

3668/2003 directed the Government, inter alia, to "consider and formulate appropriate criteria for ensuring essential and life saving drugs not to fall out of price control and further directed to review drugs which are essential and life saving in nature till 2nd May, 2003". As per the directions of the Supreme Court, the Ministry of Health and Family Welfare reviewed the National Essential Drugs List 1996 and brought out the National List of Essential Medicines, 2003 (NLEM 2003). Keeping in view the directions of the Supreme Court it has been proposed in the Draft National Pharmaceutical Policy, 2006 which is at present before the Group of Ministers for a decision, that basket of drugs for price control would be the essential medicines as contained in the NLEM 2003 (subject to certain conditions and exemptions) in addition to the 74 drugs which are at present under price control under the Drugs (Prices Control) Order, 1995.

(c) and (d) The draft National Pharmaceuticals Policy, 2006 was submitted before the Cabinet for its approval. The Cabinet considered the Policy in its meeting held on 11.1.2007 and decided that the matter may, in the first instance, be considered by a Group of Ministers (GoM). The GoM was constituted on 31.1.2007 by the Cabinet Secretariat. The GoM has not yet submitted its recommendation.

Dependence on import of chemical fertilizers

†1280 : SHRI RAVI SHANKAR PRASAD :

SHRI RAM JETHMALANI :

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

(a) whether it is a fact that the dependence on import is on the rise to meet the demand of chemical fertilizers, during recent years in the country ;

(b) if so, the reaction of the Ministry thereto ;

(c) whether any measures have been explored to end the dependence on import in order to maintain supply of chemical fertilizers in the country ; and

(d) if so, the details of the measures explored ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA) : (a) and (b) The production of fertilizers in the country is not sufficient to meet the indigenous requirement. The imports of fertilizers in any year depend on the gap between assessed demand and indigenous production of these fertilizers in that year. Urea is the only fertilizer under statutory price control and it is imported for direct agriculture use on Government account through

†Original notice of the question was received in Hindi.

State Trading Enterprises (STEs) i.e. MMTC, STC and I PL to bridge the gap between assessed demand and indigenous production. Government is also importing approximately 20 LMT urea per annum from Oman India Fertiliser Company (OMIFCO) under Long Term Urea Off Take Agreement (UOTA) between GOI & OMIFCO. Fertilizers other than Urea are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgment after assessing the demand supply position of these fertilizers. The import of major fertilizers in the country during the last three year is as under.

(Quantity in lakh MT)

Product	2008-09	2009-10	2010-11
UREA	56.67	52.10	66.10
DAP	61.92	58.89	74.11
MAP	2.67	1.93	1.88
TSP	1.73	0.87	0.98
NPK			9.81
MOP	43.46	41.62	45.00

(c) and (d) Government is always encouraging production of fertilisers in the country to achieve self-sufficiency. A new policy was announced on 4th September 2008 to attract new investments in urea sector. The policy is based on Import Parity Price (IPP) benchmark with suitable floor & ceiling prices aiming to revamp, expansion, revival of existing urea units and setting up of Greenfield projects. The policy aims to substantially bridge the gap between consumption and domestic production of urea subject to adequate availability of gas at reasonable prices. Government has also taken initiatives to encourage indigenous production in P&K sector by reducing the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to procure this important input at reasonable price. The Nutrient Based subsidy has also been announced on P&K fertilizers w.e.f.01.04.2010. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizer inputs to P&K sector.