

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

UNSTARRED QUESTION NO:3147
ANSWERED ON:22.03.2002
FDI IN PHARMACEUTICAL SECTOR
ASHOK KUMAR PATEL;HARIBHAU MAHALE

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

- (a) whether the Government have now permitted cent per cent foreign direct investment in the pharmaceutical sector,
- (b) if so, the details thereof;
- (c) the date from which the said decision would come into force;and
- (d) the number of proposals received and cleared by the Government in this sector so far?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) & (b) As per the extant FDI policy, FDI up to 100% is permitted under the automatic route in Drugs & Pharmaceutical Sector provided the activity does not attract compulsory licensing or use of recombinant DNA technology and specific cell/tissue targeted formulations. FDI up to 100% in Drugs & Pharmaceuticals involving compulsory licensing or use of recombinant DNA technology and specific cell/tissue targeted formulations is also permitted subject to prior Government approval.

(c) The above dispensation came in to force with effect from 11.2.2000.

(d) The receipt & disposal of FDI proposals is a continuous process. The details of such proposals viz., name and country of foreign collaborator percentage of equity, items of manufacture/activity and location of the project are published on a monthly basis in SIA Newsletter which is also circulated to the Parliament Library