

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

UNSTARRED QUESTION NO:1713

ANSWERED ON:22.07.2014

REVIVAL OF PHARMACEUTICALS UNITS

Biju Shri Parayamparanbil Kuttappan;Kachhadia Shri Naranbhai

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 and the reasons therefor along with the steps taken/being taken by the Government to revive such PSUs, units/plants-wise;
- (b) the details of assistance granted by the Government for the operation of Public Sector Pharmaceutical Companies during each of the last three years and the current year, Company-wise;
- (c) whether the Government has taken note of that some ministries/departments of the Union Government procure costly medicines from the private companies instead of from Public Sector Companies;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) the steps taken/proposed to be taken by the Government for procurement of medicines by the ministries/departments only from Public Sector Companies ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI NIHAL CHAND)

(a) The details of pharmaceuticals PSUs, which have been declared sick and closed is as under:-

S1. Name of PSU Status

No.

1. Hindustan Sick, referred
Antibiotics to BIFR
Limited (HAL),
Pimpri, Pune
2. Bengal Sick, referred
Chemicals & to BIFR
Pharmaceuticals
Limited
(BCPL),
Kolkata
3. Indian Drugs & Sick, referred
Pharmaceuticals to BIFR
Limited (IDPL),
Gurgaon
4. Bengal Immunity Closed
Limited (BIL),
Kolkata
5. Smith Liquidated
Stanistreet
Pharmaceuticals
Limited (SSPL),
Kolkata
6. Maharashtra Closed
Antibiotics &
Pharmaceuticals
Limited (MAPL),
Nagpur (Joint
Sector PSU
promoted by HAL)
- 7 Manipur State Closed
Drugs &
Pharmaceuticals
Limited (MSDPL),
Manipur (Joint
Sector PSU

promoted by HAL)

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). For the Second Rehabilitation Scheme of HAL, the matter has been referred to BIFR. 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). For the revival of IDPL, the matter has been referred to BIFR.

(b) The details of the fund released to HAL, BCPL & IDPL during the current year and last 3 years are as under:-

Year	PSU	Amount	Purpose
			sanctioned
2011-12	BCPL	0.60	Capital restructuring (Revival Scheme)
	IDPL	1.21	For Schedule-M Compliance, ODCL
		3.40	For Schedule Compliance o -M f Gurgaon, Rishikesh & Chennai Plant of IDPL
2012-13	IDPL	5.00	Liquid Oral Plant (2nd line) for Hyderabad Plant
2013-14	HAL	5.00	For payment of salary to the employees of HAL
		6.20	For setting up the Utility set up for formulation project
	IDPL	1.22	for completion of Phase-II Schedule-M work being undertaken at ODCL plant.
		1.80	for completion of Phase-II Schedule-M work being undertaken at ODCL plant.

(c) to (e): The Government has implemented a Pharmaceuticals Purchase Policy (PPP) w.e.f. 10.12.2013 which would be effective for five years. PPP is a facility which can be availed by Ministries/ Departments, State Governments, etc. to procure quality drugs at reasonable prices from 5 Central Public Sector Undertakings under the administrative control of Department of Pharmaceuticals. All the Central Government Ministries/ Departments/ PSUs/ Autonomous Bodies/ State Governments have been requested to direct their procuring agencies/institutions to procure medicines under PPP policy.