

SHRI RAJ KUMAR RAI : Mr. Speaker, Sir, I have seen the answer given by the hon Minister. On seeing it, I was astonished to know that after announcement of Drugs Price Control Order in 1987 and the guidelines for implementation of the Drugs Price Control Order, the prices of medicines have gone up substantially, i.e. from 50% to 280%. It was meant to benefit the consumers, but this order has brought miseries to the poor population of the country. The Government has decontrolled the prices of medicines arbitrarily, against the announced policy-i.e., the measures of 1986. In the measures announced in 1986, it was categorically stated that all those medicines which were required for National Health Programme would be covered under Drug Prices Control Order. The Department of Chemicals decontrolled the prices of vitamin-A which is required for the control of blindness, vaccines such as tetanus, diphtheria and triple-antigen required for the immunisation programme, iron preparations required for.....
(Interruptions) I am not reading; I am quoting the reasons and showing how the the prices have gone up from 50% to 280%. After all these quotations, I would like to know this from the Minister : Since the prices of vaccines, vitamins and iron preparations have been decontrolled, whereas the Ministry of Health had recommended price control, what action has been taken against the persons responsible for such anti-consumer and anti-people steps ?

SHRI J. VENGAL RAO : Yesterday, in the Budget speech, the Finance Minister has completely exempted category-I. For the de-controlled drugs also, there are a lot of concessions. We are examining it. There is a monitoring cell. If there are any such measures taken, we will certainly bring them under the Control Order. We have got the power now, under DPCO also. About vitamin-C, we have already referred it to the DPCO immediately to take action.

SHRI RAJ KUMAR RAI : There is a clear violation of the orders of the Ministry concerned, Why has it been violated ?

SHRI J. VENGAL RAO : There is no question of any violation. If there is a violation, we will take action. We have got powers under the DPCO.

DR. CHANDRA SHEKHAR TRIPATHI : This is a very important issue and it should not be rushed through. To have a proper control on the prices of drugs, the Government had appointed the Kelkar Committee, and that Committee had made certain recommendations. Among them, two were very important. First, the Kelkar Committee had said that the medicines whose turnover was more than Rs. 50 lakhs should be kept under the Price Control Order; and second, the drugs which are being manufactured under monopoly trends should also be kept under the Price Control Order. But I do not understand why the Ministry has decontrolled the prices of those drugs whose annual turnover is more than Rs. 10 crores per annum. What is the rationale behind it ? On the other hand, on the floor of this House, Government has repeatedly said that the Kelkar Committee's recommendations have been enforced and implemented *in toto*.

SHRI J. VENGAL RAO : Government had accepted Kelkar Committee's recommendations *in toto*. Only according to that Committee's report, were the remaining drugs decontrolled. If prices are going up, we have got powers again to revert them to the DPCO; and we can bring them under the Control Order.

Natural gas grid for North-East region

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*111. **SHRI ANANDA PATHAK :**
SHRI R.P. DAS :

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether there is any proposal for a natural gas grid for the North-East region for proper utilisation of gas as multi-purpose feedstock in the region; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT) : (a) and (b) GAIL have prepared a port on linking of ONGC's and OIL's gas fields in the North-East to form a grid which would give flexibility in supply of gas for production of fertilizer, power and use by other industries.

SHRI ANANDA PATHAK : The answer is not exhaustive and comprehensive. For the proper utilisation of the vast oil and natural gas deposits for multi-purpose industries in the north-eastern region, it is necessary to have a concrete utilisation plan which should go hand in hand with exploration and exploitation. Vast resources of gas deposits are scattered all over the north-eastern region; but they are being wasted, due to want of proper infrastructure and godown facilities. If it is properly utilized, it would help develop a large number of gas-based industries in the north-eastern region. Therefore, I would like to know whether the government would consider the matter regarding this.

SHRI BRAHMA DUTT : Exactly this project report prepared by GAIL is meant for this purpose. It has got three main components: construction of a pipe line; then setting up a power plant and development of free gas field. The consumers are being identified. At present, the Assam Government wants that it should be associated with the trunk pipe line, but our suggestion is, our practice is that trunk pipe lines are constructed by us and spur lines are constructed by the State agency. This matter is pending with them. I myself have written to them. About the proposed power plant which should utilise this gas the Assam Government is preparing a feasibility report and we are taking simultaneously all action. The first necessity is that they must allow us a free flow of island gas; without that, it would be very difficult to go ahead with any project.

SHRI ANANDA PATHAK : It is estimated that 15 billion cubic meter of natural gas may be produced at the end

of the Seventh Five Year Plan. But it seems that there is no proper plan for its proper utilisation. I would like to know whether government would think over the matter and have a concrete plan to utilise such vast resources of the natural gas.

SHRI BRAHMA DUTT : I have already submitted that it is under consideration and we are in active dialogue with the Assam Government; we are still considering; we are actively considering it in consultation with the Assam Government.

SHRI R.P. DAS : Gas was found in the north eastern region in Tripura, Manipur, Nagaland, Arunachal Pradesh and Assam; Assam is an old area where gas was found long before. Now the gas areas have been scattered over a big area & the infrastructural facilities were as bad as anything in this region, and a substantial quantity of gas is being flared up.

In view of this, I understand GAIL was asked to prepare a report so that this gas could be properly utilised. Now the question is whether any report has been prepared for that. But the Minister has kindly said that there is a report. I would like to know details of that report. But, Sir, he has not given any details by which we could understand what has been done for the utilisation of gas in the north eastern region? How could this gas be utilised?

SHRI BRAHMA DUTT : The project prepared by GAIL is around Rs. 400 crores. If gas will be utilised for power plant and some industries which have been identified, the power plant will have to be constructed by the Assam Electricity Board. We are all to help them.

SHRI R.P. DAS : I want to know whether GAIL has prepared any report for carrying up the gas to the doorsteps of the consumers. You just let us know the contents of the report and the recommendations of the report, not what the Assam Government has done about it.

SHRI BRAHMA DUTT : I have already submitted that they have prepared

a preliminary report for Rs. 400 crores for three components: construction of a pipe line; setting up of a power plant and development of a free gas field. After all these formalities are over, a detailed project report will have to be prepared.

[*Translation*]

SHRI RAM PYARE PANIKA : Mr. Speaker, Sir, only yesterday the hon. Minister of Finance had stated that gas cylinders will be supplied at cheaper rates not only to the North Eastern States and to Himachal Pradesh but to all the hilly areas in the country. But the present position is that lakhs of people are in the waiting list for getting a gas connection. Will the hon. Minister assure the House whether the production of gas will also simultaneously increase to meet the present L.P.G. demand in the country? What is your proposal in this regard? Do you have any plans to produce more gas through domestic resources? What steps are being taken to fulfill the assurance given by the hon. Minister of Finance about L.P.G. supply?

SHRI BRAHMA DUTT : This supplementary does not arise out of the main question but I want to say that we are making all out efforts in this direction. We have a 25 year plan under operation. The plant at Hajira has already started production. We are trying to increase the availability of gas. In order to bring it from remote areas, we shall have to cover the entire Bangladesh and for that, we shall have to negotiate with the Bangladesh Government. But so far as the assurance of the hon. Minister of Finance is concerned we shall try our best to fulfill it.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

Revitalisation of public sector

*103. **SHRI SUBHASH YADAV :**

SHRI M. RAGHUMA REDDY :

Will the Minister of **INDUSTRY** be pleased to state :

(a) whether Government are considering to revitalise to public sector to make it an effective instrument of generating the wealth of the nation; and

(b) if so, what concrete steps are contemplated by Government in this direction?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : (a) It is the constant endeavour of the Government to make the public sector an effective instrument for generating wealth for the nation.

(b) There are about 225 public sector enterprises in diverse fields and various long term and short term measures have been taken to continuously improve the performance of the public sector enterprises appropriate to individual enterprises. Some of the more important steps are indicated below :

- (i) Close monitoring of the performance of these enterprises by the concerned administrative Departments/Ministries;
- (ii) Organisational restructuring wherever considered necessary including formation of holding companies;
- (iii) Streamlining the procedure for timely completion of major projects with a view to avoiding cost and time over-runs;
- (iv) Modernisation and technological upgradation;
- (v) Improved maintenance and management practices;
- (vi) Delegation of increased financial powers for incurring capital expenditure;
- (vii) Signing of Memorandum of Understanding between Government and Public Sector Enterprises;
- (viii) Improving the system of selection of Top management personnel