

**Production of Bulk Drugs as recommended by Hathi Committee**

\*31. SHRI CHITTA BASU: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Hathi Committee recommended for stepping up the production of bulk drugs to meet the growing needs; and

(b) if so, the steps so far taken in this regard?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA):

(a) and (b). The Hathi Committee has made comprehensive recommendations about the stepping up of production of bulk drugs to meet the growing needs of the country. These recommendations are under consideration of Government. In the meantime 169 industrial licences and letters of intent have been issued to the drug manufacturers since the receipt of the Hathi Committee Report in April, 1975. Government have also approved various expansion schemes of the public sector undertakings, Indian Drugs and Pharmaceuticals Limited and Hindustan Antibiotics Ltd. The details of these schemes are as follows:—

(i) Expansion of the Synthetic Drugs Plant, Hyderabad, involving an investment of Rs. 21.79 crores which would increase the production capacity from 1988 tonnes to 3386 tonnes.

(ii) Establishment of a Nicotina-mulation Unit in Gurgaon, Haryana, at an estimated capital outlay of Rs. 6.93 crores.

(iii) Establishment of a New Formulation Unit in Gurgaon, Haryana, at an estimated capital outlay of Rs. 6.93 crores.

(iv) Expansion of the Antibiotics Plant, Rishikesh, involving an investment of Rs. 15.31 crores.

(v) The expansion of Hindustan Antibiotics Ltd. involving capital outlay of Rs. 10.14 crores for expansion in the manufacture of Penicillin, Streptomycin and manufacture of Gentamycin and Rifampicin.

**Prices of Drugs**

\*32. SHRI S. G. MURUGAIYAN: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are aware that the prices of drugs have been increasing beyond the common man's reach; and

(b) if so, measures being taken or proposed to be taken to control the prices?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA):

(a) and (b). The prices of drugs are statutorily controlled under the provisions of Drugs (Prices Control) Order, 1970. Prices once notified by Government under this Order cannot be revised by the manufacturer without the prior approval of Government. Small-scale units having an annual sales turn-over of less than Rs. 50 lakhs in formulations are exempt from the purview of this Order. Through the operation of this Order it has been possible to maintain the prices of drugs at a reasonable level. The index number of whole-sale prices of drugs and medicines during the last two years, viz., 1975-76 and 1976-77 (with 100 as the base for 1970-71) had been 118.7 and 133.9 respectively.

During the year 1976-77, excise duty on patent and proprietary medicines was raised by Government from 7-1/2 per cent to 12-1/2 per cent. Similarly, excise duty on medicinal preparations containing alcohol narcotic drugs and narcotics was also raised from 10 per cent to 20 per cent. The customs duty on the imports of intermediates and finished bulk drugs was