

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

LOK SABHA
UNSTARRED QUESTION No. 1877
TO BE ANSWERED ON THE 06th DECEMBER 2024

Production of High Value Pharmaceuticals and Medical Devices

1877. Shri Dileshwar Kamait:

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

- (a) whether Government is focusing on production of high value pharmaceuticals and high end medical devices to reduce import dependency and if so, the details thereof;
- (b) whether Product Linked Incentive (PLI) Scheme for pharmaceuticals is crawling due to insufficient subsidy and many caveats for investment, if so, the details thereof;
- (c) the instalments released by the Government so far under the PLI scheme;
- (d) the financial outlay for PLI Scheme for Pharmaceuticals;
- (e) the categories of products that are being supported, target Groups and selection criteria under the Scheme; and
- (f) the achievements of PLI for Bulk Drugs and Medical Devices?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SMT. ANUPRIYA PATEL)**

(a): The Government of India has taken several measures to encourage domestic manufacturing in Pharmaceutical Sector including Bulk Drugs and Medical Devices to reduce import dependence, boost domestic manufacturing and attract large investments. The schematic interventions are as follows:

- i. 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 (also known as PLI scheme for Bulk Drugs), with a financial outlay of Rs. 6,940 crores and the production tenure from FY 2022-2023 to FY 2028-29. The scheme provides financial incentive for manufacturing of notified products.
- ii. PLI Scheme for Pharmaceuticals, with a financial outlay Rs. 15,000 crores and the production tenure from FY 2022- 2023 to FY 2027-28, provides for financial incentive to 55 selected applicants for manufacturing of identified products under three categories for a period of six years. Under this scheme, high value pharmaceutical products such as Patented/Off-Patented drugs, Biopharmaceuticals, Complex Generics, Anti-cancer drugs, Auto-immune drugs, Orphan Drugs etc. are manufactured.
- iii. PLI Scheme for Promoting Domestic Manufacturing of Medical Devices with total financial outlay of Rs. 3,420 crore and production tenure from FY 2022-2023 to FY 2026-27, provides incentive to selected companies at the rate of 5% on 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. Under this scheme high value Medical Devices such as Linear Accelerator, MRI machines, CT-Scans, Mammograms, C- Arms, Ultrasound machines etc are manufactured, which were previously imported into the country.

(b) and (c): The scheme allows for investment in new plant & machinery, R&D, Product registration, new Building. As of October 2024, total investment of Rs 33,534 cr has been realised under the scheme and has surpassed original projected investment of Rs 17,275 cr. An incentive amount of Rs.3,215 Cr has been released under the scheme to 45 companies.

(d) and (e): The financial outlay for the PLI Scheme for Pharmaceuticals is Rs 15,000 crore over the scheme production tenure of FY 2022-23 to FY 2027-28. The details of categories of products that are being supported, target groups and selection criteria under the PLI schemes implemented by Department of Pharmaceuticals are available on the Department website at <https://pharmaceuticals.gov.in/schemes> under the respective PLI scheme.

(f): Under the PLI scheme for Bulk Drugs, a total of 48 projects have been selected under the scheme, of which 34 projects have been commissioned for 25 bulk drugs. Against committed investment of Rs.3,938 crores, investment worth Rs. 4,155.77 crores have been realised under the scheme. The cumulative sales made by the applicants under the scheme is Rs. 1,330.82 crores (which includes exports worth Rs.389.82 crores) and employment has been generated for 4,241 persons.

Under the PLI scheme for Medical Devices, a total of 32 applicants have been selected under the scheme, of which 19 greenfield projects have been commissioned for 44 products including high end medical devices such as Linear Accelerator, MRI machines, CT-Scans, Mammograms, C- Arms, Ultrasound machines etc. Against committed investment of Rs. 1356.94 crores, investment worth Rs 1057.47 crores have been realized. The cumulative sales made by the applicants under the scheme is Rs 8,039.63 crores (which includes exports worth Rs 3,844.01 crores).
