

HEADLINES OF THE DAY

Uttar Pradesh positioning itself as major hub for medical technology

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Uttar Pradesh has begun positioning itself as a major hub for medical technology and pharmaceutical manufacturing, a move the state government believes could be a game changer for India's ambition to emerge as a global producer of high-end medical devices and critical drugs.

The push comes at a time when global healthcare supply chains are undergoing a structural reset, with manufacturers actively looking to diversify production away from China under the so-called "China-plus-one" strategy.

Backed by a new industry policy, large land availability, market size of UP and a push for export-linked manufacturing, the state is stepping up efforts to attract both global device makers and domestic pharmaceutical majors.

After announcing the Uttar Pradesh Pharmaceutical and Medical Device Policy, 2023, which offers bundle of fiscal incentives along with a one-stop approval window for investors, now the state has accelerated outreach to industry leaders, pitching itself as a long-term manufacturing base for India and global markets.

The timing of the push is significant. Geopolitical tensions, pandemic-era disruptions, and tighter export controls have exposed vulnerabilities in global dependence on China for medical devices, active pharmaceutical ingredients, drug intermediates and key starting materials. Governments and companies across the US, Europe and Japan have since been encouraging suppliers to diversify manufacturing footprints, creating an opportunity that Uttar Pradesh is now seeking to tap.

"As part of this effort, the state under the leadership of UP's chief minister, Yogi Adityanath, is in talks with global technology majors such as Philips and GE HealthCare to anchor medical device manufacturing at medical device park located at Jewar in Uttar Pradesh," Dr GN Singh, advisor to chief minister, Uttar Pradesh, told News18. Singh is a former drugs controller general (India).

"On the other front, we have invited top Indian pharmaceutical leaders—including Torrent Pharmaceuticals' Jinal Mehta, Zydus Lifesciences chairman Pankaj R. Patel, Sun Pharmaceutical's founder Dilip Shanghvi, Hetro Group's chairman B. Parthasaradhi Reddy, Mankind Pharma's R C. Juneja and Dr. Reddy's Laboratories' K. Satish Reddy along with a large number of top representatives of pharma associations in Lucknow on February 3 to discuss investment plans and infrastructure requirements."

To further push international investment, a high-level state delegation is expected to visit Japan in mid-February. "The objective of the visit is to encourage top Japanese manufacturers of high-end medical devices to use India as a manufacturing and export base, a move aligned with Japan's own push to diversify production away from China," Singh, who is assisting the talks between the two countries, said, adding that the response from Japanese officials is "very positive."

Strong health base

Industry experts argue that Uttar Pradesh's pitch to industry is supported by a strong base of healthcare, pharmaceutical and life sciences institutions. Lucknow houses national research centres such as the Central Drug Research Institute (CDRI), Central Institute of Medicinal and Aromatic Plants (CIMAP), Industrial Toxicology Research Centre (ITRC) and the National Botanical Research Institute (NBRI), while Rae Bareli hosts the National Institute of Pharmaceutical Education and Research (NIPER). Clinical research and medical education infrastructure in the state includes King George's Medical University, Sanjay Gandhi Postgraduate Institute of Medical Sciences and Dr. Ram Manohar Lohia Institute of Medical Sciences, which officials say can support clinical trials, product validation, and skill development.

YEIDA Medical Device Park

A key pillar of the state's med-tech strategy is YEIDA's Medical Device Park, which the government describes as India's first integrated hub for medical technology innovation. The medical device park, spread over 350 acres near the Yamuna Expressway, has been designed with a focus on high-end and critical care segments.

According to presentation designed by state government officials seen by News18, cancer care and radiotherapy medical devices form a central focus area, reflecting India's continued dependence on imports — largely from China, the US and Europe — for advanced oncology equipment. Manufacturing of radiology and imaging medical devices is another key thrust.

Other targeted segments include anaesthetics and cardio-respiratory medical devices, all categories of implants, and in-vitro diagnostics. According to official data seen by News18, more than 100 units have already been allotted in the medical device park. Of these, three units are in cancer care, 16 in radiology and imaging devices, 23 in implants, 37 in anaesthetics and cardio-respiratory devices, and 22 in in-vitro diagnostics.

Cancer care manufacturing, in particular, is expected to receive additional policy support in the next phase of development. "Special focus on allotment of cancer care units has been taking into consideration in the upcoming scheme. The routine stakeholder meetings are done through video conferencing with prominent players in cancer care to understand the requirements," Singh said.

Experts believe that if India can demonstrate quality, regulatory compliance and scale, locations like Uttar Pradesh could become part of global sourcing strategies.

A med-tech sector analyst from an industry lobby group said the focus on oncology and imaging devices aligns with global supply chain realignments. "Countries and companies are actively looking for reliable alternatives to China for high-value medical equipment. If India can demonstrate quality, regulatory compliance and scale, locations like Uttar Pradesh could become part of global sourcing strategies," he said, requesting anonymity.

"One of the most prominent features is its location. Its next to Jewar airport with dedicated cargo terminal giving freight cargo access."

According to Rajiv Nath, forum coordinator, AiMeD (Indian Manufacturers of Medical Devices), the industry is thankful for the support given by UP's "progressive government" in helping establish effective protocols for conducting medical devices pivotal studies and investigations that are needed on different pathways from clinical trials of drugs and thereafter creating a digital platform for facilitating transparent engagement of stakeholders involved in these studies. The pathbreaking leadership steps will hopefully be followed by other states and are an endorsement of the UP's serious intent in establishing itself as a global hub for medical devices."

Nath believes that the state's medical device policy and park is loaded with incentives to attract manufacturers that meet the eligibility criteria that was earlier limited to a narrow range of public linked incentive (PLI) eligible medical devices. "We are hopeful of this list being enlarged to cover all consumer medical electronics and the GTE (global tender exempted) 300 plus medical devices and IVD instruments on which India is mainly import dependent."

On the pharmaceutical side, Uttar Pradesh is also moving ahead with plans to develop bulk drug parks using state funding, after failing to secure a slot under the central government's bulk drug park scheme. Instead of scaling back, the state has decided to invest its own resources to build large-scale parks focused on manufacturing key starting materials, active pharmaceutical ingredients, and drug intermediates—areas where India remains heavily dependent on imports from China.

In its investor presentation seen by News18, the state claims the facilities being planned offer a more comprehensive manufacturing ecosystem when compared with established clusters such as Jawaharlal Nehru Pharma City in Visakhapatnam and Genome Valley in Telangana. According to the presentation, the proposed parks are designed to provide manufacturers with common testing laboratories, research and development infrastructure, incubation centres, and plug-and-play manufacturing units, along with core industrial infrastructure and shared warehousing.

The state is also offering technical and regulatory support, skill development programmes and a single-window clearance mechanism, which officials say will help reduce compliance timelines and operational bottlenecks for manufacturers.

Work is already underway on a 1,500-acre bulk drug park at Lalitpur, which has received environmental clearances and is located in a sparsely populated region. In addition, the state has identified nearly 28,000 acres of land in the Bundelkhand region near Jhansi that can be offered to manufacturers seeking larger parcels, allowing for expansion or the development of another pharma hub if required," Singh said.

As per current plans, Uttar Pradesh is investing around Rs 2,000 crore in bulk drug parks and between Rs 350 crore to Rs 500 crore in medical technology parks. The state's revenue is in surplus position means funding is not a constraint."

A pharmaceutical analyst, Vishal Manchanda from Systematix Group believes that the incentives, infrastructure and the overall value proposition is "attractive" but focus should also be given on creation of entire ecosystem.

"Beyond incentives and the park infrastructure, it is also pertinent to understand whether there is the desired broader ecosystem in terms of human resources or ancillary infrastructure that pharma companies would also look for."

However, he said, the companies which are incrementally looking to invest in new plants would definitely consider this as a "potential destination."

Together, the med-tech and bulk drug initiatives signal Uttar Pradesh's attempt to align state-level industrial policy with shifting global geopolitics, as India seeks to position itself as a trusted alternative manufacturing destination in the healthcare sector. News18