

Price ceiling on insulin

30. DR. T. SUBBARAMI REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Drug Price Regulator, National Pharmaceutical Pricing Authority is planning to impose a ceiling on prices of domestically manufactured and imported insulin brands;

(b) if so, whether Rs. 350 crore domestic insulin market is growing at 20-25 per cent a year;

(c) whether Canadian firm Novo Nordisk controls about 80 per cent of domestic insulin market and the rest is shared by Eli Lilly, Cadila, U.S. Vitamins, etc.;

(d) if so, whether this proposed move is to fix a ceiling price based on a cost study, which will apply to all domestically made and imported brands; and

(e) if so, to what extent it will help in checking prices of insulin?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Presently, the prices of domestically produced insulin formulations are fixed on the basis of information submitted by the manufacturers in Form-III and for imported formulations in Form-IV and as per Para 7 of DPCO, 95.

(b) As per the available information with the NPPA, the insulin market is growing 20-25% in a year.

(c) As per ORG-IMS data, the market share of more than 60% is held by M/s Abbot, 20% by M/s Eli Lilly, 1.5% by M/s US Vitamins and less than 1% by M/s Cadila.

(d) and (e) On the basis of cost price study, Government/NPPA revised the price of Human Insulin Crystal on 25.09.2008 from Rs. 31,05,620/- kg. to Rs.33,96,087/- kg. for the domestically produced insulin crystals.

Demand of DAP

†31. SHRI RAGHUNANDAN SHARMA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has decided at the highest level to reduce the demand of D.A.P. by 10 per cent as informed by the Department letter no. 22001/2008 Fert. Stat. dated April 16, 2008 to the Department of Agriculture, Government of Madhya Pradesh; and

(b) if so, the view of Government with regard to its adverse effect on agricultural production?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Vide letter dated April 16, 2008, it was suggested to Department

†Original notice of the question was received in Hindi.

of Agriculture and Cooperation (DAC) and State Government for possible cut of 10% in demand. On the basis of feedback from the State Government/DAC idea of curtailing demand of DAP was dropped.

(b) Does not arise.

Financial assistance to chemical fertilizer units

†32. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the need of Rs. 31,368 crore has been estimated in various forms for smooth running of chemical fertilizer producing units in the Government sector in the country;

(b) if not, the facts thereof;

(c) the annual production capacity of these chemical fertilizer units in terms of each fertilizer; and

(d) the quantum of each chemical fertilizer imported to meet the demand during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) All the fertilizer producing units in the Government sector are running profitably except for M/s BVFCL, M/s FACT and M/s MFL. The above three companies have been running into losses due to various reasons. The Companies have been requesting for Government support in the form of grant, soft loan, special dispensation under subsidy regime etc. from time to time in order to sustain operations of their plant.

In this context, a financial restructuring package has already been sanctioned for FACT in the month of March, 2008. Further, a financial restructuring package for MFL and BVFCL is under active consideration of the Government.

(c) The annual production capacity of fertilizer units in Government Sector is as under:-

Unit name	Production Capacity (000 MTs)		
	Urea	DAP	Complex
1	2	3	4
BVFCL-II	240.0	0.0	0.0
BVFCL-III	315.0	0.0	0.0
GNFC	636.9	—	142.5
NFL-Nangal	478.8	0.0	0.0

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