

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:2725  
ANSWERED ON:25.11.2010  
MERGERS AND ACQUISITIONS OF PHARMACEUTICAL COMPANIES  
Biju Shri P. K.

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

- (a) whether there is any statutory mechanism to review and regulate the mergers and acquisitions of pharmaceutical companies in the country presently;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (c): 100% foreign equity is permitted in pharmaceutical sector through automatic route. Department of Pharmaceuticals has received representation from pharma associations etc. Department of Pharmaceuticals has written to Department of Commerce to conduct a study on the recent takeovers of domestic pharma industry and to submit its recommendation to the Prime Minister's Economic Advisory Council/Competent Authority for its decision.