

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
STARRED QUESTION NO. *59
TO BE ANSWERED ON 12.12.2022

Schemes for MSMEs in pharmaceutical sector

*59. SHRI.B.PARTHASARADHI REDDY:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether Government has implemented any scheme for the Micro, Small and Medium Enterprises (MSMEs) in the pharmaceutical sector to encourage new market access initiatives;
- (b) if so, the details of benefits being provided to pharma MSMEs under the said schemes; and
- (c) the details of pharma projects benefited under the said schemes in the State of Telangana?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a) to (c): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (c) OF THE RAJYA SABHA
STARRED QUESTION NO. *59 FOR ANSWER ON 12.12.2022**

(a) to (c): There are various schemes of the Government to encourage new market access of MSMEs. The Ministry of MSME's schemes like Procurement and Marketing Support Scheme and International Cooperation Scheme provide support for market access to MSMEs from all sectors, including the pharmaceutical sector, all over the country, including Telangana. As informed by the Department of Pharmaceuticals, the Government has taken several measures to encourage new market access, which include the following schemes:

- (i) Production Linked Incentive (PLI) Scheme for promotion of Domestic Manufacturing of Critical Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) in India: This scheme has a financial outlay of Rs. 6,940 crores and the tenure is from 2020-21 to 2029-30. A total of 51 applications have been selected under the scheme. Out of these, 13 projects belong to the MSME category and a total of 15 projects are located in Telangana.
- (ii) Production Linked Incentive Scheme for Pharmaceuticals: This scheme has a financial outlay Rs. 15,000 crores and the tenure is from 2020-21 to 2028-29. The scheme provides for financial incentive to selected applicants for manufacturing of identified products. Out of the 55 selected applicants, 20 are from MSME category.
- (iii) Strengthening of Pharmaceutical Industry (SPI) Scheme: This scheme has a financial outlay of Rs. 500 crores and the tenure is from 2021-22 to 2025-26. The scheme provides for infrastructure support for pharma MSMEs in clusters and addresses issues of technology upgradation of individual pharma MSMEs through the following sub-schemes:
 - a. Under the sub-scheme of Assistance to Pharmaceutical Industry for Common Facilities (API-CF), support is provided to strengthen the existing pharmaceutical MSME clusters for their sustained growth by creating common facilities. Under this sub-scheme, two projects from Hyderabad cluster are in Telangana.
 - b. The objective of the sub-scheme of Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS) is to assist MSMEs of proven track record to meet national and international regulatory standards (WHO-GMP or Schedule-M) through interest subvention or capital subsidy on their capital loans to facilitate their growth in volumes and quality.
- (iv) Production Linked Incentive (PLI) Scheme for Promoting Domestic Manufacturing of Medical Devices: This scheme has a financial outlay of Rs. 3,420 Cr and the tenure is from 2020-21 to 2027-28. Financial incentives are given to selected companies at the rate of 5% of incremental sales of medical devices manufactured in India for a period of five years. Out of the total 21 applications/projects selected under the scheme, 10 applicants belong to MSME category and one project is located in Telangana.
