

SHRI VAYALAR RAVI: When?

SHRI SHAHNAWAZ KHAN: These were received about six months ago. When we wanted to shift the workshop the employees insisted that they should be provided with a canteen and certain other facilities. We had to provide those facilities. We would be setting up the new machines in the next four or five months. I do not think there is any undue delay.

SHRI VAYALAR RAVI: Fourteen is a very serious matter.

MR. SPEAKER: There should be no debate on this.

SHRI VAYALAR RAVI: The Minister is not answering the questions.

MR. SPEAKER: He is answering it.

SHRI VAYALAR RAVI: Fourteen reminders were sent to the management and the Chairman. He can admit the mistakes.

SHRI K. P. UNNIKRISHNAN: Is the Minister aware of the deliberate policy of the present management to discourage any new orders being given to FACT Engineering Works? If not, would he give the House the figures for the last three years of the works undertaken by the FACT Engineering Works and also the present position in the order book?

MR. SPEAKER: How is it relevant to this question?

SHRI K. P. UNNIKRISHNAN: This is a related question. The House is entitled to know the truth. They cannot simply give "etc." as a reason. We cannot be treated like that.

MR. SPEAKER: I would request my dear young friends to try to sit separately from each other, because they are fire brands. Shri Lakkappa.

SHRI K. LAKKAPPA: The working of FACT has been discussed at various times in the House and also outside. It is a scandal and many derogatory remarks were made regarding the inefficient running of FACT even earlier, not only in the present Lok Sabha but also in the previous Lok Sabha.

MR. SPEAKER: I called him to put the next question, which is standing in his name. If he does not want to put it, I will pass on to the question after that.

SHRI K. LAKKAPPA: This delay in erecting the machinery which has been purchased at enormous cost is because of a deliberate policy. This has resulted in a loss of several lakhs of rupees to the factory. Because of this the production had to be slashed down.

MR. SPEAKER: I want to remind him that I did not call him to ask a supplementary on this question. I called him to ask the next question.

SHRI K. LAKKAPPA: Anyhow, I have put a supplementary to the hon. Minister.

MR. SPEAKER: I have not allowed it. You may put the other question.

SHRI K. LAKKAPPA: Then, shall I withdraw my supplementary?

MR. SPEAKER: He may call his question.

Committee to Study Foreigners' Stake in Drug Industry

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*429. **SHRI K. LAKKAPPA:**
SHRI P. GANGADEB:

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

(a) whether Government have decided to set up another Committee

to look into the implications of the foreigners' stake in the drug industry;

(b) if so, whether the decision has been implemented; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAHNAWAZ KHAN): (a) to (c). A proposal to set up a highlevel committee to enquire into various aspects of the drug industry is under consideration and a decision is expected to be reached shortly.

SHRI K. LAKKAPPA: The situation in this country is that spurious drugs are being manufactured and distributed all over the country. Further, the drug industry is under the stranglehold of foreign companies. As it is the responsibility of the Government to supply genuine drugs at reasonable prices to the people, how is this Committee going to streamline the distribution of drugs and control the foreign drug companies?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI D. K. BOROOAH): This Committee will go into this question.

SHRI K. LAKKAPPA: Will the proposed committee streamline the procedure for the take-over of the foreign companies?

SHRI D. K. BOROOAH: What the hon. Member stated earlier will certainly constitute one of the main purposes of the Committee.

SHRI K. LAKKAPPA: What were the guidelines given by the previous Committee that was appointed by the Government? Why the report of that Committee has not been taken into consideration. What are the conflict-

ing views that have been expressed in this Committee?

SHRI D. K. BOROOAH: I am not aware of any previous Committee of the standing of the Committee that we are going to appoint. This is going to be a committee consisting of Members of Parliament and experts. There will be no representation to the drug industry in this. They will look at the problem from the point of view of the national interest and nothing else. Therefore, we hope this Committee will be able to study the problem from the point of view of the common man, rather than from the point of view of the business interests.

SHRI C. K. CHANDRAPPAN: The Minister had stated that they have appointed a Committee. What are the terms of reference of that Committee?

SHRI SHAHNAWAZ KHAN: It is a rather lengthy term of reference. The Committee is mainly to enquire into the progress made by the industry and the status achieved by it with special reference to the introduction of the latest development in technology in the production of basic drugs to meet satisfactorily the growing requirements of the national health and medical programme to enquire into the performance of the public sector drug units and recommend measures necessary for ensuring that the public sector commands leadership role not only in the manufacture of basic drugs and formulations and in research and development but also makes available essential drugs to the consumers at reasonable prices; to enquire into the status of the various sectors of the industry namely, the organised sector both the foreign and the Indian companies and the small scale sector and to make recommendations for promoting the rapid growth of the drug industry, particularly, the Indian and small scale industries sectors.

SHRI DINESH CHANDRA GO-SWAMI: The Government is setting up a committee to discuss about the implications of the foreigners' stakes in the drug industry. Has it come to the notice of the Government that many of these concerns have set up small firms under different names in different States to avoid the implications of large business houses and what is the Government doing to check this evil?

SHRI SHAHNAWAZ KHAN: The Government is aware of these activities and this will certainly be one of the subjects which will be looked into.

Rationing of Petrol in view of uncertainty in crude supplies

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*430. DR. RANEN SEN:

SHRI VEKARIA:

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

(a) whether in view of the uncertainty about crude oil supply from West Asia and rapidly increasing prices, has Government decided to introduce rationing in petrol; and

(b) if so, the salient features thereof?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI D. K. BOROOAH): (a) and (b). In view of the uncertainties of crude oil supplies and rapidly increasing prices, State Governments and Union Territories have been advised to finalise plans for introduction of rationing at short notice. Details of the scheme are being worked out by the States in consultation with this Ministry.

DR. RANEN SEN: In view of the fact that the supply of crude is becoming more and more difficult with the introduction of the auction system

etc., may I know whether the Government has actually checked up with the State Governments as to how far they have proceeded in regard to the introduction of rationing of petrol. If so, what advancement has been made?

SHRI D. K. BOROOAH: As I have said before in this House, we discussed the matter with the Chief Secretaries and then we also discussed the matter and brought it to the notice of the Chief Ministers and we have also written to them. They say that they are keeping the scheme ready. But, as I said, we have not come to any decision that we will go in for rationing the supplies. But if our supplies are cut off in substantial quantities, then it may be that we may be forced to go in for rationing. Therefore, we are keeping an alternative scheme of rationing ready for very rainy days.

DR. RANEN SEN: Is the Minister aware that only yesterday, the Finance Minister on the floor of this very House has said that rationing of petrol is ruled out on the ground that it will create administrative difficulties. May I, therefore, know whether the Petroleum and Chemicals Ministry and the Finance Ministry are working at loggerheads or whether they are working together in order to find out whether rationing is necessary or whether it is feasible.

SHRI D. K. BOROOAH: We are working entirely together and having faith in God, we would also keep the powder dry.

DR. RANEN SEN: Mr. Chavan yesterday rejected this idea.

SHRI D. K. BOROOAH: We have decided not to go in for it because it will depend upon circumstances which are not obtaining to-day. But, if the availability is completely or very substantially cut off and if there is difficulty even to meet the basic requirements, then, in that case, perhaps we