

No. 31026/08/2020-MD
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS
NOTIFICATION

New Delhi, the 28th May, 2020

Subject: Scheme for Promotion of Medical Device Parks

1. Background

1.1 The medical device industry is highly capital intensive with a long gestation period and requires development/induction of new technologies. It also requires continuous training of health providers to adapt to new technologies. Most of the hi-tech innovative products originate from a well-developed eco-system and innovation cycle which is yet to be fully developed in India. The industry depends on imports up to an extent of 86%.

1.2 The existing sub-scheme of Department of Pharmaceuticals termed as "*Assistance to Medical Device Industry for Common Facility Centre*" under the umbrella scheme for Development of Pharmaceutical Industry proposes to provide a one-time grant-in-aid to the tune of Rs.25 Crore or 70% of the project cost, whichever is less, for creation of common facilities in the upcoming medical device parks.

1.3 Since the common facilities creation requires a large investment, the existing sub-scheme has been revised to provide adequate funds to upcoming medical device parks for creation of common facilities. This would reduce the manufacturing cost significantly and create a robust ecosystem for medical device manufacturing in the country.

1.4 The revised scheme is now termed as sub-Scheme for "Promotion of Medical Device Parks".

2. Objective:

2.1 Strengthening the existing infrastructure facilities in order to make Indian medical device industry a global leader.

2.2 Easy access to standard testing and infrastructure facilities and value addition through creation of world class Common Infrastructure Facilities for increased competitiveness.

2.3 Reducing the cost of production of medical devices significantly leading to better availability and affordability of medical devices in the domestic market.

2.4 Exploit the benefits arising due to optimization of resources and economies of scale.

3. Financial Assistance: The scheme will provide grant-in-aid to four (4) Medical Device Parks with a maximum limit of Rs.100 Crore per park or 70% of the project cost of Common Infrastructure Facilities, whichever is less. In case of hilly states and North East Region, the grant-in-aid would be Rs.100 Crore per park or 90% of the project cost of Common Infrastructure Facilities, whichever is less.

4. Scope and Coverage: Assistance under the scheme will be admissible for creation of Common Infrastructure Facilities by State Government in a medical device park.

5. Indicated Common Infrastructure Facilities: The assistance under the proposed scheme will be admissible for creation of Common Infrastructure Facilities such as component testing centre, electromagnetic interference laboratory, biomaterial/biocompatibility testing centre, medical grade low vacuum moulding, cabinet moulding, injection moulding centres, 2D designing and printing for medical grade products, sterilization and toxicity testing centre, radiation testing centre, etc.

6. Incentive Outlay: The incentive outlay is Rs.400 Crore for providing financial assistance for construction of Common Infrastructure Facilities in 4 medical device parks.

7. Tenure of the Scheme: The tenure of the scheme shall be from Financial Year 2020-2021 to Financial Year 2024-2025.

8. Implementation of the Scheme:

8.1 The scheme would be implemented through a one-time grant-in-aid to be released in various phases for creation of Common Infrastructure Facilities in medical device park to a State Implementing Agency (SIA) to be set up by the respective State Government.

8.2 The Scheme Steering Committee (SSC) in the Department of Pharmaceuticals shall approve the project components and funding thereof depending upon the merits of the proposal.

9. The detailed guidelines of the scheme will follow.



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(Joint Secretary)