

(a) whether it is a fact that in spite of clear direction in the New Drug Policy to the foreign companies to undertake production of drugs already produced by them from intermediate stages from basic stages within a period of two years, they have not done so far ;

(b) is it also a fact that the report of the committee on high technology has encouraged them to do so because the committee has even recommended the production of drugs by foreign companies from penultimates as involving high technology ;

(c) are Government aware that the provisions of the New Drug Policy have been violated by the high level committee in total disregard to the decisions of the Hathi Committee and the Government ; and

(d) is there any proposal to review the situation so created ?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE) : (a) Yes, Sir. Most of the foreign companies have not implemented the Government decision contained in para 21 of the New Drug Policy. The relevant portion is extracted below :

“Foreign companiesproducing bulk drugs from penultimate stage will have to manufacture within a period of two years the bulk drugs concerned from the basic stage”.

Many companies have given reasons for their inability to implement the above decision because of technoeconomic difficulties.

(b) No, Sir. Para 21 of the Drug Policy applies to bulk drugs produced from penultimate stages by foreign companies irrespective of their nature of technology.

(c) No Sir.

(d) Does not arise.

Technology Contents of Bulk Drugs

11051. SHRI TARIQ ANWAR : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) how the relation between the technology contents of bulk drugs produced by foreign companies is established with the grant of industrial licences to the foreign companies, retention of the foreign equity imports of raw materials and penultimates, remittances and regularisation of excess and unauthorised capacity ;

(b) whether the technology contents of several bulk drugs produced by foreign companies were decided upon on ad-hoc basis for bulk drugs like Trimethoprim, Ethoheptazine Citrate, Sulphamethoxazole and others ;

(c) whether even after the submission of the report by the committee and its ceasing to operate the technology content of certain bulk drugs had been decided upon ; and

(d) if so, the details of the proposal so decided and the authority under which references to erstwhile members of the committee were made ?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE) : (a) The role of high technology content of bulk drug produced by foreign companies in different areas is indicated below :

(i) *Industrial Licensing* : Foreign companies can get licences only in respect of bulk drugs involving high technology and that also from basic stages.

(ii) *Retention of foreign equity* : Foreign companies not producing even a single bulk drug involving high technology are required to reduce their foreign equity to 40%.

(iii) *Imports of raw materials & penultimates* : High technology concept has no relation with the import of raw materials and penultimates.

(iv) *Remittances* : There is no direct linkage between remittances and high technology concept.

(v) *Regularisation of excess and unauthorised capacity* : No unauthorised production or capacity as defined in para

36 of 1978 Drug Policy, as amended vide para 7 of Press Note dated 17-10-81, can be regularised. However, regularisation of excess production is possible under 1978 Drug Policy, 1980 Scheme of recognition of installed capacity and April, 1982 Scheme of re-endorsement of capacities.

(b) No, Sir.

(c) Yes, Sir.

(d) In case of Lomotil (Diphenoxylate Hcl) by M/s. Glaxo and Trasicor by M/s. Ciba-Geigy references were made to a few experts who were associated with the Committee to have the benefit of additional expert advice in their individual capacity as these were considered border line cases. However, these applications were rejected as the technologies were low.

Distribution Policy of Canalised Raw Materials

11052. SHRI TARIQ ANWAR : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) what is the force behind the distribution policy of canalised raw materials announced by Government every year;

(b) whether such policy is neither binding nor its violation punishable and on account of this policy the foreign companies have been able to procure large quantities of canalised bulk drugs from the canalising agencies on the one hand facilitate their imports on others;

(c) what steps have been taken to enforce the provisions of the distribution policy;

(d) if the provisions cannot be enforced what is the purpose behind laying down such a policy; and

(e) whether STC has not carried out the provision of such a policy announced by Government and the details of the infringements thereof ?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE) : (a) The distribution policy for

canalised drug (listed in Appendix 9 of the Import Policy) is framed under the Import Policy of the relevant year.

The distribution of canalised chemicals items (listed in Appendix B of the relevant Import Policy) is made by the canalising agency as per registrations of their demand made by the actual users with them in line with the Import Policy announced every year.

(b) to (d) The canalised bulk drugs are allocated by the canalising agency (State Trading Corporation) to the actual users, who register their requirements, in accordance with the entitlements worked out on the basis of the distribution policy. In the event of non-lifting of the allocated bulk drug within the validity of the allocation order, the actual user exposes himself to the actions like forfeiture of the earnest money deposit made by it at the time of registering its demand levy of carrying charges if material is allowed to be lifted after the expiry of the validity of the allocation order and the company can be black-listed etc. The provisions of the Distribution Policy are being complied with.

(e) : S.T.C. have been following the provisions of the Distribution Policy for canalised drugs as announced by my Ministry from time to time and no specific case of infringement of the Distribution Policy by S.T.C. has been brought to the notice of my Ministry.

Regulation of Services of Assistants in Posts and Telegraph Departments

11053 SHRI HIRALAL R. PARMAR : Will the Minister of COMMUNICATION be pleased to refer to the reply given to Unstarred Question No. 6952 on 12.4.1985 regarding review of vacancy position in grade of Assistance and state;

(a) the reasons for not regularising the services of 38 Assistants prior to 17.12.1981 as clear out vacancies were available for the date;

(b) whether Government propose to give benefits of their services to those Assistance whenever a vacancy becomes available for them;