

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

LOK SABHA
UNSTARRED QUESTION NO. 3543
TO BE ANSWERED ON THE 13TH MARCH 2026

Production Linked Incentive Scheme

†3543. Smt. Geniben Nagaji Thakor:

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

- (a) whether the Government has launched a Production Linked Incentive (PLI) Scheme to promote the Chemical Industry and the Bulk Drugs/Active Pharmaceutical Ingredients (API) sector;
- (b) if so, the details thereof along with the total number of projects approved under the said scheme so far;
- (c) the impact of the said scheme on domestic production and employment generation in the country; and
- (d) the details of the future plans proposed by the Government to achieve the goals of Atmanirbhar Bharat in these sectors?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (c): The Government has approved 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 (commonly known as “*PLI Scheme for Bulk Drugs*”), with a total budgetary outlay of ₹6,940 crore and scheme tenure from FY2022-23 to FY2028-29. The Scheme aims to boost domestic manufacturing of 41 identified critical products, reduce import dependence and mitigate supply chain risks arising from excessive reliance on a single source.

Out of 41 notified products, 33 have been subscribed and 48 greenfield projects have been approved with committed investment of ₹4,329.95 crore. Against this commitment, actual investment of ₹4,814.1 crore has already been completed. As of December 2025, 38 projects covering 28 notified products have been commissioned, resulting in establishment of domestic manufacturing capacity of approximately 56,800 MT per annum and employment generation for 4,896 persons till December, 2025.

(d): With a view to strengthening the domestic biopharmaceutical sector and enhancing global competitiveness in biologics and biosimilars, the Government has announced the Biopharma SHAKTI scheme with an outlay of ₹10,000 crore over five years with an objective to build a

globally competitive domestic ecosystem for biologics and biosimilars to support affordable healthcare in India and enable India to emerge as a global biopharma manufacturing and innovation hub. Biopharma SHAKTI initiative aims to support domestic development and manufacturing of high-value biopharmaceutical products, medicines, reduce import dependence, and enhance India's competitiveness in global biologics supply chain.

Besides above, the Department of Chemicals and Petrochemicals has been taking various measures to achieve the goals of Atmanirbhar Bharat in the sector, which are as under:

- i. Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR):** To attract investments in chemicals & petrochemicals sector, Department had notified the Petroleum, Chemicals and Petrochemical Investment Region (PCPIR) Policy. PCPIRs are conceptualized as cluster-based model of Development with common infrastructure and support services. Three PCPIRs have been set up at Dahej (Gujarat), Vishakhapatnam–Kakinada (Andhra Pradesh) and Paradeep (Odisha). Currently, 2,246 chemical units are functional in these PCPIRs having a cumulative investment of ₹3,49,192 crore and these regions have generated employment of 3.7 lakh persons.
- ii. Plastic Parks:** The Department implements the Scheme for Setting up of Plastic Parks under the scheme of New Scheme of Petrochemicals. The scheme promotes setting up of need-based Plastic Parks with requisite state-of-the-art infrastructure and enabling common facilities. The objective is to consolidate and synergize the capacities of downstream plastic processing industry to help increase investment, production and export in the sector as well as generate employment. Under the Scheme, the Government of India provides grant funding up to 50% of the project cost to the State government subject to a ceiling of ₹40 crore per project. In accordance with the Scheme Guidelines, 9 Plastic Parks have been approved so far and the same are at different levels of implementation.

In addition to these infrastructure-led initiatives, the Department has also undertaken the following initiatives aimed at research and development and human resource development.

- i. Centre of Excellence (CoE):** The Department of Chemicals and Petrochemicals has formulated a scheme on setting up of Centres of Excellence. The objective is to provide grant-in-aid to educational and research institutions to improve existing technology and promote development of new applications of polymers and plastics.. Under the scheme, the Government of India provides financial support up to 50 per cent of the total project cost subject to an upper limit of ₹5 crore. So far, 18 CoEs have been approved under the Scheme.
- ii. Skilling and Human Resource Development through CIPET:** The Central Institute of Petrochemicals Engineering & Technology (CIPET) is a technical education institution under the Department of Chemicals & Petrochemicals, engaged in skill development, technology support, as well as academic and research activities for the promotion of the petrochemical and allied industry in the country.
