

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

LOK SABHA  
UNSTARRED QUESTION No. 4259  
TO BE ANSWERED ON THE 20<sup>th</sup> DECEMBER, 2024

**Bulk Drug Park**

**4259. Shri Anurag Sharma:**

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

- (a) the details of the plan formulated by the Government to support the industries in the upcoming Bulk Drug Parks;
- (b) whether there is any strategy to ensure the availability of essential raw materials at competitive prices to facilitate smooth operations for pharmaceutical manufacturers, if so, the details thereof;
- (c) whether there is any Production Linked Incentive (PLI) scheme or similar policy framework to encourage the industries to set up their units in the park and boost domestic production of critical drugs and APIs, if so, the details thereof;
- (d) whether such measures have the potential to enhance self-reliance in the pharmaceutical sector and reduce dependency on imports, if so, the details thereof;
- (e) whether the Bulk Drug Park initiative has the potential to revolutionize the industry, if so, the details thereof; and
- (f) whether the success of this project depends on robust policy support, including infrastructure, financial incentives and consistent access to raw materials, if so, the details thereof including the vision of the Government and steps in order to achieve the goals?

**ANSWER**

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

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(a) to (f): The scheme for promotion of Bulk Drug Parks was approved by the Cabinet on 20.03.2020 to facilitate setting up of three (3) Bulk Drug Parks in the country with the objective to bring down the cost of manufacturing of bulk drugs by creation of world class common infrastructure facilities. It would also help in creation of economies of scale for production of bulk drugs.

Under the scheme for Promotion of Bulk Drug Parks, the Department had received proposals from thirteen states. After evaluation, proposals of Gujarat, Himachal Pradesh and Andhra Pradesh were approved. The financial assistance by the Central Govt. is subject to a maximum limit of Rs.1000 crore per park or 70% of the project cost of Common Infrastructure Facilities (CIF) (90% in case of Northeastern States and Hilly States i.e. Himachal Pradesh, Uttarakhand, UT of Jammu & Kashmir and UT of Ladakh), whichever is less. The fund allocated for the scheme is Rs. 3000 crores. Rs. 1000 crores grant has been approved for each of the selected State, i.e. Gujarat, Himachal Pradesh and Andhra Pradesh. Construction activities are in progress in all these three selected parks. The tenure of the scheme is from FY 2020-2021 to FY 2025-2026.

Under the scheme, financial assistance from the Central Govt. is being provided for creation of Common Infrastructure Facilities (CIF) viz.-

- i. Central Effluent Treatment Plant(s) (CETP)
- ii. Solid waste management
- iii. Storm water drains network
- iv. Common Solvent Storage System, Solvent recovery and distillation plant
- v. Common Warehouse
- vi. Dedicated power sub-station and distribution system with the necessary transformers at factory gate
- vii. Raw, Potable and Demineralized Water
- viii. Steam generation and distribution system
- ix. Common cooling system and distribution network
- x. Common logistics
- xi. Advanced laboratory testing Centre, suitable for even complex testing/ research needs of APIs (Active Pharmaceutical Ingredients), including microbiology laboratory and stability chambers
- xii. Emergency Response Centre
- xiii. Safety/ Hazardous operations audits centre and
- xiv. Centre of Excellence etc.

The bulk drug parks are being set up in an established ecosystem to draw advantage of an efficient supply system. Gujarat is setting up Bulk Drug Park at Jambusar, Bharuch in 2015 acres of land. Bulk Drug and Chemical (PCPIR - Petroleum, Chemicals and Petrochemicals Investment Region in Dahej, Gujarat) industries exist in the vicinity of the Bulk Drug Park at Jambusar. Andhra Pradesh is setting up Bulk Drug Park at Nakkapalli, Anakapalli in 2001.80 acres of land and is in Visakhapatnam-Kakinada Petroleum, Chemical and Petrochemical Investment Region. Chemicals constitute the major raw materials for bulk drug production by chemical synthesis. There are three major pharma clusters at Srikakulam, Vishakhapatnam and Vijayawada district in Andhra Pradesh. Himachal Pradesh is setting up Bulk Drug Park at Haroli, Una in 1405 acres. The Baddi-Barotiwala-Nalagarh Industrial belt in Himachal Pradesh is globally known for the production of formulation drugs.

The bulk drug parks are offering land and utilities such as power, water, effluent treatment plant, steam, solid waste management, warehouse facilities at a subsidized rate. The State Implementing Agencies (SIAs) of the three states are also offering fiscal incentives in the form of capital subsidy on fixed capital investment, interest subsidy, State Goods and Services Tax (SGST) reimbursement, exemption of stamp duty and registration charges etc.

The bulk drug parks have the potential to catalyze the pharmaceutical industry in India by reducing import dependency, lowering manufacturing costs, enhancing global competitiveness, technological advancement and improving quality standards.

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