

mainly tinctures, syrups, ointments, tablets and surgical dressings.

I.D.P.L. a public sector undertaking under the Department of Chemicals and Fertilizers are engaged in the manufacture of bulk drugs and formulations consisting of Penicillin, Streptomycin, Tetracycline, oxytetracycline, Griseofulvin, Vitamins, Sulphas, Analgesics, Antipyretics, Tranquillizers, Anti-amoebic, Diuretics, Anti-rheumatics, Anti-tuberculars, Anti-filarials, Anthelmintics, typonotics, Anti Confusants, Contraceptive pills and Anti-microbials etc. They also manufacture some fine chemicals. They manufacture various types of Surgical Instruments also. They have marketing organisation to market their products on a commercial basis throughout the country both to Government institutions as well as the trade. R and D activities are also undertaken by them to stabilise and up-date available technologies, improve process know-how and develop new products.

Hence there is no comparison or duplication between the roles of Medical Stores Depots and I.D.P.L.

(c) There is no proposal under consideration at the moment to bring the medical Store Depots under the control of the Ministry.

#### **Use of 'Selson' as Shampoo by M/s. Abbot**

4749. SHRI GOVINDA MUNDA - Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether it is a fact that M/s. Abbot used 'Selson' as a shampoo to the tune of Rs. 38 lacs in violation of Excise Duty rules;

(b) whether fungus is added to Selson; if so, how it could be a shampoo; and

(c) when did the company remove Selson from their list of shampoos and under what provisions of I (D & F) Act they were allowed to do so ?

**THE MINISTER OF PETROLEUM AND CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA) :**

(a) 'Selson' labelled earlier as 'Dandruff Treatment Shampoo' manufactured by M/s. Abbot, Bombay, is a subject matter of dispute between the Central Excise Department and the manufacturer since 15th of June, 1976. The Government of India have issued a show cause notice dated 18-5-1978 to manufacturer under

Section 35A of the Central Excise and Salt Act, 1944 to review the decision passed by the Collector of Central Excise, Bombay, to continue classifying the product under Tariff Item 14E and the matter is pending decision. If Govt. decides to classify the product on the basis of the above findings under Tariff Item 14E of Central Excise Tariff then the differential central excise duty on clearances of 'Selson' effected from July '75 till May '78 upto about Rs. 3782 lakhs. From June '78 onwards, no clearances have been effected for Selson for home consumption.

(b) Commissioner, Food and Drug Administration, Maharashtra, has confirmed that the preparation of Selson does not contain any fungus.

(c) The matter is under examination.

#### **Proposal to fix selling price of Bulk Drugs**

4750. SHRI YASHWANT BOROLE : Will the Minister of PETROLEUM, CHEMICALS & FERTILIZERS be pleased to state :

(a) whether interms of new Policy common selling price for bulk drugs based on the cost of production of major efficient producers are proposed to be fixed; if so; the basis on which such prices shall be fixed ;

(b) how Government will protect new and small scale units who have generally high cost of production; and

(c) whether any representations were received in this regard and if so, Government's reaction to such representation ?

**THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA) :** (a) The Pricing Policy which forms a part of the Statement laid on the Table of the Lok Sabha on the 29th March, 1978 containing Government decisions on the report of the Committee on Drugs & Pharmaceuticals Industry (Hathi Committee) envisages that where the indigenous bulk drug is produced by more than one manufacturer, a common selling price for sale to all formulators will be fixed initially on the basis of the average cost of production of relatively more efficient firms which account for a large percentage of the output.

(b) and (c). Representations from the Associations of Drug Manufacturers on the question of providing protection to the new and small scale units in the matter of price

fixation were received. It has been clarified to them that Government may fix a weighted average price with separate retention prices for individual firms in appropriate cases, where there are substantial differences in the cost of production of any bulk drug among the different manufacturers.

#### Release of canalised bulk Drugs for various Drugs and non-drug Units

4751. DR. VASANT KUMAR PANDIT : Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state :

(a) details regarding name, quantity and date of recommending release of canalised bulk drugs for various drug and non-drug units by his Ministry to the CPC/IDPL during the last 2 years ;

(b) provisions of policy under which each of these letters were issued ; and

(c) whether through this mechanism certain foreign and Indian companies have been helped and if so, details of unintended benefit in the form of more raw materials obtained by them ?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA) : (a) and (b). Min. of P. C. & F. (Department of C & F) laid down parameters for distribution of canalised bulk drugs within the frame-work of Import Trade Control Policy to Small Scale and DGTD units. Clarifications arising out of the application of the distribution policy were also given as and when sought.

During 1975-76 and 1976-77 action was taken to regulate releases of Methyl Dopa

and the position in this regard has already been indicated in reply to part (b) of Lok Sabha Starred Question No. 502 answered on 20-12-77. Details of instructions issued for release of Methyl Dopa during 1976-77 are given in the attached statement.

In 1977-78, the Deptt. issued allocation orders in respect of L-base to individual units in accordance with the Ministry of Commerce notification No. 42-ITC(PN)/77 dated 2-7-77. Details of these allocations are also indicated in the attached statement.

As regards the circumstances in which CPC were asked to release 1.5 kgs. of Prednisolone in favour of M/s Warner Hindustan Ltd. during 1977-78, the relevant details have already been furnished in reply to Lok Sabha Unstarred Question No. 8802 answered on 2-5-78.

Certain releases of Vit. B 1, Vit. B 2 and Folic Acid were also cleared by the Deptt. in 1977-78 in favour of a few non-drug units. The details of such releases and the circumstances under which these were cleared have already been furnished in reply to Lok Sabha Starred Question No. 341 answered on 8-8-78.

On 29-12-77, CPC were asked to release 16 kgs. of Vit. 'A' in favour of M/s Mysore Snackfoods Ltd., Bangalore who required it for being utilised in the manufacture of extruded ready-to-eat food for use in the mid-day meal programme of the Education Deptt. of Government of Karnataka. It is, however, not known whether the material was actually supplied by the CPC.

(c) As the action taken by the Deptt. was based on well-defined policy and principles, the question of certain foreign and Indian companies deriving unintended benefits does not arise.

#### Statement

Name of canalised bulk drug/raw-material	Date of recommendation	Name of Company	Quantity (kg.)
1	2	3	4
			1976-77
Methyl Dopa'	3-8-76	IDPL . . . . .	5000
		Merch Sharp & Dohme . . . . .	2000
		Dey's Medical Stores . . . . .	2000
		Themis . . . . .	2000
		Suneeta Labs. . . . .	2000