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COMMITTEE ON GOVERNMENT ASSURANCES (2015-2016)

SIXTEENTH LOK SABHA

THIRTY-EIGHTH REPORT

REVIEW OF PENDING ASSURANCES PERTAINING
TO THE MINISTRY OF CHEMICALS AND FERTILIZERS

(DEPARTMENT OF PHARMACEUTICALS)

Presented to Lok Sabha on 11 August, 2016



LOK SABHA SECRETARIAT NEW DELHI

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COMPOSITION OF THE COMMITTEE ON GOVERNMENT ASSURANCES* (2015-2016)

Dr. Ramesh Pokhriyal "Nishank" — Chairperson

MEMBERS

- 2. Shri Rajendra Agrawal
- 3. Shri E. Ahamed
- 4. Shri Anto Antony
- 5. Shri Tariq Anwar
- 6. Prof. (Dr.) Sugata Bose
- 7. Shri Naranbhai Bhikhabhai Kachhadiya
- 8. Shri Bahadur Singh Koli
- 9. Shri Prahlad Singh Patel
- 10. Shri A.T. Nana Patil
- 11. Shri C. R. Patil
- 12. Shri Sunil Kumar Singh
- 13. Shri Tasleem Uddin
- 14. Shri K.C. Venugopal
- 15. Shri S.R. Vijay Kumar

SECRETARIAT

- 1. Shri R.S. Kambo Additional Secretary
- 2. Shri J.M. Baisakh Director
- 3. Shri S.L. Singh Deputy Secretary

^{*}The Committee was constituted w.e.f. 01 September, 2015 vide Para No. 2348 of Lok Sabha Bulletin Part-II dated 31 August, 2015.

INTRODUCTION

- I, the Chairperson of the Committee on Government Assurances, having been authorized by the Committee to submit the Report on their behalf, present this Thirty-eighth Report (16th Lok Sabha) of the Committee on Government Assurances.
- 2. The Committee (2015-16) at their sitting held on 18 April, 2016 took oral evidence of the representatives of the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals) regarding pending Assurances from the 3rd Session of 13th Lok Sabha upto the 8th Session of 14th Lok Sabha.
- 3. At their sitting held on 09 August, 2016 the Committee (2015-16) considered and adopted their Thirty-eighth Report.
 - 4. The Minutes of the aforesaid sittings of the Committee form part of this Report.
- 5. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in bold letters in the body of the Report.

New Delhi; 09 August, 2016 18 Shravana, 1938 (Saka) DR. RAMESH POKHRIYAL "NISHANK", Chairperson, Committee on Government Assurances.

REPORT

I. Introductory

The Committee on Government Assurances scrutinize the Assurances, promises, undertakings etc. given by the Ministers from time to time on the floor of the House and report to the extent to which such Assurances, promises, undertakings etc. have been implemented. Once an Assurance has been given on the floor of the House, the same is required to be implemented within three months. The Ministries/Departments of the Government of India are under obligation to seek extension of time, if they are unable to fulfil the Assurance within the prescribed periods of three months. Where Ministries/Departments are unable to implement an Assurance, that Ministries/Departments are required to move the Committee for dropping it. The Committee consider such request and approve dropping, if they are convinced that the grounds cited are justified. The Committee also examine whether the implementation of Assurances has taken place within the minimum time necessary for the purpose and the Committee also look into the extent to which the Assurances have been implemented.

- 2. The Committee on Government Assurances (2009-10) took a policy decision to call the representatives of the various Ministries/Departments of the Government of India, in a phased manner, to review the pending Assurances, examine the reasons for pendency and analyze the operation of the system prescribed in the Ministries/Departments for dealing with Assurances. The Committee also decided to consider the quality of Assurances implemented by the Government.
- 3. The Committee on Government Assurances (2014-15) decided to follow the well established and time tested procedure of calling the representatives of the Ministries/Departments of the Government of India, in a phased manner, and review the pending Assurances. The Committee took a step further for expeditious implementation of pending Assurances and decided to call the representatives of the Ministry of Parliamentary Affairs also as all the Assurances are implemented through them.
- 4. In pursuance of the *ibid* decision, the Committee on Government Assurances (2015-16) called the representatives of the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals) and the Ministry of Parliamentary Affairs to render clarification with respect to delay in implementation of the Assurances given during the period from the 3rd Session of 13th Lok Sabha up to the 8th Session of

14th Lok Sabha. The Committee examined the following 40 pending Assurances at their sitting held on 18 April, 2016:—

Sl.No.	SQ/USQ No. dated	Subject
1.	Special Mention dated 15.05.2000 (Shri Priya Ranjan Das Munsi, MP)	Life Saving Drugs
2.	USQ No. 7655 dated 16.05.2000	Herbal Medicines
3.	USQ No. 795 dated 28.11.2005	Revival of IDPL and HAL
4.	SQ No. 171 dated 05.12.2005 (Shri Chandrakant Bhaurao Khaire, M.P.)	Sick Public Sector Drug Companies
5.	USQ No. 137 dated 20.02.2006	Revival of IDPL and HAL
6.	SQ No. 350 dated 21.08.2006 (Shri Rajnarayan Budholiya, M.P.)	Assistance to Public Sector Undertakings
7.	USQ No. 769 dated 05.03.2007	Revival of IDPL
8.	USQ No. 5312 dated 14.05.2007	Revival of IDPL
9.	USQ No. 938 dated 22.11.2007	Revival of IDPL and HAL
10.	USQ No. 2047 dated 13.03.2008	Revival of IDPL
11.	SQ No. 200 dated 11.12.2008 (Shri Parsuram Majhi, M.P)	Revival of Pharmaceutical Units
12.	USQ No. 725 dated 09.07.2009	Revival of Pharmaceutical Units
13.	SQ No. 12 dated 19.11.2009 (Shri P. Lingam, M.P)	Revival of PSUs in Pharmaceutical Sector
14.	USQ No. 96 dated 19.11.2009	Sick Pharmaceutical Companies

Sl.No.	SQ/USQ No. dated	Subject
15.	USQ No. 657 dated 25.02.2010	Revival of IDPL
16.	USQ No. 3227 dated 15.04.2010	Package to IDPL
17.	USQ No. 1907 dated 05.08.2010	Revival of Sick Pharma Companies
18.	USQ No. 1471 dated 18.11.2010	Revival of Sick Pharma Companies
19.	USQ No. 2039 dated 11.08.2011	Sick/closed Pharmaceutical Companies
20.	USQ No. 2409 dated 08.12.2011	Revival of IDPL
21.	USQ No. 2412 dated 08.12.2011	Financial Support to HAL
22.	USQ No. 2595 dated 29.03.2012	Revival Plan of IDPL
23.	USQ No. 2653 Dated 29.03.2012	Revival of Sick PSUs
24.	USQ No. 974 dated 29.11.2012	Closure of PSUs
25.	USQ No. 1331 dated 13.08.2013	Financial Crisis in Pharmaceutical Manufacturing Units
26.	USQ No. 848 dated 10.12.2013	Revival of Pharmaceutical Units
27.	USQ No. 91 dated 08.07.2014	Revival of IDPL Units
28.	USQ No. 377 dated 25.11.2014	Rehabilitation Scheme for HAL
29.	USQ No. 2653 dated 09.12.2014	Revival of Drug Manufacturing Companies
30.	USQ No. 387 dated 19.02.2009	Patent of Drugs
31.	USQ No. 4497 dated 06.08.2009	Price of Patented Drugs

Sl.No.	SQ/USQ No. dated	Subject		
32.	USQ No. 1038 dated 16.08.2012	Price Control of Patented Medicines		
33.	USQ No. 80 Dated 22.11.2012	Prices of Patented Drugs		
34.	34. USQ No. 1105 Prices of Patented Modated 29.11.2012			
35.	USQ No. 4063 dated 21.03.2013	Fixation of Prices of Patented Medicines		
36.	USQ No. 5810 dated 02.05.2013	Prices of Patented Medicines		
37.	USQ No. 3803 dated 18.02.2014	Regulating Prices of Patented Drugs		
38.	USQ No. 1504 dated 02.12.2014	Regulate Prices of Patented Drugs		
39.	USQ No. 2564 dated 09.12.2014	Prices of Patented Drugs		
40.	USQ No.113 dated 02.07.2009	Investment in Pharmaceutical Sector		

- 5. The Extracts from Manual of Practice and Procedure in the Government of India, Ministry of Parliamentary Affairs laying guidelines on the definition of an Assurance, the time limit for its fulfillment, dropping/deletion and extension, the procedure for fulfillment etc., besides maintenance of Register of Assurances and periodical reviews to minimize delays in implementation of the Assurances are reproduced at Appendix-XLI.
- 6. During evidence the Committee desired to know as to whether the instructions contained in the Manual of Practice and Procedure in the Government of India, a publication brought out by the Ministry of Parliamentary Affairs on fulfillment of Assurances are being followed by the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals) besides undertaking weekly or fortnighty reviews of pending Assurances and the Minister being apprised of the progress made in the implementation of Assurances. In this regard, the Secretary, Ministry of Chemicals and Fertilisers (Department of Pharmaceuticals) responded as follows:—

"Out of the Assurances enlisted here for discussion today, we can broadly categorize them into three categories. First category would be Rehabilitation of Public Sector undertaking like Hindustan Antibiotics and IDPL. Secondly, the issues relating to prices of patented drugs and thirdly, policies for making research and development as something like a hub in India. The Mechanism that is followed in our Department to fulfil these Assurances is that we scrutinize all the Assurances on weekly and fortnightly basis within the

department and we also discuss this in the review meeting conducted by honourable Minister. We have a very good mechanism to pursue these Assurances."

Observations/Recommendations

7. The Committee are distressed to note that as many as 40 Assurances from the 3th Session of 13th Lok Sabha to the 8th Session of 14th Lok Sabha pertaining to the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals) are still pending for implementation even after a lapse of more than one and a half years to 16 years. Out of these, the Assurances mentioned at Sl. No. 1 and 2 are pending for 16 years while another 4 Assurances are yet to be fulfilled even after 10 to 11 years. Likewise, 11 more Assurances are pending for seven to nine years whereas the remaining 23 Assurances could not be implemented despite a lapse of more than one and half years to 6 years. Moreover, the mechanism put in place to monitor the implementation of the Assurances is a failure in terms of seeking extensions and the same is ostensibly not kept under the radar of the Department. This clearly explains the lack of seriousness and lackadaisical approach of the Ministry in dealing with the Assurances and taking proper follow up action. Moreover, the existing mechanism/system put in place by the Ministry is not effective enough in facilitating timely implementation of the Assurances especially those involving other Ministries/Departments. Needless to mention the utility and relevance of an Assurance are lost if there is inordinate delay in the implementation of the same. The Committee urge the Ministry to follow the instructions contained in the Manual on Practice and Procedure issued by the Ministry of Parliamentary Affairs in letter and spirit for expeditious implementation of the pending Assurances and a particular officer should be made responsible for ensuring compliance with the requisite Parliamentary procedures and instructions of the Ministry of Parliamentary Affairs in this regard. The Committee also recommend that the existing mechanism/system in the Ministry should be overhauled and streamlined with a view to avoiding delay in fulfillment of Assurances particularly the pending Assurances. The Committee further desire that the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals) should adopt a proactive approach and scale up the level of coordination with the Ministry of Parliamentary Affairs and other Ministries/ Departments concerned whenever situation so warrants for early/timely implementation of Assurances.

II. Review of pending Assurance pertaining to the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals)

8. In the succeeding paragraphs, the Committee have dealt with the pending Assurance pertaining to the Ministry.

A. Life Saving Drugs

9. In reply to special mention dated 15.05.2000(Shri Priya Rajan Das Munshi, M.P.) regarding 'Life Savings Drugs' (Annexure I), an Assurance was given that the matter regarding availability of antibiotics in hospitals and also availability in terms of production would be brought to the notice of the respective Ministers.

10. In their Status Note, the Ministry apprised the position regarding fulfillment of the Assurance as under:—

"It is not clear from the records that which Ministry/Department originally dealt with the matter. Availability of antibiotics in Hospitals is primarily a subject matter pertaining to Ministry of Health & Family Welfare. It has been decided to obtain the information from them and send a report to Ministry of Parliamentary Affairs. The matter is, accordingly being pursued with Ministry of Health & Family Welfare."

11. During evidence, the Secretary, Department of Pharmaceuticals briefed the Committee about the Assurance, as under:—

"The availability of antibiotics is the subject matter relating to the Department of Health and Family Welfare... It is subject of several files missing in the Department. This subject came up only recently for our perusal after the subject has been enlisted for discussion. We will get the file and then immediately send the reply. For most of the files, we have sent individual replies and we have also got the extension proposal approved by the Ministers and we have sent it to Parliament. This particular issue is relating to Health Department, the file was missing and so, we will get the file and send the reply in 15 days."

12. He further added as under:-

"Antibiotics are available in plenty in the country. India is a country which is producing huge quantity of antibiotics. Government is also producing antibiotics..... after 16 years, I can definitely say that availability of autibiotics is not a problem in the country."

Observations/Recommendations

13. The Committee are dismayed to note that the Assurances given in reply to Special Mention dated 15.05.2000 regarding 'Life Saving Drugs' was ignored by the Ministry for 16 long years. It is only after the Assurance was taken up for evidence on 18.04.2016 that the Ministry woke up and informed that the Ministry concerned for implementation of the Assurance are the Ministry of Health and Family Welfare and the requisite information is being obtained from them. Worse still, the Committee have been informed that files pertaining to this Assurance were missing in the Ministry. This raises serious credibility issue and points towards morbid mechanism in place to review pending Assurances from time to time. It also undermines the sanctity of Assurances given on the floor of the House by the Minister. The Committee take strong exception to such gross negligence of responsibility and dereliction of duty as well as utter disregard for Parliamentary supremacy on such a critical issue as life savings drugs since it is the paramount duty of the Government to ensure their easy availability. The Committee would like to print out that the Assurance was given in the House by the Minister concerned and being the nodal Ministry, it is their responsibility to fulfill the assurances irrespective of the fact as to how many Departments are involved in it. Even if life saving drugs like antibiotics are now available in plenty, the torpid approach of the Ministry in the matter is detrimental to the efforts being made to ensure adequate availability of other life saving drugs in the country. The Committee would like the Ministry to tone up their administrative apparatus and enhance the level of coordination with other Ministries/Departments concerned including the Ministry of Health and Family Welfare so that effective steps are taken on priority to ensure production and availability of the said drugs especially in hospitals which would lead to fulfillment of the Assurance. As for the missing files which is a serious matter, the Committee recommend the Ministry to fix responsibility of the officials concerned for their lapses and take appropriate punitive action.

B. Herbal Medicines

14. The Assurance given in reply to USQ NO. 7655 dated 16.05.2000 (Annexure-II) primarily pertains to collection of information regarding difficulties in marketing Indian herbal medicines/herbs in the international market due to lack of proper gradation and payment of penalty to the tune of Rs. 2.5 crore during 1999 by Indian exporters for failing to meet the agreed standard.

15. In their Status Note, the Ministry stated that the question was addressed to the Ministry of Health and Family Welfare and replied by that Ministry after getting it approved from Shri Suresh P. Prabhu, the then Minister of Chemicals and Fertilizers because their Minister was not available on that day. A request has been sent to Ministry of Health and Family Welfare on 9th May, 2014 to accept the transfer of Assurance.

Observations/Recommendations

16. The Committee are appalled that the assurance given in reply to USQ NO. 7655 dated 16.05.2000 regarding 'Herbal Medicines' was kept in abeyance for more than 14 years by the Ministry without any follow up action. It was only on 09.05.2014 that the Ministry sent a request to the Ministry of Health and Family welfare to accept the transfer of assurance. This is yet another instance of gross negligence on the part of the Ministry. The Committee believe that international trade in Herbal medicines is growing exponentially with the increasing realization of their safe healing powers world-wide. This is a golden opportunity for the country, which gave the world the most trusted and internationally renowned herbal medicine science of Ayurveda since thousands of years ago, to exploit the favorable situation and tone up its underperforming herbal medicine industry with a view to storm the international market, earn more and more foreign exchange. For this, the country needs to have proper code of conduct/procedures in the manufacturing and export of herbal medicines as per the best international standards which this Assurance aims to ensure. The Committee are pained to observe that by ignoring this Assurance, the Ministry have done a great disservice to the country and for this very reason they would like the Ministry to probe the matter. The Committee further urge upon the Ministry to scale up the level of coordination with the Ministry of Health and Family Welfare and fulfil the Assurance at the earliest.

C. Revival of Sick Public Sector Drug Companies

- (i) USQ No. 795 dated 28.11.2005 regarding 'Revival of IDPL and HAL' (Annexure III).
- (ii) SQ. No. 171 dated 05.12.2005 (Shri Chandrakant Bhaurao Khaire, M.P.) regarding 'Sick Public Sector Drug Companies' (Annexure IV)
- (iii) USQ No. 137 dated 20.02.2006 regarding 'Revival of IDPL and HAL' (Annexure V).
- (iv) SQ. No. 350 dated 21.08.2006 (Shri Rajnaranyan Bodholiya, M.P.) regarding 'Assistance to Public Sector Undertaking' (Annexure VI).
- (v) USQ No. 769 dated 05.03.2007 regarding 'Revival of IDPL' (Annexure VII).
- (vi) USQ No. 5312 dated 14.05.2007 regarding 'Revival of IDPL' (Annexure VIII).
- (vii) USQ No. 938 dated 22.11.2007 regarding 'Revival of IDPL and HAL' (Annexure IX).
- (viii) USQ No. 2047 dated 13.03.2008 regarding 'Revival of IDPL' (Annexure X).
- (ix) SQ No. 200 dated 11.12.2008 (Shri Parsuram Majhi, M.P.) regarding 'Revival of Pharmaceuticals Units' (Annexure XI).
- (x) USQ No. 725 dated 09.07.2009 regarding 'Revival of Pharmaceutical Units' (Annexure XII).
- (xi) SQ No. 12 dated 19.11.2009 (Shri P. Lingam, M.P.) regarding 'Revival of PSUs in Pharmaceuticals Sector' (Annexure XIII).
- (xii) USQ No. 96 dated 19.11.2009 regarding 'Sick Pharmaceutical Companies' (Annexure XIV).
- (xiii) USQ No. 657 dated 25.02.2010 regarding 'Revival of IDPL' (Annexure XV).
- (xiv) USQ No. 3227 dated 15.04.2010 regarding 'Package to IDPL' (Annexure XVI).
- (xv) USQ No. 1907 dated 05.08.2010 regarding 'Revival of Sick Pharma Companies (Annexure XVII).
- (xvi) USQ No. 1471 dated 18.11.2010 regarding Revival of Sick Pharma Companies (Annexure XVIII)
- (xvii) USQ No. 2039 dated 11.08.2011 regarding 'Sick/closed Pharmaceutical Companies' (Annexure XIX).
- (xviii) USQ No. 2409 dated 08.12.2011 regarding 'Revival of IDPL' (Annexure XX).

- (xix) USQ No. 2412 dated 08.12.2011 regarding 'Financial Support to HAL' (Annenxure XXI).
- (xx) USQ No. 2595 dated 29.03.2012 regarding 'Revival Plan of IDPL' (Annexure XXII).
- (xxi) USQ No. 2653 dated 29.03.2012 regarding 'Revival of Sick PSUs' (Annexure XXIII).
- (xxii) USQ No. 974 dated 29.11.2012 regarding 'Closure of PSUs' (Annenxure XXIV).
- (xxiii) USQ No. 1331 dated 13.08.2013 regarding 'Financial Crisis in Pharmaceuticals Manufacturing Units' (Annexure XXV).
- (xxiv) USQ No. 848 dated 10.12.2013 regarding 'Revival of Pharmaceuticals Units' (Annexure XXVI).
- (xxv) USQ No. 91 dated 08.07.2014 regarding 'Revival of IDPL Units' (Annexure XXVII).
- (xxvi) USQ No. 377 dated 25.11.2014 regarding 'Rehabilitation Scheme for HAL' (Annexure XXVIII).
- (xxvii) USQ No. 2653 dated 09.12.2014 regarding 'Revival of Drug Manufacturing Companies' (Annexure XXIX).
- 17. In reply to the aforesaid Questions, it was stated that the proposal to revive Sick Public Sector Drug Companies including Indian Drugs and Pharmaceuticals Limited (IDPL), Hindustan Antibiotics Limited (HAL), Bengal Chemicals & Pharmaceuticals Limited (BCPL), Bengal Immunity Limited (BIL) etc. has not been finalized and the same is under consideration of the Government. In some of the above Assurances it was stated that the approval of Board for Reconstruction of Public Sector Enterprises (BRPSE) in this regard is awaited while in some cases it was stated that the recommendations of BRPSE are being placed before the Cabinet Committee on Economic Affairs (CCEA) for decision. Further, in some other cases, it was informed that the Cabinet has referred the revival plan of certain sick public sector drug companies to a Group of Ministries (GOM) for consideration. Subsequently, it was stated that the cost of revival package and its funding is being finalized.
- 18. In their Status Note the Ministry did not furnish any updated information regarding implementation of the Assurances except for stating that extension of time has been sought for the purpose.
- 19. During evidence, the Secretary, Department of Pharmaceuticals, briefed the Committee about the Assurance, as under:—

"These two PSUs which you are mentioning are prime public sector undertakings in the pharmaceuticals sector. They become sick after 1980. Both of them became very sick and from then onwards, the Department has

been struggling to rehabilitate them. Even after several studies and several discussion took place and several Committees looked into this issue. But somehow a firm decision was not taken by the Government of India at that time either to continue the production or to close the units. Now, during the past two years, the Department has worked a rehabilitation packages for these two organizations and have sent these two proposals to the Cabinet. Now it is lying with the Cabinet Secretariat and it is likely to reach the Cabinet in another ten to fifteen days. This time, a firm decision is likely to be taken because we have looked into all the details."

20. He also stated as under:—

"We have reached a final stage. In fact, in organizations like Hindustan Antibiotics, salary is a big issue and we have not given salary for the past 15 months. There is a big labour agitation in that organization and that is why, we have been urging for an early decision on this issue. We have discussed with the hon. Finance Minister and we also held several discussions with the Prime Minister Secretariat. Now, I think by the end of this month, we are likely to get decisions on these two organizations. Once these two decisions are taken, I think a bulk of Assurances from our Department will be cleared."

- 21. When the Committee pointed out the grave risk of dependence on imports of life saving drugs particularly from China which can monopolize the trade and take a non-cooperative stance any time, the Secretary, Department of Pharmaceuticals submitted during evidence as under:—
 - "A firm decision will be taken. We have a serious work. We have sent the proposals to the cabinet."
- 22. Giving an optimistic outlook in this regard, another representative of the Ministry deposed before the Committee as under:—

"After 25 years, in 2014-15, IDPL for the first time earned operating profit with only 70 employees. It once had 10,000 employees, now it has only 70 employees, the remaining 50-60 employees are contractual employees. With these 70 employees, last year it got a turnover of Rs. 72 crore with an operating profit of Rs. 4.50 crore...... This year, its turnover is Rs. 88 crore which is an increase of 20 percent from the previous year's turnover. This year, the operating profit will be Rs. 8 crore."

Observations/Recommendations

23. The Committee note that revival of Sick Public Sector Drug Companies including HAL and IDPL is crucial for making available drugs/medicines at affordable prices and ensuring the country's national health security. The Committee are, however, concerned to find that precious little has been done in this direction by the Ministry with the result that these Assurances given by successive Governments starting from November 2005 still remain unfulfilled.

Though several discussions and meetings have been conducted in order to draw a conclusion regarding revival of the said companies, these seem to be more of an attempt to keep on passing on the buck from one Department to another and the process is caught in red tape thereby decimating the interest of the citizens of the country. The Committee question as to why a clear decision in the matter was not taken by the Ministry themselves. Obviously, the Ministry themselves are not clear about the stand that need to take regarding rehabilitation of the sick PSUs under their control. Emphasizing the fact that all these PSUs need rehabilitation and updation of technology in order to achieve not only effective utilisation of their assets and infrastructure but also quantum growth of pharmaceutical industry in the country, the Committee would like to draw the immediate attention of the Ministry to the imperative need for chalking out a plan to rejuvenate the said PSUs. That this matter has not been given matching importance and proper attention by all concerned is highly condemnable as is the lackadaisical attitude and failure of the Ministry to take proactive action in the matter. The revival of the Sick Public Sector Drug Companies will also substantially reduce the country's dependence on import of life saving drugs for its citizens. This is an imperative need and in the best interest of a country like ours which cannot afford itself to be controlled and dictated by other competing countries in the realm of health sector. The Committee have been informed that some of the sick PSUs in question like IDPL has recently started earning operating profit for the first time after 25 years without any favour or assistance from the Government but solely with the limited resources available with it which inter alia include a staff strength of 70 regular employees and 50-60 contractual employees which itself is a drastic reduction from its total strength of 10,000 employees at one stage. This is a sign of positive development and the Committee are optimistic that if there is a will of the management to revive the said PSUs and accomplish the fulfillment of these Assurances, then the same can be done without further delay. The Committee, therefore, recommend the Ministry to step up their efforts to negotiate/coordinate with all the stakeholders pursue the matter vigorously at the highest level even by approaching the Finance Minister and the Prime Minister for their favourable intervention so as to expedite revival of the Sick Public Sector Drug Companies. The Committee would also like the Ministry to furnish a Part Implementation of Report of the Assurances detailing steps taken and achievements made so far in their efforts to fulfill the Assurances.

D. Prices of Patented Drugs

- (i) USQ No. 387 dated 19.02.2009 regarding 'Patent of Drugs' (Annexure XXX).
- (ii) USQ No. 4497 dated 06.08.2009 regarding 'Price of Patented Drugs' (Annexure XXXI).
- (iii) USQ No. 1038 dated 16.08.2012 regarding 'Price Control of Patented Medicines' (Annexure XXXII).

- (iv) USQ No. 80 dated 22.11.2012 regarding 'Prices of Patented Drugs' (Annexure XXXIII).
- (v) USQ No. 1105 dated 29.11.2012 regarding 'Prices of Patented Medicines' (Annexure XXXIV).
- (vi) USQ No. 4063 dated 21.03.2013 regarding 'Fixation of Prices of Patented Medicines' (Annexure XXXV).
- (vii) USQ No. 5810 dated 02.05.2013 regarding 'Prices of Patented Medicines' (Annexure XXXVI).
- (viii) USQ No. 3803 dated 18.02.2014 regarding 'Regulating Prices of Patented Drugs' (Annexure XXXVII).
- (ix) USQ No. 1504 dated 02.12.2014 regarding 'Regulate Prices of Patented Drugs' (Annexure XXXVIII).
- (x) USQ No. 2564 dated 09.12.2014 regarding 'Prices of Patented Drugs' (Annexure XXXIX).
- 24. The Assurances given in reply to the above Questions primarily pertain to constitution of a Committee in the Department of Pharmaceuticals to examine the issue of price negotiations for the patented drugs. The Ministry stated that the said Committee was yet to submit its report to the Government. Subsequently the Ministry stated that the aforesaid report has since been submitted on 05.06.2012 and the same was being examined in the Department. Afterwards, the Ministry stated that observing the diverse opinion of different stakeholders received by the Government, an Inter-Ministerial Committee of Joint Secretaries to look into the issues and to suggest ways and means to fix the prices of patented drugs in the country has been formed.
- 25. In their Status Note the Ministry explained the position regarding fulfillment of the Assurances as under:—
 - "After elaborate interaction with various stakeholders, ongoing through various related papers and articles, the Committee submitted its report in 2012. The report was put in public domain *i.e.* the Department of Pharmaceuticals website for comments of various stakeholders before taking a decision on the report. The Department therefore decided, that an Inter-Ministerial Committee of Joint Secretaries be formed to look into the issue and suggest ways and means to fix the prices of patented drugs in the country. This Committee has completed consultation with the stakeholders and is now finalizing its report."
- 26. During the evidence, the secretary, Department of Pharmaceuticals depose before the Committee in respect of the Assurances, as under:—
 - "Fixation of price of patented drugs is a very complex issue. As the Members have rightly pointed out, the first Committee was setup in the year 2007.

From then onwards they could give the report only in 2012. The Committee took a long time discussing with various stakeholders and then they could not come to firm conclusions. Instead of suggesting that they could fix the price for patented drugs, the Committee recommended that the country should enhance its insurance security and then distribute drugs to the people. Due to this we ended up setting up a new Committee in order to get a firm recommendation. That Committee has also taken some time and now that Committee is headed by the present Joint Secretary Shri Sudhanshu Pant and he is likely to hand over the report in another 10 days time."

Observations/Recommendations

27. The Committee find much to their consternation that the Ministry comprehensively failed to act in a professional manner in their efforts to fix/ regulate the prices of patented drugs/medicines and gave much leeway to the first Committee constituted for the purpose in 2007. It is highly questionable as to why the Ministry allowed that Committee to submit its report in the matter after 5 years in 2012 that too without unanimity if not for gross negligence and lackadaisical attitude or vested interest. Evidently, the Ministry lacked will in this regard and did not pursue the matter in the right earnest. The Committee also noticed that the Ministry failed to take a firm decision on the issue even after first Committee gave its report and instead an Inter-Ministerial Committee of Joint Secretaries was set up on 07.11.2013 to took into the issues and suggest ways and means to fix the prices of patented drugs in the country. The Committee feel that if the Ministry are diligent enough, proper interaction and coordination with the first Committee itself could have been done so as to arrive at actionable recommendations. Such lack of professionalism and careless approach is at a time when the country has been facing serious issues in fixation and monitoring of the prices of patented drugs which tend to be too much high to the detriment of the people at large whose sufferings are compounded as the patented drugs are mostly used for serious ailments or deadly diseases. The Committee criticize the Ministry for such gross negligence and abdication of responsibility with the concomitant failure to play a key role in the entire episode. The Committee have now been informed that the Inter-Ministerial Committee of Joint Secretaries has since completed consultation with the stakeholders and is now finalizing its report after more than two and a half years, which is also not a good sign of professionalism and ought to have happened much before. The Committee would like the Ministry to take proactive steps to expedite proper follow action to finalize the requisite pricing mechanism of patented drugs at the earliest and in the best interest of the country so that these medicines are made available to the common people at most affordable rates and the Assurances fulfilled.

E Investment in Pharmaceuticals Sector

28. In reply to USQ No. 113 dated 02.07.2009 regarding 'Investment in Pharmaceutical Sector' (Annexure XL), it has been stated that the Department of Pharmaceuticals in association with a consultancy firm has prepared a

'White Paper' for making 'India a Pharma R&D and Innovation Hub by 2020'. The Department has proposed this 'White Paper' for consideration of the Government.

29. In their Status Note, the Ministry stated that the subject matter pertains to R&D and extension of time has been sought upto 30.06.2013.

Observations/Recommendations

30. The Committee appreciate that the Ministry has rightly recognized the immense potential the country possesses in the pharmaceutical sector with thriving pharmaceutical industry, abundant availability of skilled manpower and infrastructure and favourable socio-economic and socio-political conditions. The Ministry's vision of making the country a 'Pharma R&D and Innovation Hub by 2020' is a welcome step in this direction. The Committee are, however constrained to observe that this lofty idea has not been backed by matching action with the result that the Ministry are unable to come out with a concrete policy in this regard till now i.e. even after more than seven years after giving the Assurance and just four years before the target year of 2020. This does give an optimistic outlook for the future in so far as achievement of the objectives and realization of the Ministry's vision 2020 is concerned. While criticizing the Ministry for not taking proactive action in the matter, the Committee urge upon them to infuse fresh energy into the initiative, finalize effective policies and programmes and implement the same scrupulously so that the cherished dream of making the country a 'Pharma R&D and Innovation Hub by 2020' is realized and the Assurance fulfilled.

New Delhi; 09 August, 2016 18 Shrayana, 1938 (Saka) DR. RAMESH POKHRIYAL "NISHANK", Chairperson, Committee on Government Assurances.

APPENDIXI

SHRI PRIYA RANJAN DASMUNSHI (RAIGANJ): Mr. Speaker, Sir, for the last six months or so, throughout India, there is a widespread concern on the issue of the prices of the essential drugs, life-saving drugs, and the management of health care.

Sir, we got a report from a voluntary organisation that in most of the States, the special care health hazards relating to kidney, lung, brain, and chest cannot be taken care of in the State hospitals, resulting to the patients go to Vellore Bangalore, and also to various parts of India. The cost of each operation and treatment ranges from Rs. 1.5 lakh to Rs. 3 lakh. There is no monitoring by the State or the Union administration to negotiate with the institution to bring down the prices.

Secondly, for the last six months, the cost of the anti-biotic capsules of all kinds of diseases prescribed by the doctors has gone up between 20 per cent and 45 per cent. It was also found that for the last one month or so, in and around Delhi and up to Uttar Pradesh, the cost of some of these capsules has gone up by 65 per cent or 70 per cent. Even the cost of the band aid, which is normally put for a minor cut, has gone up by 30 per cent. The cost of the raw materials has not even gone up by five per cent. With the result, there is a total loot in the country by the pharmaceutical industry.

I, therefore, through you, draw the attention of the Government because the people who are otherwise poor or lower middle-class cannot afford to the quantum jump of the price of the medicine every fortnight. Therefore, the Government of India which has got a responsibility in this regard, should make a statement thereon as to how they are trying to *control and monitor the price rise* of these life saving drugs.

MR. SPEAKER: Is there any response from the Government side?

...(Interruptions)

SHRI PRIYA RANJAN DASMUNSHI (RAIGANJ): Mr. Speaker, Sir, will the Government react on this?

MR. SPEAKER: Is there any reaction from the Government side? The concerned Minister is not here.

SHRI PRIYA RANJAN DASMUNSHI (RAIGANJ): Mr. Speaker, Sir, I gave a notice 48 hours before. This is such an important matter that the Government should react. I gave this copy to the Health Minister and the Minister of Chemicals and Fertilisers. *It is a very serious matter*.

...(Interruptions)

MR. SPEAKER: Is there anything from the Government side? It comes under the Ministry of *Chemicals and Fertilisers*.

...(Interruptions)

THE MINISTER OF POWER AND MINISTER OF MINES AND MINERALS (SHRI P.R. KUMARAMANGALAM): Actually, it is regarding availability of antibiotics in hospitals and also availability in terms of production. It will be the responsibility of the respective Ministers. I should bring it to their notice. I appreciate the hon. Member's point of view for mainly bringing it to the notice of the House because it is a very important matter.

SHRI PRIYA RANJAN DASMUNSHI (RAIGANJ): There is a 65 per cent increase. What is this?

SHRI BASU DEB ACHARIA (BANKURA): Sir, everyday I am getting frantic telephone calls from the workers of a number of Public Sector Undertakings.

श्री सुरेश रामराव जाधव (परभनी): अध्यक्ष महोदय, हमने भी नोटिस दिया है।...(व्यवधान) आप हमको बुलाते नहीं हैं।...(व्यवधान) हम क्या करें? ...(व्यवधान)

MR. SPEAKER: I will call all the Members today because these are the last days. I want to finish all the names today. Please take your seats.

...(Interruptions).

APPENDIX II

GOVERNMENT OF INDIA

MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF CHEMICALS AND PETROCHECICALS

LOK SABHA UNSTARRED QUESTION NO. 7655 ANSWERED ON 16.05.2000

Herbal Medicines

7655. SHRI SUBODH MOHITE:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether due to lack of proper gradation the marketing of herbs has faced difficulties in the international market;
 - (b) if so, the details in this regard;
- (c) whether Indian Exporters had to pay penalty to the tune of 2.5 crores last year for failing to meet the agreed standard; and
- (d) if so, the steps proposed to be taken for proper gradation and standardisation of the Herbal Medicines?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SURESH P. PRABHU): (a) to (c) The information is being collected and will be laid on the table of the House.

(d) Pharmacopeial standards have been published for a number of Ayurvedic, Unani and Homoeopathic (Plant based) drugs. Good Manufacturing Practices (GMP) is being notified for Ayurvedic, Unani and Siddha drugs.

APPENDIX III

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 795 ANSWERED ON 28.11.2005

Revival of IDPL and HAL

795. SHRI AJOY CHAKRABORTY:

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

- (a) whether the Government is considering any proposal to reorganize and revive the Indian Drugs and Pharmaceuticals Limited (IDPL) and Hindustan Antibiotics Limited (HAL);
 - (b) if so, the details thereof?
- (c) whether the Government has decided any time frame to complete the reorganisation and revival programmes; and
 - (d) if so, the details thereof?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) & (b) The proposals to revive Indian Drugs & Pharmaceuticals Limited and Hindustan Antibiotics Limited have not been finalised.

- (c) No, Sir.
- (d) Does not arise.

APPENDIX IV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA STARRED QUESTION NO. 171 ANSWERED ON 05.12.2005

Sick Public Sector Drug Companies

*171. SHRI CHANDRAKANT KHAIRE:

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

- (a) the details of Public Sector Drug Companies which are sick at present;
- (b) the losses suffered by these companies during each of the last three years, company-wise; and
 - (c) the action being taken to revive them?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) to (c) A Statement is laid on the Table of the House.

Statement referred to in reply to Part (a) to (c) of Lok Sabha Starred Question No. 171 due for answer on 5th December, 2005 asked by Shri Chandrakant Khaire.

- (a) The Board for Industrial & Financial Reconstruction (BIFR) declared the following Central Public Sector Drug Companies under the administrative control of this Department as sick.
 - (i) Indian Drugs & Pharmaceuticals Limited (IDPL),
 - (ii) Hindustan Antibiotics Limited (HAL),
 - (iii) Bengal Chemicals & Pharmaceuticals Limited (BCPL),
 - (iv) Bengal Immunity Limited (BIL),
 - (v) Smith Stanistreet Pharmaceuticals Limited (SSPL).
- (b) The losses suffered by the Public Sector Drug companies during the last 3 years are as under:—

Sl.	Name of	Losses during the la	Losses during the last 3 years (in Rs. crores)				
No.	PSU	2002-03	2003-04	2004-05			
1	2	3	4	5			
1.	IDPL	278.00*	268.00*	252.10*			
2.	HAL	25.80	16.37	22.93*			

5	4	3	2	1
**	46.94	18.76	BIL	3.
**	32.92	12.90	SSPL	4.

^{*} Provisional.

BCPL did not suffer any losses during the last 3 years.

(c) The proposals for revival of HAL, BCPL and IDPL are under consideration of the Government.

^{**} The employees of BIL & SSPL were relieved under Voluntary Separation Scheme (VSS) w.e.f. 30.9.2003. At present the companies are closed and referred to the High Court for appointing a Liquidator.

APPENDIX V

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 137 ANSWERED ON 20.02.2006

Revival of IDPL and HAL

137. SHRI AJOY CHAKRABORTY:

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

- (a) whether the Government has finalized the proposal to revive the Indian Drugs and Pharmaceuticals Limited (IDPL) and Hindustan Antibiotics Limited (HAL);
 - (b) if so, the details thereof;
 - (c) the time by which said companies are likely to be revived;
- (d) whether the Government has taken steps to help affected workers of the two companies; and
 - (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): (a) to (e) Government is contemplating to revive Indian Drugs & Pharmaceuticals Limited (IDPL) and Hindustan Antibiotics Limited (HAL). Details in this regard are being finalised.

APPENDIX VI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 350 ANSWERED ON 21.08.2006

Assistance to Public Sector Undertakings

*350. SHRI RAJNARAYAN BUDHOLIA: SHRI BRAJA KISHORE TRIPATHY:

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

- (a) the assistance provided to the Public Sector Undertakings (PSUs) in Pharmaceutical and Fertilizer Sectors during the last three years and the current financial year;
- (b) the details of the profit making PSUs in the said sectors alongwith the profit earned during the said period; and
- (c) the steps taken to improve the performance of the loss making PSUs and revive the sick ones in those sectors?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) The assistance provided to the Public Sector Undertakings in Pharmaceutical Sector during the last three years and the current financial year are as under:—

Sl. No	Name of PSU		Financial Assistance (Rs.in crores)								
		2003	-04		20	04-05	5	2005	-06	200	6-07
		Plan		on- lan	Pla		on- lan	Plan	Non- Plan	Plan	Non- Plan
1.	Hindustan Antibiotics Limit (HAL)	_	.00	(5.94	2.77	4.50	3.00	27.30	_	44.00#
2.	Bengal Chemicals & Pharmaceutica Limited (BCPL)		.00		_	4.64	_	4.12	5.61	3.50	_
3.	Indian Drugs & Pharmaceuticals Limited (IDPL)		_	2.9	203	_	_	_	7.00	_	_
4.	Bengal Immunity Limited (BIL)	7	_	43.7	575	_	_	_	10.00	_	_
5.	Smith Stanistreet Pharmaceuticals Limited (SSPL)		_	23.8	504	_	2.50	_	_	_	_

#Released to meet expenditure on VRS & other expenditure as per the provisions of rehabilitation scheme approved by the Government.

The details of the assistance provided to public sector undertakings in the fertilizer sector during the last three years and in the current financial year are as under:—

Sl. No	. Name of PS	SU Assi	stance Given duri	ng (Rs. in crores)		
		2003-04	2004-05	2005-06	2006-07	
1	2	3	4	5	6	
1.	Madras Fertilizers Limited (MFL)	Plan: 14.00 Non-Plan: 7.44 Others:	Plan: 11.93 Non-Plan: Nil Others: Nil	Plan: 9.49 Non-Plan: Nil Others: Nil	Plan: Nil Non-Plan Nil Others: Nil	
		on GOI loan as on 31.3.2003.				
		(ii) Reduction in interest from 15.1% to 7% on GoI loan (w.e.f. 1.4.2003).				
2.	Fertilizers & Chemicals Travancore Limited (FACT)	Plan: 17.26 Non—: 60.00 Others (i) Waiver of outstanding interest (Rs.87.80 cr. on GoI loan alongwit waiver of penal interestfor past defau upto 31.3.2003.	Nil) h	Plan: 40.00 Non-Plan: Nil Others: (i) Waiver of outstanding inter as on 31.3.05 (Rs. 85.77 crores along with penal	s)	
		(ii) Moratorium on repayment or princi GoI loan upto 31.3.	•	(ii) Conversion of 50% of GoI loan of Rs. 548.60 crore into equity capital (Rs. 292.30 cr.)		
		(iii) Reduction in interest rate to 7% from the existing ra ranging from 13.50 (iv) Deferment of in payment on outstan GoI loan as on 31.3 upto 31.3.2004 defeinterest converted in on 31.3.2004.	% to 16%. nterest ding .2003, rred	(iii) Write off of plan loan of Rs. crores, given for Voluntary Retire (iv) Write off of balance outstand GoI loan of Rs. crore.	ment Scheme.	
3.	Brahmaputra Valley Fertilizer Corporation Limited (BVF	Plan: 131.30 Non-Plan: 35.73 Others: Nil	Plan: Nil Non-Plan: 10.00 Others: 4.45 (Equity Assistant	Plan: 35.34 Non-Plan: 41.15 others: Equity: 2.15 ce)	Nil 5	
4.	Projects and Development India Limited	Non-Plan: 136.51	Nil	Nil	Nil	

1	2	3	4	5	6	
5.	FCI Aravali Gypsum & Minerals Indi (FAGMIL)	Nil a	Nil	Nil	Nil	
6.		Plan: Nil Non-Plan 20.48 Others: Nil	Nil	Nil	Nil	
7.	Fertilizer Corporation of India Ltd. (FCIL)	Non-Plan: 4.49	Nil	Non-Plan 16	.00 Nil	
8.	Rashtriya Chemicals & Fertilizers Ltd (RCFL)	Nil	Nil	Nil	Nil	
9.	National Fertilizers Ltd. (NFL)	Nil	Nil	Nil	Nil	
10.	Hindustan Fertilizers Corporation Ltd. (HFCL)			Nil	Nil	Nil

(b) in the Pharmaceutical Sector, two companies namely Rajasthan Drugs & Pharmaceuticals Limited (RDPL). Jaipur, and Karnataka Antibiotics Pharmaceuticals Limited (KAPL), Bangalore, Joint Venture companies IDPL and HAL respectively, are profit making. The profit earned by these PSUs during the said period is as under:—

Sl. No	. Name of I	PSU		Profi	t earned du	ring (R	s. in crores)
		2003-04	2004-05		2005-06		2006-07 Ist quarter
1	2	3		4		5	6
1.	RDPL	1.18*	0.67*		2.55* (Unaudi	ted)	0.40 (Provisional)
2.	KAPL	4.36*	5.32*		5.57*		1.30 (Provisional)

^{*}Profit before tax.

Apart from this, one CPSU namely BCPL earned profit in the year 2003-04 of Rs. 7.95 crores. In the year 2005-06 it has projected a profit of Rs. 0.10 crore (provisional). In the Fertilizer sector, the datails of profit made by, PSUs are as under:

Sl.No	. Name of PSU	Profit earned during (Rs. in crores)				
		2003-04	2004-	-05 2005-06	2006-07 (1st Quarter)	
1.	Fertilizers & Chemicals Travancore Limited (FAC		_	_	235.65	_
2.	Brahmaputra Valley Fertilizer Corporation Limited (BVFCL)		_	22.54	_	_
3.	Projects and Developmen Limited		8.69	10.06	10.64	2.57
4.	FCI Aravali and Mineral Ltd. (FAGM	s India	2.832*	6.56*	9.85*	4.03
5.	Rashtriya Ch & Fertilizers (RCFL)		257.13*	212.59*	215.67*	7.46
6.	National Fer Ltd. (NFL)	tilizers	119.10*	214.54*	179.29*	24.66

^{*}Profits before Tax loss.

Steps have been initiated to revive sick Pharma CPSEs on 9.3.2006. Government has approved the revival plan of HAL. Revival plan of BCPL has been sent to the BRPSE for its recommendations. The draft revival plan of IDPL is being considered and would be placed before the BRPSE shortly.

In order to improve performance of the sick Pharma Central Public Sector Enterprises (CPSEs), Government has decided to grant purchase preference to 102 drugs/pharmaceuticals manufactural by Pharma CPSEs and their subsidiaries by Departments, CPSEs, Autonomous bodies etc. of the Central Government at NPPA approved/certified rates minus discount up to 35%. Instructions in this regard have since been issued on 7.8.2006.

The company-wise details of Fertilizer units are as under:

- 1. Madras Fertilizers Limited (MFL): The possibilities of financial restructuring of the company or formation of a Joint Venture with some other profit making fertilizer PSU, are being explored.
- 2. Fertilizers & Chemicals Travancore Limited (FACT): The Government, on 30.3.2006, has implemented a financial restructuring proposal in respect

of the company. Further, the possibility of merger the company some profit making PSU or making it a subsidiary of such PSU is being explored.

- 3. HFCL, FCIL, PPCL: The revival of these companies is under consideration of the Government.
- 4. RCF, NFL, PDIL & FATMIL: Not applicable, as these are profit making companies.

APPENDIX VII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF CHEMICALS AND PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 769 ANSWERED ON 05.03.2007

Revival of IDPL

769. SHRI GURUDAS DASGUPTA:

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

- (a) whether the Government has taken a decision to revive various units of Indian Drugs & Pharmaceuticals Limited (IDL); and
 - (b) if so, the details thereof and the steps being taken in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): (a) & (b) Government has decided in principle to revive all the units of Indian Drugs & Pharmaceuticals Limited (IDPL). A Draft Rehabilitation Scheme for revival of IDPL has been submitted to Board for Reconstruction of Public Sector Enterprises (BRPSE). The recommendations of BRPSE are awaited.

APPENDIX VIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF CHEMICALS AND PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 5312 ANSWERED ON THE 14.05.2007

Revival of IDPL

5312. SHRI KISHANBHAI V. PATEL: SHRI SUGRIB SINGH:

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

- (a) whether Board for Reconstruction of Public Sector Enterprises (BRPSE) has recommended Rs. 3760 crores for revival of Indian Drugs and Pharmaceuticals Limited (IDPL);
 - (b) if so, the details thereof;
- (c) whether the Government has agreed to waive Rs. 2600 crores of the company's liability;
 - (d) if so, the details thereof;
 - (e) the details of total loss suffered by IDPL during 2006-07; and
 - (f) the names of the units of IDPL identified for revival?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): (a) to (d) Board for Reconstruction of Public Sector Enterprises (BRPSE) has recommended revival of Indian Drugs & Pharmaceuticals Limited (IDPL). The recommendation of BRPSE *inter alia* involves cash assistance of Rs. 361 crores in the form of interest bearing bridge loan and non-cash assistance of Rs. 2861.76 crores in the form of waiver of loan/interest/guarantee fee subject to IDPL achieving projected physical and financial targets.

The recommendations of BRPSE are being placed before Cabinet Committee on Economic Affairs (CCEA) for decision.

- (e) IDPL has since reported that it is likely to achieve operating profit of Rs. 1 crore during 2006-07. The figure is subject to audit.
- (f) All the units of IDPL *i.e.* Rishikesh, Hyderabad, Gurgaon, IDPL (TN) and Bihar Drugs & Organic Chemicals Ltd. Muzaffarpur are proposed to be revived.

APPENDIX IX

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 938 ANSWERED ON 22.11.2007

Revival of IDPL and HAL

938. SHRI RAGHUVEER SINGH KOSHAL:

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

- (a) whether the Government has taken any decision regarding the revamping, modernization and revival of prominent Pharmaceutical companies, Indian Drugs and Pharmaceuticals Ltd. (IDPL) and Hindustan Antibiotics Ltd. (HAL);
 - (b) if so, the details thereof;
 - (c) the current state of production in the said companies;
- (d) whether this has adversely affected the chances of making available medicines at cheaper rates; and
 - (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): (a) & (b) in March 2006, Government approved rehabilitation scheme for revival of HAL. The company is on revival path.

The rehabilitation plan for revival of IDPL was placed before the Cabinet. The Cabinet has referred the revival of IDPL to Group of Ministers (GoM) for consideration at the first instance. GoM has since been constituted.

(c) During the first 6 months (April-September) of current year (2007-08) the production of HAL has increased to Rs. 50.38 crores as compared to Rs. 23.85 crores during the corresponding period last year.

During the period upto October 2007 (2007-08), the production of IDPL has increased to Rs. 24 crores as compared to Rs.18 crores during 2006-07.

- (d) No Sir.
- (e) Does not arise.

APPENDIX X

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF CHEMICALS & PETROCHEMICALS LOK SABHA UNSTARRED QUESTION NO. 2047 ANSWERED ON 13.03.2008

Revival of IDPL

2047. SHRI SURAVARAM SUDHAKAR REDDY: SHRI GURUDAS DASGUPTA:

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

- (a) whether the Finance Ministry has opposed the Rs. 4500 crore plan to revive the Indian Drugs and Pharmaceuticals Ltd. (IDPL) units; and
- (b) if so, the present stage of the proposal and the reaction of the Government thereto?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): (a) & (b) The revival of IDPL is at present under consideration of the Group of Ministers (GoM).

APPENDIX XI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA STARRED QUESTION NO. 200 ANSWERED ON 11.12.2008

Revival of Pharmaceuticals Units

*200. SHRI PARSURAM MAJHI: SHRI HANSRAJ G. AHIR:

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

- (a) whether a number of public sector pharmaceuticals units have been closed down;
 - (b) if so, the number of such closed units and their locations;
 - (c) the number of workers affected thereby;
 - (d) whether the Government proposes to revive those units; and
 - (e) if so, the steps taken/being taken by the Government in this regard?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) to (e) A statement is laid on the Table of the House.

Statement referred to in reply to Starred Question No. 200 for 11.12.2008 regarding revival of Pharmaceuticals Units.

- (a) Out of 10 Central Pharma Public Sector Undertakings, only four Pharmaceutical Public Sector Undertakings have been closed.
- (b) & (c): The following public sector Pharmaceuticals companies have been closed based on the orders of Board for Industrial and Financial Restructuring:

		No. of workers Affected
(i)	Bengal Immunity Limited (BIL) Kolkata	775
(ii)	Smith Stainistreet Limited (SSPL) Kolkata	519
(iii)	Maharashtra Antibiotics & Pharmaceuticals Ltd. (MAPL) Nagpur	234

In addition one Pharmaceutical Central Public Sector Undertaking namely Manipur State Drugs and Pharmaceuticals Ltd. (MSDPL), was closed on account of unavoidable circumstances as recommended by the Board of Directors of the Company, which included representatives of the State Government. Suitable retrenchment compensation/Voluntary Separation Scheme benefits have been given to the workers of each of these CPSUs.

However, the following major Pharmaceutical Central Public Sector Undertakings (CPSUs) are being revived by the Government as per the approved revival packages for each of these CPSUs:—

- (i) Hindustan Antibiotics Limited, Pune.
- (ii) Bengal Chemicals and Pharmaceuticals Limited, Kolkata.

In addition a revival package for another such large CPSU, *i.e.* Indian Drugs and Pharmaceuticals Limited (IDPL) is under consideration.

(d) & (e) No, Sir. However, considering the directions of Appellate Authority for Industrial & Financial Reconstruction (AAIFR), Government is examining the possibility of revival of Bengal Immunity Limited (BIL), Kolkata.

APPENDIX XII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 725 ANSWERED ON 09.07.2009

Revival of Pharmaceutical Units

725. SHRI PRABODH PANDA:

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

- (a) whether the Government proposes to revive the Public Sector Pharmaceutical units including Indian Drugs and Pharmaceuticals Ltd. (IDPL) and Hindustan Antibiotics Ltd. (HAL) so as to provide medicines and drugs to the consumer at cheaper prices;
 - (b) if so, the details thereof; and

ANSWER

(c) the time by which these companies are likely to commence production?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) & (b) Government has approved rehabilitation schemes for revival of Hindustan Antibiotics Limited (HAL) & Bengal Chemical & Pharmaceuticals Limited (BCPL). The rehabilitation scheme to revive Indian Drugs & Pharmaceuticals Limited (IDPL) is under consideration. However, efforts are being made to explore the possibility of revival of Bengal Immunity Limited (BIL), Kolkata.

(c) HAL, BCPL & IDPL are already engaged in production of medicines.

APPENDIX XIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA STARRED QUESTION NO. 12 ANSWERED ON 19.11.2009

Revival of PSUs in Pharmaceuticals Sector

*12. SHRI P. LINGAM:

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

- (a) whether any revival plan of the Public Sector Undertakings in the pharmaceutical sector including Indian Drugs and Pharmaceuticals Ltd. (IDPL) is pending with the Government;
 - (b) If so, the details thereof; and
 - (c) the decision taken/proposed to be taken by the Government thereon?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) to (c) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 12 for 19.11.2009.

(a) to (c) At present revival plan of Indian Drugs and Pharmaceuticals Ltd. (IDPL) is under consideration of the Government. It *inter alia* proposes write off of Government of India loan, waiver of interest on GoI loan. One Time Settlement with banks and Public Sector Undertakings (PSUs) as also revival and modernization of manufacturing facilities as well as joint development of IDPL land assets for the growth of Pharma industry.

APPENDIX XIV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 96 ANSWERED ON 19.11.2009

Sick Pharmaceutical Companies

96. SHRI HANSRAJ GANGARAM AHIR:

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

- (a) whether some Public Sector Pharmaceutical Companies are on the verge of getting sick;
 - (b) if so, the reasons therefor; and
 - (c) the steps taken/proposed to be taken by the Government to revive them?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) to (c) At present Hindustan Antibiotics Ltd. (HAL), Bengal Chemicals & Pharmaceuticals Ltd. (BCPL) and Indian Drugs and Pharmaceuticals Ltd. (IDPL) are sick Central Public Sector Enterprises (CPSEs) under reference to Board for Industrial & Financial Reconstruction (BIFR). Government has already approved revival plans of HAL and BCPL. The revival plan of IDPL is under consideration.

APPENDIX XV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 657 ANSWERED ON 25.02.2010

Revival of IDPL

657. SHRI GURUDAS DASGUPTA: SHRI PRABODH PANDA:

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

- (a) whether the Government has taken any decision on the revival package for the Indian Drugs and Pharmaceuticals Ltd. (IDPL);
 - (b) if so, the details thereof;
- (c) whether the IDPL has revamped its operations by launching new products and also trading in 50 other products and started making operating profits; and
 - (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) & (b) The revival plan of IDPL is under consideration.

(c) & (d) IDPL has diversified its activities into other areas like supply of surgical items, veterinary, ayush and homoeopathy products during 2009-10. It has re-launched trade sales on 21.12.2009 to keep pace with the fast changing pharma market. Apart from this, it has also launched a few OTC products.

APPENDIX XVI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 3227 ANSWERED ON 15.04.2010

Package to IDPL

3227. DR. K.S. RAO:

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

- (a) whether the package for Indian Drugs and Pharmaceuticals Limited (IDPL) has been submitted by the Techno-Economic Expert Committee appointed by the Government and cleared by IDBI (operating agency), Board for Reconstruction of PSEs (BRPSE);
 - (b) if so, the details thereof;
 - (c) the reasons for pendency of the said package with the Government;
 - (d) the cost of package and the manner in which it is to be funded; and
 - (e) the time by which the package is likely to be cleared by the Government?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) Yes, Sir.

- (b) At present revival plan of Indian Drugs and Pharmaceuticals Ltd. (IDPL) is under consideration of the Government. It *inter alia* proposes write off of Government of India loan, waiver of interest on GoI loan, One Time Settlement with banks and Public Sector Undertakings (PSUs) as also revival and modernization of manufacturing facilities as well as joint development of IDPL land assets for the growth of Pharma Industry.
- (c) Due to holding of General Elections, there was delay. However, the revival Plan of IDPL is likely to be placed before the competent authority for decision after following the prescribed procedure.
 - (d) The cost of package and its funding is being finalized.
 - (e) Cannot be presumed at this stage.

APPENDIX XVII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1907 ANSWERED ON 05.08.2010

Revival of Sick Pharma Companies

1907. SHRI MAHESH JOSHI:

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

- (a) whether a number of public sector pharmaceutical companies are sick and running in losses in the country;
 - (b) if so, the details thereof;
- (c) the loss suffered by these companies during each of the last three years, company-wise; and
- (d) the action taken/proposed to be taken by the Government to revive these companies?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) Yes, Sir. Out of ten Pharma PSUs under the administrative control of this Department, five are closed and three are making losses.

(b) Details are as under:-

Sl.N	o. Name of PSU	Status
1.	Hindustan Antibiotics Limited (HAL), Pimpri, Pune	Loss Making
2.	Bengal Chemicals & Pharmaceuticals Limited (BCPL), Kolkata	Loss Making
3.	Indian Drugs & Pharmaceuticals Limited (IDPL), Gurgaon	Loss Making
4.	Karnataka Antibiotics & Pharmaceuticals Limited (KAPL), Bengaluru	Profit Making
5.	Rajasthan Drugs & Pharmaceuticals Limited (RDPL), Jaipur	Profit Making
6.	Bengal Immunity Limited (BIL), Kolkata	Closed
7.	Smith Stanistreet Pharmaceuticals Limited (SSPL), Kolkata	Closed
8.	Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur	Closed

Sl.No.	Name of PSU	Status
	State Drugs & Pharmaceuticals Limited .), Manipur	Closed
10. Orissa Da Bhuvane	rugs & Chemicals Limited (ODCL), eshwar	Closed

(c) Loss suffered during each of the last three years, company-wise are as under:—

(Rs. in crore)

Name of PSU	2007-08	2008-09	2009-10 (Prov.)
IDPL	(438.88)	(481.40)	(518.42)
BCPL	(9.80)	(5.35)	(5.33)
HAL	(20.71)	(22.09)	(21.35)

Figures shown in bracket indicate Loss.

(d) Government approved the Rehabilitation Scheme of HAL on 09.03.2006 which *inter alia* involves 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 31.03.2005). Similarly, Government of India also approved the Revival Scheme of BCPL on 21st December 2006 which *inter alia* involves 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 31.03.2005).

Revival Scheme of IDPL is under active consideration of this Department. Apart from this, possibilities to revive BIL is also being explored.

APPENDIX XVIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1471 ANSWERED ON 18.11.2010

Revival of Sick Pharmaceutical Companies

1471. SHRI CHANDULAL CHANDU BHAIYA SAHU: SHRI HANSRAJ GANGARAM AHIR: SHRI A.T. NANA PATIL:

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

- (a) the details of the public sector pharmaceutical companies running into losses;
- (b) the assistance provided by the Government for running these companies during each of the last three years and the current year, company-wise;
- (c) the efforts being made by the Government for the revival/strengthening of the said companies;
- (d) whether some Ministries/Departments purchase costly medicines from the private companies instead of public sector companies;
 - (e) if so, the details thereof along with the reasons therefor; and
- (f) the steps taken by the Government to ensure that the said Ministries/ Departments should purchase medicines only from the public sector companies?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) Details of public sector pharmaceuticals companies running into losses are as under:—

Sl.No.	. Name of PSU	Status
1.	Hindustan Antibiotics Limited (HAL), Pimpri, Pune	BIFR referred
2.	Bengal Chemicals & Pharmaceuticals Limited (BCPL), Kolkata	BIFR referred
3.	Indian Drugs & Pharmaceuticals Limited (IDPL), Gurgaon	BIFR referred

(b) & (c) Government approved the Rehabilitation Scheme of HAL on 9th March 2006 which *inter alia* involves 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* involves 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.

For running these Companies, assistance provided by the Government under approved Revival Scheme as well as for enhancement of manufacturing capacities during each of the last three years and the current year, company-wise is as under:

(Rs. in crore)

			,	/
CPSE	2007-08	2008-09	2009-10	2010-11
HAL	20.17	10.00	10.26	5.03
BCPL	20.00	20.00	30.69	20.00
IDPL	4.93		_	_

(d), (e) & (f) Most of the Pharma CPSEs were referred to BIFR and Government has provided financial support to revive them. In a bid to provide marketing support till they come up of their own, Government, in 2006, have granted Purchase Preference Policy for five years under which 102 medicines manufactured by Pharma CPSEs get exclusive preference by Ministries/Departments/PSUs/Autonomous Bodies etc. Other than these 102 medicines, all the Ministries/Departments reportedly purchase medicines of all therapeutic segments and costs as per laid down procedures/rules of the Government.

APPENDIX XIX

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABH UNSTARRED QUESTION NO. 2039 ANSWERED ON 11.08.2011

Sick/Closed Pharmaceutical Companies

2039. SHRI YOGI ADITYA NATH:

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

- (a) the details of sick/closed pharmaceutical companies in the country, Statewise;
- (b) whether this has adversely affected the availability of cheaper drugs and medicines for common man in the country;
 - (c) if so, the details thereof; and
 - (d) the steps being taken by the Government to revive these companies?

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 SRIKANT KUMAR JENA): (a) Details of sick/closed pharmaceutical companies in the country, State-wise:—

Hindustan Antibiotics Limited (HAL)	Sick	Maharshtra
2. Bengal Chemicals & Pharmaceuticals Limited (BCPL)	Sick	Maniktala & Panihati in West Bengal Kanpur in Uttar Pradesh Mumbai in Maharashtra
3. Indian Drugs & Pharmaceuticals Limited (IDPL)	Sick	Gurgaon
 IDPL (Tamil Nadu) Limited (Subsidiary of IDPL) 	Sick	Tanil Nadu
5. Orissa Drugs & Chemicals Limited (Government Venture)	Sick	Odisha
 Bihar Drugs and Organic Chemicals Limited (Subsidiary of IDPL) 	Sick	Bihar
7. Bengal Immunity Limited (BIL), Kolkata	Closed	West Bengal

8. Smith Stanistreet Pharmaceuticals Limited (SSPL), Kolkata	Closed	West Bengal
 Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur (Joint Venture of HAL) 	Closed	Maharashtra
 Manipur State Drugs & Pharmaceuticals Limited (MSDPL), Imphal (Joint Venture of HAL) 	Closed	Manipur

- (b) No sir.
- (c) Does not arise.
- (d) Government approved the Rehabilitation Scheme of HAL on 9th March, 2006 which *inter alia* involves 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* involves 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.

APPENDIX XX

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 2409 ANSWERED ON 08.12.2011

Revival of IDPL

2409. SHRI JAYANT CHAUDHARY: SHRI HEMANAND BISWAL:

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

- (a) whether the Government is in the process of reviving the Indian Drugs and Pharmaceuticals Limited (IDPL);
 - (b) if so, the details thereof;
- (c) whether IDPL in current stage is able to provide general drugs to a majority of people at the reasonable rates; and
 - (d) if so, the details thereof?

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 SRIKANT KUMAR JENA): (a) & (b) Yes, Sir. Based on revival plan received from IDPL the matter is under active consideration of the Government and such a proposal will be placed before the Cabinet. The revival of IDPL is based on public interest goals, which the organization would be expected to serve when revive for example these could be assistance to government in response to public health emergencies and interventions to make generic medicines affordable and accessible to the common man. The purpose is that while serving clear public interest goals, IDPL should be revived to be a viable organization.

(c) & (d) Yes Sir. The list of 87 medicines which IDPL is producing in-house is enclosed.

List of total in-house times—being manufactured by IDPL

Sl.No.	Generic Drugs/Branded	Pack Size
1.	Cap Amoxycillin + Cloxacillin (250 + 250 mg)	10 x 10
2.	Cap Amoxycillin 250 mg/Idimox	10×10
3.	Cap Amoxycillin 500 mg/Idimox	10×10
4.	Cap Ampicillin 250 mg/Broacil	10×10

Sl.No.	Generic Drugs/Branded	Pack Size
5.	Cap Ampicillin 500 mg/Broacil	10 x 10
6.	Cap Ampicillin + Cloxacillin (250 + 250 mg)	10 x 10
7.	Cap Cebexin-Z	10 x 10
8.	Cap Cephalexin 250 mg/Cephel	10 x 10
9.	Cap Caphalexin 500 mg/Caphel	10×10
10.	Cap Doxycycline 100 mg/Vivocycline	10×10
11.	Cap Fluconazole 150 mg/Idicon	10×10
12.	Cap Indomethacin 25 mg/Idicin	10 x 10
13.	Cap Idiglobin	10 x 10
14.	Cap Omeparazole 20 mg/Idiprazol	10 x 10
15.	Cap Tetracycline 250 mg/Idilin	10 x 10
16.	Cap Tetracycline 500 mg/Idilin	10 x 10
17.	Inj Atropin Sulphate 2 ml	Amp
18.	Inj Dexamethason IP 2 ml/Idizone	Amp
19.	Inj Diclophenac Sod 3 ml/Idinac	Amp
20.	Inj ETO + Theaophyllin	Amp
21.	Inj Frusemide 2 ml/Salinex	Amp
22.	Inj Gentamycin 2 ml/Gencyl	Amp
23.	Inj Pentazocin 1 ml	Amp
24.	Inj Ranitidine IP 2 ml	Amp
25.	OCP	28's
26.	Oral Powder ORS 20.5 gm	Pckt
27.	Soln Povidone Iodine 5%	Bottle
28.	Syp Dry Amoxycillin 60 ml/Idimox	Bottle
29.	Syp Dry Ampicillin 60 ml/Broacil	Bottle
30.	Syp Liq Deacos 110 ml	Bottle
31.	Syp Liq Deacos 450 ml	Bottle
32.	Syp Liq Paracetamol 60 ml	Bottle
33.	Syp-Susp. Co-Trimoxazole 60 ml	Bottle
34.	Tab Albendazole 400 mg/Alzol	10 x 10
35.	Tab Almagel	10 x 10
36.	Tab Amlodipine 2.5 mg	10 x 10
37.	Tab Amlodipine 5 mg	10×10
38.	Tab Atorvastain 10 mg/iditor	10×10

Sl.No.	Generic Drugs/Branded	Pack Size
39.	Tab Atorvastatin 20 mg/Iditor	10×10
40.	Tab Azithromycin 250 mg	10×10
41.	Tab Azythromycin 500 mg	10×10
42.	Tab Cephadroxil 500 mg/Idroxil	10×10
43.	Tab Cetrazine Hydrochloride 10 mg/Idicet	10×10
44.	Tab Chloropherniramine Maleate 4 mg	10×10
45.	Tab Chloroquine Phosphate 250 mg/Idiquin	10×10
46.	Tab Ciprofloxacin + TZ SS/Ciporal TZ SS	10×10
47.	Tab Ciprofloxacin + TZ DS (500 + 600)/ Ciporal-7	10×10
48.	Tab Ciprofloracin 250 mg/Ciporal	10×10
49.	Tab Cirpfloxacin 500 mg/ Ciporal	10×10
50.	Tab Co-Trimexazole Paed	10×10
51.	Tab Co-Trimexazone SS	10×10
52.	Tab Co-Trimexazole DS	10×10
53.	Tab Diazapam 5 mg	10×10
54.	Tab Diclofenac Sod + Para (50 + 500) mg/Idinac	10×10
55.	Tab Diclophenac Sod 50 mg	10×10
56.	Tab Dicyclomine HCL + Para (20 + 500 mg/Spasmi)	10×10
57.	Tab Domperidone 10 mg/Ididom	10×10
58.	Tab Erithromycin Streate 250 mg/Thromyci	10×10
59.	Tab Erithromycin Streate 500 mg/Thromyci	10×10
60.	Tab Famotidine 20 mg	10×10
61.	Tab Famotidine 40 mg	10×10
62.	Tab Frusemide 40 mg/Salinex	10×10
63.	Tab Griseofulvin-125 mg/Idifulvin	10×10
64.	Tab Griseofulvin-250 mg DS/Idifulvin	10×10
65.	Tab Ibu + Paracetamol	10×10
66.	Tab Levofloxacin 250 mg/Idiflox	10×10
67.	Tab Levofloxacin-500 mg/Idiflox	10×10
68.	Tab Mebendazole-100 mg/Idiband-100	10 x 6
69.	Tab Methoxaprim 160 + 800	10×10
70.	Tab Metronidazole 200 mg/Compeba-200	10×10
71.	Tab Metronidazole 400 mg/Compeba-400	10×10
72.	Tab Nimesulide 100 mg/Idinim	10×10
73.	Tab Norfloxacin + Tinidazole (400 + 600) mg/Id	10×10

Sl.No.	Generic Drugs/Branded	Pack Size
74.	Tab Norfloxacin 400 mg/Idinor-400	10 x 10
75.	Tab Oflodil + Ornidazole	10 x 10
76.	Tab Ofloxacin 200 mg/Oflodil	10×10
77.	Tab Ofloxacin 400 mg/Oflodil	10×10
78.	Tab Paracetamol 500 mg/Idimol	10×10
79.	Tab Phenaramine Maleate 25 mg	10×10
80.	Tab Pyrazinamide 500 mg/Idizinamide	10×10
81.	Tab Ranitidine 150 mg/Idiran	10×10
82.	Tab Ranitidine 300 mg/Idiran	10×10
83.	Tab Roxithromycin 150 mg/Idrox	10×10
84.	Tab Sulbutamol 2 mg	10×10
85.	Tab Sulbutamol 4 mg	10×10
86.	Tab Tinidazole 300 mg/iditin-300	10×10
87.	Tab Vitamin B Complex (Prophylactc) NFI	10 x 10

APPENDIX XXI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 2412 ANSWERED ON 08.12.2011

Financial Support to HAL

2412. SHRI SANJAY DINA PATIL:

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 SRIKANT 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, interalia includes upscalling 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.

APPENDIX XXII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 2595 ANSWERED ON 29.03.2012

Revival Plan of IDPL

2595. SHRI PONNAM PRABHAKAR:

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

- (a) whether the Government had called any meeting in Hyderabad recently to discuss the revival plan of Indian Drugs and Pharmaceuticals Ltd. (IDPL); and
 - (b) if so, the details thereof and the outcome thereof?

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 SRIKANT KUMAR JENA): (a) No, Sir. However, revival plan of IDPL is in active consideration of Government.

(b) Does not arise.

APPENDIX XXIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 2653 ANSWERED ON 29.03.2012

Revival of Sick PSUs

2653. KUMARI MEENAKSHI NATARAJAN:

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

- (a) the details of functional & sick pharmaceutical Public Sector Undertakings (PSUs);
- (b) whether the Government proposes to provide a boost to these PSUs through upgradation and revival; and
 - (c) if so, the details thereof?

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 SRIKANT KUMAR JENA): (a) Details of Pharmaceutical Public Sector Undertakings (PSUs) in the country are as under:—

Sl. No.	Name of the PSU	Functional/ closed	Profit making/ sick
1.	Karnataka Antibiotics & Pharmaceuticals Limited (KAPL), Bangalore (Government Venture)	Functional	Profit making
2.	Rajasthan Drugs & Pharmaceuticals Limited (RDPL), Jaipur (Government Venture)	Functional	Profit making
3.	Hindustan Antibiotics Limited (HAL), Pune	Functional	Sick
4.	Bengal Chemicals & Pharmaceuticals Limited (BCPL), Kolkata	Functional	Sick
5.	Indian Drugs & Pharmaceuticals Limited (IDPL), Gurgaon	Functional	Sick
6.	IDPL (Tamil Nadu) Limited, Chennai - (Subsidiary of IDPL)	Functional	Sick

Sl. No.	Name of the PSU	Functional/ closed	Profit making/ sick
7.	Orissa Drugs & Chemicals Limited, Odisha (Joint Venture of IDPL)	Functional	Sick
8.	Bihar Drugs and Organic Chemicals Limited, Mujaffarpur, Bihar (Subsidiary of IDPL)	Closed	
9.	Bengal Immunity Limited (BIL), Kolkata	Closed	
10.	Smith Stanistreet Pharmaceuticals Limited (SSPL), Kolkata	Closed	
11.	Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur (Joint Venture of HAL)	Closed	
12.	Manipur State Drugs & Pharmaceuticals Limited (MSDPL), Imphal (Joint Venture of HAL)	Closed	

(b) to (e) Government approved the Rehabilitation Scheme of HAL on 9th March 2006 which *inter alia* involves 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* involves 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.

APPENDIX XXIV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 974 ANSWERED ON 29.11.2012

Closure of PSUs

†974. SHRI SUDARSHAN BHAGAT:

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

- (a) whether the most of the Public Sector Undertakings (PSUs) manufacturing pharmaceuticals remain closed;
 - (b) if so, the details thereof along with the reasons therefor, unit-wise; and
 - (c) the steps taken by the Government to revive those units?

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 SRIKANT KUMAR JENA): (a) to (b) Some of the PSUs manufacturing pharmaceuticals, which were incurring continuous losses for the years have been declared sick and subsequently closed. A list of sick and closed Pharmaceutical Public Sector Undertakings is as under:—

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.	Orissa Drugs & Chemicals Limited (ODCL), Bhuvaneshwar (Joint Sector PSU promoted by IDPL)	Sick
5.	Bengal Immunity Limited (BIL), Kolkata	Closed
6.	Smith Stanistreet Pharmaceuticals Limited (SSPL), Kolkata	Closed
7.	Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur (Joint Sector PSU promoted by HAL)	Closed
8.	Manipur State Drugs & Pharmaceuticals Limited (MSDPL), Manipur (Joint Sector PSU promoted by HAL)	Closed

(c) Government approved the Rehabilitation Scheme of HAL on 9th March, 2006 which *inter alia* involves 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). Government has further initiated steps for Second Rehabilitation Scheme of HAL. Similarly, Government of India also approved the Revival Scheme of BCPL on 21st December, 2006 which *inter alia* involves 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.

APPENDIX XXV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1331 ANSWERED ON 13.08.2013

Financial Crisis in Pharmaceuticals Manufacturing Units

1331. SHRI DILIP SINGH JU DEV:

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 then, 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.	Name of PSU	Status
No.		
1	2	3
1.	Hindustan Antibiotics Limited (HAL), Pimpri, Pune	Sick under
		BIFR
2.	Bengal Chemicals & Pharmaceuticals Limited (BCPL), Kolkata	Sick under BIFR

1	2	3
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 interest 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.

APPENDIX XXVI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. †848 ANSWERED ON 10.12.2013

Revival of Pharmaceuticals Units

†848. SHRI SUDARSHAN BHAGAT:

SHRI M. ANANDAN:

SHRI GORAKH PRASAD JAISWAL:

SHRIMATI RAMA DEVI:

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

- (a) the details of closed/sick units/plants of Public Sector Undertakings (PSUs) manufacturing pharmaceuticals in the country along with the reasons therefor, unit/plant-wise;
- (b) the steps taken by the Government to revive those units/plants including Hindustan Antibiotics Limited (HAL) and Indian Drugs and Pharmaceuticals Limited (IDPL), so far;
- (c) the reasons behind the poor performance and near closure of HAL and $\overline{\text{IDPL}}$:
- (d) whether the Government is providing a meager amount to IDPL and its subsidiary companies for modernisation of equipments installed in such companies;
 - (e) if so, the reasons therefor and the reaction of the Government thereto; and
- (f) the steps taken by the Government for modernisation of IDPL and its subsidiary companies so that production capacity of the said companies can be enhanced and the extent to which success have been achieved as a result thereof?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA): (a) The details of pharmaceuticals PSUs, which have been declared sick and closed, is as under:—

Sl. No.	Name of PSU	Status
1	2	3
1.	Hindustan Antibiotics Limited (HAL), Pimpri, Pune	Sick under BIFR

1	2	3
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.	Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur (Joint Sector PSU promoted by HAL)	Closed
6.	Manipur State Drugs & Pharmaceuticals Limited (MSDPL), Manipur (Joint Sector PSU promoted by HAL)	Closed

- (b) 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.
- (c) Surplus manpower, lack of working capital and inadequate capital expenditure are the prime reasons for continuous cash losses. Failure to generate revenue by utilizing bulk drug facilities due to cheap imports from China adversely impacted the fermentation based segment, in general, and HAL in particular. Similarly, IDPL is also facing acute shortage of Working Capital. Surplus manpower and related costs were also the reasons for the sickness of IDPL.
- (d) to (f) The Government has been releasing funds for modernization of machinery and equipments of IDPL and its subsidiary companies in a phased manner. Government has released Rs. 13.99 crore during 11th Five Year Plan and Rs. 6.22 crore during 12th Five Year Plan as per their requirement from time to time. Further, the Government is also considering the Revival proposal of IDPL.

APPENDIX XXVII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 91 ANSWERED ON 08.07.2014

"Revival of IDPL units"

91. SHRI YOGI ADITYA NATH:

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

- (a) the details of Indian Drugs and Pharmaceuticals Limited (IDPL) units functioning at present in various parts of the country;
- (b) the details of IDPL units declared sick/or are in the process of being declared sick and the reasons therefor;
- (c) the steps taken by the Government for revival of these units at the earliest in the country;
 - (d) the revival package announced for each of these units in the country; and
 - (e) the progress made in revival of each of these units as a result thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI NIHAL CHAND): (a) The units of Indian Drugs & Pharmaceutical Limited (IDPL) located at Rishikesh (Uttarakhand) and Gurgaon (Haryana) are functioning whereas the unit located at Hyderabad (Andhra Pradesh) is being restarted. IDPL's wholly owned subsidiary IDPL (Tamilnadu) is functioning. One joint sector undertaking of IDPL and Orissa Government Orissa Drugs & Chemicals Ltd. (ODCL), Bhubaneswar has been ordered to be closed by BIFR, the case is pending in Orissa High Court, Presently, ODCL is functioning and making profit for the last 4 years.

- (b) IDPL & its subsidiary IDPL Tamilnadu located at Chennai are sick.
- (c), (d) & (e): The first revival package for the company was formulated and approved by BIFR on 10th February, 1994. As per procedure for revival of sick CPSUs, the case of 2nd Revival of IDPL was referred to BIFR. BIFR on 23.01.1996 appointed IDBI as the Operating Agency (OA) and directed IDBI to submit the Draft Rehabilitation Scheme (DRS) on IDPL. IDBI operating agency of Draft Rehabilitation Scheme (DRS) filed the DRS with the Board for Industrial and Financial Reconstruction (BIFR) on 09.01.2014. BIFR on 31.03.2014 has issued directions to IDBI to submit a fully tied-up DRS for which action is being taken. The revival proposal is not individual unit-wise. Further action for revival of IDPL and its units will be taken on the directions of BIFR.

APPENDIX XXVIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 377 ANSWERED ON 25.11.2014

Rehabilitation Scheme for HAL

377. SHRI RAVNEET SINGH:

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

- (a) whether the Government is aware that Hindustan Antibiotics Limited (HAL) is in a shortage of capital necessary for recurring expenditure of HAL;
- (b) if so, the details thereof and the steps taken by the Government for the operation of HAL and reduce its deficit;
- (c) whether the second rehabilitation scheme of HAL has been transferred to Board for Industrial and Financial Reconstruction (BIFR); and
 - (d) if so, the action taken by BIFR so far?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI ANANTH KUMAR): (a) Yes Sir.

(b), (c) & (d) The Detailed Rehabilitation Scheme for 2nd Rehabilitation of HAL was earlier submitted by Industrial Development Bank of India (IDBI), the Monitoring Agency to Board for Industrial and Financial Reconstruction (BIFR) in February, 2014, however, the same has been returned by BIFR in July, 2014 with certain observations. The IDBI is preparing the Modified Detailed Rehabilitation Scheme (MDRS) in consultation with HAL and all stakeholders. In the MDRS proposal for providing support for Working Capital is also included.

APPENDIX XXIX

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 2653 ANSWERED ON 09.12.2014

Revival of Drug Manufacturing Companies

2653. SHRI ANANDRAO ADSUL: SHRI DHARMENDRA YADAV: SHRI ADHALRAO PATIL SHIVAJI RAO:

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

- (a) whether it is a fact that some State owned drug manufacturing companies have been declared sick/closed down;
- (b) if so, the details thereof and the steps taken to revive them so far, companywise;
- (c) whether these companies were set up to meet the demand of essential medicines; and
- (d) if so, whether the Government also proposes to disinvest its stake in loss incurring drug manufacturing companies and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) Yes sir.

(b) The details of sick/closed down pharmaceuticals PSUs is as under:

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.	Maharashtra Antibiotics & Pharmaceuticals Limited (MAPL), Nagpur (Joint Sector PSU) promoted by HAL)	Closed
6.	Manipur State Drugs & Pharmaceuticals Limited (MSDPL), Manipur (Joint Sector PSU promoted by HAL)	Closed

1	2	3
7.	IDPL, Tamilnadu, Chennai (100% subsidiary of IDPL)	Sick
8.	Bihar Drugs & Organic Chemicals Limited (BDOCL), Mujaffarpur, Bihar (100% subsidiary of IDPL)	Sick and closed

Presently, Revival of Hindustan Antibiotics Limited (HAL) & Indian Drugs and Pharmaceuticals (IDPL) is under consideration of Government of India. The Revival Package sanctioned for Bengal Chemicals & Pharmaceuticals Limited (BCPL) is under implementation.

- (c) Yes Sir.
- (d) At present, no proposal for disinvestment of the loss incurring drug manufacturing companies is under consideration of the Government of India.

APPENDIX XXX

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS & FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 387 ANSWERED ON 19.02.2009

Patent of Drugs

387. SHRI UDAY SINGH:

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

- (a) whether a large number of drugs whose patents have expired in developed countries are now being patented in India;
 - (b) if so, the details thereof and the reasons therefor;
- (c) whether the Committee constituted by the Government for negotiating prices of patented drugs has since submitted its report to the Government;
 - (d) if so, the details of the recommendations made by the Committee; and
- (e) the action taken/proposed to be taken by the Government on these recommendations?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI B.K. HANDIQUE): (a) and (b) The comprehensive product patent regime was introduced in India from 1.1.2005. It is unlikely in most cases that drugs whose patent have expired in developed countries would get patented in India.

(c) to (e) A Committee has been constituted in this Department to examine the issue of Price Negotiations for the Patented Drugs. The Committee is yet to submit its report to the Government.

APPENDIX XXXI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 4497 ANSWERED ON 06.08.2009

Prices of Patented Drugs

4497. SHRI NARAHARI MAHATO:

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

- (a) whether the Government has formed a panel for negotiating prices of patent drugs;
 - (b) if so, the details thereof;
 - (c) the reasons for making the Indian Industry a part of the committee;
 - (d) the recommendations of said panel; and
 - (e) the action taken by the Government thereon?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) to (b) A Committee having Members from Departments/Organisations like, Department of Pharmaceuticals, Drug Controller General (India), National Institute of Pharmaceutical Education and Research (NIPER), National Pharmaceuticals Pricing Authority (NPPA), Department of Industrial Policy & Promotion and Pharmexcil has been constituted in this Department to examine the issue of Price Negotiations for the Patented Drugs. The Committee had interacted with stakeholders including Industry and Industry Associations during the course of its proceedings. The Committee has not submitted its report yet.

APPENDIX XXXII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1038 ANSWERED ON 16.08.2012

Price Control of Patented Medicines

1038. SHRI RUDRA MADHAB RAY:

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

- (a) whether the Government is planning to bring in mechanism to control prices of exorbitantly priced patented medicines to make them more affordable;
 - (b) if so, the details thereof;
- (c) whether the Government also plans to fix the margines of wholesalers and retailers both for patented and generic drugs to bring down the drugs prices;
 - (d) if so, the reasons therefor; and
 - (e) the other measures proposed to check the rise in prices of drugs?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) & (b) A Committee which was looking into the issue of Price Negotiation mechanisms of patented drugs have since submitted its report which is being examined in the Department.

(c) As per provisions of Drugs (Prices Control) Order 1995 (DPCO'95) prices of scheduled medicines are fixed by National Pharmaceutical Pricing Authority (NPPA) taking into account a margin of 8% to the wholesaler and 16% to the retailer. In case, a company is found selling at prices higher than the price notified/approved by the NPPA/Government, action is taken against them as per the provisions of the DPCO 1995.

In respect of drugs not covered under the DPCO'95 *i.e.* non-schedule drugs, manufactures fix the prices by themselves without seeking the approval of Government/NPPA. NPPA as part of its price monitoring activity regularly examines the movement in their prices. The monthly reports of ORG IMS and the information furnished by individual manufacturers are utilized for the purpose of monitoring prices of non-scheduled formulations. Wherever a price increase beyond 10% per annum is noticed, the specific manufacturers are asked to bring down the price voluntarily failing which, subjet to prescribed conditions, action is initiated under Paragraph 10 (b) of the DPCO, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.

(d) & (e) In view of reply to (c) above, does not arise.

APPENDIX XXXIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 80 ANSWERED ON 22.11.2012

Prices of Patented Drugs

80. SHRI KHAGEN DAS:

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

- (a) whether the Government has constituted a Committee to study the prices of patented drugs in the country;
 - (b) if so, whether the Committee has submitted its report;
 - (c) if so, the findings of the report;
 - (d) whether any action has been initiated on those recommendations;
 - (e) if so, the details thereof; and
 - (f) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) to (f) The Committee constituted by the Department of Pharmaceuticals to look into the issue of Price Negotiation mechanisms for patented drugs have since submitted its report to the Department on 05.06.2012. The reports is being examined and no final decision has yet been taken on it.

APPENDIX XXXIV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1105 ANSWERED ON 09.11. 2012

Prices of Patented Medicines

1105. SHRI RAVNEET SINGH:

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

- (a) whether the Government has evolved any mechanism to control prices of exorbitantly priced patented medicines to make them more affordable;
- (b) if so, the details thereof and the steps taken/proposed to be taken in pursuance thereof by the Government in the matter; and
- (c) the difference between the Reference Pricing System and the Negotiated Pricing Model with regard to drugs?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) and (b) The Committee constituted by the Department of Pharmaceuticals to look into the issue of Price Negotiation mechanisms for patented drugs have since submitted its report to the Department on 05.06.2012. The report is being examined and no final decision has yet been taken on it.

Further, the Indian Patents Act as amended in 2005 contains provisions for issue of Compulsory License for patented drugs. Department of Industrial Policy and Promotion had informed that so far one Compulsory license has been granted by the Controller General of Patents, Designs and Trade Marks to a drug manufacturing company since the amendment of the Patents Act in 2005 for an application filed under Section 84 of the Patents Act (as amended in 2005). As per the orders of the Controller of Patents, Mumbai compulsory lices has been granted to M/s Natco for manufacture of an anti-cancer drug "NEXAVAR". M/s Natco Pharma Ltd. are required to sell this drug at a price not exceeding Rs. 8880/ for a pack of 120 tablets, required for a month's treatment which was earlier being sold by M/s. Bayer Corporation at Rs. 2,80,428/- for one month treatment.

(c) The Committee, which was looking into the issue of Price Negotiation mechanism of Patented Drugs have mentioned in its report that in case of reference pricing the prices of the product are fixed on the basis of the prices in other similarly placed countries and in case of Price Negotiation model, the prices are fixed after negotiations with the manufacturer.

APPENDIX XXXV

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 4063 ANSWERED ON 21.03.013

Fixation of Prices of Patented Medicines

4063. DR. MURLI MANOHAR JOSHI: SHRI DINESH CHANDRA YADAV:

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

- (a) whether the Government has agreed to a formula to address the long pending dispute for fixation of sale price of patented medicines in the country;
- (b) if so, whether this formula has been prepared on the basis of per capita income of Indians;
 - (c) if so, the details thereof; and
- (d) the reasons for not accepting the criteria of cost of manufacturing including dividend as the basis of sale price of medicines in the country?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA): (a) to (d) The Committee which was looking into the issue of Price Negotiation mechanisms for patented drugs has since submitted its report which is being examined.

APPENDIX XXXVI

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 5810 ANSWERED ON 02.05.2013

Prices of Patented Medicines

5810. SHRI SURESH KALMADI:

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

- (a) whether an Inter-Ministerial Group tasked with regulating prices of patented medicines has recommended using a per capita income linked reference pricing mechanism so as to reduce the prices of several patented drugs;
 - (b) if so, the facts in this regard;
- (c) whether the Department of Pharmaceuticals has suggested for fixing the prices of patented drugs by comparing the price at which these are procured by the Governments in UK, Cananda, France, Australia and New Zealand; and
- (d) if so, the impact of this policy with regard to in profitability of foreign companies and the increase in affordability of drugs among the common man?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA): (a) to (d) The Committee which was looking into the issue of Price Negotiation mechanisms for patented drugs has since submitted its report which is being examined.

APPENDIX XXXVII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 3803 ANSWERED ON 18.02.2014

Regulating Prices of Patented Drugs

3803. SHRI AMARNATH PRADHAN:

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

- (a) whether the Government proposed to monitor/regulate/reduce the prices of patented drugs in the country;
 - (b) if so, the details thereof and if not, the reasons therefor;
- (c) the reaction of the durgs industry in the regard and the likely impact of such a move on the prices of generic and locally produced drugs for domestic use and for export;
- (d) whether a Committee constituted by the Government to study the prices of patented drugs has submitted its report; and
- (e) if so, the findings of the said report and the action taken by the Government on the recommendations contained therein?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA): (a) to (e) To address the issues of Price Negotiation mechanisms for patented drugs a Committee was setup. The Committee's report was put on the public domain for wider publicity for inviting comments from stakeholders. Observing the diverse opinion of different stakeholders received by the Government, an Inter-ministerial Committee of Joint Secretaries to look into the issues and to suggest ways and means to fix the prices of patented drugs in the country has been formed.

APPENDIX XXXVIII

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 1504 ANSWERED ON 02.12.2014

Regulate Prices of Patented Drugs

1504. SHRI KALIKESH N. SINGH DEO: SHRI CH. MALLA REDDY:

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

- (a) whether the Government proposes to regulate the prices of patented drugs in the country;
- (b) if so, the details thereof and the reaction of the drug industry thereto along with its likely impact on prices of generic and locally produced drugs;
- (c) whether drug manufacturers from some countries including US have expressed displeasure over the issue of being denied grant patent of certain drugs for which Indian companies are producing generic drugs; and
 - (d) if so, the details thereof and the reaction of the Government thereto?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) and (b) To address the issues of Price Negotiation mechanisms for patented drugs and Inter-ministerial Committee of Joint Secretaries has been set up to look into the issues and to suggest ways and means to fix the prices of patented drugs in the country.

- (c) No, Madam.
- (d) Does not arise.

APPENDIX XXXIX

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS
LOK SABHA UNSTARRED QUESTION NO. 2564
ANSWERED ON 09.12.2014

Prices of Patented Drugs

2564. SHRI VIJAY KUMAR HANSDAK: SHRI SATISH CHANDRA DUBEY:

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

- (a) whether an Inter-Ministerial Group assigned with the task of regulating the prices of patented drugs has suggested the use of a per capita income associated Reference Pricing System;
- (b) if so, the details thereof and the benefits likely to be accrued by introduction of this scheme;
 - (c) whether such move has not been beneficial for the pharmaceutical industry;
 - (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) the difference between the Reference Pricing System and the Negotiating Pricing Model?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) The Department constituted a Committee for examination of issues and suggestions of ways and means for fixing prices of patented drugs in the country. The Committee submitted its final report in June, 2012 on which comments were invited from various stakeholders. In view of the divergent comments received from various stakeholders, an Inter-ministerial Committee of Joint Secretaries has been set up on 07.11.2013 to look into the issues and to suggest ways and means to fix the prices of patented drugs in the country.

(b) to (e): In view of above, do not arise.

APPENDIX XL

GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS LOK SABHA UNSTARRED QUESTION NO. 113 ANSWERED ON 02.07.2009

Investment in Pharmaceutical Sector

113. SHRIMATI SUPRIYA SULE:

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

- (a) whether the Government has decided to participate with private sector to plan investment of \$ 1 billion to \$ 2 billion in an effort to make India as a leader of Global Pharmaceutical Innovation Hub by 2020;
 - (b) if so, the details thereof; and
 - (c) the steps taken by the Government in this regard?

ANSWER

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M.K. ALAGIRI): (a) to (c) The Department of Pharmaceuticals in association with a consultancy firm has prepared a 'White Paper' for making India a Pharma R&D and Innovation Hub by 2020. The Department of Pharmaceuticals has proposed this 'White Paper' for consideration of the Government.

APPENDIX XLI (Vide Para 5 of the Report)

Extracts from Manual of Practice & Procedure in the Government of India, Ministry of Parliamentary Affairs, New Delhi

Definition

- **8.1** During the course of reply given to a question or a discussion, if a Minister gives an undertaking which involves further action on the part of the Government in reporting back to the House, it is called an 'assurance'. Standard list of such expressions which normally constitute assurances and as approved by the Committees on Government Assurances of the Lok Sabha and the Rajya Sabha, is given at **Annexure 3.** As assurances are required to be implemented within a specified time limit care should be taken by all concerned while drafting replies to the questions to restrict the use of these expressions only to those occasions when it is clearly intended to give an assurance in these terms.
- **8.2** When an assurance is given by a Minister or when the Presiding Officer directs the Government to furnish information to the House, it is extracted by the Ministry of Parliamentary Affairs from the relevant proceedings and communicated to the department concerned normally within 10 working days of the date on which it is given.
- **8.3.1** If the administrative department has any objection to treating such a statement as an assurance or finds that it would not be in the public interest to fulfil it, it may write to the Lok/Rajya Sabha Secretariat direct with a copy to the Ministry of Parliamentary Affairs within a week of the receipt of such communication for getting it deleted from the list of assurances. Such action will required prior approval of the Minister.
- **8.3.2** Departments should make request for dropping of assurances immediately on receipt of statement of assurances from the Ministry of Parliamentary Affairs and only in rare cases where they are fully convinced that the assurances could not be implemented under any circumstances and

Deletion from the list of assurances there is no option left with them but to make a request for dropping. Such requests should have the approval of their Minister and this fact should be indicated in their communication containing the request. If such a request is made towards the end of the stipulated period of three months, then it should invariably be accompanied with a request for extension of time. The department should continue to seek extension of time till a decision of the Committee on Government Assurances is received by them. Copy of the above communications should be simultaneously endorsed to the Ministry of Parliamentary Affairs.

Time limit for fulfilling an assurance

Extension of time for fulfilling an assurance

Registers of assurances

8.4.1 An Assurance given in either House is required to be fulfilled within a period of three months from the date of the assurance. This time limit has to be strictly observed.

8.4.2 If the department finds that it is not possible to fulfil the assurance within the stipulated period of three months or within the period of extension already granted, it may seek further extension of time direct from the respective Committee on Government Assurances under intimation to the Ministry of Parliamentary Affairs as soon as the need for such extension becomes apparent, indicating the reasons for delay and the probable additional time required. Such a communication should be issued with the approval of the Minister.

8.5.1 The particulars of every assurance will be entered by the Parliament Unit of the department concerned in a register as at **Annexure 4** after which the assurance will be passed on to the concerned section.

8.5.2 Even ahead of the receipt of communication from the Ministry of Parliamentary Affairs, the section concerned should take prompt action to fulfil such assurances and keep a watch thereon in a register as at **Annexure 5.**

8.5.3 The register referred to in para 8.5.1 and 8.5.2 will be maintained separately for the

Role of Section Officer and Branch Officer Lok Sabha and the Rajya Sabha assurances, entries therein being made session-wise.

- **8.6.1** The Section Officer incharge of the concerned section will:
- (a) scrutinise the registers once a week;
- (b) ensure that necessary follow-up action is taken without any delay whatsoever;
- (c) submit the registers to the branch officer every fortnight if the House concerned is in session and once a month otherwise, drawing his special attention to assurances which are not likely to be implemented within the period of three months; and
- (d) review of pending assurances should be undertaken periodically at the highest level in order to minimise the delay in implementing the assurances.
- **8.6.2** The branch officer will likewise keep his higher officer and Minister informed of the progress made in the implementation of assurances, drawing their special attention to the causes of delay.
- **8.7.1** Every effort should be made to fulfil the assurance within the prescribed period. In case only part of the information is available and collection of the remaining information would involve considerable time, an implementation report containing the available information should be supplied to the Ministry of Parliamentary Affairs in part scrutinize of the assurance, within the prescribed time limit. However, efforts should continue to be made for expeditious collection of the remaining information for complete implementation of the assurance at the earliest.
- **8.7.2** Information to be supplied in partial or complete fulfilment of an assurance should be approved by the Minister concerned and 15 copies thereof (bilingual) in the prescribed proforma as at Annexure 6, together with its enclosures, along with one copy each in Hindi and English duly authenticated by the officer

Procedure for fulfilment of an assurance

forwarding the implementation report, should be sent to the Ministry of Parliamentary Affairs. If, however, the information being furnished is in response to an assurance given in reply to a question etc., asked for by more than one member, an additional copy of the completed proforma (both in Hindi and English) should be furnished in respect of each additional member. A copy of this communication should be endorsed to the Parliament Unit for completing column 7 of its register.

- **8.7.3** The implementation reports should be sent to the Ministry of Parliamentary Affairs and not to the Lok/Rajya Sabha Secretariat. No advance copies of the implementation reports are to be endorsed to Lok/Rajya Sabha Secretariat either.
- **8.8** The Ministry of Parliamentary Affairs, after a scrutiny of the implementation report, will arrange to lay it on the Table of the House concerned. A copy of the statement, as laid on the Table, will be forwarded by the Ministry of Parliamentary Affairs to the member as well as the department concerned. The Parliament Unit of the department concerned and the concerned section will, on the basis of this statement, make a suitable entry in their registers.
- **8.9** Where there is an obligation to lay any paper (Rule/order/notification etc.) on the Table of the House and for which an assurance has also been given, it will be laid on the Table, in the first instance, in fulfilment of the obligation, independent of the assurance given. After this is done, a report in formal implementation of the assurance indicating the date on which the paper was laid on the Table will be sent to the Ministry of Parliamentary Affairs in the prescribed proforma (Annexure 6) in the manner already described in para 8.7.2.
- **8.10** Each House of Parliament has a Committee on Government assurances nominated by the Speaker/Chairman. It scrutinized the implementation reports and the time taken in the scrutinized of Government assurances and focuses attention

Laying of the implementation report on the Table of the House

Obligation to lay a paper on the Table of the House *vis-a-vis* assurance on the same subject

Committee on Government Assurances LSR 323,324 RSR 211-A on the delays and other significant aspects, if any, pertaining to them. Instructions issued by the Ministry of Parliamentary Affairs from time to time are to be followed strictly.

Reports of the Committee on Government Assurances **8.11** The department will, in consultation with the Ministry of Parliamentary Affairs, scrutinize the reports of these two committees for remedial action wherever called for.

Effect on assurances on dissolution of the Lok Sabha

8.12 On dissolution of the Lok Sabha, all assurances, promises or undertakings pending implementation are scrutinized by the new Committee on Government Assurances for selection of such of them as are of considerable public importance. The Committee then submits a report to the Lok Sabha with a specific recommendation regarding the assurances to be dropped or retained for implementation by the Government.

MINUTES

COMMITTEE ON GOVERNMENT ASSURANCES (2015-16)

(SIXTEENTH LOK SABHA)

TENTH SITTING

(18.04.2016)

The Committee sat from 1500 hrs. to 1615 hrs. in Committee Room "B", Parliament House Annexe, New Delhi.

PRESENT

Dr. Ramesh Pokhriyal 'Nishank' — Chairperson

MEMBERS

- 2. Shri E. Ahamed
- 3. Shri Bahadur Singh Koli
- 4. Shri Prahlad Singh Patel
- 5. Shri A.T. Nana Patil
- 6. Shri C.R. Patil
- 7. Shri Sunil Kumar Singh
- 8. Shri Taslimuddin

SECRETARIAT

- 1. Shri R.S. Kambo Joint Secretary
- 2. Shri S.C. Chaudhary Director
- 3. Shri T.S. Rangarajan Additional Director
- 4. Shri S.L. Singh Deputy Secretary

WITNESSES

MINISTRY OF CHEMICALS AND FERTILIZERS (DEPARTMENT OF PHARMACEUTICALS)

- 1. Dr. V.K. Subburaj, Secretary (Pharma)
- 2. Shri Sudhansh Pant, Joint Secretary
- 3. Ms. Sunanda Sharma, Economic Adviser
- 4. Shri Jitendra Trivedi, Director

MINISTRY OF PARLIAMENTARY AFFAIRS

- 1. Shri Manoharan, Deputy Secretary
- 2. Shri A.B. Acharya, Under Secretary

At the outset, the Chairperson welcomed the Members to the sitting of the Committee and apprised them regarding the day's agenda.

2. The Committee then took oral evidence of the representatives of the Ministry of Chemicals and Fertilizers regarding pending Assurances. The Committee reviewed all the 40 Assurances of the Ministry of Chemicals and Fertilizers as mentioned below:—

The Committee desired to know at the outset, about the existing mechanism for fulfillment of the Parliamentary Assurances and whether the ministry is complying with the manual of Parliamentary procedure in the Government of India. Further, the Committee expressed concern and desired to know the reasons for pendency in fulfillment of Parliamentary Assurances after a gap of 16 years. The Ministry informed that there are basically three categories of Assurances, firstly, rehabilitation of PSUs like Hindustan antibiotics, IDPL. Socondly, the issues relating to prices of patent drugs and thirdly, policies for making research and development as something like a hub in India. The Ministry briefed the Committee regarding the mechanism followed in the department for fulfillment of the Assurances. They keep reviewing the implementation of the Assurances which is dependent on the decision to be taken on the policy issues. For instance, rehabilitation package of Hindustan antibiotics, IDPL have been discussed and sent to various Committees. Since 2005, the Ministry has been working for rehabilitation of these two organizations. Ultimately, notes regarding these have reached the Cabinet and a final decision is likely to be given. Once a final decision comes out, immediately the Assurance report will be given. Further, fortnightly reviews and weekly coordination meetings take place in the department. The issues also discussed in the review meetings conducted by the Hon'ble Minister. It was also informed that the system prevalent in the ministry for review is the same as adopted by all departments in the Government of India. The Committee expressed its concern that Parliamentary Assurances which are to be fulfilled within three months and in case the same is not fulfilled an extension has to be sought. The Committee was surprised to note that, since 2013 even extensions have not been sought. The Committee drew the attention of the Ministry that there were not three but four categories of issues with regards to the Assurances, including the issue of herbal medicines.

- (i) Special Mention dated 15.05.2000 (Shri Priya Ranjan Das Munshi, M.P.) regarding 'Life Saving Drugs' (S.No. 1).
- (ii) USQ No. 7655 dated 16.05.2000 regarding 'Herbal Medicines' (S.No. 2).

The Ministry informed the Committee, that the availability of antibiotics is the subject matter relating to the department of Health and Family Welfare and assured that they will get the details from them within 15 days time and will submit full details to the Committee. The Committee expressed their concern that it has taken so long to ascertain that the Assurance belong to which department of the Government and desired to know the timeline for fulfillment of Assurances. The Ministry informed the Committee that several files were missing in the department and the subject matter came up only recently for perusal after the subject was enlisted for discussion. The Ministry assured to give the reply within 15 days. As regards to the issue of herbal medicines the Committee expressed concern that the same couldn't be fulfilled even after 16 years which smacks of the fact that the ministry is not serious enough with regards to fulfillment of Assurances. The Ministry assured the Committee that they will get a reply from the Ministry of Health and Family Welfare and forward the same to the Committee.

- (iii) USQ. No. 795 dated 28.11.2005 regarding 'Revival of IDPL and HAL' (S.No. 3).
- (iv) SQ No. 171 dated 05.12.2005 (Shri Chandrakant Bhaurao Khaire, M..P) Regarding 'Sick Public Sector Drug Companies' (S.No. 4).
- (v) USQ. No. 137 dated 20.02.2006 regarding 'Revival of IDPL and HAL' (S.No. 5).
- (vi) SQ. No. 350 dated 21.08.2006 (Shri Rajnarayan Budholiya, M.P.) regarding 'Assistance to Public Sector Undertaking' (S.No. 6).
- (vii) USQ. No. 769 dated 05.03.2007 regarding 'Revival of IDPL' (S.No. 7).
- (viii) USQ. No. 5312 dated 14.05.2007 regarding 'Revival of IDPL' (S.No. 8).
- (ix) USQ. No. 938 dated 22.11.2007 regarding 'Revival of IDPL and HAL' (S.No. 9).
- (x) USQ. No. 2047 dated 13.03.2008 regarding 'Revival of IDPL' (S.No. 10).
- (xi) SQ. No. 200 dated 11.12.2008 (Shri Parsuram Majhi, M.P.) regarding 'Revival of Pharmaceuticals Units' (S.No. 11).
- (xii) USQ. No. 725 dated 09.07.2009 regarding 'Revival of Pharmaceutical Units' (S.No. 12).
- (xiii) SQ. No. 12 dated 19.11.2009 (Shri P. Lingam, M.P.) regarding 'Revival of PSUs in Pharmaceuticals Sector' (S.No. 13).
- (xiv) USQ. No. 96 dated 19.11.2009 regarding 'Sick Pharmaceutical Companies' (S.No. 14).
- (xv) USQ. No. 657 dated 25.02.2010 regarding 'Revival of IDPL' (S.No. 15).
- (xvi) USQ. No. 3227 dated 15.04.2010 regarding 'Package to IDPL' (S.No. 16).

- (xvii) USQ. No. 1907 dated 05.08.2010 regarding 'Revival of Sick Pharma Companies' (S.No. 17).
- (xviii) USQ. No. 1471 dated 18.11.2010 regarding 'Revival of Sick Pharmaceutical Companies' (S.No. 18).
- (xix) USQ. No. 2039 dated 11.08.2011 regarding 'Sick/Closed Pharmaceutical Companies' (S.No. 19).
- (xx) USQ. No. 2409 dated 08.12.2011 regarding 'Revival of IDPL' (S.No. 20).
- (xxi) USQ. No. 2412 dated 08.12.2011 regarding 'Financial Support to HAL' (S.No. 21).
- (xxii) USQ. No. 2595 dated 29.03.2012 regarding 'Revival Plan of IDPL' (S.No. 22).
- (xxiii) USQ. No. 2653 dated 29.03.2012 regarding 'Revival of Sick PSUs' (S.No. 23).
- (xxiv) USQ. No. 974 dated 29.11.2012 regarding 'Closure of PSUs' (S.No. 24).
- (xxv) USQ No. 1331 dated 13.08.2013 regard 'Financial Crisis in Pharmaceuticals Manufacturing Units' (S. No. 25).
- (xxvi) USQ No. 848 dated 10.12.2013 regarding 'Revival of Pharmaceuticals Units' (S. No. 26)
- (xxvii) USQ No. 91 dated 08.07.2014 regarding 'Revival of IDPL Units' (S. No. 27).
- (xxviii) USQ No. 377 dated 25.11.2014 regarding 'Rehabilitation Scheme for HAL (S.No.28)
- (xxix) USQ No.2653 dated 09.12.2014 regarding 'Revival of Drug Manufacturing Companies' (S.No.29).

The Ministry informed the Committee, that the Assurances from serial number 3 to 29 pertain to the question of rehabilitation of IDPL and HAL which are public sector undertakings in the Pharmaceutical sector. They became sick after 1980. Both of them became really sick from then onwards and the department has been struggling to rehabilitate them. Several studies have been conducted and discussions taken place and several Committees looked into the issue. A firm decision was not taken by the Government of India at the time either to continue the production or to close the units. Now, during the past two years the department has worked a rehabilitation package for these two organizations and have sent these two proposals to the Cabinet. Now the matter is lying with the Cabinet Secretariat and is likely to reach the Cabinet in Cabinet in 10-15 days. This time, a firm decision is likely to be taken because all details have been looked into. The issues has also been discussed with Hon'ble Finance Minister and several

discussions have also been held with the Prime Minister Secretariat. The Ministry assured that by the end of this month a decision is likely to be made on these two organizations, once the decision is taken bulk of Assurances from the department will be cleared. The Committee deemed the efforts of the Ministry as positive that at least initiatives have been made during the last two years & directed the Ministry to present a part report. The Ministry further apprised the Committee that despite the problems being faced by the PSUs, after a gap of 25 years in the year 2014-15, IDPL has for the first time came under operating profit. The committee expressed their hope that these PSUs will once again reach their former glory.

- (xxx) USQ No. 387 dated 19.02.2009 regarding 'Patent of Drugs' (S. No. 30).
- (xxxi) USQ No. 4497 dated 06.08.2009 regarding 'Price of Patented Drugs' (S. No. 31).
- (xxxii) USQ No. 1038 dated 16.08.2012 regarding 'Price Control of Patented Medicines' (S. No. 32).
- (xxxiii) USQ No. 80 dated 22.11.2012 regarding 'Price of Patented Drugs' (S. No. 33).
- (xxxiv) USQ No. 1105 dated 29.11.2012 regarding 'Price of Patented Medicines' (S. No. 34).
- (xxxv) USQ No. 4063 dated 21.03.2013 regarding 'Fixation of Price of Patented Medicines' (S. No. 35).
- (xxxvi) USQ No. 5810 dated 02.05.2013 regarding 'Price of Patented Medicines' (S. No. 36).
- (xxxvii) USQ No. 3803 dated 18.02.2014 regarding 'Regulating Price of Patented Drugs' (S. No. 37).
- (xxxviii) USQ NO. 1504 dated 02.12.2014 regarding 'Regulate Price of Patented Drugs' (S. No. 38).
- (xxxix) USQ No. 2564 dated 09.12.2014 regarding 'Price of Patented Drugs' (S. No. 39).
 - (xl) USQ No. 113 dated 02.07.2009 regarding 'Investment in Pharmaceuticals Sector' (S. No. 40).

The Ministry informed the Committee that the issue of price fixation of patented drugs is very complex. A Committee was setup in the matter in the year 2007 and the report was given in 2012. The process of discussion with stakeholders was long drawn out one and they could not come to firm conclusion. The Committee recommended that the Country should enhance its insurance security, only 20% of people in our country are insured as against 80% in other countries. The report recommending that there must be enhancement in insurance security was made public and thereafter, representations, counter-representations and divergent views

came into account and then another Committee was setup in 2013. The present Committee looking into the matter is headed by the present Joint Secretary, Shri Sudhanshu Pant and is likely to handover the report in another 10 days time. The Committee desired to know the reason as to why the Assurance couldn't be completed in between 2012 to 2016. The Ministry informed that when the report was laid in 2012, the Ministry decided to put the same in public domain and hence, in order to seek the comments the stakeholders the report was uploaded on the website of the department. Other issues also cropped up and hence, it was decided that no action can be taken on the basis of this report. Another Committee was formed under the Chairmanship of Joint Secretary, Pharmaceuticals Department. The Ministry assured the Committee that the recommendations of the Committee will definitely be in public interest ensuring that the medicines reach the people on reasonable price. Further, as regards the issue of Patent Pricing, the Indian market of such drug is only 2% to 3%. Almost, 97%-98% market is of non-patented drugs. The patented drugs are mostly for critical diseases like cancer, hepatitis etc. Unfortunately, patented products couldn't be made by the Indian Companies. The Committee expressed their dismay on the fact that Assurances regarding research and patents have been lying unimplemented.

- 3. The witnesses thereafter withdrew.
- 4. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES

COMMITTEE ON GOVERNMENT ASSURANCES (2015-16)

(SIXTEENTH LOK SABHA)

THIRTEENTH SITTING

(09.08.2016)

The Committee sat from 1500 hrs. to 1615 hrs. in Committee Room "B", Parliament House Annexe, New Delhi.

PRESENT

Dr. Ramesh Pokhriyal 'Nishank' — Chairperson

MEMBERS

- 2. Shri Bahadur Singh Koli
- 3. Shri E. Ahamed
- 4. Shri Tariq Anwar
- 5. Shri Sugata Bose
- 6. Shri Naran Bhai Kachhadia
- 7. Shri Bahadur Singh Koli
- 8. Shri Prahlad Singh Patel
- 9. Shri A.T. Nana Patil
- 10. Shri C.R. Patil
- 11. Shri Sunil Kumar Singh

SECRETARIAT

1. Shri R.S. Kambo	_	Joint Secretary
2. Shri J.M. Baisakh		Director
3. Shri S.L. Singh	_	Deputy Secretary

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At the outset, the Chairperson welcomed the Members to the sitting of the Committee and apprised them regarding the day's agenda. Thereafter, the Committee considered and adopted the following five draft Reports:

- (i) Thirty-Sixth Reprot regarding "Review of pending assurances pertaining to the Ministry of Earth Sciences".
- (ii) Thirty-Seventh Report regarding "Review of pending Assurances pertaining to the Minsitry of Food Processing Industries".
- (iii) Thirty-Eighth Reprot regarding "Review of pending Assurances pertaining to the Ministry of Chemicals and Fertilizers (Department of Pharmaceuticals)".
- (iv) Thirty-Ninth Report regarding "Request for Dropping of Assurances (Acceded to)".
- (v) Fortieth report regarding "Request for Dropping of assurances (Not acceded to)".

The Committee then adjourned.

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