

take appropriate action against the sale of non-standard fertilizers. Violation of provisions of FCO can invite penal action, including prosecution of offenders. The offender who is convicted may be awarded the sentence upto seven years imprisonment under ECA, besides cancellation of authorization certificate. Moreover State Governments have been sensitized from time to time on the issue of sales, manufacture, distribution and quality of fertilizers conforming of FCO standards.

#### **Acquisition of Indian pharma companies by MNCs**

511. SHRI R.C. SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether, in the light of the acquisition of Indian pharma companies by MNCs, it is a fact that a stage is not far off when we may not have a company ready to manufacture drugs on behalf of Government in spite of invoking 'compulsory licence' provisions; and

(b) if so, how Government is planning to address this issue?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) The Department of Pharmaceuticals had requested the Department of Commerce to conduct a study on the recent takeovers of Indian companies by the MNCs. Thereafter, the recommendation could be placed before the Economic Advisory Council to the Prime Minister and/or the Competent Authority. The report from Ernst and Young has since been received. With a view to examine the issues involved in a broader perspectives, Planning Commission has with the approval of the Hon'ble Prime Minister constituted a High Level Committee (HLC) under the Chairpersonship of Shri Arun Maira, Member (Industry), Planning Commission to consider all the relevant aspects. This High Level Committee has since submitted its report to the Hon'ble Prime Minister. As per recent press note 3(2011) issued by Department of Industrial Policy and Promotion on 07.11.2011:—

- (i) FDI, upto 100%, under the automatic route, would continue to be permitted for greenfield investments in the Pharmaceuticals sector.
- (ii) FDI upto 100%, would be permitted for brownfield investment (*i.e.* investments in existing companies), in the pharmaceuticals sector, under the Government approval route.

#### **Import of fertilizers**

512. DR. JANARDHAN WAGHMARE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the quantum and value of various fertilizers imported during each of the last three years in the country;

(b) the names of the countries from where these fertilizers are being imported; and

(c) the steps taken by Government to reduce the import of fertilizers and boost the production of fertilizers in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) Urea is the only fertilizer under statutory price control and it is imported for direct agriculture use on Government account through State Trading Enterprises (STEs) *i.e.* MMTC, STC and IPL to bridge the gap between assessed demand and indigenous production. Government is also importing approximately 20 LMT urea from Oman India Fertilizer Company (OMIFCO) under Long-Term Urea Off Take Agreement (UOTA) between Gol and OMIFCO. The import of urea from OMIFCO is made through M/s IFFCO and M/s KRIBHCO. The year-wise quantity and value of urea imported during the last three years are as under:—

Yea	Quantity of urea imported (in lakh MT)			Value (Million US \$)
	From Oman	Through STEs	Total	
2008-09	37.61	56.67	2416.00	
2009-10	31.48	52.10	1212.65	
2010-11	45.46	66.10	1832.50	

Fertilizers, other than Urea are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgment. Government do not maintain the value of these imports. However, Government is paying subsidy on P&K fertilizers under Nutrient Based Subsidy Scheme. The year-wise quantity of P&K fertilizers imported during the last three years are as under:—

Product	(Quantity in lakh MT)		
	2008-09	2009-10	2010-11
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

(b) The countries from where the fertilizers have been imported during the last three years are Australia, Bahrain, Bangladesh, Belarus, China, Canada, Chile, CIS, Egypt, Estonia,

Germany, Greece, Indonesia, Iran, Israel, Jordan, Korea, Kuwait, Latvia, Libya, Lithuania, Malaysia, Mexico, Morocco, Oman, Philippines, Qatar, Romania, Russia, S. Arabia, S. Africa, Singapore, Spain, Turkey, Tunisia, Thailand, UAE, USA, UK, and Vietnam

(c) Government is always encouraging production of fertilizers 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 and 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

#### **National Pharmaceutical Policy**

513. SHRI D. RAJA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government is considering a proposal to adopt a new National Pharmaceutical Policy bringing all essential medicines under price control; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Department of Pharmaceuticals has prepared a draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) based on the criteria of essentiality and requirements as stipulated by the Ministry of Health and Family Welfare. The draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) has been circulated among the concerned Ministries/Stakeholders. The draft Policy is also available for comments of any other interested person on the Department's website [www.pharmaceuticals.gov.in](http://www.pharmaceuticals.gov.in). In the draft policy it is proposed to bring the NLEM-2011 and associated medicines under price control.

#### **Support for production and use of organic fertilizers**

514. SHRI MOHD. ALI KHAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that only one per cent of the farmers received any kind of support for production and use of organic fertilizers; and