

quantity of rice. Dr. Razzaque also met Minister of Commerce and Industry on 12th February, 2011. No MOU has been signed between the two countries with regard to export of foodgrains.

(c) and (d) Do not arise in view of (b) above.

Reduction of FDI in pharmaceutical sector

166. SHRI R.C. SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that allowing 100 per cent FDI through automatic route in pharmaceutical sector is causing a lot of problems not only with regard to availability of cheap drugs but also acquisitions by foreign Multi National Companies;

(b) whether it is also a fact that many sections are demanding for reduction of FDI in pharma sector from the present 100 per cent to 40 per cent;

(c) if so, the details thereof;

(d) whether any consultations in this regard have been held with stakeholders and others; and

(e) if so, the outcome of such consultations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (e) As per extant Foreign Direct Investment (FDI) policy, 100% FDI is allowed in the automatic route in the Drugs & Pharmaceuticals sector. Concerns have been expressed that the recent takeovers of Indian Pharmaceuticals Companies by Multi National Companies would result in their gaining market supremacy affecting the prices of generic drugs. Stakeholders have made suggestions to address these concerns. The suggestions include imposing a cap of 49% and shifting FDI in the pharmaceutical sector from the automatic route to Government route. The Government has initiated Inter-Departmental consultations on how best to address this issue.

Opposition to FDI in retail sector

†167. SHRI SHIVANAND TIWARI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

†Original notice of the question was received in Hindi.