

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

LOK SABHA  
UNSTARRED QUESTION NO. 3751  
TO BE ANSWERED ON THE 17<sup>th</sup> MARCH, 2020

**Cluster Development Programme**

**3751. SHRI Y. DEVENDRAPPA:**

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

- (a) the broad objectives and the details of the Cluster Development Programme for pharma sector;
- (b) the funds allocated to various Clusters/Parks in the country including those at Bellary District in Karnataka;
- (c) whether the Government has any proposal to help further growth of the pharmaceutical industry in Bellary District in Karnataka; and
- (d) if so, the details thereof?

**ANSWER**

**MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS  
(SHRI D. V. SADANANDA GOWDA)**

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(a) Sir, the Department of Pharmaceuticals has launched a Cluster Development Program for Pharma Sector (CDP-PS) scheme in the year 2015 to enhance quality, productivity and innovative capabilities of Small and Medium Enterprises (SMEs) in the country. The broad objectives of the scheme are as under:

- (i) Strengthening the existing infrastructure facilities in order to make Indian Pharma Industry a global leader in pharma sector;
- (ii) Providing easy access to standard testing infrastructure and value addition in the domestic Pharma Industry especially to SMEs through creation of common world class facilities for increased competitiveness;
- (iii) Helping the industry meet the requirements of standards of environment at a reduced cost through innovative methods of common waste management system; and
- (iv) Exploiting the benefits arising due to optimization of resources and economics of scale.

This scheme provides grants in aid for facilities such as Common Testing Centre, Training Center, R&D Centre, Effluent Treatment Plant and Common Logistics Centres. It is necessary to form a Special Purpose Vehicle (SPV) prior to setting up of and running proposed Common Facility Center (CFC) having at least 3 pharma units

(including Bulk drug and Medical Devices units) as members of Special Purpose Vehicle (SPV). The Scheme Steering Committee (SSC) monitors the project through Project Management Consultant (PMC) engaged by the Department. The maximum limit for the grant in aid is Rs. 20.00 crore per cluster or 70% of the cost of the project, whichever is lower. The SSC accord 'in-principle' approval on primary proposal which is valid for 6 months. Upon fulfillment of necessary conditions, the SSC accords final approval and subsequent thereto Government grant is released.

(b) to (d) The Department has approved one proposal of M/s. Chennai Pharma Industrial Infrastructure Upgradation Company (CPIIUC) for installation of Common Effluent Treatment Plant (CETP) at Alathur, Tamil Nadu with a total project cost of Rs. 10,59,90,000/-. The Department would be funding 70% of the cost thereof, amounting to Rs. 7,41,93,000/-, out of which an amount of Rs. 6,67,73,700/- has already been released. The balance amount of Rs. 74,19,300/- would be released after completion of the project. Further, an amount of Rs. 12.00 cr has been allocated for Cluster Development Scheme as per Budget Estimates 2020-21. The Department has received 6 proposals under this scheme, which are under consideration. However, no proposal for establishment of cluster has been received from Bellary District in Karnataka.

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