## Done and delivered by drones: Pharma firms chart a new course

The industry is taking the lead in using the devices and a wider business use is expected soon, report **Sohini Das** & **Shivani Shinde** 

A drone delivering medical supplies in remote hilly regions could save lives: It is also a business opportunity attracting big pharmaceutical companies.

Cipla, the third ranking company in India's pharma market, recently started delivering critical medicines – cardiac, respiratory and other essential therapies – to hospitals and pharmacies in Himachal Pradesh in partnership with Skye Air Mobility, a Gurugrambased drone delivery company.

Mumbai-based Cipla is the first among large pharma companies to start drone-based deliveries. It is a significant event as most such services in remote hills are run by state governments.

Ankit Kumar, founder and chief executive officer of Skye Air Mobility, who has worked with several state governments, said drones could work in major cities and his company recently launched such a service in Kolkata.

"We have got two verticals: Unmanned traffic management system (UTM, a SaaS-based system) and drone delivery as a services model (DaaS). As for DaaS, we have worked on multiple projects in Himachal Pradesh, Uttarakhand, Bangalore (Bengaluru) and Nagaland with state governments and the private sector." said Kumar.

Cipla's drones in Himachal
Pradesh travel some 50 km in less
than 25 minutes. "This (drone delivery) has been vital amid adverse
and prevailing weather conditions
that have impacted conventional
transportation routes in the state,"
it said. Upbeat about the potential,
the company aims to expand the

service to hilly terrains in Uttarakhand and Northeast India.

Kumar said the
health care sector in
India and abroad is the prime
adopter of drones because concern for life will always trump
time-versus-cost analysis.
"For instance, in Himachal

Pradesh there are places that get cut off for around four months because of heavy snow or landslides. We have been delivering medicines and enabling diagnostic sample movement for the state and private sectors. In such territories, drone delivery has proven to be a boon for people," he said.

Drones are more sustainable compared to road logistics, said Skye Air, which works in states on terms that ensure cost-economic viability for both sides.

Navigating a drone in challenging terrain and bad weather is not easy. "Drones are reliable flying machines, which may fail due to man, machine, or material error. In such events, our focus is always to follow the due process and react in situations according to our emergency response plan." said Kumar.

"We have multiple redundancies in our sub-systems to take care of

each aspect of failures."

Tata 1mg, the digital health care firm, started drone delivery of diagnostic samples and medicines in Dehradun in late 2022. SRL Diagnostics (now Agilus Diagnostics) started working with Skye Air in April 2022 to use drones for collecting samples and transporting them to laboratories in Gurugram and Mumbai. TechEagle, a startup, works with the Himachal Pradesh government to deliver medicines and vaccines in remote areas, especially in winter.

Drone delivery is in its early phases and full commercial deployment will take time, say companies. "Our drone deployment pilots are still underway. We are trying to experiment with a few models to identify

clusters where this can be a stable and reliable logistics option," said Prashant Tandon, co-founder of Tata 1mg.

Drone delivery will be cost effective in cities. "Based on the data

points analysed by our team, we clearly see drone delivery saving around 20 per cent cost compared to conventional means at scale in cities like Gurugram or Kolkata. In Bangalore, the savings would be even higher," said Kumar.

Two pharmaceutical companies said they explored drone delivery, but costs and low volumes made it unviable for now.

"The distance — the load — is not very impressive for the costs involved. So it did not seem viable as a regular or long-term route," said a South India-based pharma firm.

The Indian government's agencies tried pilots with drones during the coronavirus pandemic. The Indian Council of Medical Research conducted a pilot to deliver Covid-19 vaccines in Manipur and Nagaland through drones in October 2021.

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