

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (d) Currently, there is no proposal in the Department of Fertilizers to establish new urea plants by the Government directly. However, to encourage investments in urea sector, the Government has notified New Investment Policy on 4th September, 2008.

**New urea policy**

2332. SHRI A. ELAVARASAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government is working on a new urea policy that would seek incentive for the domestic industry to boost investment and reduce dependence on imports;

(b) if so, the details thereof;

(c) whether urea constitutes 55 per cent of the total fertilizer consumption in our country and we produce about 21 million tonnes of urea and import about 5 million tonnes;

(d) if so, the details thereof; and

(e) the steps taken by Government to set up new urea plants and also upgrade the existing plants?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a), (b) and (e) For current urea manufacturing capacities, the Policy for New Pricing Scheme for urea manufacturing units beyond the period of 31.03.2010 is under consideration of Government. As regarding new investments, the Government has notified New Investment Policy on 4th September, 2008. The fertilizer Industry has responded positively to the New Investment Policy by initiating investment decision for revamp of existing capacities. Most of the existing units have either completed their revamp or are currently implementing revamp projects in their units contributing around 1.5 million tonnes increase in existing urea capacity. Further, six fertilizer companies viz. IFFCO-Kalol, KRIBHCO-Hazira, RCF-Thal, IGFL-Jagdishpur, CFCL-G adepan and TCL-Babrara have also indicated their intention for expansion of their existing units by setting up a 1.15 Million Tonnes per annum Ammonia Urea plants in their existing premises. The creation of additional capacities by revival of closed plants of HFCL and FCIL is also under consideration of Government. M/s Matix Group Company, Mumbai has informed to set up a Greenfield Gas Based Ammonia-Urea project in BURDWAN District, West Bengal of one million metric tonne per annum (1 Mn MTPA), based on Coal Bed Methane (CBM) Gas which will be supplied to them by Essar Oil Limited's Raniganj CBM block. The companies have been regularly requesting the Government for either firm allocation of gas at predetermined fixed prices from domestic gas sources or insulate industry from any additional liability arising due to increase in delivered price of gas by correspondingly increasing the floor prices in the absence of any commitment on allocation of natural gas at fixed prices. The

constraints indicated are under examination and a proposal for amendments in the New Investment Policy notified on 4th September, 2008 is under consideration to facilitate the investments in urea sector leading self reliance in urea sector.

(c) and (d) During the year 2008-09 total consumption of urea was 266.49 LMT of the total consumption of 467.63 LMT of major fertilizers viz. urea, DAP, MOP and Complex fertilizers which constitutes 56.90%. During the year 2008-09 urea produced indigenously was 199.22 LMT and import was 56.67 LMT.

#### **Nexus between doctors and drug manufacturers**

†2333. SHRI RAGHUNANDAN SHARMA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government's attention has been drawn towards so called nexus between doctors, medicine sale counters and drug manufacturers for increasing the sale of drugs;

(b) if so, the details thereof;

(c) whether Government has discussed this issue with drug manufacturers to check this improper way being used for increasing the sale of drugs;

(d) if so, the result thereof; and

(e) the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (e) Reports had appeared in leading newspapers in the recent past regarding unethical practices through promotional expenses by the Pharma companies. Keeping in view the allegations made in the media reports, this Department took up the matter in the interest of consumers and patients since such promotional expenses had direct implications on prices of drugs and its affordability, thereby adversely affecting access to medicines, especially for the poor and disadvantaged. Many of the Pharmaceutical Associations have worked out a "Uniform Code of Pharmaceutical Marketing Practices" (UCMP). This, however, seems to have generated some contention between the Associations themselves, as is apparent from the Press Statement issued by SPIC, *inter-alia*, stating that they are not signatories to the UCMP. The Department of Pharmaceuticals has written to the concerned Associations for clarification. Organisation of Pharmaceutical Producers of India (OPPI) has informed that they have not received any final confirmation of the acceptance of the UCMP from SME pharma Industries Confederation (SPIC) as yet. They have further informed that the UCMP has been prepared with inputs from the following Industry Associations, in addition to OPPI:—

(i) Confederation of Indian Pharmaceutical Industry (CIPI);

(ii) Federation of pharmaceutical Entrepreneurs (FOPE);

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†Original notice of the question was received in Hindi.