

(b) if so, what are the details of the project; and

(c) by when it is likely to start?

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH):** (a) No such proposal has been received by the Ministry of Chemicals and Fertilizers from Bio-Genus India.

(b) and (c) Do not arise.

### **Impact of fertilizer policy on various companies**

†351. **SHRI P.K. MAHESHWARI:** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what would be the impact of new fertilizer policy on various companies;

(b) the names of the companies which will be benefited together with the names of the companies which will suffer a loss;

(c) whether Government have conducted any study in this regard; and

(d) if so, the outcome thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH):** (a) to (d) The new pricing policy for urea units, scheduled to come into effect from 1.4.2003, has been formulated with the objective of encouraging efficiency based fertilizer pricing. The new scheme will be implemented in stages. Stage-I would 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. The modalities of the subsequent stages would be decided after review of the implementation of the scheme during the Stage-I and Stage-II.

Under the new pricing policy, the existing urea units shall be given a concession which may be at the group concession rate or actual of the unit if it is lower than the group concession rate. In such a scenario, the urea units having low efficiency levels face the challenge of revamping

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†Original notice of the question was received in Hindi.

their manufacturing efficiency. The outliers whose existing retention prices will be higher than the group concession rate by 20%, are to be granted an adjustment phase of one year during Stage-I. In this Stage, such outlier units will get rate of concession based upon group weighted average (excluding outliers) and a structural adjustment which will be 50% of the difference between their respective retention price and the group weighted average excluding outliers.

The financial impact on different units will depend upon their levels of operational efficiency.

It is expected that at the end of this adjustment phase of one year, the inefficient outlier urea units will be able to attain efficiency levels of their respective groups.

The new scheme aims at greater transparency, uniformity and efficiency in subsidy disbursements to urea units and will induce urea manufacturing units to take cost reduction measures and be competitive.

#### **Prices of medicinal formulations**

†352. SHRI KRIPAL PARMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that manufacturers have made comprehensive hike in the prices of some medicinal formulations;

(b) if so, the reasons therefor;

(c) whether Government propose to review the price structure of these formulations and bring the prices at reasonable level wherever necessary so that medicines are available at fair prices to common people; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH): (a) to (d) For a scheduled formulation, a manufacturer is required to follow the price fixed by the Government in accordance with the provisions of the Drugs (Prices Control) Order, 1995. Prices of non-scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like

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†Original notice of the question was received in Hindi.