DPNC GLOBAL

SPI SCHEME
OVERVIEW

STRENGTHENING OF PHARMAXEUTICALS INDUSTRY (SPI)SCHEME OVERVIEW: KEY DETAILS AND BENEFITS

The **Strengthening of Pharmaceuticals Industry (SPI)** scheme, initiated by the **Department of Pharmaceuticals (DoP), Ministry of Chemicals & Fertilizers, Government of India**, aims to enhance the competitiveness of the pharmaceutical sector, particularly MSMEs, by providing financial support for technology upgradation, infrastructure improvement, and capacity building.

DoP vide this SPI aims to combine following three sub-schemes which are already approved in the DoP as part of scheme for 'Development of Pharmaceutical Industries' (DPI):

1. Assistance to Pharmaceutical Industry for Common Facilities **(APICF).**
2. Pharmaceutical Technology Upgradation Assistance Scheme **(PTUAS).**
3. Pharmaceutical Promotion and Development Scheme **(PPDS).**

For the smooth implementation and governance of the scheme, following committees/consultants will be appointed as per the scheme: -

- **Scheme Steering Committee (SSC):** evaluate & recommend proposals for approval and policy direction and monitor the schemes.
- **Project Management Consultant (PMC):** Evaluates and monitors project execution and act as a bridge between the SSC and the beneficiary.

1. Assistance to Pharmaceutical Industry for Common Facilities (APICF)

Beneficiaries:

- Pharmaceutical manufacturing units forming a Special Purpose Vehicle (SPV) or State government-promoted pharma clusters to execute the project of developing common facility.

Key Eligibility Criteria:

- SPVs must have at least 5 pharma unit members and shall be legally independent.
- Pharma enterprises must hold at least 51% equity in the SPV.
- SPV members must meet specific net worth requirements.
- Projects should be completed within 2 years, with possible extensions.

Incentives:

- Up to 70% of the approved project cost, or Rs. 20 crores (minimum of 30% of the approved project cost has to be contributed by SPV), whichever is less and higher incentives for Himalayan and North East states (Rs. 20 Crore per Cluster or 90% of the project cost).

Eligible Activities:

- Research and Development Labs.
- Testing Laboratories.
- Effluent Treatment Plants.
- Logistic Centers.
- Training Centers, etc.

Procedure to avail the benefit:

- PMC will issue open advertisements in newspaper and website.
- The scheme allows for flexibility: either a Special Purpose Vehicle (SPV) can be formed before submitting a project proposal, or interested pharmaceutical units can jointly propose forming an SPV as part of their initial application for in-principal approval.
- SPV can login to the portal https://spi.udyamimitra.in/Login/SPIRegistration for the submission of the application.
- Post approval and after the SPV has started utilising the funds, SPV shall submit the Utilization Certificate (UC), duly certified by CA and countersigned by Head of SPV for the amounts utilized in accordance with GFR-2017 and expenditure details need be uploaded in the EAT-02 module of PFMS.

2. Revamped Pharmaceutical Technology Upgradation Assistance Scheme (RPTUAS)

Beneficiaries:

Pharma units with average turnovers below Rs. 500 crores over last 3 years.

Incentives:

S. No.	Turnover limit (in crs.) [excluding higher limits]	Incentive (% of investment) [max- 2 crs.]
1.	1-50	20
2.	50-250	25
3.	250-500	10

Eligible Activities:

- Investment (inclusive of import duty, shipping charges, customs charges and GST) made for up-gradation after 01.01.2024 will be considered for calculation of subsidy.
- Expenditure on utilities (HVAC, Water, Steam), Clean Room Facility, Testing Lab, Stability Chamber, Effluent treatment/Waste Management, Consultation/Certification Expense, production equipment etc. will be used for calculation of subsidy.

Procedure to avail the benefit:

- Application for the subsidy under the scheme should be submitted at the portal https://spi.udyamimitra.in/Login/SPIRegistration along with a with a gap analysis.
- Following review, the PMC will recommend an estimated subsidy amount to the SCC and, if applicable, process the applicant's loan request.
- Applicants submit WHO-GMP and CA-certified expenses for the first subsidy installment. The PMC verifies and recommends; the SSC releases 50% (max Rs. 1 crore) within 30 days.
- For the final installment, the PMC re-verifies, and the SSC releases the remaining amount (max Rs. 2 crore total) within 30 days of receiving all documents.

3. Pharmaceutical & Medical Devices Promotion and Development Scheme (PMPDS)

Beneficiaries:

Grant will be provided to-

a. Recognized Industry associations or organizations/Firms with track record in conducting studies/survey etc.
b. Government/quasi-government agencies with relevant experience.

Eligible Activities:

- Preparation of study/survey reports.
- Support for organizing seminars, conferences, workshops, and exhibitions.
- Non-financial logo support for events.
- Creation of sector databases.
- Organizing mega-events.

General Conditions:

- Compliance with GFR 2017 and PFMS.
- Mandatory participation of Department of Pharmaceuticals officers in events.
- Restrictions on fund usage (no boarding/lodging, travel, recurring expenses).
- Utilization Certificate submission required in GFR 12A format by 30th June of the subsequent financial year.

Procedure to avail the benefit:

Application to avail the benefit under the scheme should be submitted at the portal https://spi.udyamimitra.in/Login/SPIRegistration.

DISCLAIMER:

The information contained herein is in summary form and is prepared based on the relying upon the revised guidelines issued by the Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers, Government of India, amending the original notification no. G-30015/25/2021-Scheme on 14.03.2024 and related corrigendum dated 17.09.2024. For details, please refer the relevant provisions. While the information is believed to be accurate to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of this information. Reader should conduct and rely upon their own examination and analysis and are advised to seek their own professional advice. We accept no responsibility for any errors it may contain, whether caused by negligence or otherwise or for any loss, howsoever caused or sustained, by the person who relies upon it.

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