GOVERNMENT OF INDIA

MINISTRY OF CHEMICALS AND FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO-517

ANSWERED ON-27.02.2015

Import of bulk drugs and API from China

517 . Shri Vijay Jawaharlal Darda

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

(a) whether Government is aware that during the past four years India has imported bulk drugs and Active Pharmaceutical Ingredients (API) worth Rs.38,186 crore from China;
(b) whether Government is also aware that this constitutes 80 per cent to 90 per cent of essential drugs;
(c) whether over dependence on China is causing huge drain on foreign exchange reserve at the cost of Indian pharmaceutical industries; and
(d) if so, by when India is expected to be self sufficient in production of bulk drugs and the steps taken by Government in this regard to reduce dependence on China?

ANSWER

MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a) Yes, Sir.

(b) As per the Boston Consulting Group report of 2013, in case of 12 essential drugs namely; Paracetamol, Metformin, Ranitidine, Amoxicillin, Ciprofloxacin, Cefixime, Acetyl salicylic acid, Ascorbic acid, Ofloxacin, Ibuprofen, Metronidazole and Ampicillin, there is significant dependence on imports for the drug ingredients. Approximately 80-90% of these imports are from China.

(c) The decision to import and the country of origin for such imports are based on economic considerations. Further, as per Industry Outlook Service of Centre for Monitoring of India Economy Pvt. Ltd.(CMIE), Indian Pharmaceutical Industry's total foreign exchange earning was Rs.72,707.00 crores for the year 2013-14 against the total forex spending of Rs. 30,591 Crores. Therefore, Pharma sector as a whole is net foreign exchange earner and not a drain on foreign exchange reserves.

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(d): In a meeting chaired by the National Security Adviser and then Principal Secretary to Prime Minister, held in Prime Minister's Office on 08.10.2013, it was decided to set up a Committee of Secretaries under the Chairmanship of Secretary, Department of Health Research to study and identify the Active Pharmaceutical Ingredients (APIs) of critical importance and to workout a package of interventions/concessions required to build domestic production capabilities, and examine the cost implication. In addition to the Chairman, the Committee comprises of Member Secretary, National Manufacturing Competitiveness Council (NMCC), Secretary, Department of Pharmaceuticals, Secretary, Department of Health, Secretary, Department of Commerce and Secretary, Department of Industrial Policy

and Promotion. The Committee has recently submitted its report which is being examined.

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