

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

UNSTARRED QUESTION NO:1331
ANSWERED ON:13.08.2013
FINANCIAL CRISIS IN PHARMACEUTICALS MANUFACTURING UNITS
Ju Dev Shri Dilip Singh

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

- (a) The number of pharmaceuticals manufacturing units established by the Government with sole equity of Union Government in the country, State/UT-wise including Chhattisgarh;
- (b) the number of units of them, having/facing acute financial crises or on the verge of being declared sick units due to non-progressive marketing support of the Union Government as compared to private units;
- (c) whether any corrective measures have been taken/proposed to be taken by the Government to promote these Public Sector Undertaking units and provide better marketing support to them including issue of standing instructions to the Government hospitals and State Governments to place orders for their annual demands and annual rate contract with them to be supplied at village level;
- (d) if so, the details thereof, unit and State/UT- wise; and
- (e) If not, the reasons therefor and the other steps being taken by the Government in this regard?

Answer

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

(a) & (b) Following Public Sector Pharmaceutical Companies with sole equity of Government of India are under the administrative control of this Ministry:-

Sl. No.	Name of PSU	Status
1.	Hindustan Antibiotics Limited (HAL), Pimpri, Pune	Sick under BIFR
2.	Bengal Chemicals & Pharmaceuticals Limited (BCPL), Kolkata	Sick under BIFR
3.	Indian Drugs & Pharmaceuticals Limited (IDPL), Gurgaon	Sick under BIFR
4.	Bengal Immunity Limited (BIL), Kolkata	Closed
>5.	Smith Stanistreet Pharmaceuticals Limited (SSPL), Kolkata	Closed (Under Liquidation)

(c) to (e) The Government approved the Rehabilitation Scheme of HAL on 9th March 2006 which inter alia involved Cash Infusion of Rs. 137.59 crore and waiver of past loans and interests thereupon to the extent of Rs. 259.43 crore (as on 31.3.2005). Similarly, Government of India also approved the Revival Scheme of BCPL on 21st December 2006 which inter alia involved Cash Infusion of Rs. 207.19 crore and waiver of past loans and interests thereupon to the extent of Rs. 233.41 crore (as on 31.3.2005). Revival Scheme of IDPL is under active consideration of this Department.

Further, in order to promote the Pharma CPSEs, the Government had notified Purchase Preference Policy (PPP) for Pharma CPSEs w.e.f 7.08.2006 for five years under which the instructions were issued to all Government Institutions/ States etc to give preference to Pharma CPSEs in procurement of medicines. The PPP expired on 06.08.2011. The Department has also taken initiative to get the scheme renewed for a period of five years.