

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

LOK SABHA
UNSTARR ED QUESTION No. 1364
TO BE ANSWERED ON THE 27th July, 2021

PLI Scheme in Pharmaceuticals Sector

**1364. SHRI BIDYUT BARAN MAHATO:
SHRI RAVI KISHAN:
SHRI SANJAY SADASHIVRAO MANDLIK:
SHRI RAVINDRA KUSHWAHA:
SHRI SUBRAT PATHAK:
SHRI SHRIRANG APPA BARNE:
SHRI CHANDRA SEKHAR SAHU:
SHRI SUDHEER GUPTA:
SHRI PRATAPRAO JADHAV:**

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

- (a) whether the Government has approved Production Linked Incentive Scheme (PLI) for Pharmaceuticals sector in the country;
- (b) if so, the details and the salient features of PLI scheme;
- (c) whether the Government has made any assessment to find out the expected promotion of the production of high value products, which are likely to be added in exports of the country in the coming years;
- (d) if so, the details thereof;
- (e) the details of the investments, employment opportunities which are likely to be increased in the country after the implementation of PLI Scheme in Pharmaceuticals sector;
- (f) whether at present, low value generic drugs account for the major component of Indian exports, while a large proportion of the domestic demand for patented drugs is met through imports; and
- (g) if so, the manner in which the existing trend is likely to be change from the scheme?

ANSWER

MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SHRI MANSUKH MANDAVIYA)

(a) to (b): Yes, Sir. The Government has approved the Production Linked Incentive Scheme for Pharmaceuticals on 24.02.2021 which was notified in the Gazette on 03.03.2021. The Operational Guidelines containing the details of the scheme on each aspect and the process of making applications were issued on 01.06.2021. These operational Guidelines can be found on the website of the Department and can be accessed at <https://pharmaceuticals.gov.in/schemes>.

(c) to (d): The scheme estimated the export generation potential of Rs 1,96,000 crore over a period of 6 years in all the three categories of products under the scheme which includes high value products as well.

(e) The PLI scheme estimated the investment potential of around Rs 15,000 crore and the generation of employment potential of 20,000 direct and 80,000 indirect jobs as a result of the growth in the sector over the period of the scheme.

(f) to (g): Yes Sir, at present low value generic drugs account for the major component of Indian exports. As far as patented drugs are concerned, the same are imported as well as manufactured in the country. The scheme incentivizes the manufacturing of patented drugs and other high value drugs at an incentive rate of 10% of incremental sales which is highest amongst the product categories under the scheme.

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