

Protection of Indian generic pharma sector from FDI

2188. SHRI DEVENDER GOUD T. : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the reasons that in spite of opposition, Government is continuing with 100 per cent Foreign Direct Investment (FDI) in Greenfield and Brownfield investments in pharma sector;
- (b) whether it hampers the production of cheaper generic drugs in the country; and
- (c) if so, how the Ministry is planning to protect the Indian generic pharma sector?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) to (c) The extant FDI policy in the pharmaceutical sector allows 100% FDI on the automatic route for greenfield investment. 100% FDI is allowed for brownfield investment on the Government route. In order to ensure availability and affordability of essential medicines and maintain a reasonable level of research and development expenditure, Government has prescribed appropriate conditionalities for cases on the Government approval route. Further, with a view to protecting the domestic pharmaceutical sector including the production of generics, the Government has decided that 'non-compete' clause would not be allowed except in special circumstances with the approval of the Foreign Investment Promotion Board.

Deficit in bilateral trade with Japan

2189. SHRI BAISHNAB PARIDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether there is a big deficit in India's bilateral trade with Japan;
- (b) whether this gap is proposed to be bridged with Free Trade Agreement with Japan, if so, the details thereof;
- (c) the countries with whom India has entered into Free Trade Agreement with a view to improve bilateral trade;
- (d) how far this has bridged the gap in trade deficit; and
- (e) the action plan to develop such FTAs with other countries?