GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS

LOK SABHA UNSTARRED QUESTION NO. 2626 TO BE ANSWERED ON 04th August, 2023

High-End Medical Equipments

†2626. SHRI PARBATBHAI SAVABHAI PATEL:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the steps taken/proposed to be taken by the Government on high value medicine and highend medical equipments to reduce the dependence on imports by the country;
- (b) the steps taken/proposed to be taken by the Government to reduce the dependence on imports by improving indigenous production in the country; and
- (c) the number of Micro, Small and Medium Enterprises (MSMEs) covered under Production Linked Incentive (PLI) scheme in pharmaceutical sector across the country particularly in Gujarat?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI BHAGWANTH KHUBA)

- (a) & (b): The Government of India has taken several measures to encourage domestic manufacturing of Pharmaceuticals and Medical Devices to reduce import dependence. The steps taken to support Medical Devices and Pharma Industries are as under:
 - i. Production Linked Incentive Scheme for Promoting Domestic Manufacturing of Medical Devices (PLI MD) with total financial outlay of Rs. 3,420 crore and tenure from FY 2020-2021 to FY 2027-28. The financial incentive is to be given to selected companies at the rate of 5% on incremental sales of medical devices manufactured in India and covered under the Target segments of the scheme, for a period of five (5) years. 26 applicants have been approved under the scheme
 - ii. Production Linked Incentive Scheme for Pharmaceuticals has been launched with total financial outlay of Rs. 15,000 crore and tenure from FY 2020-2021 to FY 2028-29. The scheme covers the In-Vitro Diagnostic (IVD) devices under product Category 3. Total 55 applicants have been approved under the scheme out of which 5 applicants are selected for In-Vitro Diagnostic (IVD).
- iii. The scheme *Promotion of Medical Devices Parks*, with a total financial outlay of Rs. 400 crore and the tenure from FY 2020-2021 to FY 2024-2025, provides for the maximum financial assistance of Rs. 100 crore each to 4 selected States/Union Territories for creation of Common Infrastructure Facilities in the upcoming Medical Devices Parks. Under the scheme, final approval for financial assistance of Rs. 100 crore each, has been given to the States of Uttar Pradesh, Tamil Nadu, Madhya Pradesh and Himachal Pradesh.

- iv. Under the scheme Assistance to Medical Device Clusters for Common Facilities (AMD-CF) the government is providing financial incentive to Medical devices clusters to develop common infrastructure facilities like Medical devices testing labs, E-waste treatment facility, logistic centers. The scheme also provides financial assistance to National or State level Government or Private institutions interested to establish or strengthen testing facilities for medical devices.
- v. To attract investments in Medical Devices sector, the Government has allowed 100% FDI under automatic route
- vi. In addition, the Department has recently notified National Medical Devices Policy, 2023 and has set up Export Promotion Council for Medical Devices.
- (c): Under Production Linked Incentive (PLI) Scheme for Promotion of Domestic Manufacturing of critical Key Starting Materials (KSMs)/ Drug Intermediates and Active Pharmaceutical Ingredients (APIs), 12 MSMEs companies have been selected, out of which 3 companies are located in the state of Gujarat. Under PLI Scheme for Pharmaceuticals, 20 applicants are MSMEs, out of which 5 applicants are located in the state of Gujarat.
