

**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

also raised from 27.5 per cent to 75 per cent *ad valorem*. The main increase in prices during 1976-77 was thus due to the revision of tariff as indicated. In addition to this, there were also cases of revision of prices of certain bulk drugs which also led to the increase in the prices of formulations to some extent.

The Committee on Drugs & Pharmaceutical Industry (Hathi Committee) in their Report has made several recommendations in regard to the rationalisation of prices of drugs. Their report is in the final stages of consideration.

Memorandum by M/s. Glaxo  
.. Employees Union,

\*33. SHRI VASANT SATHI:  
SHRIMATI PARVATHI  
KRISHNAN:

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

(a) whether central committee of Glaxo Employees Unions have submitted a memorandum to Government demanding nationalisation of the Glaxo and probe into various irregularities of Glaxo;

(b) if so, reaction of Government to the demands made therein; and

(c) action taken/proposed in the matter?

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

(a) A Memorandum has been received in which a demand for probe into various irregularities of Messrs Glaxo has been made. This, however, does not contain a demand for nationalisation of the company.

(b) and (c). The specific allegations made against the company are being looked into in consultation with concerned authorities.

Supply of Water Purifying Chemicals &  
by Maruti Chemicals

\*34. SHRI JYOTIRMOY BOSU:  
Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Shri Sanjay Gandhi's chemical company (Maruti Chemicals) supplied water purifying chemicals to various Government and quasi-Government and other organisations and institutions which have been found to be injurious to human health and also causing a drain of Rs. 28 lakhs of public money;

(b) if so, whether Government propose to take penal action against the owners; and

(c) what are the other chemicals that Shri Sanjay's companies produce and which Government departments and other organisations and institutions are their buyers?

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

(a) to (c). A 'Polymer Compound' under the trade name of 'Quick Floc Polymix' was supplied by M/s Maruti Technical Services (Private) Limited, Gurgaon, to the Municipal Corporation of Delhi including Delhi Electric Supply Undertaking for a value of Rs. 21.14 lakh to be used for water/sewage treatment. M/s. Maruti Technical Services (P) Ltd. are registered as a small scale unit for the manufacture of one chemical only, namely, Quick Floc Polymix. The names of other Government, quasi-Government and other organisations and institutions to whom this chemical was supplied are given below:

1. Water Works Engineers, Kumaun Jal Sansthan, Haldwani Distt, Nanital.
2. Water Works Engineer, Kumaun Jay Sansthan, Almora.
3. General Manager, Jal-Sansthan, Dehra Dun.