

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

RAJYA SABHA
UNSTARRED QUESTION No. 3699
TO BE ANSWERED ON THE 05th April, 2022

Production of Active Pharmaceutical Ingredients (API) in the country

3699 Dr. Fauzia Khan:

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) the details of the works done for production of Active Pharmaceutical Ingredients in the past three years, State-wise;
- (b) the details of the funds allocated, released and spent for increasing production of the APIs in the past three years, State-wise;
- (c) whether there has been any delay in the release of the allocated funds;
- (d) if so, the reasons therefor;
- (e) the details of proposed/in progress projects for the construction of production facilities for the APIs, State-wise especially in Maharashtra; and
- (f) the details of the quantity of API being imported and the total quantity necessary to meet the national demand?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI BHAGWANT KHUBA)**

(a) to (f): The Indian Pharmaceutical industry is 3rd largest in the world by volume. India exported pharmaceuticals worth Rs. 1,80,551 crore in the financial year 2020-21. India exported Bulk Drugs/ Drug Intermediates worth Rs. 32,857 crore in financial year 2020-21. However, the country also imports various Bulk Drugs/ Active Pharmaceutical Ingredients (APIs) for producing medicines from various countries including China. The details of export and import of Bulk Drugs and Drug Intermediates of the country is given below;

Export and Import of Bulk Drugs and Drug Intermediates				
Year	Export		Import	
	Quantity (MT)	Value (In Rs Cr)	Quantity (MT)	Value (In Rs Cr)
2018-19	3,66,616	27,346	3,45,944	24,850
2019-20	2,71,544	27,533	3,64,433	24,172
2020-21	3,24,331	32,857	3,90,476	28,529
2021-22 (April to December 2021)	3,35,627	24,107	3,02,745	26,490

Source: DGCIS, Ministry of Commerce and Industry.

The Government strives to minimize country's dependence on imports and to give fillip to indigenous manufacturing.

- In order to make the country Atmanirbhar in pharmaceuticals, the Department of Pharmaceuticals has launched 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*. The total financial outlay of the scheme is Rs. 6,940 crore and the tenure from FY 2020-2021 to FY 2029-30. Under the scheme, Total 49 projects have been approved for 33 critical APIs with a committed investment of ₹ 3,685 crore. Twenty projects are commissioned so far and remaining projects are in investment phase getting commissioned gradually. Incentive shall be eligible on the sales of eligible products from FY 2022-23 onwards. Under the scheme, Consultancy fee of Rs.1.55 Cr and Rs.2.18 Cr has been released to M/s IFCI Ltd., the Project Management Agency (PMA), for the last two financial years 2020-21 & 2021-22 respectively.
- Another Production Linked Incentive Scheme for Pharmaceuticals has been launched with total financial outlay of Rs. 15,000 crore and tenure from FY 2020-2021 to FY 2028-29. The scheme intends 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. The eligible drugs under this scheme include APIs among other categories of pharmaceutical products and total of 55 projects have been approved under the scheme. The projects shall be eligible for incentives from FY 2022-23 on incremental sales.
- Department has launched the scheme "Promotion of Bulk Drug Parks" that provides for grant-in-aid support (Rs.1000 Cr per State) for creation of Common Infrastructure Facilities to 3 bulk drug parks and the tenure is of the scheme from FY 2020-2021 to FY 2024-25. Under this scheme, Department of Pharmaceuticals has received proposals from 13 states including Maharashtra, which are under evaluation.
- Further, Department provides support to the pharma clusters for creating common infrastructure facilities under *Assistance to Pharmaceutical Industry for Common Facilities (API-CF)*.
- *Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)* has been approved to support SME units in pharmaceutical sector, including for APIs, for quality and technology upgradation.
