

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

RAJYA SABHA
UNSTARRED QUESTION No. 3061
TO BE ANSWERED ON THE 28TH MARCH, 2023

Import of high cost medicines

3061 Dr. Santanu Sen:

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

- (a) whether the Ministry has taken into cognizance that India has high dependency on import of high cost medicines;
- (b) if so, the steps taken by the Ministry to address the issue;
- (c) whether the Ministry has any scheme to provide incentives to the domestic companies to produce high cost pharmaceutical products;
- (d) if so, the details of the domestic companies which have availed these incentives;
- (e) whether the Ministry has seen any improvement in domestic production of such medicines through the scheme; and
- (f) if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SHRI BHAGWANTH KHUBA)**

(a) to (f): The Indian Pharmaceutical industry is the 3rd largest in the world by volume. India exported pharmaceuticals worth Rs. 1,75,040 crore in the financial year 2021-22, including Bulk Drugs/ Drug Intermediates. The Pharmaceutical sector earns a significant foreign exchange and has consistently been providing trade surplus to the economy.

India is also one of the major producers of Active Pharma Ingredients (API) or bulk drugs in the world. India exported Bulk Drugs/Drug Intermediates worth Rs. 33,320 crore in financial year 2021-22. However, the country also imports various Bulk Drugs/APIs for producing medicines, *including high-cost medicines*, from various countries and most of the imports of the Bulk Drugs/APIs being done in the country are because of economic considerations. India imported Rs. 35,249 crore worth APIs and Bulk drugs in 2021-22.

The Government of India has taken several measures to encourage domestic manufacturing of Pharmaceutical drugs including bulk drugs to reduce import dependence and to boost domestic manufacturing and attract large investments. The major Programmatic interventions include Production Linked Incentive (PLI) schemes.

- 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, with a financial outlay of Rs. 6,940 crores and the tenure from FY 2020-2021 to FY 2029-30, provides for the financial incentive*

for 41 identified products. A total of 51 applications have been selected under the scheme. These bulk drugs contribute to the domestic manufacturing of medicines, including high cost medicines. Out of these, 22 projects have already been commissioned with the installed capacity of 34,255 MT.

- ii. *PLI Scheme for Pharmaceuticals*, with a financial outlay Rs. 15,000 crores and the tenure from FY 2020- 2021 to FY 2028-29, provides for financial incentive to 55 selected applicants for manufacturing of identified products under three categories for a period of six years. A total of 278 applications have been received out of which, 55 selected applicants have been approved and have started production of eligible products. The eligible products under the scheme include high cost medicines such as bio-pharmaceuticals, complex generic drugs, etc.

The details of domestic companies selected under the PLI scheme are available in the Department website at <https://pharmaceuticals.gov.in/schemes> under the respective PLI scheme.
