

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
(FC-I Section)

Press Note No.3 (2011 Series)

Subject: Review of the policy on Foreign Direct Investment in pharmaceuticals sector-
insertion of a new paragraph 6.2.25 to 'Circular 2 of 2011-Consolidated FDI Policy'

1.0 Present Position:

Foreign Direct Investment (FDI), up to 100%, under the automatic route, is permitted in the pharmaceuticals sector.

2.0 Revised Position:

The Government of India has reviewed the extant policy on FDI and decided as under:

- (i) FDI, up to 100%, under the automatic route, would continue to be permitted for greenfield investments in the pharmaceuticals sector.
- (ii) FDI, up to 100%, would be permitted for brownfield investments (i.e. investments in existing companies), in the pharmaceuticals sector, under the Government approval route.

3.0 Accordingly, the following amendment is made in 'Circular 2 of 2011- Consolidated FDI Policy', dated 30.09.2011, issued by the Department of Industrial Policy & Promotion:

Insertion of a new paragraph 6.2.25:

A new paragraph (6.2.25) is inserted as below:

6.2.25	Pharmaceuticals		
6.2.25.1	Greenfield	100%	Automatic
6.2.25.2	Existing companies	100%	Government

4.0 The above decision will take immediate effect. It would be reviewed after a period of six months.


(Anjali Prasad)

Joint Secretary to the Government of India

D/o IPP File No.: 1/16//2010-FC-I dated: 8th November, 2011

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1. **Press Information Officer, Press Information Bureau-** for giving wide publicity to the above Press Note.
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