

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

LOK SABHA  
UNSTARRED QUESTION NO. 4232  
TO BE ANSWERED ON THE 20<sup>th</sup> DECEMBER, 2024

**Startups in Pharmaceutical Sector**

†4232. **Shri Sanatan Pandey:**  
**Shri Chandra Prakash Choudhary:**

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

- (a) whether the Government is implementing any special scheme to promote startups in pharmaceutical sector of the country;
- (b) if so, the total number of new industries established through startups in the pharmaceutical sector of the country during the last three years;
- (c) whether the Government provides any financial assistance for setting up the said industries;
- (d) if so, the quantum of financial assistance provided by the Government to the industries set up through these startups; and
- (e) the total number of new industries set up in the pharmaceutical sector in Uttar Pradesh and Jharkhand during the last three years?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS  
(SMT. ANUPRIYA PATEL)**

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(a): Yes. The Government of India has implemented several schemes to encourage startups across various sectors including the pharmaceutical sector which *inter alia* include the following:

Startup India Initiative, launched on January 16, 2016, 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 Biotechnology 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

Also, Department of Pharmaceuticals has launched a Scheme for Promotion of Research and Innovation in Pharma-MedTech sector (PRIP). Under Component B III of the

PRIP scheme, out of 125 research projects in the identified six priority areas, 50 are for startups in this sector.

(b): During the last three calendar years (i.e., 2021 to 2023) a total of 1,397 DPIIT-recognized startups were set up in the pharmaceutical sector.

(c) to (d): SISFS provides financial assistance to seed stage startups through incubators. As on 31<sup>st</sup> October 2024 the selected incubators have approved total funding of Rs. 2.9 crore to 14 startups, in the Pharmaceutical sector and Rs. 14.23 crore to 78 startups in the Healthcare Technology sector under the Scheme. FFS has been established to catalyze venture capital investments and is operationalized by Small Industries Development Bank of India (SIDBI), which provides capital to SEBI-registered Alternative Investment Funds (AIFs) who in turn invest in startups. As on 31<sup>st</sup> October 2024, selected AIFs have invested about Rs. 2,455.9 crore in 115 startups in the Healthcare/Health-tech sector. CGSS is implemented for enabling collateral free loans to the DPIIT recognised startups through eligible financial institutions. CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited and has been operational on pilot basis from 1st April 2023. As on 31<sup>st</sup> October 2024, a total of 5 loans amounting to Rs. 4.23 crore have been guaranteed to eligible recognised startups in the Pharmaceutical and Biotechnology sector and 2 loans amounting to Rs. 7 crore in the Healthcare Equipment & Supplies sector under the scheme. These initiatives demonstrate the Government's commitment to fostering a robust startup ecosystem in India.

(e): In the last three calendar years (i.e., 2021 to 2023), DPIIT has recognized 159 startups in the State of Uttar Pradesh and 8 startups in the State of Jharkhand in the pharmaceutical sector.

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