

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

LOK SABHA
STARRED QUESTION No. 309
TO BE ANSWERED ON THE 13TH MARCH 2026

Bulk Drug Park

***309. Shri Balashowry Vallabhaneni:**

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

- (a) whether Bulk Drug Park was approved with financial assistance of Rs. 1000 crores for Andhra Pradesh in 2022, apart from other two States of Gujarat and Himachal Pradesh, if so, the details thereof;
- (b) whether the said scheme is due to expire soon, if so, the details thereof;
- (c) whether it is true that funds have been released and utilized in Gujarat and Himachal Pradesh, but no funds have been utilized for the said Park in Kakinada (Nakkapalli) district of Andhra Pradesh;
- (d) if so, the reasons for non-utilisation of funds for the said park in Andhra Pradesh; and
- (e) the steps taken/proposed to be taken to quicken the processes to ensure that the said park in Andhra Pradesh is established before the deadline?

ANSWER

**THE MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI JAGAT PRAKASH NADDA)**

- (a) to (e): A statement is laid on the Table of the House.

Statement referred to in reply to the Lok Sabha Starred Question No. *309# (9th Position) for answer on 13.3.2026, raised by Shri Balashowry Vallabhaneni, regarding “Bulk Drug Park”

(a): India has historically depended on imports of certain Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs) and Drug Intermediates, which are essential raw materials for pharmaceutical manufacturing. In order to reduce this dependence and strengthen domestic manufacturing capacity, the Government approved the Scheme for Promotion of Bulk Drug Parks on 20 March 2020.

The objective of the scheme is to establish large industrial parks with world-class Common Infrastructure Facilities (CIF), such as effluent treatment plants, power and steam supply systems, water treatment facilities, testing laboratories, logistics infrastructure and other shared utilities. These common facilities help reduce the cost of production for pharmaceutical manufacturers.

Under the scheme, three Bulk Drug Parks were approved in FY 2022-23 in the States of Andhra Pradesh, Gujarat and Himachal Pradesh. Financial assistance from the Central Government is provided for creation of common infrastructure facilities, subject to a maximum of ₹1,000 crore per park, or 70% of the project cost (90% in the case of North-Eastern and Himalayan States), whichever is less.

The key details of the approved Bulk Drug Parks are as follows:

Approved States	Location of Park	Area (in acre)	State Implementing Agency (SIA)	Total Project Cost (₹ in Crore)	CIF Cost (₹ in Crore)
Andhra Pradesh	Nakkapalli, Anakapalli	2001.80	Andhra Pradesh Bulk Drug Infrastructure Corporation (APBDICL)	1876.66	1438.89
Gujarat	Jambusar, Bharuch	2015.02	Gujarat Industrial Development Corporation (GIDC)	2507.02	1457.01
Himachal Pradesh	Haroli, Una	1405.01	Himachal Pradesh Bulk Drug Park Infrastructure Ltd. (HPBDPIL)	1923.0	1118.46

(b): The tenure of the Scheme was from FY 2020-21 to FY 2024-25. However, on the representations received from the State Governments concerned, the status of projects, the level of fund utilisation and the anticipated completion of projects, the tenure of the scheme first extended up to FY 2025-26 has now subsequently been extended up to FY 2026-27, in order to facilitate completion of the infrastructure development in the approved Bulk Drug Parks.

(c) and (d): The first instalment of Central Grant-in-Aid was released to all three approved Bulk Drug Parks, including the park in Andhra Pradesh, during FY 2022-23. As of 28.02.2026, the

State of Andhra Pradesh has utilized ₹222.45 crore out of the ₹225 crore released as Central Grant-in-Aid, and ₹107.59 crore out of ₹132.30 crore released from State funds, towards the development of Common Infrastructure Facilities (CIF) under the Bulk Drug Park project.

Bulk drug manufacturing falls under the 'Red Category' of Environmental Categories of Industries and Environment clearance is a pre-requisite before commencement of civil construction. In Andhra Pradesh, the project experienced delays primarily due to denotification of Special Economic Zone land, which required relocation of the Bulk Drug Park from Kakinada to Nakkapalli. For the revised land, Environment clearance was granted in March,2024.

Subsequently, the State Government proposed a modification in the boundary of the Bulk Drug Park at Nakkapalli for the additional land the Environment Clearance was granted on 13th January,2026. Furthermore, initial tender for all CIF components received very poor response, necessitating repackaging and reissuing.

(e): The Government of Andhra Pradesh has taken several steps to accelerate the development of the Bulk Drug Park at Nakkapalli. The civil works for development of basic infrastructure including roads, power supply, water supply systems, drainage networks, and utility corridors is at advance stage. To strengthen project execution, the State Implementing Agency has engaged Assystem, an international engineering and project management consultancy, for project planning, monitoring and implementation.

The Department is closely monitoring the implementation of the Bulk Drug Parks through regular review meetings under chairmanship of Secretary/Joint Secretary. Further, the Department obtains Monthly Progress Reports capturing both physical and financial progress from the State Implementing Agencies, to assess the status of implementation and identify bottlenecks, if any. In addition, the Department monitors progress in accordance with the project timelines through Programme Evaluation Review Technique. The Department, also undertakes periodic site visits to the Bulk Drug Park locations to review physical and financial progress at the project sites.
