

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS**

RAJYA SABHA
STARRED QUESTION NO. 90
TO BE ANSWERED ON THE 30TH JULY, 2024

Startups scheme in Pharma sector

90 # Smt. Geeta alias Chandraprabha:

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) whether any special scheme is being run by Government to encourage startups in the Pharma sector of the country;
- (b) if so, the total number of new industries established in the Pharma sector of the country through startups during the last three years;
- (c) whether financial assistance is provided by Government in setting up of these industries;
- (d) if so, the total amount of financial assistance provided by Government to such established industries; and
- (e) the total number of new industries established under Pharma sector in Uttar Pradesh during the last three years and the details thereof?

ANSWER

**THE MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SHRI. JAGAT PRAKASH NADDA)**

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to the RAJYA SABHA STARRED Q. No. 90 (15TH POSITION) for answer on 30.07.2024 raised by Smt. Geeta Alias Chandraprabha regarding “Startup Scheme in Pharma Sector”

(a): The Government of India has implemented several schemes to encourage startups across various sectors including the pharmaceutical sector. These include:

Startup India Initiative, launched on January 16, 2016, which aims to foster innovation and encourage investments across various industries, including the pharmaceutical sector. The initiative includes three flagship schemes viz., Fund of Funds for Startups (FFS); Startup India Seed Fund Scheme (SISFS); and Credit Guarantee Scheme for Startups (CGSS).

Biotechnology Industry Research Assistance Council (BIRAC) under Department of Biotechnologies offers funding assistance through initiatives such as the Biotechnology Ignition Grant (BIG), Sustainable Entrepreneurship and Enterprise Development (SEED), and Launching Entrepreneurial Driven Affordable Products (LEAP) schemes. The funding ranges from INR 30 Lakhs to INR 100 Lakhs per startup, enabling them to refine their ideas, establish proof-of-concepts, pilot, and commercialize their products and technologies. BIRAC also promotes innovation and research in biotechnology through the i4 programme and the PACE programme.

It is also pertinent to mention that Department of Pharmaceuticals has launched a Scheme for Promotion of Research and Innovation in Pharma-MedTech sector (PRIP). Under Component BIII of the PRIP scheme, 50 of 125 research projects in the identified six priority areas are for the startups in the pharmaceuticals sector.

(b): As of 30th June 2024, the Department for Promotion of Industry and Internal Trade (DPIIT) has recognized a total of 1,40,803 entities as startups, of which 2,127 are from the pharmaceutical sector. During the last three years, 1397 DPIIT-recognized start-ups were set up in the pharmaceutical sector details of which are as follows:

Sector	2021	2022	2023	Total
Pharmaceutical	283	451	663	1,397

(c) & (d): Under the Startup India initiative, the Government is implementing flagship schemes, namely, the Fund of Funds for Startups (FFS); the Startup India Seed Fund Scheme (SISFS); and, the Credit Guarantee Scheme for Startups (CGSS). Under these Schemes support is extended to startups across all sectors and industries at various stages of their business cycle. SISFS provides financial assistance to seed-stage startups through incubators. The scheme was launched in FY 2021-22 for a period of 4 years with a corpus of Rs. 945 Cr. As of 30th June 2024, under SISFS, Rs. 862.84 crore has been approved for 205 incubators. FFS has been established to catalyse venture capital investments and is operationalized by the Small Industries Development Bank of India (SIDBI). SIDBI provides capital to Alternative Investment Funds (AIFs) registered with Securities and Exchange Board of India (SEBI), which in turn invest in startups. As of 30th June 2024, under FFS, Rs. 10,804.7 crore has been committed to 138 AIFs. CGSS is implemented to enable collateral-free loans to DPIIT recognized startups through eligible financial institutions (Member Institutes - MIs). The scheme is operationalized by the National Credit Guarantee Trustee Company (NCGTC)

Limited and has been operational on a pilot basis from 1st April 2023. As of 30th June 2024, 182 loans amounting to Rs. 426.09 crore have been guaranteed to beneficiary startups. These initiatives demonstrate the Government's commitment to fostering a robust startup ecosystem in India.

(e): The number of new industries established under Pharma Sector in Uttar Pradesh during last three years is 214, of which 176 units are in medical devices and 38 units are in drugs and formulations.
