

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS**

RAJYA SABHA
UNSTARRED QUESTION No. 2579
TO BE ANSWERED ON THE 21st December, 2021

Minimize import of bulk drug/API

2579 # Shri Naresh Bansal:

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) whether any policy has been made by Government to minimize the country's dependence on import of bulk drugs/Active Pharmaceutical Ingredient (API) to accelerate indigenous manufacturing of the same;
- (b) if so, the details thereof and the problems faced by the Ministry in fighting COVID-19 crisis and the manner in which the Ministry would deal with this serious problem;
- (c) the policies formulated by Government for enhanced production of Active Pharmaceutical Ingredients (APIs) in the country; and
- (d) the details thereof?

ANSWER

**MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(Dr. MANSUKH MANDAVIYA)**

(a) to (d): The Department of Pharmaceuticals is implementing the following three schemes for promoting domestic manufacturing of bulk drugs/Active Pharmaceutical Ingredient (API) to accelerate their indigenous manufacturing. The details of the three schemes are mentioned below: -

(I) Production Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of critical Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) In India: The scheme provides for financial incentives to be provided to manufacturers selected under the scheme for manufacturing of 41 Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs). The scheme provides for incentives on incremental sales to selected participants for a period of 6 years. The total financial outlay of the scheme is Rs. 6,940 crore and the tenure of the scheme is from FY 2020-2021 to 2029-30.

(II) Scheme for Promotion of Bulk Drug Parks: This scheme provides for grant-in-aid to 3 Bulk Drug Parks for creation of Common Infrastructure Facilities (CIF) with a maximum limit of Rs.1000 crore per park or 70% of the project cost of CIF, whichever is less. In case of North Eastern States and Hilly States (Himachal Pradesh, Uttarakhand, Union Territory of Jammu & Kashmir and Union Territory of Ladakh) financial assistance would be 90% of the project cost. The total financial outlay of the Scheme is Rs. 3000 crore and the tenure of the Scheme is from FY 2020-21 to 2024-25.

(III) **Production Linked Incentive Scheme for Pharmaceuticals:** The objective of the scheme is to enhance India's manufacturing capabilities by increasing investment and production in the sector and contributing to product diversification to high value goods in the pharmaceutical sector. One of the further objectives of the scheme is to create global champions out of India who have the potential to grow in size and scale using cutting edge technology and thereby penetrate the global value chains. This scheme provides for financial incentives to be provided to participants selected under the scheme for their incremental sales of eligible drugs manufactured in India. Eligible drugs under the scheme include Active Pharmaceutical Ingredients among other categories of pharmaceutical products. The scheme provides for incentives on incremental sales to selected participants for a period of 6 years. The total financial outlay of the scheme is Rs. 15,000 crore and the tenure of the scheme is from FY 2020-2021 to 2028-29.

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