



## About DehradunBDS.com

As part of the project 'Implementing Business Development Services in the Dehradun Pharmaceutical Cluster' a web portal [www.dehradunbds.com](http://www.dehradunbds.com) has been launched to provide a Common Platform for Service Providers and Enterprises in Dehradun Pharma Cluster. The Dehradun pharma manufacturers, BDS providers, consultants and suppliers can register to avail services of the web portal. The sections Events in Pharma Sector and Upcoming Events will provide latest information on the activities and events.

**REGISTER AT**  
[www.dehradunbds.com](http://www.dehradunbds.com)



## UPCOMING EVENTS PLANNED FOR NEXT QUARTER (JAN-MARCH-2010)

- Organising of 2st CCC meeting to review the progress
- Publication of 2nd Newsletter
- To organize 20 GMP audits ( 2 Man days per firm )
- To facilitate 12 GMP pilot projects
- To facilitate 15 walkthrough energy audits
- To facilitate 9 pilot energy saving projects
- Organizing a bankers meeting with the BDS providers to take decision on funding for implementation of Energy saving proposals (Dehradun and Haridwar District)
- Organizing Skill Up-gradation programme on Quality control and Quality Assurance for existing staff of SMEs in 3 locations
- 2nd exposure visits to Ahmedabad Pharma Cluster
- Organising one day Awareness programme on Export Markets
- Organizing one day Awareness programme on Drug master file preparation and filing
- Organizing one day Awareness programme with ICT consultant at two different locations of the cluster (Dehradun Dist, Haridwar Dist)
- Organizing a one day Awareness programme with LEAN consultants at 3 different locations of the cluster
- Facilitate to initiate study, preparation & submission of DPRs to Ministry of MSME to seek approval of CFCs Follow up
- Sensitization & Interface with BDS Providers (GMP,Energy, ICT, Marketing, etc)

**For more details visit [www.dehradunbds.com](http://www.dehradunbds.com)**

### About APITCO

APITCO, incorporated in 1976, is a premier Technical Consultancy Organisation (TCO) promoted jointly by all-India financial institutions (IDBI, IFCI, ICICI), industry development corporations in Andhra Pradesh (APIDC, APSFC) and Commercial Banks (Andhra Bank, Indian Bank, State Bank of India, Syndicate Bank). APITCO has been actively engaged in the development of fruit processing, foundry, readymade garments, handloom cotton durries and mango jelly clusters in Andhra Pradesh. Currently, APITCO is implementing nine SME cluster development projects in Andhra Pradesh for Mango Jelly Processing; Food Processing; Turmeric Processing; Readymade Garments Manufacturing; Burnt Lime Manufacturing; Graphite Crucible Manufacturing; Imitation Jewellery. APITCO has been chosen by SIDBI-PMD Division as the Facilitator Agency for the development of BDS markets in the Dehradun Pharmaceutical cluster.

#### For Further Details, contact

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### About CAPSULE

An association of SME services providers' organisation under one umbrella providing services to User SME organization. The ultimate goal is to enable MSMEs improve business performance and achieve sustainable growth. CAPSULE will do this by providing a basket of varied cost effective services comprising of the latest management methods and technology solutions which will in turn help the MSMEs make the best use of available resources.

#### How to Reach CAPSULE?

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**Volume 1 Issue 1**  
**July-Dec 2009**

## News Bulletin

Implementing Business Development Services (BDS)  
For MSMEs in Dehradun Pharmaceutical Cluster  
Implemented by SIDBI & Facilitated by APITCO Limited



### Dear Readers,

*I am delighted to inform you this inaugural edition of News Bulletin contains the success and achievements of latest initiatives under the project Implementation Business Development Services (BDS) for Dehradun Pharma Cluster.*

*The central focus of the project is to strengthen Business Development Services, to improve SME access to finance and to strengthen SMEs access to BDS. The Main objective of the Dehradun Pharma Cluster project is to strengthen the pharma sector in the areas of Technology, Marketing, Quality, Finance, and Energy through proper linkage with Business Development Service Providers.*

*I would like to grab this opportunity to express my gratitude to the industry for their support and cooperation with their virtuous views during the diagnostic study, preparation of action plan and the implementation of the activities in near past. I hope we would further strengthen this dynamic cluster and achieve sustainable growth in the cluster.*

*On behalf of APITCO I express my sincere thanks to SIDBI Dehradun, Foundation for MSME Clusters (FMC) and Directorate of Industries Uttarakhand for the guidance in implementation of the project. My special thanks to Drug Manufacturers Association (DMA) Dehradun, Association of Pharma Manufacturers (APM) Haridwar, Pharma Manufactures Association (PMA) Roorkee, Industries Association of Uttarakhand (IAU) and PharmaSMEs for their continuous support in implementing the project which aimed at providing sustainable growth of Pharma sector in the region.*

*With Best Wishes,*  
**V.B. Rajendra Prasad**  
Cluster Development Manager, Dehradun

### PROJECT OVERVIEW

With a view to enable BDS market development and make Indian SMEs to enhance their competitiveness, SIDBI has initiated a Project to provide need-based and demand driven BDS in the areas of technology, markets, skills, ICT, energy, environment etc. in select clusters. The project funded jointly by World Bank, DFID, KfW and GTZ, aims at providing BDS through professional organizations with proven track record in extending demand driven BDS and implementing cluster development interventions. APITCO has been chosen by SIDBI-PMD Division as the Facilitator Agency for the development of BDS markets in the Dehradun Pharmaceutical cluster. The project to be implemented over 32 months in 4 phases viz. a) pre Implementation, b) implementation, c) sustainability and d) exit

### BRIEF HISTORY OF THE CLUSTER

This is a policy induced cluster with a history of glorious 5 years. In January 2003, the Government of Uttarakhand in a policy initiation gave tax holiday on pharmaceuticals by doing away with excise duty @ 16% on ex-factory price of the product. The impact of this in many cases led to waiver in excise duty component which is as much as net profit by firm. In an industry that works on very small margins this came as a big incentive to pharmaceutical firm all over India, to relocate to Uttarakhand. To take the advantage of this benefit many entrepreneurs formed in other states like Gujarat, Maharashtra, Andhra Pradesh, etc. and established their units in this cluster.

### About SIDBI

SIDBI was established on April 2, 1990. The Charter establishing it, The Small Industries Development Bank of India Act, 1989 envisaged SIDBI to be "the principal financial institution for the promotion, financing and development of industry in the small scale sector and to co-ordinate the functions of the institutions engaged in the promotion and financing or developing industry in the small scale sector and for matters connected therewith or incidental there to.

With intent to facilitate increased flow of credit to MSMEs and support other developmental initiatives, SIDBI is implementing a multi-agency / multi-activity flagship project on financing and development of Small and Medium Enterprises in India.

SIDBI has been assigned with the responsibility of implementing the Project, Banking Division, DEA of the Ministry of Finance; Government of India (GoI) is the nodal agency for the same. For implementation of the project, SIDBI has setup a dedicated Project Management Division (PMD) at New Delhi. The World Bank, Department for International Development (DFID), UK, KfW and GTZ, Germany are the major international partners in the project.

**Cluster Coordination Committee (CCC)**

A fifteen member committee comprising of different stakeholders from Dehradun Pharma Cluster has been formed. The CCC is primarily constituted to Coordinate, Guide and Support the Implementing Agency for successful implementation of the Programme.

**First CCC meet**

On 3rd August, 2009 Cluster Coordination Committee meeting was organized at Dehradun. The Agenda for the meeting was to present the outcomes of the Diagnostic Study to the industry stakeholders. Interventions proposed to be undertaken during the implementation of the project were presented and validated by the members of the CCC. Project Manager Capt. D. Pulla Reddy, Subject Expert Mr. C. Suresh Babu, from APITCO and Shri. Rajiv Sharma, Project Coordinator, Foundation for MSME Clusters also attended the meeting.

The presentation of the Cluster Manager was followed by discussions with CCC members. Topics like, Quality, Skill Development Trainings, CFC, etc. were given emphasis in the meeting. Suggestions came out for the effective implementation of the project. In addition to this, some advocacy issues were also raised by the associations.

**EVENT SNAPSHOT**



**Dignitaries and members at the 1st cluster coordination meetings**

- Mr. S.C. Nautiyal, Additional Director of Industries, Uttarakhand.
- Mr. A.K. Pandey, Deputy General Manager, SIDBI
- Mr. M.N.V.V.S. Prabhakar, Sr. Technical Specialist, GTZ, Dehradun
- Mr. S.K. Sharma, Deputy General Manager, SIDCUL
- Mrs. Kaushalya Bandhu, General Manager, DIC, Dehradun District
- Mr. D.S. Bagri, General Manager, DIC, Haridwar District
- Mr. Pramod Kalani, President, Drug Manufacturers Association, Dehradun
- Mr. Sanjay Sikaria, Secretary, Drug Manufacturers Association, Dehradun
- Mr. N.L. Reddy, President, Pharma Manufacturers Association, Roorkee
- Mr. Umesh sanghi, Advisor, Pharma Manufacturers Association, Roorkee
- Mr. R.C.Jain, Vice President, Association of Pharma manufacturers, Haridwar
- Mr. Anil Sharma, Secretary, Association of Pharma manufacturers, Haridwar
- Mr. Gopal Rana, Lead District Manager, PNB, Dehradun District
- Mr. B.S. Martolia, Lead District Manager, PNB, Haridwar District
- Mr. V.B. Rajendra Prasad, Cluster Manager, APITCO, Dehradun

**Launch Workshop**

On 19th September, 2009, a workshop was organized to create awareness among the stakeholders about the action plan for the year 2009-10 and to facilitate interaction among the stakeholders at one place. It also aimed at providing a platform to make the presence of the project felt in the cluster. Shri. Manoj Mittal, DGM-SIDBI PMD, Shri A.K. Pandey DGM-SIDBI, Dehradun also participated in the Launch workshop. CCC members and Association members of SMEs were among other participants in the workshop.



(From Left: Shri. D.S. Bagri, GM DIC Haridwar, Shri. R.C. Jain, Vice President, APM, Haridwar, Shri Manoj Mittal, DGM, PMD-SIDBI, Shri. AK Pandey, DGM, SIDBI Dehradun, Shri Pramod Kalani, President, DMA, Dehradun, Shri N.L. Reddy President, PMA, Roorkee.)

Shri. Manoj Mittal, DGM PMD-SIDBI briefly explained about the scheme objectives and roles of the different agencies in implementation. The presentation of the Cluster Manager was followed by the presentation on "Emerging Trends in Pharmaceutical Sector" by Sri. C. Suresh Babu, Subject Expert and a presentation on the role of SIDBI in the development of MSMEs under various SIDBI schemes by Shri A.K. Pandey DGM-SIDBI, Dehradun.

**Workshop on "GMP- A Quality Tool"**

On 6th October, 2009, a workshop was organised on "GMP- A Quality Tool" to create awareness among the stakeholders regarding the Good Manufacturing Practices (GMP) and to empower cluster firms to comply and practice current Good Manufacturing Practices.

The presentation was given by Sri S.R.Parthasarathy Consultant, M/s. GMP Pharma Consultants on

introduction to GMP, regulatory norms & recent trends. He was also addressed the participants on how to improve the systems, adhering the good manufacturing practices and records maintaining.



Shri. S.C. Nautiyal, Addl Director of Industries, Uttarakhand interacting with SMEs while S.R. Parthasaradhy, consultant, GMP Pharma Consultants, Hyderabad Presenting the cGMP Regulations

The other noted dignitaries are participated, Shri S.C. Nautiyal, Addl Director of Industries, Uttarakhand, Sri. Pramod Kalani, President, Drug Manufacturers Association, Dehradun, Shri. Pankaj Gupta, President, Uttarakhand Industries Association and Shri. A.K. Pandey, DGM SIDBI Dehradun also participated in the workshop and guided the SMEs.

**Exposure Visit to Ahemedabad**

APITCO was organized two days Exposure Visit to Ahemedabad Pharma Cluster, during the period 11th & 12th December, 2009. Five members from the Drug Manufactures Association (DMA) Dehradun, and another 5 members from Association of Pharma Manufacturers (APM) Haridwar also visited. This exposure visit was linked with the Indian Pharma Congress (IPC) to understand the new technologies, and new products.

The main objective of the Exposure visit was to understand the best management practices, and the initiatives has taken by the Associations of the Ahemedabad Pharma Cluster for the sustainable development.

All the 10 members participated in the Pharmaceutical Expo 2009 and Chemical Expo 2009. Participants along with APITCO officials attended the interaction meet with Shri. Deepak Padia, Ex-president of IDMA, who initiated the cluster Development in Ahemedabad. Participants met Dr. Joshi, Executive Secretary, IDMA and shared their cluster experiences.



Group Photo of the Participants at IDMA Office, Ahemedabad

**Cluster Snapshot**

Cluster Spreads in	60 kms radius (i.e. Dehradun & Haridwar Districts.)
No. of Firms	185 (Formulations ) Dehradun 53, Haridwar 42, Roorkee 90
Type of Firms	Small Enterprises : 112 Medium Enterprises: 73
Product Mix	Tablets, Capsules, Liquid orals, Ointments and Injectables
Aggregate investment in SMEs	Rs. 1117crores
Aggregate employment in SMEs	12000 persons (aprox)
Aggregate turnover per annum in SMEs	Rs.1748 Crores
Presence of BDSPs	Low

**The issues identified during the diagnostic study are:**

BDS Areas	Key issues
Quality	Poor adoption of GMP practices by majority of the firms
Infrastructure	Inadequate availability of Testing labs
HRD	Limited availability of Skilled man power
Marketing	Limited access to export market
Finance	Poor credit facility to tide over any urgent / short term financial requirements
Pollution & waste management	Problem in disposal of hazardous waste and effluents
Energy Management	Poor adoption of energy saving measures
Information Communication Technology (ICT)	Lack of awareness on advanced usage of software and low computer literacy levels
Raw Material (RM)	Few basic raw material and excipients sourced from other states are very costly and faces its quality & timely delivery
Technology	Non availability of literature and facing problem in literature search

**Photo Gallery**

