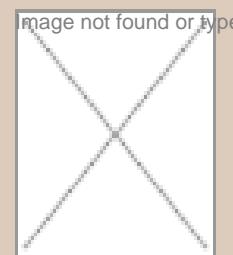
Four constituent sub-regions of NCR

Sub-region	Districts	Total area	Percentage of area
Haryana	Faridabad, Gurgaon, Mewat, Rohtak, Sonepat, Rewari, Jhajjar, Panipat and Palwal	13,413 sq.km	40%
Uttar Pradesh	Meerut, Ghaziabad, Gautam Budha Nagar, Bulandshahr, and Baghpat	10,853 sq.km	32%
Rajasthan	Alwar	7,829 sq.km	23%



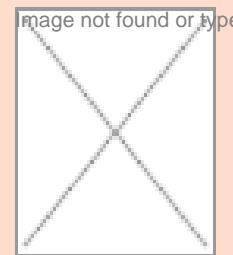
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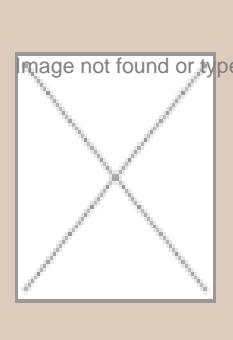
NCR is regarded as a biotech commercial hub and as a capital of biosuppliers. Though other cities have some good research institutes, I think research infrastructure is much better in Delhi as compared to Bangalore and Hyderabad.

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There is definitely the need for government authorities to develop the biotech policy at par with other states such as Karnataka and Maharashtra.

- **Dr Shrikumar Suryanarayanan**, CEO, Biotech Cluster, Faridabad



There is a need for the government to provide incentives to set-up bioanalytical/analytical service units, state-of-the-art R&D center and training units, BSL2 and BSL3 facilities to handle highly-pathogenic organisms, appropriate experimental animal facilities and facilities for regulatory toxicology for biotech products.

- **Dr Rajesh Jain**, joint managing director, Panacea Biotec

National Capital territory (NCT)	New Delhi	1,483 sq.km	5%
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Prominent life science companies in NCR			
Biotech	CRO/CRAMS	Pharma/Vaccine	Biosuppliers
Panacea Biotec	Max Neeman International	Ranbaxy	Life Technologies
Genzyme	Excel Life Sciences	Eli Lilly India	Agilent
Biogen Idec	CliniRx	MSD India	BD Biosciences
Jubilant Life Sciences	Jubilant Clinisys	Baxter India	Imperial Life Sciences
Nunhems (Bayer Group)	Kendle India	Kee Pharma	RFCL
Life Care Innovations	Dabur Research Foundation	AIMIL Pharma	BioRad
ARA Healthcare	Premas Biotech	Indovax	Genetix Biotech Asia

Ghaziabad also has witnessed vast changes. Since the 2006 Newsweek survey, which put the city on the global map, Ghaziabad has undergone a complete makeover by adding new housing facilities and infrastructure suitable for companies to flourish. Dabur Research Foundation has its base in Ghaziabad. A number of small biosupplier companies too have their presence in the region.

Mr Neeraj Gupta, director - sales & marketing, Imperial Life Sciences, says, "NCR is regarded as a biotech commercial hub and as a capital of biosuppliers. Though other cities have some good research institutes, I think research infrastructure is much better in Delhi as compared to Bangalore and Hyderabad."

The Noida region is being developed as a 'biotechnology corridor' by the Uttar Pradesh government. Many of these, like the Jaypee Institute of Information Technology, Amity Institute of Biotechnology, Bioinformatics Institute of India are also offering bio-informatics courses to hundreds of students every year.

The Biotech Park at Chopanki, Bhiwadi (Alwar) initiated by Rajasthan State industrial Development and Investment Corporation (RIICO) is also expected to attract attention of many private players in the area.

Need for Improvement

A large number of companies are of the opinion that there is need for a makeover in the region as far as the needs and requirements of biotech industry are concerned. Most companies in the region agree that the core issues of skilled manpower and qualified employees require attention. Also, there is an increased need for collaborations between the public and private players.

"I don't consider NCR as a biotech hub yet. It still has a long way to go as compared to the cities such as Bangalore and Pune. Although the government research infrastructure such as NII, IGIB and AIIMS are located here, participation of private players has not been much," says Mr VK Dubey, MD, BI Biotech.

"Since NCR is the nucleus of research activities in India, I think that there is a need for having an exclusive scientific park in the region to promote the bioresearch activities," opines Mr SK Mukherjee, director, CliniRx.

The lack of vibrant atmosphere conducive for the growth of the industry still seems to be lacking, as compared to other major cities in the country. The authorities need to be more proactive in paying attention to key issues that hinder the progress of the industry in the region. The vested interests of real estate agents and other related factors may not allow the allocation of land to this industry. So, the authorities need to ensure that the prospective companies don't face any hurdles in expansion of business.

Another important issue that needs to be addressed is high land cost in and around New Delhi which discourages key pharma players from setting up their R&D centers here. Preferential allotment of land to biotech industry, rebate on land cost to set up industrial unit would help to accelerate biotech industry growth.

"Allocation of space for the industry along the Faridabad and Gurgaon-Manesar belt is a good initiative by the government. Besides that the corporate benefits and tax incentives are most welcome," says Mr Gupta of Imperial Life Sciences.

While agreeing that there is a need for a substantial biotech policy, Dr Shrikumar Suryanarayan says, "There is definitely the need for government authorities here to develop the biotech policy which is at par with other states such as Karnataka and Maharashtra."

The agenda should include the improvement of already available infrastructure, an uninterrupted power supply, better internal transportation and reasonable housing facilities for people working in NCR too need attention.

Dr Rajeev Soni, CEO, Premas Biotech, says, "This region needs warehouses for chemical and consumable storage, improvement of the infrastructure already available, reasonable housing facilities for people working in NCR, shopping and hospital services need to be added on top of the already existing ones."

Outlook

The region has all characteristics to reach the top in terms of numbers and revenue. Quick access to the research institutes and regulatory authorities is a plus. If nurtured well, it can become a competitive advantage and help the region emerge as one of the major biotechnology hubs in the country.

While being optimistic about the future, Dr Deb Ranjan Bhattacharya, director of Gurgaon-based consulting firm, Trishna Biotech, says, "NCR is poised to be the next big region for biotech following Bangalore, Hyderabad and Pune. Developing infrastructure in the area brings growth of biotech industry. We just need to leverage the advantages and create a vibrant atmosphere, which so far has been lacking."

Though the region is slowly being recognized for its contribution to the biotech industry, it still has a long way to go. The future growth of NCR depends on the level of attention given by the authorities to fulfill the specific needs of the industry. However, it goes without saying that if the industry in this region is able to leverage the plus points, the region can undoubtedly experience a much better expansion and growth.

Rahul Koul in New Delhi