

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

UNSTARRED QUESTION NO:640

ANSWERED ON:24.11.2011

TAKE OVERS OF INDIAN PHARMACEUTICAL COMPANIES

Dubey Shri Nishikant ;Semmalai Shri S.

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

- (a) the number of Indian Pharmaceutical Companies taken over by the Multi National Companies during each of the last three years and the current year;
- (b) whether the Government proposes to put a cap or regulate the entry of Multi National Companies in the Indian Pharmaceutical Industry with a view to protect and strengthen the pharmaceutical industry particularly the Indian small and medium enterprises;
- (c) if so, the details thereof; and
- (d) the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

- (a): Ministry of Commerce & Industry (Department of Industrial Policy & Promotion) has informed that the Department does not maintain any database in this regard.
- (b) to (d): A High Level Committee, Chaired by the Planning Commission, was constituted to examine the issues relating to acquisition of Indian Pharmaceutical Companies by Foreign Companies. A meeting was held under the Chairmanship of Hon`ble Prime Minister on 10.10.2011. Following decisions were taken in the said meeting:-
 - (i) FDI, upto 100%, under the automatic route, would continue to be permitted for greenfield investments in the Pharmaceuticals sector.
 - (ii) FDI upto 100%, would be permitted for brownfield investment (i.e. investments in existing companies), in the Pharmaceuticals sector, under the Government approval route.