PLI scheme now open for applications to pharma industry

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Government issues Operational guidelines for Production Linked Incentive Scheme of Pharmaceuticals

Based on a series of consultations with pharmaceutical industry and stakeholders in the Government, the operational guidelines for the Production Linked Incentive (PLI) scheme have been prepared and issued on 1st June. The scheme is now open to applications from the industry.

The applications are invited in three groups based on the Global Manufacturing Revenue of FY 2019-20 of the applicants.

A special carve out for MSMEs has been kept under the scheme. All the applications will be submitted through an online portal maintained by SIDBI, the Project Management Agency for the scheme. Application can be made on the online portal, URL of which is https://pli-pharma.udyamimitra.in.

The application window is for 60 days staring from 2nd June, 2021 to 31st July, 2021 (Both dates inclusive).

The eligible products have been categorized into three categories. The products covered under the scheme are formulations, biopharmaceuticals, active pharmaceutical ingredients, key starting material, drug intermediates, in-vitro diagnostic medical devices, etc. The category-1 and category-2 products attract 10% incentive and category-3 products attract 5% incentive on the incremental sales. Incremental sales of a product mean sales of that product in a year over and above the sales of that product in FY 2019-2020.

Based on clearly laid out selection criteria given in the guidelines, a maximum of 55 applicants will be selected under the scheme. An applicant, through a single application, can apply for more than one product and the products applied by an applicant can be in any of the three categories.

A selected participant will be able to get a maximum incentive of Rs 1000 crore, Rs 250 crore and Rs 50 crore respectively depending upon its group over the period of the scheme.