Stage-I will be of one year duration from 1-4-2003 to 31-3-2004. Stage-II would be of two years duration from 1-4-2004 to 31-3-2006. Modalities for subsequent stages will be decided after review of Stage-I and II.

Partial decontrol of distribution of urea has been allowed under NPS. In Stage-I, *i.e.* from 1.4.2003 to 31-3-2004, the allocation of urea under the Essential Commodities Act, 1955 (ECA) will be restricted up to 75% and 50% of production capacity in Kharif, 2003 and Rabi, 2003-04, respectively. During Stage-II, urea distribution will be totally decontrolled after having evaluated the Stage-I.

(c) and (d) Under the liberalized industrial policy, entrepreneurs are free to set up fertilizer units anywhere in the country subject to environmental clearances.

New Drug Policy

- 5161. SHRI G. K.VASAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:
 - (a) whether a New Drug Policy has been formulated by Government;
 - (b) If so, the details thereof; and
 - (c) the date by which the Policy would come into effect?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH):

- (a) and (b) Government announced the 'Pharmaceutical Policy-2002' in February, 2002. The main objectives of this Policy are, *inter-alia*, ensuring abundant availability at reasonable prices within the country of good quality, essential pharmaceuticals of mass consumption and strengthening the indigenous capability for cost effective quality production. A copy of the Policy is available in Parliament Library.
- (c)) A Public Interest Litigation in Karnataka High Court resulted in an order dated 12.11.2002 which stopped the Government from implementing the price control regime of the Pharmaceutical Policy—2002. Government have filed a Special Leave Petition in the Supreme Court against the order of the Karnataka High Court.