

**THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN):** (a) No, Sir.

(b) Does not arise.

#### **Crisis in Sodium Dichromate Plants**

1044. **SHRI SATYA GOPAL MISRA:** Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether Government are aware that the Sodium Dichromate Plants are facing crisis due to shortage of raw material;

(b) if so, details thereof;

(c) steps taken by Government to remove the crisis;

(d) what is the allocation of the raw materials for each State; and

(e) the details thereof?

**THE MINISTER OF PETROLEUM, CHEMICALS & FERTILIZERS (SHRI VEERENDRA PATIL):** (a) Yes, Sir. Out of the three main raw-materials viz. Soda Ash, Chromite Ore and Sulphuric Acid, representations have been received from some manufacturers of Sodium Dichromates regarding the shortage of Soda Ash. No representations have been received regarding the shortage of other raw-materials.

(b) Soda Ash which was freely available in the country till end of 1977, has been in short supply since then. The main reason for the shortage of this chemical in the country is that the indigenous production has not kept pace with the rise in demand for this item. The existing manufacturers have also been unable to increase their production due to constraints on the availability and movement of coal and coke.

(c) There is no statutory control over the distribution and prices of Soda Ash. Nevertheless the Government have issued guidelines to all the manufacturers of Soda Ash which ensure that all industrial consumers who were taking the material direct

from the manufacturers continue to get the quantity they got in 1977, a year of normal supply. As a result a little more than 80 per cent of the Soda Ash produced locally is going direct to industrial consumers (including Sodium Dichromate manufacturers) at the manufacturers price. There is also constant monitoring in Government of the supply being made by the manufacturers. A quantity of about 20,000 tonnes has been imported by the State Chemicals & Pharmaceuticals Corporation of India Ltd., New Delhi (CPC) and distributed through State Government agencies to the Small Scale Sector. Apart from this, Soda Ash import is on open general licence for actual users under which any actual user of Soda Ash can import this chemical directly should he find it difficult to procure the same locally.

(d) Since there is no statutory control over the distribution of the raw-materials the question of allocation of these to the States by the Central Government does not arise.

(e) Does not arise.

#### **Shifting of Head Offices of M/s. NFL, RCF, FPDIL and FCI**

1045. **SHRI SATYA GOPAL MISRA:** Will the Minister of PETROLEUM AND CHEMICALS be pleased to state whether he is aware that as per the recommendations by the High Court Working Group the Head Offices of M/s. RCF, M/s. NFL, M/s. FPDIL and M/s. FCI were shifted to Bombay/Delhi, Delhi/Sindri, Delhi/Patna respectively except the Head Office of Hindustan Fertiliser Corporation Limited (HFCL) which is yet to be shifted from Delhi to Calcutta?

**THE MINISTER OF PETROLEUM, CHEMICALS & FERTILIZERS (SHRI VEERENDRA PATIL):** The reorganisation of the FCI and NFL w.e.f. 1.4.1978 has resulted in the formation of five Companies viz. BCF with its headquarters at Bombay, FPDIL with

its headquarters at Sindi and NFL, HFC and FCI with their headquarters at Delhi. The headquarters of the latter three Companies continue to be in Delhi.

**Increase in price of Life Saving Drugs**

1046. SHRI SATYA GOPAL MISRA:  
SHRI K. MALLANNA:

Will the Minister of PETROLEUM & CHEMICALS be pleased to state:

(a) whether Government are aware of the fact that the prices of drugs, including the life-saving ones are increasing day by day since January, 1980;

(b) whether it is also a fact that the manufacturers of the drugs are demanding a price rise; if so, Government's reaction thereto;

(c) the steps taken by Government to bring down the prices of the essential drugs; and

(d) the proposals taken by Government to supply the essential drugs to the common people at a subsidised rate?

THE MINISTER OF PETROLEUM, CHEMICALS & FERTILIZERS (SHRI VEERENDRA PATIL): (a) Government have not allowed any increases in the prices of price-controlled drugs including life-saving ones after March 1978. However, it is possible that price increases might have taken place in the following cases:

(i) formulations outside the scope of price control which are of a non-essential nature.

(ii) formulations manufactured by the small scale units having an annual turn-over not exceeding Rs. 50 lakhs, since such units are outside price control subject to their following leader prices for Categories I and II products.

(b) Yes, Sir. Drug manufacturers have individually as well as through

their Associations, voiced their demand for increase in the prices of bulk drugs and formulations consequent upon escalation in input cost, particularly after the increase in the prices of petroleum products from August 1979. Any price revision where deserved, can be possible only after the procedure and principles based on which such price revision can be granted are finalised, which will take some more time.

(c) The steps taken by Government to reduce the prices of drugs including essential drugs include:

(i) reductions consequent upon changes of duties and levies on certain drugs under the 1978-79 and 1979-80 Budgets;

(ii) reductions in formulation prices where decision to reduce the prices of the related bulk drugs had been taken before March, 1978.

(iii) reduction in formulation prices (where imported bulk drugs are used) consequent upon changes in the prices of bulk drugs in the international market.

The cost studies of price-controlled bulk drugs including those for which declared prices are at present prevailing have been taken in hand. These are likely to result both in increases as well as reductions in the prices of bulk drugs and the connected formulations.

(d) Apart from the facilities provided under various National Health Programmes like National Malaria Eradication Programme, National Leprosy Eradication Programme, etc. and the health coverage provided by the State Governments there is no other specific proposal for the supply of essential drugs to the common people at subsidised rates. However, a few canalised bulk drugs like Chloramphenicol powder, Dapsone, Streptomycin are being supplied to actual user manufacturers through CPC at subsidised prices because in these cases, while the landed cost of imports has gone up,