

Medtech to get sub-category in Indian pharma norms

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New Delhi: India is proposing to create a sub category for medical equipment and devices such as implants and sutures, under pharmaceuticals industry section, as this sector, generally, does not attract the stiff conditions on brownfield foreign investment in the sector, according to a report published in India's one of the leading business publications.

The department of industrial policy and promotion (DIPP), India, will soon move a note in consultation with the health ministry, department of pharmaceuticals and the finance ministry, to create a new category of medical devices under the foreign direct investment (FDI) policy, a report by *The Economics Times* said.

India had opened the pharmaceutical sector to 100 percent FDI via the automatic route in 2002. However, in 2012, the government introduced a distinction between greenfield projects and brownfield ones, following apprehensions that Indians will be denied cheap medicines if multinational continued to acquire big companies.

As of now, FDI in an existing pharmaceuticals company requires permission from the foreign investment promotion board (FIPB).

The government has also imposed conditions on brownfield investment such as mandatory manufacture of essential drugs and continued investment in research and development.