

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

UNSTARRED QUESTION NO:1083
ANSWERED ON:28.11.2014
. FDI IN PHARMACEUTICAL SECTOR
Nayak Shri B.V.;Rajesh Shri M. B.

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

- (a) whether there is any blanket ban on Foreign Direct Investment (FDI) in Pharmaceutical Sector and further takeover/ acquisition of domestic pharma units;
- (b) if so, the details thereof;
- (c) whether the Ministries of Finance and Health and Family Welfare are strongly pitching for urgent reversal of the current policy of allowing FDI in Pharmaceutical Sector; and
- (d) if so, the details thereof along with the reaction of the Government thereto?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

(a) & (b): No, Madam. 100% FDI in brownfield pharmaceutical sector under government approval is permitted.

(c) & (d): The Government considered a proposal to review the FDI cap in brownfield pharmaceutical sector to curb the takeover/ acquisition of domestic pharmaceutical companies. Department of Health & Family Welfare supported the proposal. Ministry of Finance supported the continuance of the existing policy. Government has not approved the proposal to review the FDI cap in brownfield pharma sector.