

turnover, (2) regulating the prices of a few selected commonly used highly essential formulations on the basis of total cost plus reasonable return, and decontrolling the prices of the remaining formulations, subject, however, to overall profitability ceiling on all the formulations, and rationalising mark-ups in such a way that Category I formulations should get a mark-up of 75 per cent on the ex-factory cost and the remaining formulations a mark-up of upto 125 per cent, (3) allowing automatic adjustment in the prices of bulk drugs and formulations in order to take care of fluctuations in the prices of raw material and other inputs.

(c) Some drug companies like M/s. Hoechst Pharmaceutical and M/s. Pfizer Limited, have submitted profiles showing the effect of new pricing policy on their profitability. Since the prices of a number of formulations produced by these companies as well as others are yet to be revised it has not been possible to ascertain the exact implications of the new prices on the profitability of these companies.

(d) Drugs (Prices Control) Order, 1979 provides for ceilings of profitability between 8 per cent to 13 per cent of the sales turnover of formulations. In case any company earns profit beyond stipulated ceilings Government have powers under the Drugs (Prices Control) Order, 1979 to reduce the prices of formulations in such a manner that the pre-tax return on the sales turnover of a manufacturer or importers does not exceed the stipulated limits. The Drugs (Prices Control) Order, 1979 provides for rationalisation of mark-ups taking into account factors like distribution costs, promotional expenses, trade commission etc. The effect on the profitability of companies due to implementation of the revised prices would be known only after the revised prices are fixed for all the formulations.

Global tenders for coal exploration contracts on a turnkey basis

8152. SHRI S. M. KRISHNA: Will the Minister of ENERGY be pleased to state:

(a) whether with a view to accelerating coal exploration programme, Government have invited global tenders for coal exploration contracts on a turnkey basis;

(b) if so, the response received thereto;

(c) whether any package deal has been offered by a Canadian Company, if so, its broad outlines and the capital outlay involved; and

(d) Government's reaction to all these offers from foreign countries?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN): (a) Yes, Sir.

(b) Seven offers have been received.

(c) No, Sir. Does not arise.

(d) The offers are under examination.

Broadcast of Cheap Films Songs through AIR

8153. SHRI A. K. ROY: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether there is sudden increase in the percentage of cheap films songs broadcast through the A.I.R. over that of classical, folk and Tagore's song creating cultural pollution; and

(b) if so, facts in details for the last one year and the steps taken thereon?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI VASANT SATHE): (a) No, Sir.

(b) Does not arise.