



Trade-Technology E-Zine 25

(Centre for International Trade in Technology)

Infrastructure development key to promoting MSMEs

Infrastructure development simplification of labour laws and promoting innovation are the key factors for repositioning Indian MSMEs globally, said a survey by industry body CII. Four out of every five respondents to the survey ranked infrastructure development as the most important factor for growth of Indian MSMEs. Others counted simplification of labour laws and promotion of innovation and cutting edge technology as important areas. The biggest impediment for growth and development of MSMEs in the country is the high cost of credit followed by procurement of raw material at a competitive cost as per the survey.

(The Economic Times, 21 June 2010)

Coming soon: Instant food and drug recall alerts

A new technology that helps consumers and retailers identify food and medicine contamination early in the supply chain could soon grace your neighbourhood retailer. The Indian arm of the Brussels-based firm GS1 — the world's most widely-used supply-chain standards system — has initiated talks with the Food Safety & Standards Authority of India (FSSAI) to implement internet and mobile phone-linked standard systems for alerts and product recall for the foods and pharmaceutical industry.

The GS1 Systems works through key standards such as barcodes, electronic business messaging and radio frequency identification (RFID) technology to track products.

The technology could drastically change the dynamics of food and pharmaceutical retailing since alerts and recall will be standardized and brought under a common platform to consumers, retailers and the backend and across the supply chain. The system can identify, trace and inform consumers and trade about contaminated foods instantly. The GS1 system could also include issuing public notices that recall of the contaminated food sample has been terminated.

(The Economic Times, 21 June 2010)

Govt adds booster dose to pharma R&D

The Government will invite bids from consultancy firms to help set up an Rs 1,000-crore venture capital fund jointly with the private sector to finance expensive drug research. It wants a 'pharmaceuticals innovation fund' in public-private-partnership that would finance its dream of making India the home of one in every ten new drugs discovered worldwide. As per the plan, about 30% of the fund would come from the Centre and the rest from domestic and foreign investors and institutions.

As per official estimates, top 25 pharmaceutical companies in India spent about 6-7% of their total sales in R&D in 2008-09 fiscal compared to the global average of 12-15%. That amounted to a meager Rs 3,500 crore by 25 Indian companies in an industry with a turnover of Rs 90,000 crore including exports. That is less than 1% of the \$130 billion spent globally on drug research. Experts say domestic drug makers have to spend more than 15% of their sales in research, if they have to make their mark in drug discovery.

(The Financial Express, 21 June 2010)

Indian semiconductor market set to touch \$8 bn in 2011

Buoyed by demand from the telecom and IT sector, the semiconductor market in India is poised to grow at a CAGR of 22.1% to touch \$8.04 billion in 2011, according to the India Semiconductor Association (ISA). This is against revenues of \$5.39 billion in 2009, the ISA said.

According to the ISA-Frost & Sullivan India Semiconductor Market 2009-2011 Report, the Indian semiconductor market grew 15.6% in 2009, in contrast to the global market that shrunk by 11% from 2008 levels.

"The opportunity in the semiconductor industry is expected to witness a CAGR of 34.8% in the Total Available Market (TAM), the revenue of which is anticipated to climb to \$4.84 billion in 2011 from \$2.66 billion in 2009," the Report says.

"The total available market for the Indian electronics industry is anticipated to rise significantly to \$37.1 billion in 2011 from \$25.4 billion in 2009, growing at a CAGR of 21.4%. As ISA, we will work with the various players to tap the opportunities in the market," ISA Chairman Biswadi Mitra said. The opportunity is available across multiple segments like telecom, automotive and healthcare, he added.

(The Economic Times, 18 June 2010)

Biocon tops annual biotech industry survey

According to the eighth Biospectrum-ABLE survey of the sector for 2009-10, the national biotechnology industry touched Rs 14,199 crore (\$3 billion), growing at 17% year-on-year and three-fold in five years. For the near-term, the industry is unlikely to see the heady 30% growth rate and industry leaders also agree that the sector will grow at 20%, the survey noted.

Biopharma contributed nearly 60% or Rs 8,829 crore to the industry's revenues. Bioservices followed at Rs 2,639 crore, bioagri at Rs 1,936 crore, bioindustrials at Rs 564 crore and bioinformatics at Rs 231 crore. Exports accounted for over half the revenue of the sector. Nearly 63% of exports came from biopharma and 33% from bioservices.

Western India, with 137 companies, continued to dominate, with 46 per cent share or Rs 6,631 crore of the total revenues. The region is home to top bioagri companies Monsanto, Mahyco and Ajeet Seeds and MNCs GlaxoSmithKline, Roche, Aventis Pharma, Wyeth and top contract research organisation Quintiles India (Rs 375 crore).

(The Hindu Business Line, 18 June 2010)