

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

UNSTARRED QUESTION NO:3281

ANSWERED ON:13.12.2012

IMPACT OF ACQUISITIONS OF INDIAN PHARMACEUTICAL COMPANIES

Jindal Shri Naveen

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

(a) the size of pharmaceutical business in the country vis-a-vis the global position of Indian pharmaceutical industry during the last three years;

(b) whether the Government has assessed the impact of acquisitions of Indian pharmaceutical companies by the Multi-National companies on the Indian Healthcare system including the prices of drugs paid by the consumers;

(c) if so, the details thereof; and

(d) if not, the reasons for continuously allowing Multi-National companies to acquire Indian pharmaceutical companies without assessing any such impact on the Indian Healthcare system`?

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): The Indian Pharmaceutical Industry is ranked 3rd globally in volume and 14th in value, supplying about 10% of total global production. The details of production during 2008-09, 2009-10 and 2010-11 are as under:

Sl.No. Year Rs. in Crores

1. 2008-09 98174.8

2. 2009-10 106209

3. 2010-11 119075.6
CMIE (July 2012)

(b)&(c): With a view to examine the issues involved in a broader perspectives, Planning Commission had with the approval of the Hon'ble Prime Minister constituted a High Level Committee (HLC) under the Chairpersonship of Shri Arun Maira, Member (Industry), Planning Commission to consider all the relevant aspects. Based on an analysis done by National Pharmaceuticals Pricing Authority, the Department of Pharmaceuticals submitted its comments to Shri Arun Maira committee that it would be reasonable to conclude that there is no substantive factual proof for increase in prices of drugs due to acquisitions.

(d): In view of reply to (b) and (c) above, does not arise.