

The Twelfth Finance Commission has not given any specific recommendation regarding fertilizer subsidy.

(e) and (f) Implementation of the Nutrient Based Subsidy (NBS) Policy on decontrolled Phosphatic & Potassic fertilizers was implemented with effect from 1st April, 2010. In terms of this policy, the subsidy on the nutrients 'N' - Nitrogen, 'P' - Phosphorus, 'K' - Potash and 'S' - Sulphur contents would be fixed on an annual basis. In addition to the fixed subsidy on above mentioned nutrients, there will be an additional per tonne subsidy for subsidized fertilizer carrying other secondary nutrients and micro nutrients in formulations approved under FCO 1985. The various options of subsidy regime in indigenously produced urea beyond the New Pricing Scheme (NPS)-III are under consideration of the Government.

#### **Closure of fertilizer plant in Orissa**

3436. SHRI MANGALA KISAN: Will the Minister of CHEMICALS AND FERTILIZERS be please to state:

(a) whether Government is aware that United Progressive Alliance Government in its previous tenure, had announced many times that the closed fertilizer plant in Talcher, Orissa would be recommissioned soon;

(b) whether it was also announced that the control of this plant would be transferred from loss-making Fertilizer Corporation of India Ltd. (FCI) to profit making Rashtriya Chemicals and Fertilizers Ltd. (RCF);

(c) if so, the steps taken and the progress made in this regard so far;

(d) whether the State Government has sent any memorandum or request letter to Central Government to restart this plant; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (c) The Government on 12.04.2007 had in-principle decided to examine the feasibility of reviving FCIL and HFCL. After due examination of technical and economic feasibility, the Government decided on 30th October 2008, to constitute an Empowered Committee of Secretaries (ECOS) under the Chairmanship of Secretary (Fertilizers) to look into all possible financial models for revival of each of the closed units of HFCL/FCIL including the Talcher unit. In the mean-time, the

proposal by consortium of Gas Authority of India Limited/Coal India Limited/Rashtriya Chemicals and Fertilizers Limited (RCF) has been received expressing intent to put-up fertilizer plant at FOIL Talcher. Recommendations of ECOS alongwith the intent of PSUs are under examination.

- (d) No, Sir.
- (e) Does not arise.

#### **Rise in prices of life saving drugs**

3437. SHRI M.P. ACHUTHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it is a fact that prices of life saving medicines, particularly regarding cancer, heart diseases, etc. are rising every other day and have gone out of the reach of common people;
- (b) if so, the details thereof;
- (c) whether the Ministry is considering to take steps to bring down the prices;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) The NPPA enforces the prices of all formulations including imported scheduled formulations which are under price control. No person can sell any formulation (medicine) of price controlled category to a consumer at a price exceeding the price notified/approved by the NPPA/Government. In case a company is found selling at prices higher than the price notified/approved by the NPPA, action is taken against them as per the provisions of the Drugs (Prices Control) Order, 1995 (DPCO, 95).

Anti Cancer medicines and medicines for heart diseases are not covered under the DPCO, 95. In respect of drugs - not covered under the DPCO, 95, i.e. non-scheduled drugs, manufacturers themselves fix the prices without seeking the approval of NPPA. Such prices are normally fixed by the manufacturers depending on various factors like the cost of bulk drugs used in the formulation, cost of excipients, cost of R&D, cost of utilities/packing material, sales promotion costs, trade margins, quality assurance cost, landed cost of imports etc. However, NPPA monitors the prices of non-scheduled formulations on the basis of data from ORG-IMS (about 60000 packs are analysed every