

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

LOK SABHA  
UNSTARRED QUESTION No. 1128  
TO BE ANSWERED ON THE 3<sup>rd</sup> December, 2021

**Imports of Raw Materials of Drugs**

**1128. SHRI PARVESH SAHIB SINGH VERMA:**

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

- (a) whether India is dependent on import of many key Chinese raw materials or intermediates and active pharmaceutical ingredients of various essential drugs;
- (b) if so, the details of such materials imported during the last three years;
- (c) the reasons for the dependence on China for API imports;
- (d) the schemes in place to reduce these imports and empower local producers; and
- (e) whether India is also completely dependent on Chinese import of any specific drugs and if so, the details thereof?

**ANSWER**

**MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS  
(Dr. MANSUKH MANDAVIYA)**

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(a) & (b): Many raw materials are imported from China for manufacturing of medicines. The details of imports of raw materials for the last three years is shown in the table below:

Year	Total value of import	Value of imports from China	Percentage import from China
2018-19	24850.07 Cr	16777.43 Cr	67.5%
2019-20	24171.78 Cr	16443.10 Cr	68.02%
2020-21	28528.97 Cr	19402.60 Cr	68.01%

**Source:** DGCIS, Ministry of Commerce and Industry.

(c): Most of the imports of the Bulk Drug/APIs being done in the country are because of economic considerations.

(d): The Department of Pharmaceuticals has launched following three schemes for promoting domestic manufacturing of Pharmaceutical drugs including APIs by attracting large investments in the sector to ensure their sustainable domestic supply and thereby reduce India's import dependence on other countries:-

(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:** The scheme provides for financial incentives will be provided to manufacturers selected under the scheme for manufacturing of 41 Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and

Active Pharmaceutical Ingredients (APIs).The scheme provides for incentives on incremental sales to selected participants for a period of 6 years. The total financial outlay of the scheme is Rs. 6,940 crore and the tenure of the scheme is from FY 2020-2021 to 2029-30.

(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 financial outlay of the Scheme is Rs. 3000 crore and the tenure of the Scheme is from FY 2020-21 to 2024-25.

(III) **Production Linked Incentive Scheme for Pharmaceuticals:** The objective of the scheme is 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. Under this scheme, financial incentives will be provided to participants selected under the scheme for their incremental sales of eligible drugs manufactured in India. Eligible drugs under the scheme include Active Pharmaceutical Ingredients among other categories of pharmaceutical products. The scheme provides for incentives on incremental sales to selected participants for a period of 6 years. 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.

(e): The Indian pharmaceutical industry is the world's 3rd largest by volume, providing 20-22 per cent of generic drugs globally and is one of the biggest supplier of low cost vaccines. In 2020-21, imports of medicines worth Rs. 49,436 crores against export of Rs. 1,80,551 crores indicate the strong capacity of domestic manufacturing. As per the data available from port offices of CDSCO, the imports from China include Antibiotics, Vitamins, Hormones, Antiviral, Anti-TB, Anticonvulsant, Analgesic, Antipyretic, Antidiabetic, Cardiovascular etc.

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