



## Strengthening Pharmaceuticals Industry

**For Prelims:** Strengthening of Pharmaceutical Industry Scheme, Active Pharmaceutical Ingredients

**For Mains:** Indian pharmaceutical industry, health, government policies and interventions

### Why in News?

The Ministry of Chemicals & Fertilisers has launched Schemes for '[Strengthening Pharmaceuticals Industry](#)' (SPI) keeping in view the **strategic role of MSMEs (Micro, Small and Medium Enterprises)**.

### What are the Key Points?

#### ▪ About:

- The Scheme provides **for credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector**, as well as support of up to Rs 20 crore each for common facilities including Research centre, testing labs and **ETPs (Effluent Treatment Plant)** in Pharma Clusters.
- The MSME unit will have the **option to choose from either Capital subsidy or Interest subvention**.
  - **SIDBI (Small Industries Development Bank of India)** is the **Project management Consultant** for implementing the scheme.

#### ▪ Components:

- **Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS):**
  - It will facilitate **pharmaceutical MSMEs with proven track records** to upgrade their technology.
  - It has provisions for **a capital subsidy of 10 % on loans up to a maximum limit of Rs 10 crore** with a minimum repayment period of three years or interest subvention of up to 5 % (6 % in case of units owned by [SC/ST](#)) on reducing balance basis.
- **Assistance to Pharma Industries for Common Facilities Scheme (API-CF):**
  - It will strengthen **the existing pharmaceutical clusters' capacity** for sustained growth.
  - It provides for an assistance of up to 70 % of the approved project cost or Rs 20 crore, whichever is less.
    - In case of **Himalayan and north-east region**, the grant-in-aid would be Rs 20 crore per cluster or 90 % of the project cost, whichever is less.
- **Pharmaceutical and Medical Devices Promotion and Development Scheme (PMPDS):**
  - It will involve **preparation of study reports on topics of importance for the Indian pharma** and medical device industry.
  - The scheme is **aimed at creating a database of pharma and medical device sectors**.

#### ▪ Objectives:

- **Aimed at enhancing India's capabilities in the pharmaceuticals sector** with an

objective to make it much more competitive in terms of both quality and cost and also aimed at making Indian pharma MSMEs, a part of [Global supply chain](#).

## What is the Significance?

- It will strengthen **the existing infrastructure facilities and will make India a global leader** in the Pharma Sector.
- This will not only improve the quality but **also ensure the sustainable growth** of clusters.
- The scheme will **address the rising demand in terms of support required to existing Pharma clusters** and MSMEs across the country to improve their productivity, quality and sustainability.
- Schemes will increase **investment, encourage research and innovation and enable the industry to develop futuristic products** and ideas.

## What are the Schemes Related to the Pharma Sector?

- **[Promotion of Bulk Drug Parks Scheme:](#)**
  - The government **aims to develop 3 mega Bulk Drug parks** in India in partnership with States to reduce manufacturing cost of bulk drugs in the country and dependency on other countries for bulk drugs.
  - The scheme will also help in providing continuous supply of drugs and ensure delivery of affordable healthcare to the citizens.
- **[Production Linked Incentive \(PLI\) Scheme:](#)**
  - The PLI scheme **aims to promote domestic manufacturing** of critical Key Starting Materials (KSMs)/Drug Intermediates and Active Pharmaceutical Ingredients (APIs) in the country.

## UPSC Civil Services Examination, Previous Year Questions (PYQ)

**Q.** How is the Government of India protecting traditional knowledge of medicine from patenting by pharmaceutical companies? **(2019)**

**Source:** [PIB](#)

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