Import of Potassium Penicillin-G First Crystals

4804. SHRI DHARAMPAL SINGH MALIK: Will the PRIME MINISTER be pleased to state:

- (a) whether the Government are allowing the import of Potassium Penicillin G First Crystals to only those units who lift unequal quantity of indigenous Potassium Pencillin G First Crystals from public sector units against cash payment at three times the rate of the international price;
 - (b) if so, the reasons thereof; and
- (c) the remedial steps proposed to be taken to encourage the small scale units engaged in this business?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTIL-IZERS (DR. CHINTA MOHAN): (a) to (c). As per the existing policy for the year, 1991-92, import of Penicillin-G is allowed to organised as well as small scale sector units in the ratio of 50 (imported): 50 (indigenous), after lifting the indigenous material from the Public Sector Undertakings at the Government notified price.

Shortage of Vital drugs

4805. DR. D. VENKATESWARA RAO: Will the PRIME MINISTER be pleased to state:

- (a) whether the major Drug companies are cutting down the production of vital drugs;
 - (b) if so, the reasons thereof; and
- (c) the measures being comtemplated to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTIL-IZERS (DR. CHINTA MOHAN): (a) to (c). Drug companies plan the production of various drug items generally depending upon various factors like availability of imported raw materials, economic viability aspects, drug obsolescence, introduction of better and more patent drugs, corporate plans of the company, market demand, etc. Government, however, keeps a watch and takes corrective actions where ever necessary so as to ensure that their are no shortages of vital drugs.

Production and Marketing of Caprocactam by F.A.C.T.

4806. PROF. K.V. THOMAS: Will the PRIME MINISTER be pleased to state:

- (a) the total production capacity and the actual production of caprolactum at F.A.C.T. at present;
- (b) what are the by-products obtained during the production of Caprolactum;
- (c) whether any guidelines have been framed for marketing of Caprolactum and its by-products to the consumers; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTIL-IZERS (DR. CHINTA MOHAN): (a) The installed capacity of Caprolactum plant which went into commercial production on 1st March, 1991 is 50,000 tonnes per annum. In the first year, the production is expected to be 60% of the capacity.

- (b) The by-products/co-products are:
- (1) Nitric Acid (55% of HNO3).

- (2) Soda Ash (Fused-95.4%).
- (3) Ammonium Sulphate.
- (c) and (d). Yes, Sir. These guidelines fixed by The Fertilizers And Chemicals Travancore Limited relate to:
 - (1) The price of the product.
 - (2) Channels of sales.
 - (3) Arrangements for payments
 - (4) Arrangement for transportation.

The price of Ammonium Sulphate was regulated under Fertilizer (Control) Order, 1985 upto 24th July, 1991. This has been decontrolled since 25th July, 1991 and the prices of Caprolactum and its co-products and by-products are determined by The Fertilizers And Chemicals Travancore Limited from time to time taking into account the cost of production, market forces and interest of consumers.

Shifting of Headquarters of Hindustan Fertilizer Corporation

4807. SHRI BASUDEB ACHARIA: SHRI SATYAGOPAL MISRA:

Will the PRIME MINISTER be pleased to state:

- (a) whether all units of Hindustan Fertilizer Corporation are located in Eastern part of the country;
- (b) whether the Government propose to shift the Headquarters of Hindustan Fertilizer Corporation to Calcutta; and
 - (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHINTA MOHAN): (a) Yes, Sir.

(b) and (c). No decision has been taken in this regard.

Funds for Development of Backward Areas of Karnataka

- 4808. SHRIMATI BASAVARAJES-WARI: Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:
- (a) whether the State Government of Karnataka have approached the Union Government for financial assistance for economic development of backward areas of the State:
 - (b) if so, the details thereof;
- (c) the total funds sanctioned by the Planning Commission; and
- (d) the time by which the funds are likely to be released:

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PRO-**GRAMME IMPLEMENTATION (SHRI H.R.** BHARDWAJ): (a) to (d). State Government of Karnataka had requested for sanction of Rs. 130 crores as additional Central assistance during the Seventh Plan for the Development of Hyderabad-Karnataka region and also Rs. 20 crores immediately for 1985-86 for the development of Gulbarga Division. The Planning Commission in its reply in September, 1986 stated that Central assistance to State Plan was given in the form of block grants, and it has no other mechanism to extend assistance to the State Plan. It was also stated that the development of backward areas within the State was the reponsibility of the State Government.

 In January 1991, the State Government requested the Planning Commission to extend a special assistance of Rs. 350 crores for the coordinated and harmonious