



# Medical Device Parks Scheme

## Why in News

Recently, the **Ministry of Chemicals and Fertilizers** has launched the **Scheme for "Promotion of Medical Device Parks"** to support the medical devices industry in line with [Atmanirbhar Bharat](#).

## Key Points

### ▪ About:

- The medical device industry is a unique blend of engineering and medicine. It **involves the creation of machines that are used to support life within the human body.**
  - Medical devices **include Surgical Equipment, Diagnostic equipment** like Cardiac imaging, CT scans, X-ray, Molecular Imaging, MRI and Ultrasound-imaging including hand - held devices; **Life Support equipment like ventilator**, etc. as well as **Implants and Disposables.**

### ▪ Objectives:

- The **easy access to standard testing and infrastructure facilities** through the creation of world-class common infrastructure facilities via medical device parks.
- To reduce the cost of production of medical devices and the **better availability and affordability of medical devices** in the domestic market.

### ▪ Financial Assistance:

- The total financial outlay of the scheme is Rs 400 crore and 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 the case of the [North-Eastern States](#) and the Hilly States, 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 crores.**
- The Centre has granted **in-principal approval for the parks in Himachal Pradesh, Tamil Nadu, Madhya Pradesh and Uttar Pradesh.**

### ▪ Medical Devices Sector in India:

- The Medical Devices industry in India is valued at USD 5.2 billion, contributing about 4-5% to the USD 96.7 billion Indian healthcare Industry.
- Medical devices sector in India is very small in size as compared to the rest of the manufacturing industry, though **India is one of the top twenty markets for medical devices in the world and is the 4<sup>th</sup> largest market in Asia after Japan, China, and South Korea.**
- India currently **imports 80-90% of medical devices** of the USD15 billion market.
  - The US, Germany, China, Japan, and Singapore constitute the five largest exporters

of high technology medical equipment to India.

▪ **Related Initiatives:**

- In **June 2021**, the [Quality Council of India \(QCI\)](#) and the Association of Indian Manufacturers of Medical Devices (AiMeD) launched the **Indian Certification of Medical Devices (ICMED) 13485 Plus scheme** to undertake verification of the quality, safety and efficacy of medical devices.
- To boost domestic manufacturing of medical devices and attract huge investments in India, the department of pharmaceuticals launched a [PLI scheme for domestic manufacturing of medical devices](#), with a total outlay of funds worth Rs.3,420 crore for the period FY21-FY28.
- The **Ministry of Health and Family Welfare** has notified that [medical equipment would qualify as 'drugs'](#) under **Section 3 of the Drugs and Cosmetics Act (D & CA), 1940** from 1<sup>st</sup> April, 2020.
- The Medical Devices Parks have been **set up in Andhra Pradesh, Telangana, Tamil Nadu and Kerala**.
  - In 2020, **Kerala established MedSpark, one of the first [medical device parks](#)** in the country, in Thiruvananthapuram.
- The Government of India **recognised medical devices as a sunrise sector** under the ['Make in India' campaign](#) in 2014.

[Source: TH](#)

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