

S. No. Recommendations of the Hathi Committee

Government Decision

(vii) The existing entry in Appendix I of Industrial Policy, of "drugs and pharmaceuticals" has been redefined as follows in order to prevent foreign firms from taking undue advantage of the existing definition :

"(a) drug intermediates from the basic stage for production of high technology bulk drugs, and

(b) High technology bulk drugs from basic stage and formulations based thereon with an overall ratio of bulk drug consumption (from own manufacture) to formulations from all sources of 1:5".

(viii) Institutes which are producing vaccines, sera and antigen would be activated to accept a wider role for production and supply of these categories of medicines.

(ix) On the excess production regularised, Government will also have the right to receive supplies at rates fixed by them.

(x) Excess production in any category will be regularised if the company undertakes to export such excess for a period of 5 years from the promulgation of the policy.

(xi) Foreign companies would be encouraged to offer quality control facilities to small scale sector on no-profit-no-loss basis.

Selective price control in drug pricing policy

4122. DR. SAROJINI MAHISHI: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) what are the considerations for inserting selective price control in the drug pricing policy;

(b) what are the reasons for which the drug prices have not been fully decontrolled when it is felt that selective price control is likely to result in increase in prices of product brought under such control;

(c) how selective price control is likely to increase the prices of formulations, giving details in respect of

each product of the I.D.P.L., including bulk raw materials distributed by the company; and

(d) Whether Government Propose to categories all items under the public sector as leader products despite their higher price, if so, what are the reasons therefor?

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

(a) The new Pricing Policy, forming part of the Statement laid on the table of the Lok Sabha on 29th March, 1978, envisages a mark-up of 40 per cent and 55 per cent respectively for Category I and II formulations. In these categories, prices of individual formulations will be based on the

leader products of leading producers, whose prices will serve as a ceiling for other formulations within that Group. In the case of category-III formulations, a mark-up no exceeding 100 per cent would be allowed. Category-IV formulations will be free from price control. The scheme of differential mark-up is designed to secure that manufacturers of formulations might be enabled, on an overall basis (keeping in view all the 4 categories), to secure commensurate returns, while ensuring that prices of essential formulations are held at fair levels.

(b) It would not be in the consumers' interest to be-control the prices of all formulations. As explained above, the scheme of rationalisation in mark-ups in the prices of formulations under the New Policy would, on the one hand, serve the consumers' interest and, on the other hand, ensure the growth of the industry. In order to ensure that formulators do not earn exorbitant profits in formulations activity in the context of category-IV formulations being outside price control, the entire activity of a manufacturer of drug formulations would be subject to profitability ceilings as set out in para-54 of the aforementioned Statement.

(c) The Bureau of Industrial Costs and Prices (BICP) are presently engaged in undertaking the cost-cum-technical examination of the bulk drugs which will go into price controlled formulation on the basis of the parameters stipulated in the New Pricing Policy. It is not, therefore, possible, at this stage, to draw any conclusion as to whether the prices of formulations including those of IDPL, would increase or decrease, as a result of the New Drug Policy.

A Statement indicating the bulk drugs produced by M/s. IDPL, along with those distributed by them under the scheme of canalisation, is attached.

(c) Leader prices in terms of the New Pricing Policy would be based on the cost of production of the efficient major producers on such formulations. If Public Sector Units qualify under the above criterion, their products would also be selected for working out the leader prices.

Sl. No.	Name of Bulk Drug
1	Sulphaguanidine
2	Sulphadimidine
3	DEO Citrate
4	Benzyl Penicillin Sod
5	Procaine Benzyl Penicillin
6	Potassium Penicillin G (1st Crystal)
7	Potassium Penicillin G (Sterile)
8	Streptomycin Sulphate
*9	Tetracycline HCl
10	Oxytetracycline Hcl
*11	Vitamin B 1 Hcl
*12	Vitamin B I(Mono)
*13	Vitamin B 1 (Amp. G)
*14	Vitamin B 2
15	Folic Acid
16	Sulphacetamide
17	Sulphacetamide Sod.
18	Analgin
*19	Piperazine adipate
*20	Piperazine Phosphate
*21	Piperazine Citrate
22	Sodium PAS
23	Phenobarbitone
24	Phenobarbitone Sodium

*Canalised bulk drugs distributed by IDPL.

Sl. No.	Name of Bulk Drug
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| 25 | Phenacetin |
| 26 | Nicotinamide |
| 27 | Nicotinic Acid |
| 28 | Riboflavin Phosphate Sodium |
| *29 | Metronidazole |
| 30 | Nitroflurantoine |
| 31 | Phthalyl Sulphatizaole |
| 32 | Grisofluvin |
| *33 | Amidopyrin |
| 34 | Sulphathenazole |

* Canalised bulk drugs distributed by IDPL

Restructuring of gas agencies in Maharashtra

4123. DR. BAPU KALDATE: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to refer to the reply given to the Unstarred Question No. 2319 on the 1st August, 1978 regarding monopoly in agency of Burshane L. P. Gas and state:

(a) whether the Government's advice to restructure the existing agencies on the basis of new ceilings has been acceded to by the Burshane with regard to their distributor in Pune (Maharashtra); and

(b) if not, reason therefor?

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

(a) Yes, Sir. M/s. Bharat Petroleum Corporation are progressing with plans in line with Government policy in this respect indicated in this House in the Statement made on 15-5-78.

(b) Does not arise.

Tata-Amritsar Mail Express

4124. SHRI HALIMUDDIN AHMED: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Tata-Amritsar mail express is not running for long;

(b) if so, the reasons in detail for not running the mail for such a long time;

(c) the reasons for not running the mail through Delhi on Son Garhwar Road line in case the line between Garhwar Road and Chunar is damaged thereof; and

(d) the expected time when the Tata mail will be re-started therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI SHEO NARAIN): (a) and (b). 161/162 Tata-Amritsar Express was cancelled with effect from 7-9-78 due to washing away of a bridge between Churk and Chopan.

(c) Due to heavy freight traffic on Grand Chord 161/162 Tata-Amritsar Express was not run via Delhi-on-Sone. However, provision of running a bi-weekly service via Delhi-on-Sone is under examination.

(d) The reconstruction work of the bridge is expected to be completed by the end of January, 1979 after which 161/162 will be restored on its normal route.

Missing of Files in Court of Additional Chief Metropolitan Magistrate

4125. SHRI GYANESHWAR PRASAD YADAV: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that a criminal case, F.I.R. No. 448/63, for forgery, cheating, conspiracy etc. is pending beyond 15 years now in the Court of Additional Chief Metropolitan Magistrate, Delhi against a very rich man and notorious smuggler;