

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

(b) Does not arise

(c) The traffic densities on these sections are not heavy at present, nor projected to be heavy in near future; as such there is no proposal to electrify these sections now.

Price_s of bulk drugs

9763 SHRI CHANDAN SINGH: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a study of some selected bulk drugs has been made where prices have been declared indigenous declared price, c.i.f. price, extent of variation;

(b) details of ten cases where declared prices of bulk drugs have not been accepted similar in respect of these declared prices also;

(c) what are the justifications of canalisation of 19 bulk drugs when

240 bulk drugs raw materials are in OGL;

(d) is it a fact that canalisation has increased prices of formulations for poor consumers from 20 per cent to 98 per cent; and

(e) if so, the name of the item, the bulk drugs imported, c.i.f. price, loading price selling price of the formulations if manufactured by some actual users imports and consumer prices due to loading of the bulk drugs?

THE MINISTER OF STATE IN THE
MINISTRY OF PETROLEUM AND
CHEMICALS AND FERTILIZERS
(SHRI JANESHWAR MISHRA): (a) Yes, Sir. A study was conducted in respect of a few selected bulk drugs where the prices were declared by the companies for the indigenous production which have now been fixed after necessary cost study by the Bureau of Industrial Costs & Prices. Details regarding declared price, price fixed, c.i.f. price and extent of variation in respect of such drugs are given below:

Name of the Co.	Name of Drug	Price Declared	Price approved	c.i.f. price:	Variation
M/s. Boots	Diloxamide Furoate	666.67 (1975)	45.00	224.75	225.25
M/s. Hoechst	Fursemide	2913.00 (1976)	1703.00 (captive)	642.41	1098.59
			1741.00 (Sell)		
Burroughs Wellcome	Trimethoprim	5950.00 (1976) †	2587.00	561.34	2025.66

(b) A Statement indicating the names of 10 bulk drugs where the declared prices were not accepted is attached.

(e) In the current Import Trade Control Policy in addition to canalised list of drugs, there are three lists, namely, Banned List, Absolutely Banned List and Restricted List. Drug items not appearing in any of these

lists can be imported under Open General Licence. Bulk drugs have been identified under each of these lists keeping in view Stage of development of bulk drug in the country and also the future prospects of expansion/commencement of production of a particular drug. Eighteen items of bulk drugs have been put in the Canalised

List in the Current Import Trade Control Policy as in respect of these drugs self-sufficiency is yet to be attained.

(d) and (e). No, Sir. However, it is likely that some Actual Users might have imported some of the canalised bulk drugs at prices cheaper than those of the canalising agencies, as they were entitled to import any canalised bulk

drug freely against REP licences before September, 1977 and could bring the product of their choice at the most convenient time which was not always possible in the case of canalising agencies. There are instances where, after canalisation, the prices of bulk drugs have come down as compared to the import prices adopted in the past by actual users in their formulations. A few such instances are given below:

Name of drug	Import Prices claimed/ allowed in the formulations prior to canalisation Rs.	Canalised price Rs.
Gentamycin	83/gm to 120/gm	61.21/gm.
Trimethoprim	1051/kg. to 3707/kg.	2000/kg.
Sulphamethoxazole	480/kg.	400/kg.
Fursemide	2722.50/kg.	1741/kg.(Pooled)
Prenylamine Lactate	3434/kg.	955/kg.

Statement

Sl. No.	Name of the Co.	Name of Drug	Unit	Price Declared Rs.	Price Accepted/ Approved Rs.	Basis on which approved
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	M/s Boots.	Diloxamide Furoate	kg.	666.67	450.00	Cost study.
2.	M/s. Hoechst	Fursemide	"	2913.00	1703.00 (C) 1741.00 (S)	Cost and technical study.
3.	M/s. Roche.	Sulphamethoxazole	"	1190.00	517.00	Keeping in view the price of Trimethoprim.
4.	M/s. Burroughs Wellcome	Trimethoprim	"	5950.00	2587.00	Cost-cum-technical study.
5.	M/s. Searle (I) Ltd.	Chlorpheniramine Maleate	"	1350.00	1133.00	Price charged by M/s. Geoffrey Manners. ↓ in formulation application.
6.	M/s. Searle(I) Ltd.	Pheniramine Maleate	"	900.00	809.00	Price declared by M/s. Hoechst in 1970.

1	2	3	4	5	6	7
7.	M/s. E. Merck	Rutin (Water soluble)	Kg.	2200.00	1935.00	On the basis of available CIF price.
8.	M/s. Glaxo	Absorbed Diphtheria and Tetanus Vaccine	Ltr.	700.00	400.00	Keeping in view the price approved for chowgule for the two toxoids separately.
9.	M/s. Franco India	Tricholine Citrate	kg.	100.00	42.00	On the basis of information received in brief questionnaire.
10.	M/s. Albert Davids	Iodochlorohyd Roxy, Quinolinc		171.93	134.00	Existing notified price was extended to this company also.

The benefits of price reductions of formulations due to reduction in import price after canalisation have been passed on to the consumers by appropriately reducing the prices of concerned formulations.

Policy of canalisation of drugs

9764. SHRI CHANDAN SINGH: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) reasons and policy of canalisation, scope and meaning with full justification;

(b) whether Government propose to agree to decanalise all the raw materials canalised during 1978-79;

(c) if not, the reasons therefor against each bulk drugs production during last three years, with names of the firm;

(d) the name of drugs not manufactured by any sector still canalised and heavy loading made;

(e) whether it was done to protect high declared prices of foreign firms since 1970; and

(f) is it a fact that 850 bulk drugs are imported and particularly refused to Indian firms, details please?

THE MINISTER OF STATE IN THE
MINISTRY OF PETROLEUM AND
CHEMICALS AND FERTILIZERS

(SHRI JANESHWAR MISHRA): (a) to (c). The basic objectives of the Government in canalising the import of important bulk drugs are:

(i) to bulk the requirements of all manufacturing units to arrive at a sizeable demand which could be made use of as a bargaining counter in world markets to secure advantageous prices and concessional terms of supply;

(ii) to regulate the import/introduction of newer sophisticated drugs in such a manner as not to disturb the indigenous production of drugs of similar therapeutic value;

(iii) to protect the indigenous production of drugs, especially when the production is inadequate to meet the internal demand;

(iv) to ensure the equitable supply of raw materials at uniform prices, eliminating the middleman's profit so that the formulations based on such raw materials are priced at a particular and uniform level; and

(v) to help the small scale (SSI) sector of the industry whose requirements are small, thereby rendering import by individual firms uneconomic and impracticable in some cases.

Import of 18 drugs mentioned in Appendix 9 of the import policy, 1978-79, has been canalised through the State Chemicals and Pharmaceuticals Corporation of India Ltd. (CPC) to