

**Government and Foreign Firms
Producing Drugs**

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*508. SHRI C. K. CHANDRAPPAN:
SHRI ISHAQUE
SAMBHALI:

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

(a) the number of Government owned drug producing firms, and the installed capacity of each;

(b) to what extent the installed capacity is being utilised and broad outlines thereof; and

(c) particulars of the foreign monopoly intermediaries which Government cannot use while producing drugs?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI K. R. GANESH): (a) and (b). A statement indicating the name of important drugs manufactured by the department and the public sector units of Central Government, capacities licensed installed and production during 1971-72, 1972-73 and 1973-74 is laid on the Table of the House. [Placed in Library. See No. LT-8780/74.]

(c) None of the Central Government owned units have brought any such instance to the notice of Government.

SHRI C. K. CHANDRAPPAN: In the statement given by the hon. Minister, one can see that both in the case of IDPL and the Synthetic Drugs Plant at Hyderabad, there is a wide gap between installed capacity and the actual production. The installed capacity is not even half-utilised. I would like to know from the hon. Minister, what are the reasons for the failure of utilisation of the installed capacity, when there is shortage of life saving medicine in the country?

SHRI K. R. GANESH: Sir, it is a fact that the actual production has been short of installed capacity. Sir, there are separate reasons both for IDPL and the Hyderabad plant. As far as IDPL is concerned, there has been technical problem about the strain, about the slow activity and its stabilisation and recently a new strain has been provided by the collaborators which is showing better results. It is expected that within the next six months or so, it will be possible to reach the rated capacity. Then, Sir, there has been power shortage in U.P. as well as in Maharashtra. This has also affected the production. There has been shortage of raw materials like Sulphuric Acid and so on and there have also been some natural calamities, as far as IDPL is concerned, like, for example, the Alaknanda disaster and various other things. Then, Sir, there has been some contamination also in the fermentation plant as a result of which there has been large scale rejection of certain anti-biotics produced and there has also been rather unhappy industrial relations in the IDPL. Apart from the general question of management and various other problems connected with it.

These are some of the reasons. Certain steps have been initiated to see that industrial relations are improved.

SHRI C. K. CHANDRAPPAN: The hon. Minister has stated that the unhappy industrial relations in IDPL is also one of the reasons for the failure to utilise the installed capacity. He made a statement four or five days here that Government are trying to take certain measures so that industrial relations are improved. After that, what steps have Government taken to improve such relations?

Secondly, in regard to IDPL, recently a Soviet technical team visited the country to discuss the problems of collaboration. What was the result of those discussions? Could some details be given?

SHRI K. R. GANESH: I would mention that the process of production in the antibiotics plant is a continuous one and any little delay or any little obstruction due to power shortage or even industrial relations does cause a very large gap in the fermentation process. Today industrial relations have considerably improved and there is a spirit of cooperation there. That is why it is the opinion of the IDPL management that it will be possible for them within the next six months or so to reach the rated capacity.

As for the visit of the Soviet team, they have supplied a better strain. That has been tried and is now being tried also for commercial use. It has shown much better results, and with this strain on commercial production probably it will be possible to increase the utilisation of capacity to a much higher extent.

SHRI PRIYA RANJAN DAS MUNSI: The Minister stated in his answer that due to certain reasons the installed capacity of IDPL could not be utilised. Is it not a fact that while IDPL and government-owned drug manufacturing units are not getting sufficient raw materials specially sulphuric acid commensurate with their installed capacity, foreign monopolies like Pfizer and Cynamide India (Lederlie Division) are able to get such raw materials and thus are able to utilise their installed capacity? If so, what is the reason behind this? Will the Minister have this investigated?

SHRI K. R. GANESH: I had indicated that one of the reasons for low utilisation of capacity has been shortage of certain raw materials including sulphuric acid. He has put a specific question whether some of the foreign concerns are getting these while IDPL is not. I will look into this and see whether there is a general shortage or whether there is any sabotage involved as far as IDPL is concerned.

SHRI M. RAM GOPAL REDDY: The Minister stated that production has suffered due to various reasons including labour unrest and shortage of

power. What production of production has suffered due to these two factors and what steps is he taking to get over these factors?

SHRI K. R. GANESH: It is difficult to quantify each factor leads to what percentage. As far as electricity is concerned, the U.P. Government has been kind enough to allow full power to the IDPL after it was discussed with them. As far as industrial relations are concerned, efforts have been made to improve relations and put them on a more rational and scientific basis.

श्री मधु लिमये (बांका) अध्यक्ष महोदय, बम्बई के "टाइम्स आफ इंडिया" में खबर छपी है कि स्पीकर वासन्तोदरसिंह नोटिस आन सी० बी० आई० रिपोर्ट । आपने अध्यक्ष महोदय, इस तरह का डायरेक्शन दिया था ?

MR. SPEAKER: There is a short notice question. (Interruption) I am not asking you for notice. There is already one on the agenda for today. शौर्ट नोटिस के बाद ।

SHORT NOTICE QUESTION

Purchase of Fertilizers from U.S.A.

2. **SHRI JYOTIRMOY BOSU:** Will the Minister of SUPPLY AND REHABILITATION be pleased to state:

(a) whether India has recently purchased 3,50,000 tonnes of D.A.P. (Nitrogen and Phosphate) from U.S.A.

(b) if so, the price paid per tonne to U.S. manufacturers for purchasing the said quantity of fertilizers;

(c) the prevailing world price per tonne;

(d) whether it has been alleged that the price in the U.S. is excessive as compared to prevailing world price; and

(e) if so, the facts thereof and Government's reaction thereto?