

(d) whether Government would impose a ban on the participation of multinational companies in indigenous pharmaceutical industry for protection thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (c) The concerned authorities dealing with foreign direct investment and prices of medicines have informed that information requested is not maintained by them.

(d) and (e) The Press Note 3 (2011) issued by the Department of Industrial Policy Promotion on 7.11.2011 lays down Foreign Direct Investment Policy in the Pharmaceutical Sector as under:—

- (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 investments (*i.e.* investments in existing companies), in the pharmaceuticals sector, under the Government approval route.

Measures for bringing down prices of fertilizers

505. SHRI R.C. SINGH:

SHRI D. RAJA:

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

(a) whether Ministry's attention has been drawn to the fact that prices of various fertilizers have shot up several times following the decontrol of those fertilizers resulting in hardship for the marginal, poor and common farmers;

(b) if so, the details thereof;

(c) whether Government is actively considering to take measures to bring down the prices of various fertilizers;

(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) to (e) 90% of the requirement of the phosphatic and 100% that of Potassic fertilizers of the Country is met through imports. Resultantly, the rise/fall in the international prices of Phosphatic and Potassic (P&K) fertilizers and its raw materials has a direct bearing on the cost of P&K fertilizers in the Country. Government of India has introduced Nutrient Based Subsidy (NBS) Policy *w.e.f.* 1.4.2010 replacing the erstwhile concession

scheme for decontrolled P&K fertilizers. Prior to 1.4.2010, the MRPs of the P&K fertilizers were fixed by the Government below the actual cost and the difference between the actual cost and the MRP's was reimbursed by the Government to the manufacturers/importers in the form of subsidy. Under the NBS Policy, the MRPs of the P&K fertilizers has been left open to be fixed by the manufacturers/importers and the amount of subsidy is fixed in terms of the nutrients of Nitrogen 'N', Phosphate 'P', Potash 'K' and Sulphur 'S' on annual basis. Accordingly, any increase/decrease in the prices of P&K fertilizers and its raw materials in the international market has a direct bearing on the MRPs of P&K fertilizers. Recently, the international prices of P&K fertilizers and its raw materials and that of US dollar have gone up substantially, as a result of which, the MRPs of P&K fertilizers have almost doubled. However, the MRP of Urea is controlled by Government and is fixed at Rs. 5310/- PMT.

Government is keeping a close watch on the MRPs of the fertilizers.

Growth in production of fertilizers

506. SHRI K.N. BALAGOPAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has initiated any step to increase production of fertilizers during the last ten years; and

(b) if so, the details of annual production growth in different fertilizers during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Yes. Government has notified New Investment Policy 2008 to encourage increase in production Urea Sector. The policy resulted in increase in production of approximate two million tonne of urea due to revamp of existing plants. A slight increase in production of Phosphatic fertilizer (Single Super Phosphatic) has also been noticed as a result of the Nutrient Based Subsidy Scheme implemented *w.e.f.* 1st April, 2010.

FDI in pharmaceutical sector

507. SHRI K.N. BALAGOPAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has formulated any policy regarding hike in Foreign Direct Investment (FDI) in pharmaceutical sector;

(b) if so, the details thereof; and

(c) whether any study has been conducted about the impact of FDI in pharma industry and if so, the details thereof?