

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

LOK SABHA
UNSTARRED QUESTION No. 1268
TO BE ANSWERED ON THE 9th FEBURARY, 2024

Export of Pharmaceutical Products

**1268. SHRI CHANDRA SEKHAR SAHU:
DR. PRITAM GOPINATHRAO MUNDE:
SHRI RAHUL RAMESH SHEWALE:**

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

- (a) whether the pharmaceutical industry in the country is significantly contributing to healthcare globally;
- (b) if so, the details thereof along with the current size of Indian pharmaceutical industry particularly of industries in Odisha;
- (c) whether the country continues to play a substantial role in manufacturing various important, high quality and cost-efficient medicines for Indian and global markets;
- (d) if so, the details thereof along with the medicines and equipment exported by the Pharmaceutical Industries during the last two years and the current year so far, year-wise;
- (e) the details of growth of export of pharmaceutical products during the last nine years, year-wise; and
- (f) the steps taken/proposed to be taken by the Government to make Pharmaceutical Industries competitive globally and to achieve the export target?

ANSWER

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

(a): Indian pharmaceutical industry has significantly contributed to healthcare globally in terms of providing access to affordable medicines and saving healthcare expenditure for many countries. Indian pharma industry, also known as the "pharmacy of the world", plays an important role in improving public health outcomes in India and globally. Over the years, Indian Pharmaceutical Industry has become a leader in the manufacture of high quality generic drugs at competitive prices and plays a pivotal role in providing affordable medicines globally. The exports of pharmaceuticals for the year 2022-2023 stood at Rs. 1,94,254 crores. According to industry estimates, India ranks 3rd worldwide for the production of Drugs and Pharmaceuticals by volume exporting to around 200 countries/territories. The Indian pharmaceutical industry supplies 62 percent of the global demand for vaccines and is a leading supplier of DPT, BCG and Measles vaccines. 70% of WHO's vaccines (as per the essential Immunization schedule) are sourced from India.

(b): The Indian pharmaceutical industry is the world's 14th largest in terms of value. The pharmaceutical industry in India is currently valued at \$50 Bn (2021-22). The size of Pharmaceutical Industry in Odisha is not available.

(c) & (d) Yes, India continues to play a substantial role in manufacturing various important, high quality and cost-efficient medicines for Indian and global markets. Details of pharmaceutical products and equipment exported to various countries during last two years and the current year is as under:

(Rs. in crore)			
Description	2021-22	2022-23	2023-24 (upto November, 2023)
Drug Formulations, Biologicals	141634.12	156401.43	115837.78
Medical Devices	20427.26	27270.41	20373.41

(e): The details of growth of export of pharmaceutical products during the last nine years are as under: -

Financial Year	Value (Rs. in crore)	Growth rate (%)
2014-15	68,557.75	-
2015-16	82,760.25	20.7
2016-17	84,934.89	2.6
2017-18	83,213.97	-2.0
2018-19	1,00,681.60	21.0
2019-20	1,13,003.65	12.2
2020-21	1,41,207.04	25.0
2021-22	1,41,634.12	0.3
2022-23	1,56,401.43	10.4

(f): The Government strives to minimize country's dependence on imports and to give fillip to indigenous manufacturing. The Govt. also strives to promote the Pharmaceutical industry so as to enable greater investment in the sector and product diversification to high value goods. The Department of Pharmaceuticals is implementing the following three 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 (PLI BD)**- The tenure of the scheme is from FY 2020-2021 to 2029-30 with total financial outlay of ₹6,940 crores. The scheme provides for financial incentive on sales of 41 identified products for six (6) years. 48 projects have been approved under the scheme and investment worth Rs 3,630 crore has already been realized. 27 Projects have been commissioned so far and production capacity for 41,881 MT has already been installed. Total exports registered by PLI BD applicants under the Scheme as on September, 2023 is about Rs.252.62 crore.

(ii) **Production Linked Incentive scheme for pharmaceuticals** - 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. The scheme provides incentives for a period of 6 years on sales of approved products under three (3) Product Categories covering Bio-pharmaceuticals, Complex generic drugs, Cell based or gene therapy drugs, Orphan drugs, Phyto-pharmaceuticals, Patented drugs or drugs nearing patent expiry, etc. Total exports registered by PLI Pharma applicants under the Scheme, as of September, 2023 is about Rs. 73,025 crore.

(iii) The scheme for Promotion of Bulk Drug Parks has been started with the objective of providing easy access to Common Infrastructure Facilities (CIF) to bulk drug units located in the park, in order to significantly bring down the manufacturing cost of bulk drugs. The scheme has a financial outlay of Rs. 3,000 crores and the tenure is from FY 2020-2021 to FY 2024-25. The scheme provides for financial assistance to three States for establishing bulk drug parks. The Department had received proposals from 13 States. After evaluation of the proposals as per prescribed criteria, approval was accorded to the proposal of setting up bulk drug parks in the states of Andhra Pradesh, Gujarat and Himachal Pradesh.
