

## **“We are focusing on developing 10 'Pharma Villages' to decentralise pharma production, taking manufacturing closer to rural areas”**

31 December 2024 | Interviews | By Amguth Raju

**With the Revanth Reddy led Telangana government completing its first year in office, Jayesh Ranjan, Principal Secretary of the Department of IT and Industries, shares his optimism about Telangana’s future as a vibrant industrial hub. Particularly in life sciences and pharmaceuticals, the state has made significant strides in attracting investors. In this candid conversation, Jayesh Ranjan highlights the government’s initiatives, investor-friendly policies, and plans to boost the state’s industrial growth further and solidify its position as a national leader in innovation and manufacturing.**



**What key initiatives and strategic changes is the Telangana government implementing to attract investments in the pharmaceutical and biotech sectors, and how do these differ from previous policies like TS-iPASS?**

Ever since the new government led by Chief Minister A Revanth Reddy took charge in November 2023, over the past year, the government has taken various measures to support the existing industries and at the same time attract new investments in pharma, life sciences and other allied industrial sectors. Telangana state has a well-established pharma and biotech base with supporting academic and research institutions under public and private sectors providing the necessary skilled manpower needed for the industries. This is the main advantage for us to pull in more domestic and global investors to the state. In the past year, we could successfully attract investments worth over Rs 36,000 crore in the life sciences sector. These investments span more than 140 projects and include contributions from both Indian companies and global organisations. This highlights Telangana's commitment to building a business-friendly and supportive environment for the life sciences industry.

The government is now preparing to launch a new life sciences policy, which promises to streamline processes and simplify regulations for companies interested in starting or expanding their operations in the state. This upcoming policy will also offer special incentives to attract more investments, ensuring businesses can operate smoothly and efficiently.

The new framework has been carefully designed to meet the changing needs of the life sciences industry. It builds on the successes of Telangana's earlier initiatives, such as TS-iPASS, but offers significant improvements to further boost growth. By addressing gaps and evolving alongside industry trends, Telangana aims to solidify its position as a leading hub for life sciences innovation and manufacturing.

### **What are your insights into the recent interest from pharmaceutical and biotech companies in Telangana?**

Just a few days ago, leaders from India's pharmaceutical industry expressed their strong interest in setting up new manufacturing units and research and development (R&D) laboratories in the government-proposed Greenfield Pharma clusters. These clusters are part of an initiative to boost pharmaceutical production and innovation in the state.

Six leading pharmaceutical companies—MSN Laboratories, Dr. Reddy's, Laurus Labs, Hetero, Aurobindo and Gland Pharma—have already signed a Memorandum of Understanding (MoU) with the government. These companies have committed to investing Rs 5,260 crore, a significant move that is expected to create 12,500 new jobs in the region. The state government's key responsibility in this partnership is to provide suitable land equipped with the necessary infrastructure, such as roads, water supply, and power. Work is already underway to ensure these facilities are in place to accommodate the companies and help them begin operations quickly.

Apart from this, other major investments are also contributing to the state's progress as a pharmaceutical hub. A notable example is Rs 2,000 crore collaboration between KrKA and Laurus Labs to establish biopharmaceutical manufacturing units in Genome Valley; this partnership alone is projected to create around 2,800 jobs.

Another remarkable project involves Japan's Takeda Life Sciences, which has partnered with Biological E to produce 5 crore doses of dengue vaccines annually. This collaboration further emphasises the region's focus on advanced pharmaceutical production and addressing global healthcare challenges.

These developments highlight Telangana's strategic vision of becoming a global hub for pharmaceutical manufacturing and innovation. The state's focus on building world-class infrastructure and fostering collaborations with leading domestic and international companies ensures a thriving ecosystem for the life sciences industry.

### **How do you assess the development of the pharmaceutical and biotech sectors in Telangana during the fiscal year 2024-25, including standout achievements and areas needing improvement?**

The fiscal year 2024-25 has seen remarkable growth in our pharmaceutical and biotech sectors, with significant achievements such as the establishment of state-of-the-art R&D facilities by companies like Laurus Labs. However, we also recognise areas needing improvement, particularly in enhancing infrastructure to support rapid industry expansion.

To improve the skills of the youth, the government is proposing to set up a skill development university in the state. Once this becomes operational, not just pharma, life sciences and other allied industries but also industries offering IT services, manufacturing services and other services can avail skilled and talented workforce at affordable cost. Telangana will witness a new boom in industrial expansion in the coming days, offering jobs and rapid development to the region.

**What is the current status of key projects like Hyderabad Pharma City, including any alternative plans if it is being shelved, and how are infrastructure developments along the Outer Ring Road progressing?**

Though the Hyderabad Pharma City project is a cornerstone of our efforts to position Telangana as the global hub for pharmaceutical manufacturing and innovation, at present, we are focusing on developing 10 'Pharma Villages' across different districts in and beyond the Outer Ring Road (ORR) regions in Telangana. These Pharma Villages are designed to decentralise pharmaceutical production, taking manufacturing closer to rural areas and underdeveloped regions. This approach will not only improve access to healthcare services locally but will also create opportunities for balanced economic growth across the state.

Combined, these initiatives have the potential to generate up to 5 lakh jobs, providing employment opportunities to a wide range of skilled and semi-skilled workers. More importantly, they will contribute significantly to regional economic development, empowering local communities and boosting the state's economy. By creating the right mix of advanced infrastructure, streamlined policies, and innovation-driven growth, we aim to set a new benchmark for pharmaceutical production in the country and attract global players to Telangana.

**How is Telangana fostering public-private partnerships in the pharmaceutical sector, supporting startups through initiatives like T-Hub and We-Hub, and ensuring sustainable growth concerning talent development and environmental governance?**

We are strongly promoting public-private partnerships in both the biotech and pharmaceutical sectors to accelerate growth and innovation. These partnerships are essential for creating a supportive environment where industries, the government, and private players can collaborate effectively.

Initiatives like T-Hub and We-Hub are playing a crucial role in supporting startups. T-Hub focuses on technology-driven startups, while We-Hub empowers women entrepreneurs. These platforms provide startups with access to vital resources such as funding, infrastructure, mentorship, and networking opportunities. By offering guidance and support, they help young companies scale up and thrive in competitive markets.

To address the challenge of talent shortages in the biotech and pharma industries, we are also partnering with educational institutions like NIPER, HCU, IIT Hyderabad and others through programmes like TASK (Telangana Academy for Skill and Knowledge).

TASK is a unique initiative that bridges the gap between education and employment by equipping students with industry-relevant skills. This programme ensures that our workforce remains highly skilled, capable, and ready to meet the evolving demands of these fast-growing sectors.

Together, these efforts aim to build a dynamic ecosystem where startups, industries, and skilled talent can work in harmony, driving innovation, creating employment opportunities, and strengthening Telangana's leadership in the biotech and pharmaceutical sectors.

**Amguth Raju**

*hyderabad@mmactiv.com*