

CABINET NOD FOR BULK DRUG PARKS' PROMOTION SCHEME

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The scheme is expected to reduce the manufacturing cost of bulk drugs. File (Representational image) | Photo Credit: [AP](#)

The Union Cabinet has approved a scheme for promotion of bulk drug parks with a financial assistance of 3,000 crore for the next five years.

It has also approved a Production Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of critical drug intermediates and [active pharmaceutical ingredient](#) (API) with a financial assistance of 6,940 crore for the next eight years, a release issued by the Central government on Saturday said.

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“Government will give grants-in-aid to States with a maximum limit of 1,000 crore per bulk drug park, which will have common facilities such as solvent recovery plant, distillation plant, power and steam units, common effluent treatment plant etc.,” noted the release.

The bulk drugs parks scheme is expected to reduce the manufacturing cost of bulk drugs in the country and dependency on other countries for such as drugs.

“The Production Linked Incentive Scheme will lead to expected incremental sales of 46,400 crore and significant additional employment generation over 8 years,” noted the release.

The Indian pharmaceutical industry is the 3rd largest in the world by volume. However, despite this achievement, India is significantly dependent on import of basic raw materials, viz., bulk drugs that are used to produce medicines. In some specific bulk drugs, the import dependence is 80 to 100%.

“Continuous supply of drugs is necessary to ensure delivery of affordable healthcare to the citizens. Any disruption in supplies can have significant adverse impact on drug security, which is also linked to the overall economy of the country. Self-sufficiency in manufacturing of bulk drugs is highly required,” the release said.

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