

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

LOK SABHA  
UNSTARRED QUESTION No. 2373  
TO BE ANSWERED ON THE 09<sup>th</sup> MARCH, 2021

**Manufacturing of Medical Devices**

**2373. MS. PRATIMA BHOUMIK:**

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

- (a) whether the Government has prepared any scheme to promote domestic manufacturing of medical devices;
- (b) if so, the details thereof alongwith the amount allocated under the scheme during the last three years and the current year;
- (c) whether the Government has given any special attention to the manufacture of Medical devices in the Northeast region and if so, the details thereof; and
- (d) whether the Government has received any proposals in this regard, if so, the details thereof State and UT-wise alongwith the status of the proposals?

**ANSWER**

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

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(a) & (b): Yes Sir, the Department has approved the project of Andhra Pradesh MedTech Zone Ltd (AMTZ) for providing financial assistance of Rs. 25 crore for creation of Common Facility for superconducting magnetic coils testing & research facility under the scheme “Assistance to Medical Device Industry for Common Facility Centre”. A budget of Rs. 0.02 crore, 0.02 crore and 7.50 crore has been allocated under financial years 2018-19, 2019-20 and 2020-21 respectively. The Department has released first instalment of Rs. 7.49 crore for the project on 11.09.2020. Further, the Department has rolled out following two schemes for medical devices sector:

- (i) A scheme called “Production Linked Incentive Scheme for Promoting Domestic Manufacturing of Medical Devices” has been approved by the Government of India on 20th March, 2020. The revised guidelines for implementation of the scheme has been issued on 29.10.2020. The Scheme is applicable only to the Greenfield projects and intends to boost domestic manufacturing and attract large investments in the Medical Devices Sector. Under the Scheme, financial incentive will be given to selected companies at the rate of 5% of incremental sales of medical devices manufactured in India and covered under the Target segments of the scheme, for a period of five (5) years. The tenure of the scheme is from FY 2020-21 to FY 2027-28. The total financial outlay of the Scheme is Rs. 3,420 crore. The scheme is under implementation. A budget of Rs. 2.36 crore has been allocated for the Financial Year 2021-22.

(ii) Recognizing the need for higher levels of investments for the creation of testing and laboratory facilities, a scheme called “Promotion of Medical Device Parks” has been approved by the Government of India on 20th March 2020. The parks will provide common testing and laboratory facilities / centre at one place reducing the manufacturing cost significantly and will help in creating a robust ecosystem for medical device manufacturing in the country. The total financial outlay of the scheme is Rs. 400 crore. The tenure of the scheme is from FY 2020-2021 to FY 2024-2025. Financial assistance to a selected Medical Device Park would be 70% of the project cost of common infrastructure facilities. In case of North Eastern States and Hilly States (Himachal Pradesh, Uttarakhand, Union Territory of Jammu & Kashmir and Union Territory of Ladakh) financial assistance would be 90% of the project cost. Maximum assistance under the scheme for one Medical Device Park would be limited to Rs. 100 crore. The scheme is under implementation. A budget of Rs. 60 crore has been allocated for the Financial Year 2021-22.

(c) & (d): Special attention has been given to the manufacture of Medical devices in the Northeast region under the scheme “Promotion of Medical Devices Parks”. Financial assistance to a selected Medical Device Park would be 70% of the project cost of common infrastructure facilities. However, in case of North Eastern States and Hilly States (Himachal Pradesh, Uttarakhand, Union Territory of Jammu & Kashmir and Union Territory of Ladakh) financial assistance would be 90% of the project cost. The Department has not received any proposal from any North-Eastern State.

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