

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 211

TO BE ANSWERED ON MONDAY 3RD FEBRUARY, 2020 MAGHA 14, 1941 (SAKA)

TAX BENEFITS TO PHARMACEUTICAL COMPANIES

211. SHRI KANUMURU RAGHU RAMA KRISHANA RAJU:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any recommendations from the Department of Pharmaceuticals to provide tax benefits to local pharmaceutical companies for their expenditure incurred on Research and Development;
- (b) if so, the details thereof; and
- (c) whether the Government is considering their request in a positive manner and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

- (a) Yes sir.
- (b) In relation to the expenditure incurred on Research and Development (R&D) by local pharmaceutical companies, Department of Pharmaceuticals has recommended that the provision of weighted deduction of 200% for R&D expenditure be restored.
- (c) Several proposals pertaining to direct taxes are examined during the budgetary exercise for the Union Budget, during which the Finance Bill is tabled before the Parliament and the proposals which are finalized are reflected in the Finance Bill which is being presented every year in Lok Sabha on 1st February since 2017.
