

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1050  
ANSWERED ON:28.11.2011  
FDI IN PHARMA  
Acharia Shri Basudeb

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether a number of Indian Pharmaceutical units has been taken over by multinational companies as a result of Government liberal policy in regard to Foreign Direct Investment (FDI); and

(b) if so, the details thereof alongwith its likely impact?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a)&(b): Certain Indian pharmaceutical companies including Ranbaxy laboratories, Dabur Pharma, Matrix lab, Shanta Biotech, Orchid Chemicals and Piramal Health Care, have been taken over by multinational companies in the recent past. However, comprehensive data in this regard is not maintained by the Ministry of Commerce & Industry.

The extant policy in the Pharmaceutical sector, as contained in Press Note 3(2011), issued by the Department of Industrial Policy & Promotion, on 8.11.2011, is 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.

The above decision would be reviewed after six months from the date of issue of the above Press Note.