

SPVs to develop pharma cluster likely by 2016

Will ask FinMin to enhance outlay for scheme to ₹1,000 cr, says Ananth Kumar

OUR BUREAU

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Design and engineering consultancy Projects & Development India Ltd (PDIL), a public sector mini ratna under the Ministry of Chemicals & Fertilisers, will come out with a proposal by next year to form Special Purpose Vehicles (SPVs) to implement the cluster development programme for the pharma sector.

Announcing this here on Wednesday, the Minister for Chemicals and Fertilisers, Ananth Kumar said PDIL, which has been appointed as the project management consultant, will shortly prepare a detailed project report for developing the clusters through public-private partnership mode.

"We already have 14-15 such clusters in the country. But we need some greenfield ones too. By the end of this fiscal, we should have six pharma parks on a pilot basis," he said, adding that three will be greenfield and three brownfield.

Kumar said he will also be asking the Finance Ministry to enhance the outlay for this Central scheme to ₹1,000 crore so that it can be made pan-India. At present, the scheme, announced in July 2014 for upgradation of existing clusters and setting up new ones, has a proposed size of ₹125 crore.



Ananth Kumar.

Under the scheme, common facilities, such as testing labs, effluent treatment, training centres among others will be available for pharma companies in the cluster. This will benefit about 10,000 pharma units in the small and medium sector (SMEs). A grant-in-aid of ₹20 crore per cluster or 70 per cent of the project cost, whichever is less, will also be given under the scheme.

VK Subburaju, Secretary, Pharmaceuticals, said this was the first time that a project-based scheme was being formally launched after the Jan Aushadhi scheme six years ago. He said so far, the Indian pharma sector, which is a major exporter to over 200 countries, had come up entirely on its own, thanks to private sector initiatives.

"A scheme to assist SMEs to technologically upgrade is also being worked upon," he added.

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