

SHRI Y.S. MAHAJAN: The prices of about 20% of the bulk drugs and 30% of the formulations have been revised under the Drug Prices Control Order. The Government has also notified the revised norms for computing various charges such as conversion cost, packaging cost and process loss of materials. These charges will certainly give incentives to those who want to follow good manufacturing practices. But the drugs cannot be made available at reasonable prices unless productivity is increased.

I want to know from the hon. Minister what steps are being taken to increase productivity in the drug industry?

SHRI J. VENGAL RAO: When we think of increase of production and price of drugs, we must take care of the consumers also. That is why, we allowed increase of 14% post tax return on net worth of 22% return on capital employed.

The present position is that in respect of 57 bulk drugs, prices have not been fixed either under DPCO, 1979 or under DPCO, 1987. In respect of 31 drugs, the prices fixed under DPCO, 1979 continue to operate and the same have not yet been updated under DPCO, 1987. I gave a detailed list of 69 drugs where the prices of some drugs have increased and some have decreased.

Then, we have reduced the prices of those 5 important drugs which are useful to the poor people. Those drugs are very essential for treating leprosy, T.B. That is why, we have reduced these prices.

SHRI Y.S. MAHAJAN: The hon. Minister has not explained clearly what steps have been taken to increase productivity. However, I would proceed to my next supplementary.

Even now after many years, doctors and consumers are going for drugs manufactured by foreign international companies. It is believed, they are of better quality and therefore, in spite of higher prices, people are going for those drugs. What steps have

been taken by the Government to see that the quality of drugs produced by our companies is improved? What arrangements are made for testing the quality?

SHRI J. VENGAL RAO: About the quality of drugs, as compared to others, our quality is one of the best. We are exporting our drugs to U.S.A. and other countries. We are not importing drugs. We are self-sufficient.

DR. CHANDRA SHEKHAR TRIPATHI: Most of the drugs, as I understand, are produced and manufactured by the multinationals. It seems that they are going to get undue favour. May I know from the hon. Minister how many Indian companies are manufacturing bulk drugs and in what capacity. The IDPL was set up in the country with a huge investment of Rs. 216 crores.

The intention was to manufacture bulk drugs so that the country should remain or should attain self-sufficiency in this field but contrary to this, they are only importing drugs at cheaper cost and selling in the Indian market at a very high cost. If this is the trend of our own companies, may I know what steps the hon. Minister is going to take to give incentive to our Indian therapeutic industries to manufacture bulk drugs in lot?

SHRI J. VENGAL RAO: Our public sector undertakings are now in a good position. From the last two years, they have utilised their capacity up to 75%. We are exporting to other private companies also.

#### **Demand and Production of Petroleum Products**

\*375. SHRI SANAT KUMAR MANDAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the estimated gap between the demand and production of petroleum products in the country by the turn of the century;

(b) whether the demand for petroleum products is in excess of production and the

rise in production is failing to keep pace with the increase in consumption; and

(c) the steps being taken to curb the increasing consumption of petroleum products?

THE MINISTRY OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT): (a) The gap between the demand and the production of petroleum products in the country by 1999-2000 is likely to be 36.5 million tonnes.

(b) Yes, Sir.

(c) A statement is given below.

### STATEMENT

Besides the fiscal measures, the other measures identified /taken to curb the consumption of petroleum products include:

- (1) Upgradation of technology to manufacture fuel efficient vehicles and revision of fuel efficient norms;
- (2) Standardisation of bus chassis and design of bus bodies;
- (3) Replacement of inefficient oil fired boilers with efficient ones;
- (4) Fuel oil utilisation studies in industrial units and in the State Transport Organisations for adopting more efficient practices;
- (5) Implementation of integrated energy audit in major consuming industries;
- (6) Development of fuel/energy efficient lubricants;
- (7) Development of fuel efficient equipment and devices viz. kerosene/LPG stoves etc.
- (8) Rectification of diesel operated

pump sets;

- (9) Incentive by financial institutions to encourage conservation of petroleum products.

SHRI SANAT KUMAR MANDAL: I want to know from the hon. Minister what are the substitutes in the market under public sector for petrol and petroleum products. How far those are in use and whether they can have any appreciable impact on the demand of petroleum products and, if not, whether the Government has undertaken any research in this regard?

SHRI BRAHMA DUTT: I request the hon. Member in what particular sphere he wants to the information.

SHRI SANAT KUMAR MANDAL: Substitutes.

SHRI BRAHMA DUTT: The best way of substituting the liquid petroleum products is replacing the liquid petroleum products by the components of natural gas. We are trying that. Natural gas can replace furnace oil and natural gas can replace feed stock for fertiliser plants and natural gas can replace feeding stock for petrochemical plants. This is a major exercise and it will help us because in our country the new finds are equally balanced. We are finding more and more natural gas. Therefore, the optimum utilisation of the natural gas will be the best remedy for us.

SHRI SANAT KUMAR MANDAL: I would like to know whether exploration of oil has been extensively undertaken. In this connection, I would also like to know what are the prospects of finding oil in the Sundarban region and in the Bay of Bengal, and whether they have taken any steps to control the movement of Government and public vehicles to save fuel consumption.

SHRI BRAHMA DUTT: We are told that Bengal is floating on oil and we have asked the Soviet friends to explore oil intensively in the Sunderbans area. But at this time there is no indication in the off-shore also and we

have put up one rig. We are trying. We hope to find oil over there but up to this time, there is no indication of oil or gas. But they are very confident. I had a talk with Soviet and our experts also. We are intensifying our efforts to find oil.

SHRIMATI GEETA MUKHERJEE: I would like to know if the hon. Minister can tell me that in the district of Midnapore in Sambangps, an area has been particularly earmarked and certain infrastructure is being built. It is rumoured that oil is being found there. Can you enlighten me about the situation exactly? I want this information as this area falls within my Constituency and the people in my Constituency want to know this information.

SHRI BRAHMA DUTT: At present, I am not in a position to inform the hon. Member about the particular site. But, as I said, we are told that Bengal is floating on oil and, therefore, we are identifying new locations and we are intensifying drilling operations and seismic survey also. It is a highly prospective area. But up to this time, we have not been able to establish the presence of oil or gas from commercial point of view.

SHRIMATI GEETA MUKHERJEE: Will the hon. Minister let me know concretely?

MR. SPEAKER: When he will find, he will intimate you.

SHRI BRAHMA DUTT: I will give the information.

[*Translation*]

MR. SPEAKER: he will take you for inauguration.

(*Interruptions*)

[*English*]

PROF. MADHU DANDAVATE: She wants to know whether it is mustard oil!  
(*Interruptions*)

SHRI VEERENDRA PATIL: Sir, the demand and consumption of petroleum products is going up almost every year. But I am sorry to say that so far as the refining capacity of the country is concerned, it is very much limited because, according to my information, no single refinery has been added since the Sixth Five Year Plan. The only Mathura refinery which was under construction was completed and afterwards during my time when I was there briefly we thought of one refinery at Karnal with a capacity of six million tonnes and another refinery at Mangalore-coast based refinery—with a capacity of 6 million tonnes, which will add another 6 million tonnes. But I am very sorry to say that since 1980 we are now in the year 1989—only procedural delays are happening and nothing concrete is happening. We are getting the routine answer saying that detailed project reports are being prepared. When are these two refineries going to be set up? What is the time that is taken in order to see that these refineries are commissioned? Nothing has been done so far. Only the land has been acquired. Afterwards, it appears that the whole Ministry has forgotten about these two projects. Therefore I want to know as to what concrete steps the Ministry is taking in order to fulfil the refining capacity of the refineries.

SHRI BRAHMA DUTT: First, I will reply to the first part of the hon. Member's question. I am trying to complete the job left incomplete by the then Petroleum Minister. We are trying to set up three refineries—one is in the State of the hon. Minister i.e. Karnataka. I am happy to inform that the detailed project report has been received yesterday. We are going to take final decision within a month or two. But in the meantime also, we are preparing the infrastructure. We have acquired the land. We are grading it. We are rehabilitating the people who are to be ousted. Water supply arrangements and power supply arrangements are being made by the Karnataka Government. About the Karnal refinery, we have acquired the land. We have entered into an agreement in principle with the Soviets to establish a refinery and we are trying to absorb the maximum

credit and aid from the Soviet Union. Our team will be visiting to seek certain technical clarification very soon within this week. We are happy that the work will start within a few months.

About the Assam refinery, the third refinery also, we have taken a decision. It was made under the Assam Accord. That will be in private sector. But later on we have revised it because nobody was coming forward. A solution has now been found out. So, three million tonnes in Karnataka, two million tonnes in Assam and six million tonnes in Karnal—in toto 11 million tonnes—will be added within the next five years.

### Hydro-Electric Plant In Andhra Pradesh

\*377. SHRI P. PENCHALLIAH: Will the Minister of ENERGY be pleased to state:

(a) whether Government propose to install any new hydro-electric plant in Andhra Pradesh; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY: (a) and (b). A statement is given below.

### STATEMENT

(a) and (b). Names of Hydro Electric Projects presently under construction in Andhra Pradesh, their installed capacity and likely dates of commissioning are as under:—

<i>Sl. No.</i>	<i>Project</i>	<i>Installed Capacity (MW)</i>	<i>Likely date of commissioning</i>
1.	A P. Power House at Balimela	2x30	1991-92
2.	Upper Sleru St. II	2x60	1991-92
3.	Srisaillam LBPH	9x110 (660 MW)	1994-95(33MW) Beyond 8th plan
4.	Penna Ahobilam	2x10	1990-91
5.	Nagarjunasagar RBC	2x30	1990-91
6.	Nagarjunasagar RBC Extn.	1x30	1989-90

In addition, the following two projects have been accorded techno-economic clearance by Central Electricity Authority and are awaiting approval by the Planning Commission —

- 1 Jalaput Dam Power House\* (3x6 MW)
- 2 Guntur Branch Canal (2x2MW)
- 3 \*Cost and benefit of this project

are to be shared by Andhra Pradesh and Orissa.

SHRI P. PENCHALLIAH. Mr. Speaker, Sir, Andhra Pradesh has been facing acute power shortage in the recent years. There is an inordinate delay in the completion of important projects like Srisaillam due to inadequate allocation of funds. Keeping this in view, I want to know from the hon. Minister whether he is taking any special steps to increase the allocation of funds so that these