

Scheme for Development of Pharmaceuticals Industry

The Department of Pharmaceuticals has prepared a Scheme for Development of Pharmaceuticals Industry with the objective to ensure drug security in the country by increasing the efficiency and competitiveness of domestic pharmaceutical industry with the following sub-schemes: (a) Assistance to Bulk Drug Industry for Common Facility Centre; (b) Assistance to Medical Device Industry for Common Facility Centre; (c) Pharmaceuticals Technology Upgradation Assistance Scheme (PTUAS);(d) Assistance for Cluster Development; and (e) Pharmaceutical Promotion Development Scheme (PPDS). The said scheme is a Central Sector Scheme with a total financial outlay of Rs. 480 Crore. The guidelines for implementation of the sub-schemes are uploaded on the website of the Department.

The details of the sub-schemes are as follows:

i. Assistance to Bulk Drug Industry for Common Facility Centre:

Under the sub-scheme, financial assistance would be provided for creation of common facilities in any upcoming Bulk Drug Park promoted by State Governments/State Corporations. The Scheme would be implemented through a one-time grant-in-aid to be released to a State Implementing Agency (SIA) set up for the purpose. Some of the indicative activities under the Common facilities include Effluent Treatment Plants, Captive Power Plants, Steam and Cooling systems, Incubation facilities, Common logistic facilities, Advance common testing Centre, Regulatory awareness facilitation Centre and Emergency Response Centre. A total of Rs. 200 Crore has been earmarked for the scheme. The maximum limit for the grant in aid under this category would be Rs. 100 Crore per Bulk Drug Park CFC or 70% of the project cost of CFC whichever is less.

ii. Assistance to Medical Device Industry for Common Facility Centre:

Under the sub-scheme, financial assistance would be provided for creation of common facilities in any upcoming Medical Device Park promoted by State Governments/State Corporations. The Scheme would be implemented through a one-time grant-in-aid to be released to a State Implementing Agency (SIA) set up for the purpose. Some of the indicative activities under the Common facilities include Component Testing Centre, Electro-magnetic interference laboratory, Biomaterial / Biocompatibility testing centre, Medical grade low vacuum moulding, Cabinet moulding injection moulding centers, 2D designing and printing for medical grade products, Sterilization and Toxicity testing centre, Radiation testing centre, etc. A total of Rs. 100 Crore has been earmarked for the scheme. The maximum limit for the grant in aid under this category would be Rs. 25 Crore per Medical Device Park CFC or 70% of the project cost of CFC whichever is less.

iii. Pharmaceuticals Technology Upgradation Assistance Scheme

The objective of the sub-scheme is to facilitate Small and Medium Pharma Enterprises (SMEs) to upgrade their plant and machinery to World Health Organization (WHO)/Good Manufacturing Practices (GMP) standards so as to enable them to participate and compete in global markets. Assistance in the form of interest subvention against sanctioned loan by any scheduled commercial bank/financial institution, both in Public and Private sector will be provided to 250 pharma SMEs of proven track record. The Scheme is implemented through a Public Sector Financial Institution (PSFI) to be identified by the Government. A total of Rs. 144 Crore has been earmarked for the scheme. The upper limit of interest subvention on loans for technology/infrastructure upgradation shall be restricted to 6% per annum for a period of three years on reducing balance basis. The maximum loan eligible for this purpose will be Rs. 4 Crore, availed by the concerned SME.

iv. Assistance for Cluster Development

This is an existing and approved scheme of the Department (Cluster Development Programme for Pharma Sector (CDP-PS)) now being subsumed under the umbrella scheme. Under the Scheme, financial assistance would be provided for creation of common facilities in any pharma clusters including Bulk Drug, Medical Device, Ayurvedic, Unani and Cosmetics Units. Some of the indicative activities under the Common facilities include Common Testing Facilities, Training Centre, R&D Centres, Effluent Treatment Plant and Common Logistics Centre. The Scheme would be implemented on a Public Private Partnership (PPP) format through one time grant-in-aid to be released in various to a Special Purpose Vehicles (SPVs) set up for the purpose. A total of Rs. 30 Crore has been earmarked for the scheme including Rs. 10 Crore which was allocated in 2017-18. Maximum limit for the grant in aid under this category would be Rs 20.00 Crore per cluster or 70% of the cost of project whichever is less.

v. Pharmaceutical Promotion Development Scheme

This is an existing and approved scheme of the Department now being subsumed under the umbrella scheme. The scheme aims at the promotion, development and export promotion in Pharmaceutical sector by extending financial support for conducting seminars, conferences, exhibitions, mounting delegations to and from India for promotion of exports as well as investments, conducting studies/ consultancies, for facilitating growth, exports as well as critical issues affecting Pharma sector. A total of Rs. 6 Crore has been earmarked for the scheme.
