

**Fixing of Prices of Indigenously
Produced Bulk Drugs**

9719. SHRI BHARAT SINGH CHOWHAN: Will Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) rationale of the fixing of prices by the Government of India indigenously produced bulk drugs on the basis if the CPC price;

(b) in how many cases this principle has been applied on the bulk drugs produced by the public sector and foreign companies manufacturers of the bulk drugs etc. during the last three years;

(c) justification for continuation of canalisation of imports of bulk drugs drugwise. Details to be given with import and import-content;

(d) what was the trend of these canalised bulk drugs since 1970; increase/decrease in prices/comparison with the international prices/landed cost/different rates; and

(e) please give details of Ampicillin Anhydrous, Prednisolone, Gentamycin Sulphate, Trimethoprim and Sulphamethoxazol, during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND FERTILIZERS (SHRI JANESHWAR MISHRA): (a) and (b). The prices of indigenously manufactured bulk drugs are ordinarily not fixed on the basis of the C.P.C. prices. However in two cases the prices of indigenously produced bulk drugs were fixed on the basis of the CPC price during the last three years. The price of Ampicillin Anhydrous produced by M/s. Hindustan Antibiotics Ltd. was fixed at Rs. 1958/kg. on par with the CPC price. Similarly, a price of Rs. 955/kg. for Prenylamine Lactate manufactured by M/s. Hoechst Pharmaceuticals Ltd. was fixed on par with the CPC price against their declared

price of Rs. 2302 per kg. The main reason for taking the above view was that the prices declared by the indigenous manufacturers were considered high and they were producing the drug only from the penultimate stage.

(c) (i). The following reasons are generally applicable to all the bulk drugs which have been continued on the Canalised List:

(1) Collective orders through the canalising agencies provide bargaining strength in the world markets which helps in securing advantageous prices and concessional terms of supply.

(2) Regulation of the import/introduction of newer sophisticated drugs can be attempted in such a manner that the indigenous production of drugs of similar therapeutic value is not disturbed.

(3) Protection of the indigenous production of drugs, especially when the production is inadequate to meet the internal demand could be ensured.

(4) Equitable supply of bulk drugs at uniform prices, eliminating the middleman's profit so that the formulations based on such drugs are priced at a determinate and uniform level could be ensured.

(ii) During 1976-77 canalised bulk drugs of the value of Rs. 22.29 crores c.i.f. were imported by the CPC.

The details of the import content in the canalised drugs produced indigenously is being collected and will be laid on the Table of the House.

(d) Details of the trend of prices of canalised bulk drugs since 1970 are not available. However, a study of c.i.f. prices of 10 canalised bulk drugs since canalisation as given in the Statement Laid on the Table of the House. [Placed in Library. See No. LT-178], would reveal that no clear trend is established.

(e) A Statement indicating the c.i.f. prices for the last three years, of the drugs referred to in the Question as reported by the CPC is Laid on the Table of the House. [Placed in Library. See No. LT-2291/78].

Statement by Director General of WHO

9720. SHRI MOHINDER SINGH SAYIAN WALA: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether his attention has been drawn to the statement made by the Director-General of WHO at a medical gathering in Chandigarh that only 2 per cent of the drugs being sold by the multinationals are enough to cure the common diseases of the populace and the rest of 98 per cent are not necessary;

(b) if so, his reactions in the matter; and

(c) whether in the above context he is contemplating to take any action in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND FERTILIZERS (SHRI JANESHWAR MISHRA): (a) Yes, Sir.

(b) and (c). In the matter of licensing production of drugs within the country, the views, inter-alia, of the Ministry of Health and Family Welfare are taken into account. Normally the views are based on essentiality, efficacy and toxicity/side effect, etc. It would also be reasonable to provide as many useful drugs as possible to the medical profession to treat the patients depending upon their specific requirements. However, keeping the life saving nature of drug in view, Government have already identified 85 essential formulations for the purpose of regulating their prices at fair levels. It will also be ensured progressively that at least

20 per cent of the turnover of individual drug companies is in respect of these formulations.

Steam Engines lying idle on Bombay-Ahmedabad Track

9721. SHRI RAJARAM SHANKAR RAO MANE: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that a number of steam engines are lying idle on the Bombay-Ahmedabad track;

(b) what are the reasons for the engines remaining idle;

(c) how many employees of the maintenance staff have been without work as a result thereof; and

(d) whether the Government propose to absorb them elsewhere?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS. (SHRI SHEO NARAIN): (a) No.

(b) Does not arise.

(c) Nil.

(d) Does not arise.

Apta-Roha Line

9722. SHRI RAJARAM SHANKAR-RAO MANE: Will the Minister of RAILWAYS be pleased to state:

(a) whether Apta-Roha line is a part of the Diva-Dasgaon line which was sanctioned by the previous Government; and

(b) whether the Apta-Roha line is a part of the whole Konkan (West Coast) Railway sanctioned by the Planning Commission?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI SHEO NARAIN): (a) and (b). The line from Diva to Apta already exists. Construction of the first phase of the West Coast Konkan Railway, viz., the section from Apta to Roha