

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:2412  
ANSWERED ON:08.12.2011  
FINANCIAL SUPPORT TO HAL  
Patil Shri Sanjay Dina

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether the Union Government proposes to support financially the Hindustan Antibiotics Ltd. (HAL), Pimpri on account of a report;
- (b) if so, whether the fiscal condition of HAL is likely to be improved with an increase in working capital;
- (c) if so, the details thereof; and
- (d) the details of plan envisaged for making efforts to market HAL products through the Ministry of Health & Family Welfare?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIK.VNT KUMAR JENA)

(a)to(c): HAL, had engaged Industrial Finance Corporation of India (IFCI) to conduct quick study on implementation of revival package and other proposals approved after Rehabilitation package of HAL. IFCI submitted their report in April 2011. Salient features of the recommendations of IFCI, inter-alia includes upscaling of sales to more than Rs. 200 crores, upgradation of Plants to World Health Organisation - Good Manufacturing Practices (WHO-GMP), Rationalization of manpower, Purchase Preference Policy to be continued for next 3 to 4 years and formulation of Business Plan. HAL has assessed the total fund requirement of Rs. 211.91 crores which includes modernization and upgradation of facilities, Working Capital Margin Money, funds required for projects etc. HAL has identified resources to meet their requirement by sale of lands and commercial development of lands. HAL's requests for bridge loan and other financial assistance is under examination of the Government.

(d) The HAL under the Purchase Preference Policy (PPP) supplied medicines to institutional purchases including Ministry of Health and Family Welfare. The PPP expired on 06.08.2011 and the Ministry is actively considering a proposal for the extension of PPP.