

## Centre concerned over takeover threat to pharma cos getting R&D funding

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**Our Bureau**  
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The Centre on Friday said that though there will be no change in the policy of 100 per cent foreign direct investment (FDI) in greenfield pharmaceutical projects, it was concerned about foreign companies acquiring those

domestic pharmaceutical firms where growth has been catalysed by Government funding their research and development (R&D) activities.

The Commerce and Industry Minister, Mr Anand Sharma, told reporters that, "Where the funding for re-

search has been from some institution and the company is prone to a takeover, then there are concerns."

"You have to study how money goes into innovation and R&D. India's own investment in innovation and R&D had been only 1 per cent of GDP. We hope to increase it.

The Health and Commerce Ministries are looking at it," he said.

Following the acquisitions of Ranbaxy, Piramal Health Care and Dabur Pharma, the Government departments concerned are looking at whether there is a need to curb such takeovers.

Govt.