

(d) and (e) There are 680 essential medicines (628 net medicines) under scheduled category of DPCO, 2013, which also includes the medicines to the patients of diseases like cancer, AIDs, diabetes etc. Ceiling price for 489 medicines have been fixed under provision of DPCO, 2013. Significant reduction in prices have been effected on the medicines notified under DPCO, 2013 as compared to the highest price which prevailed prior to the announcement of DPCO, 2013. The details of price reduction are as follows:

% reduction with respect to Highest prevailing Price to the Retailer	No. of drugs
0<= 5%	46
5<=10%	44
10<=15%	53
15<=20%	43
20<=25%	62
25<=30%	55
30<=35%	30
35<=40%	34
Above 40%	122
TOTAL	489

No person is authorized to sell any such formulation to any consumer at a price higher than that fixed by NPPA. In respect of other medicines not covered under scheduled category of DPCO, 2013, the manufacturers are allowed to increase a maximum retail price upto 10 percent annually.

#### **Revival of sick fertilizer plants**

669. SHRIMATI VIPLOVE THAKUR : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) the details of closed down/sick fertilizers plants/units in the country including Himachal Pradesh along with the reasons therefor;

(b) whether Government proposes to revive such plants/units; and

(c) if so, the steps taken by Government so far for their revival?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR) : (a) The details of closed down/sick fertilizers plants/units in the country along with the reasons are mentioned as under:

Name of the Sick PSU	Unit/State	Reasons for closure/sickness
Fertilizer Corporation of India Limited (FCIL)	Sindri/Jharkhand Gorakhpur/ Uttar Pradesh Talcher/Odisha Ramagundam/ Andhra Pradesh Korba/Chhattisgarh	In view of the continuing losses of FCIL and HFCL stemming from technical and financial non-viability of operations, Government decided to close down all the units of FCIL and HFCL in 2002.
Hindustan Fertilizer Corporation Limited (HFCL)	Barauni/Bihar Haldia/West Bengal Durgapur/West Bengal	
Madras Fertilizer Limited (MFL)	Manali, Chennai/ Tamil Nadu	Changes in Pricing Policy of urea by Government had negative impact on the financial performance of the Company. The New Pricing Scheme (NPS) for Urea was introduced from 1.4.2003 under which the earlier system of calculating the retention price of individual units on cost-plus basis was replaced by a group-based normative cost. Introduction of NPS from 01.04.2003 had a deleterious effect on the Company as there was an under recovery of ₹1, 995/MT.  Further, the Price Concession Scheme for complex fertilizers as applicable from 1.4.2002 did not adequately compensate the Company for cost of 'N' in its flagship product NPK 17-17-17. Also old age of the plant had its say on the efficiency ratios of the products, thereby production costs and sub optimal performance.

Name of the Sick PSU	Unit/State	Reasons for closure/sickness
Fertilizers and Chemicals Travancore Limited (FACT)	Kochi/Kerala	The financial performance of FACT turned negative due to anomalies in the erstwhile price concession scheme for Complex fertilizer during 2002-03 to 2007-08, decontrol of Ammonium Sulphate in 1994 and introduction of Group Pricing Scheme for urea in 2003 led to stoppage of urea production on account of unviable economics and restriction on the company's option to import ammonia.
Bharamputra Valley Fertilizers Corporation Limited (BVFCL)	Namrup/Assam	BVFCL is incurring financial losses since inception due to low capacity utilization and high energy consumption. The plants are under performing due to obsolete technology, equipment failures and shortage of natural gas.

(b) and (c) Yes, Sir. Steps taken by the Government to revive these units are mentioned in Statement (*See below*).

#### ***Statement***

##### *Revival of closed units of HFCL/FCIL*

In 2008, Cabinet approved revival of FCIL and HFCL units subject to non-recourse to Government funding and to consider write off of GOI Loan and interest to the extent required. The revival of these closed units would be through nomination route by PSUs and through bidding route by private sector. Sindri, Talcher and Ramagundam Units of FCIL to be revived on nomination basis. Gorakhpur and Korba units of FCIL and Durgapur, Haldia, Barauni of HFCL to be revived through bidding route.

In August, 2011, the Cabinet Committee on Economic Affairs (CCEA) had approved the Draft Rehabilitation Scheme (DRS) for revival of all the Units of FCIL and HFCL. DRS envisaged revival of Talcher Unit by the consortium of M/s Rashtriya

Chemical and Fertilizers Limited (RCF), M/s Coal India Limited (CIL) and M/s Gas Authority of India Limited (GAIL), revival of Ramagundam unit by M/s Engineers India Limited (EIL) and M/s National Fertilizers (NFL) Limited and revival of Sindri unit by M/s Steel Authority of India Limited (SAIL).

In its meeting held on 9.5.2013, CCEA, *inter-alia*, approved waiver of Government of India loan and interest to facilitate FCIL to arrive at positive net worth. This enabled FCIL to get de-registered from the purview of Board for Industrial and Financial reconstruction (BIFR). Proposal/action plan on revival of HFCL units to be taken up once revival of FCIL units is on track. The progress of revival of FCIL units is as under:

**Revival of Talcher:**

Talcher unit of FCIL to be revived by consortium of PSUs namely RCF, GAIL, CIL and FCIL by forming two joint venture companies, namely JV 1 and JV 2 with the following time line:

- |                                    |                 |
|------------------------------------|-----------------|
| (i) JV formation through RoC       | : By 30.11.2014 |
| (ii) Financial closure & Zero date | : By 1.01.2015  |
| (iii) Commissioning of Project     | : By 31.12.2018 |

**Revival of Ramagundam:**

Ramagundam unit of FCIL to be revived by consortium of PSUs namely NFL, EIL and FCIL by forming a JV company with the following time line:

- |  |                 |
|--|-----------------|
| (i) JV formation                               | : By 31.12.2014 |
| (ii) Award of contract to Technology Licensors | : By 31.03.2015 |
| (iii) Project completion                       | : By 30.9.2018  |

**Revival of Sindri:**

For Sindri unit, SAIL-Sindri Projects Ltd. (SSPL), a wholly owned subsidiary of SAIL, has been incorporated in November 2011 for the purpose of revival of Sindri Unit of FCIL. Out of total land of 6652 acres with FCIL at Sindri, only 498 acres (the area of existing fertilizer plant) is encroachment free contiguous land as against the requirement of 3247 acres of encroachment free contiguous land required by SAIL for setting up the proposed facilities. However, no much progress has been made due to non-availability of around 3000 Acres of contiguous piece of land for the Steel Plant.

In the context of the recent announcement of the proposed Jagdishpur-Haldia Pipeline of GAIL, DoF is exploring the feasibility of fast tracking the revival of Gorakhpur unit of FCIL. Revival of Korba unit is pending.

**Financial Restructuring of BVFCL:**

BVFCL is incurring financial losses since inception due to low capacity utilization and high energy consumption. The plants were under performing due to obsolete technology, equipment failures and shortage of natural gas. To address the issue of sickness of BVFCL, based on the recommendations of Board for Reconstruction of Public Sector Enterprises (BRPSE), a comprehensive proposal seeking financial restructuring of BVFCL has been proposed to be placed before CCEA. At present, the draft CCEA note is under Inter-ministerial consultation.

**Financial Restructuring of MFL:**

MFL is a Joint Venture between GOI M/s Naftiran Intertrade Co. Ltd. (NICO) with present share holding of GOI & NIOC at 69.78% and 30.22 respectively. MFL started incurring losses in the year 2003-04 and declared Sick in 2009. A comprehensive proposal seeking financial restructuring of MFL to address the issue of sickness was submitted to the Department of Public Enterprises (DPE) to place it for the consideration/approval of BRPSE. However DPE returned the proposal in July, 2014 stating that the post of Chairman, BRPSE and several other members are vacant.

**Financial Restructuring of FACT:**

FACT located at Udyogmandal, Kerala and engaged in manufacture and marketing of fertilizers and petrochemicals, design, engineering and consultancy and in fabrication and erection of industrial equipment.

FACT has started incurring losses since 1998-99 and is a sick unit. Based on the recommendations of BRPSE, a comprehensive proposal seeking financial restructuring of FACT to address the issue of sickness was submitted to the Cabinet Secretariat to place it for the consideration/approval of CCEA. Department of Expenditure has raised some issues on the matter. Department of Fertilizers is in discussions with Department of Expenditure to resolve these issues. The financial revival package submitted by FACT is yet to be placed before CCEA.

**Revenue target from communication services**

670. SHRI S. THANGAVELU : Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state :

(a) whether it is a fact that Government has set a total revenue target of ₹45,471 crore from communication services;

(b) whether it is also a fact that Government aims US \$ 1.5 billion spectrum auction in February, 2015;

(c) whether details of the auction guidelines are proposed to be issued by 1st December, 2014; and