GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS

LOK SABHA UNSTARRED QUESTION No. 2400 TO BE ANSWERED ON THE 9th March, 2021

Atmanirbhar Pharma Companies

2400. SHRI PARTHIBAN S.R.:

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

(a) the steps taken to make pharmaceutical companies atmanirbhar in the country;(b) whether the raw materials for pharma sector are mainly imported and if so, the details thereof; and

(c) the steps taken to increase indigenous resources in pharma sector?

ANSWER

MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI D. V. SADANANDA GOWDA)

(a) & (c): To make our country atmanirbhar in pharmaceuticals, Department of Pharmaceuticals has come up with following three schemes for promoting domestic manufacturing of pharmaceutical drugs including bulk drugs.

(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: Under the scheme, financial incentive will be given for manufacturing of 41 Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs). Incentives for incremental sales will be given to selected participants for a period of 6 years. The total outlay of the scheme is Rs. 6,940 crore.

(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 outlay of the Scheme is Rs. 3000 crore and the tenure of the Scheme will be five years (2020-21 to 2024-25).

The detailed guidelines of above-mentioned schemes are available on the website (<u>http://pharmaceuticals.gov.in</u>) of the Department of Pharmaceuticals.

(III) **Production Linked Incentive Scheme for Pharmaceuticals:** The Union Cabinet recently in its meeting on 24.02.2021 approved Production Linked Incentive scheme for Pharmaceuticals with the objective 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. The outlay of the scheme is Rs. 15,000 crore and three categories of pharmaceutical goods will be incentivized under the scheme based on their incremental sales. The tenure of the scheme is from FY 2020-2021 to 2028-29. The scheme has been notified on 3.3.2021 in the Gazette of India.

(b): Yes, Sir. As per Central Drugs Standard Control Organization (CDSCO), many raw materials are imported from China, for manufacturing of medicines. As per available data from the various Port Offices of CDSCO, the details of the percentage of raw materials imported from China are as under:-

Year	Percentage (in terms of value)
2018	66.53%
2019	72.40%
2020	72.15%

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