

of Essential Medicines, 2011 (NLEM, 2011) (Original Schedule-I) and NPPA has also, so far, fixed the ceiling prices of 540 formulations under the National List of Essential Medicines, 2015 (NLEM, 2015) (Revised Schedule-I).

(b) Annual revision in the prices of scheduled formulations is permissible to the extent of change in the Wholesale Price Index (WPI) for the particular year. The Government also monitors the Maximum Retail Prices (MRPs) of all the medicines, including the non-scheduled formulations, and ensures that no manufacturer increases the maximum retail price of non-scheduled formulations by more than ten per cent of the maximum retail price during the preceding twelve months.

Import pricing and consumption of urea

3412. SHRI SANJAY SETH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the average rate on which urea is imported in a particular year, especially prices during the last three years;

(b) whether it is a fact that prices of urea are very high in the international market when tenders are floated normally, if so, the reasons therefor;

(c) the quantum of urea imported and consumed in a particular year; and

(d) the reasons for not producing enough urea in the country and, by when the country is likely to become self sufficient in meeting the requirement of urea?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA): (a) Urea for direct agriculture use is imported on Government account through State Trading Enterprises (STEs) namely MMTC Limited (MMTC), State Trading Corporation Limited (STC) and Indian Potash Limited (IPL). Government is also importing approximately 20 lakh Metric Tonnes urea from Oman India Fertiliser Company (OMIFCO) under a long term Urea Off Take Agreement (UOTA) between GoI and OMIFCO. The weighted average price of urea during the last three years is as below:

(Quantity in lakh MT and Price in US\$ per MT CFR)

Year	From OMIFCO		Through STEs	
	Quantity	Wt. Avg. Price	Quantity	Wt. Avg. Price
2013-14	21.20	172.41	49.68	322.66
2014-15	14.63	179.66	72.86	303.94
2015-16	20.78	145.83	63.96	279.02

(b) The prices of urea in the International Market are governed by the demand-supply situation. The prices of urea established in the first tender in April, 2016 were between US\$ 226.92 to US\$ 227.60 per MT CFR, which came down to US\$ 179.95 to 181.40 per MT CFR in July, 2016 and further increased to US\$ 203.20 to US\$ 204.20 per MT CFR in September, 2016. At present, the prices of urea are showing an increasing trend in the international market.

(c) The production, imports on Government account and sales of urea during the last three years is as below:

Year	Production	Import	(Quantity in lakh MT)
			Sales
2013-14	227.15	70.88	304.54
2014-15	225.86	87.49	308.72
2015-16	244.75	84.74	319.67

(d) Presently, there are 30 urea units in the country with the installed capacity of around 207 LMT. The Government of India has notified the New Urea Policy (NUP)-2015 on 25th May, 2015 for existing 25 gas based urea units with the objectives of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government. NUP-2015 has led to additional production of approximately 20 LMT as compared to 2014-15, from the existing gas based urea plants and the total production of urea during the year 2015-16 was 244.75 LMT, *i.e.* the highest ever urea production in the country.

The Government has notified New Investment Policy-2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector. At present, in private sector, so far 2 urea units-one by M/s Chambal Fertilizers and Chemicals Limited and another by M/s Matix Chemicals and Fertilizers Limited are under construction/commissioning with a total annual capacity of approximately 29 lakh MT.

In addition, Government has also approved revival of five defunct fertilizer units of the Fertilizer Corporation of India Ltd. (FCIL)/Hindustan Fertilizer Corporation Ltd.(HFCL) by setting up of new urea plants and establishment of a new brownfield Ammonia – Urea Complex in the existing premises of the BVFCL. This will further add about 72.15 lakh MT of urea per annum to the total indigenous production of the country.

These measures will help in making the country self-sufficient in meeting the requirement of urea.