

**BID DOCUMENT FOR SELECTION OF A  
GLOBAL LEVEL CONSULTANT  
FOR PREPARATION OF  
FOR DEVELOPING INDIA AS A  
DRUG DISCOVERY AND PHARMA INNOVATION HUB BY 2020**

**1. PURPOSE OF BID**

Indian Institute of Management Ahmedabad (IIMA), invites Technical and Financial bids in sealed envelopes as directed hereinafter for selection of a Global Level Consultant (GLC) for preparation of a Detailed Project Report (DPR) For Developing India as a Drug Discovery and Pharma Innovation Hub By 2020 (DPRP2020) on behalf of Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers, Government of India (DoP) so as to enable DoP to plan and implement strategies and action plans for developing India as the drug discovery hub in the global market.

**2. BACKGROUND**

2.1 In 1970, India passed the process patent law that gave birth to the Indian pharma industry as we know it today. From a position where, domestic pharma had a revenue share of less than 10% and no presence to speak of internationally, by 2006, Indian pharma had a 90% revenue share domestically in India, with \$8 billion worth of exports in an industry that was now worth a total of

\$20 billion. Along the way, Indian pharma firms developed a deep expertise in low cost production of drugs (India now has the largest number of FDA approved manufacturing plants in the world after the US), in chemical analysis and synthesis, in formulations and increasingly in new chemical entities and clinical trials.

Government of India has so far played a reasonably strong role of stewardship in supporting the pharmaceutical industry. It adopted a product patent regime in 2005 in keeping with its commitments to WTO. Another important step has been setting up of the new Department of Pharmaceuticals (DoP) under the Ministry of Chemicals and Fertilizers (MoCF) in May of 2008. Government has been investing heavily in PSUs such as Hindustan Antibiotics Limited (HAL), Indian Drugs & Pharmaceuticals Limited (IDPL), and Bengal Chemicals & Pharmaceuticals Limited (BCPL), which enabled India to manufacture and offer low cost medications to its citizens. Over the last few years, government has also increased its investment in research education and training (e.g., setting up of 6 more NIPERs).

Government has been eager to replicate the success of IT in Pharma R&D too by providing all possible support. For example, Department of BioTechnology in its National Biotechnology Development Strategy report noted its intention to support at least 10 biotech parks by 2010 (Exhibit G). Government has already set up biotech parks in Lucknow and Hyderabad and three more are in development to encourage entrepreneurs in the biotech field and promote public private partnerships. Government has also funded

a variety of schemes and scholarships to fund research projects through CSIR, DST etc. Government has also improved standards in the industry by revising schedule M of the drugs and cosmetics act.

2.2 Going forward, growth of the Indian pharma industry will depend on a number of factors like

- Increasing costs of drug discovery
- Growing role of genomics in the discovery and development of new drugs
- An estimated \$300 billion worth of revenues of drugs going off patent between 2010 and 2015
- New emerging markets for bio-similars and bio pharma
- Potential of growth in clinical trial industry
- Availability of skilled manpower in a number of areas like biologists, toxicologists, clinicians, medical device specialists, principal and associate investigators, bio-statisticians, epidemiologists and clinical research associates.

By 2020, the size of the US healthcare market alone is expected to increase to more than \$4 trillion from \$2.3 trillion in 2010. To tap this market opportunity Indian strengths in medicinal chemistry are to be built for bio-pharma products through biologics capabilities. Additionally a ten fold increase in R&D spend along with world class HR and Infrastructure for research are mandatory. All these activities require a holistic, concerted and mission approach. Hence the need to have a Detailed Project Report to enable build

India as the drug discovery and pharma innovation hub in a defined time frame which is by 2020.

2.3 There is thus a potential and an opportunity. Hence the need to harness both. To do this DoP wishes to act to be a pro-active facilitator for the Indian pharmaceutical industry and significantly spur the growth of the sector to make it a leading pharma player in the global scenario thereby taking advantage of the opportunity and its own unique potential.

2.4 For this the first step is preparation of a Detailed Project Report (DPR) For Developing India as a Drug Discovery And Pharma Innovation Hub By 2020 (DPRP 2020) which will enable making of appropriate policies, frame strategies and action plans for becoming a hub for drug discovery and pharma innovation. In turn, it will enable the Indian pharmaceutical sector to significantly spur the growth of the sector to make it a leading pharma player in the global scenario. Accordingly DoP wishes to appoint a Global Consultant for preparation of the DPRP 2020.

### **3. OBJECTIVE OF THE DPRP 2020**

To enable DoP to make appropriate policies, frame strategies and action plans for being a pro-active facilitator to make India as the Drug Discovery and Pharma Innovation Hub by 2020 and thereby build India as a leading global provider of quality medicines at affordable prices for all and develop capacity to cure world's ailments from India.

## **4. SOME KEY COMPONENTS OF THE DPRP2020**

### **4.1 Goal Definition and Targets identification:**

- (i) The DPRP 2020 will include pharma and bio-pharma sectors.
- (ii) The GLC needs to provide clear operational definitions of the Goal with reasons of what it would mean to become a drug discovery and global pharma innovation hub by 2020. More specifically it would address the following objectives:
  - Achieving target of every 5<sup>th</sup> drug to be discovered/developed in India and thereby Capture 15-20% share of world's R&D pipeline leading to a US \$ 70 Bn pharma production by 2020.
  - Development of New medicine regime for tropical/third world diseases – Malaria, TB, etc
  - Requirement of funds as per set physical achievement parameters
  - Scope and strategies for tapping investments of US \$ 1-2 Bn/year for 5 years upto 2015 leading to additional GDP contribution of US \$ 15-20 Bn.
  - Achieving upto 5 million employment including 500,000 high pay jobs.
- (iii) Identification of initiatives required for achieving objectives such as developing world class:
  - Infrastructure for R&D
  - HR for drug discovery and pharma innovation

The GLC to provide details of steps being taken globally viz. by developed countries as also competing countries like China, Israel, Singapore, etc., in the above context.

- (iv) Delineation in pharma and bio-pharma of target Opportunity segments in developing new drugs through R&D Clinical Research for drug discovery, Botique research in selectd molecules/bio-generic products and End-to-End (ETE) drug discovery leading to novel drug discoveries of new molecules / bio-pharma products in pharma and bio-pharma sector innovation.
- (v) Delineation of aspirations for drug discovery and phrama innovation in key therapeutic area – for example, antibiotics, cardio-vascular drugs, psychiatric drugs, nephrological drugs, asthma, cancer, osteopathy, diabetes, tuberculosis, malaria, lifestyle, gastro-intestinal, etc. along with a special focus on neglected drugs and orphan diseases specially those epidemic to India.
- (vi) Human Resource Requirements:**
  - (a) Demand Supply Analysis of the relevant Human Resource (HR) to achieve the Goal.
  - (b) Implications of the above on the HR requirements in the relevant skill set (skill sets to be identified including current status, gaps, demand, requirement to fill in the gaps, etc) in India in 2010, 2015 and 2020.

- (vii) World class and globally competitive Infrastructure development for Drug Discovery
- (viii) Funding mechanism including innovative innovation for public private partnership models.

**(ix) Value Proposition Identification:**

Clear value proposition of India vis-a-vis other competing countries/destinations and innovation hubs for attracting R&D investments in drug discovery and innovation for each of the therapeutic areas that have been identified, mapping with the value that is coming out of India in terms of where the contribution will be in the drug development value chain. A critical factor in this would be affordability to provide improved access to the common man, specially the poor and disadvantaged.

**4.2 The Implementation roadmap for achieving the dynamics of the above vision and aspiration would include:**

- (1) Funding and investments related strategies and action plans such as:
  - a) Investments needed till 2020 to achieve the goals set for example investments of about US \$ 1-2 billion for upto 5 years so as to achieve the desired goals and objectives
  - b) Models for funds disbursement/spending and fund sourcing (including collaborative private-public models and innovative financing models)

- c) Structuring of these investments. The need to be structured / who needs to do how much. How much does industry need to invest in which thrust areas? How much does the government need to invest in research and education in pharmaceuticals?
  - d) Where will this funding come from? Why from these sources and not others? What will be the financing models? Evaluation of this aspect of the proposal would be guided by the justification for the numbers proposed, their links to and why a particular proposed model is better than the alternative ones.
- (2) Roles and responsibilities of different stakeholders (i.e. industry, government, academia)
- (3) Organisation and people resources needed to execute against this road map in as much as to identify.
- a) Requirements of adequate internal and external manpower by DoP for evaluating, monitoring and implementing the plan.
  - b) Requirements, Strategies and action plans for building stake-holdership of industry, industry associations, individual entrepreneurs, industry groups, policy stake-holders, etc

#### **4.3 Mechanisms for monitoring the implementation of the DPRP2020.**

What would be the processes for implementation monitoring before the process becomes “self sustaining” and no longer needs handholding? What will be the mechanisms that will provide course corrections to the initiative?

#### **5. TIME FRAME FOR REPORT PREPARATION**

From the time that the contract is awarded to the consultant, the overall time frame for preparation of the DPRP2020 would be maximum of THREE MONTHS ONLY till the report submission.

#### **6. BIDDER QUALIFICATION REQUIREMENTS**

##### **Part-I**

6.1 Consulting firms submitting bids to prepare the DPRP2020 would need to satisfy the requirements as below:

6.1.1 The GLC should have offices around the globe with a presence (office and income in a country) in at least 10 key countries (including all the main present and potential markets for Indian pharma exports like the US, Canada, Western Europe, China, Brazil, Japan, etc, and geographies from where competition is expected like China, Singapore and Israel) so as to be able to access and provide knowledge on pharma trends from the major pharma markets of interest to Indian pharmaceutical firms for the purpose of this assignment.

- 6.1.2 The GLC should have global revenues in excess of USD 500 million per annum in each of the last three years of operations – it is expected that this level of billings would correspond to a presence in more than 10 countries with commensurate size of projects.
- 6.1.3 The GLC should have offices in India and be in operation in India for at least 5 years.
- 6.1.4 The GLC should have experience of at least 5 years of consulting for any 5 developing country sovereign government.
- 6.1.5 The GLC should have adequate experience / capability on subject matters relating to the project which include but is not limited to experience in pharma R&D drug discovery and innovation management projects
- 6.1.6 The GLC should have processes for documentation and dissemination of knowledge within and outside the firm.
- 6.1.7 The GLC must show evidence of successful completion of consulting engagements in the pharmaceutical sector in at least one country in each of North America, Western Europe and Asia (from amongst the countries mentioned in point # 1 of this section) in the past 5 years.

## **Part-II**

### **6.2 Company level details to be furnished by the bidder**

Following details need to be furnished by the Bidder GLC:

- a) Name of the Firm
- b) Address
- c) Telephone
- d) Email Address
- e) Type of Firm (LLP, company, etc.)
- f) Registration information
- g) Place of incorporation
- h) If subsidiary, name of parent company (as per company act) along with all details of parent company
- i) Name, designation and address of two individuals of the firm for purposes of communication and representation
- j) Years of Operation of Firm Globally and in India
- k) Previous Experience of advising government (Indian and foreign)

## **7. The Bid Process**

### **7.1 Bid Document**

The bid document will consist of two parts – the Technical Bid and the Financial Bid.

### **7.2 Bid Submission**

Each bidder will submit the Technical bid and the Financial bid each in individual sealed envelopes – **THAT IS ONE SEALED**

**ENVELOPE FOR TECHNICAL BID AND ANOTHER  
SECOND SEALED ENVELOPE FOR FINANCIAL BID.  
BOTH THESE ENVELOPES WILL THEN BE KEPT IN THE  
THIRD SEALED ENVELOPE ADDRESSED TO PROF  
ARVIND SAHAY, WING 10, ROOM 10F: MAIN CAMPUS;  
INDIAN INSTITUTE OF MANAGEMENT, VASTRAPUR,  
AHMEDABAD – 380015.**

### **7.3 Bid Appraisal**

- (i) The technical bids will be opened first. Technical bids should provide evidence of how the consultant proposes to approach the requirements of the assignment (showcasing of existing relevant knowledge within the firm, proposed data collection approaches, etc.). Technical bids will be evaluated on the quality of preliminary evidence on the questions / criteria mentioned in the document.
  
- (ii) Financial bids will only be opened for those bidders who qualify for the technical bids. The FINANCIAL BID WILL STATE BID AMOUNTS FOR
  - (a) Preparation of the DPRP2020 as per directed time frame.
  
  - (b) Providing services for monitoring and implementation of the DPRP2020 for 3 months after submission of the DPRP2020.
  
- (iii) The bid will be awarded to the lowest bidder from amongst those that qualify on the technical qualification norms. DoP

reserves the right to restrict the award to only the report submission or both the report and the monitoring and implementation. The decision of DoP will be final.

## **8. Target dates and Payments:**

- i. Preparation of First Draft: 1 month after award of contract
- ii. 2<sup>nd</sup> Interim Draft: 2 months after award of  
contract
- iii. Final draft for discussion: 3 months after award of  
contract
- iv. Final Document: Within 4 months of award of  
Contract
- v. Implementation and  
Monitoring

The payments will be 20% on completion of each of the 5 stages listed above.

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