

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

LOK SABHA  
UNSTARRED QUESTION No. 678  
TO BE ANSWERED ON THE 9<sup>TH</sup> DECEMBER, 2022

**Indian Pharma Industry**

**678. DR. AMAR SINGH:**

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) whether the Government has chalked out any action plan to ensure that the Indian pharma industry breaks into the top-10 countries in terms of value by 2030, and enter the top-5 club by 2047;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**ANSWER**

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

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(a) to (c): The Government has taken several measures to encourage domestic manufacturing of Pharmaceutical drugs, including bulk drugs and medical devices to reduce import dependence and to establish a dominant position in the global market.

Various Programmatic interventions to support Pharma and Medical Devices Industries are as follows;

- (i) Under the *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, the financial incentive is planned to be provided for 41 identified products. A total of 51 applications have been selected under the scheme. Out of these, 21 projects have already been commissioned with the installed capacity of 33,895 MT.
- (ii) Production Linked Incentive 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.
- (iii) Scheme for Promotion of Bulk Drug Parks, with a financial outlay of Rs. 3,000 crores and the tenure from FY 2020-2021 to FY 2024-25, provides for financial assistance to three States for establishing Bulk Drug Parks. After evaluation of the proposals received from 13 States, the proposals of the states of Gujarat, Himachal Pradesh and Andhra Pradesh have been finally approved for providing grants-in-aid for creation of common infrastructure facilities in the proposed Bulk Drug Parks.

- (iv) The Department is implementing the scheme of *Strengthening of Pharmaceutical Industry (SPI)*, with a financial outlay of Rs. 500 crores and the tenure from FY 2021-2022 to FY 2025-26 to provide infrastructure support for pharma MSMEs in clusters and to address the issues of technology upgradation of individual pharma MSMEs.
- (v) Under the scheme for Promotion of Medical Devices Parks, final approval for financial assistance of Rs. 100 crore each, has been given to the States of Uttar Pradesh, Tamil Nadu, Madhya Pradesh and Himachal Pradesh for establishment of common facilities in their Medical Device Parks.
- (vi) Under the *Production Linked Incentive (PLI) Scheme for Promoting Domestic Manufacturing of Medical Devices*, with a financial outlay of Rs. 3,420 Cr and with the tenure from FY 2020-21 to FY 2027-28, financial incentives is to be given to selected companies at the rate of 5% of incremental sales of medical devices manufactured in India and covered under the four Target segments of the scheme, for a period of five (5) years. A total of 21 applications/projects have been selected under the scheme. Out of these, 13 projects have been commissioned for 31 products.

The non-schematic interventions are as follows-

- i. In order to attract investments in this sector, the Government has allowed 100% foreign direct investments (FDI) in medical devices sector. Similarly, the Government has allowed 100% FDI in pharma sector for greenfield projects under automatic route. For the brownfield projects, upto 74%, FDI investments are allowed under automatic route and beyond 74% to 100%, FDI investments are allowed under government approval route.
- ii. In order to redress the specific challenges of the MedTech Industry, in view of the diversity and multi-disciplinary nature of the sector, the institutional mechanism of Standing Forum of Medical Devices Associations, has been set up to deliberate on various issues with all the stakeholders including regulators.

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