

**FDI : CONSOLIDATED FDI POLICY - REVIEW OF THE POLICY ON FOREIGN
DIRECT INVESTMENT IN PHARMACEUTICALS SECTOR-INSERTION OF A
NEW PARAGRAPH 6.2.25 TO CIRCULAR 2 OF 2011, DATED 30-9-2011**

PRESS NOTE NO.3 (2011 SERIES), DATED 8-11-2011

1. Present Position:

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

2. 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. Accordingly, the following amendment is made in '*Circular 2 of 2011- Consolidated FDI Policy*', dated 30-9-2011, 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. The above decision will take immediate effect. It would be reviewed after a period of six months.