

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:1051
ANSWERED ON:07.12.2004
EXPENDITURE INCURRED BY PSUS IN PHARMACEUTICAL SECTOR
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the expenditure incurred by PSUs in the Pharmaceutical Sector on the R&D work as compared to Private Sector;
- (b) whether some of Pharmaceutical Public Sector Undertakings have been declared sick and closed down;
- (c) if so, whether the medicines produced by these PSUs are now being imported by spending foreign exchanges; and
- (d) if not, the alternative arrangements made by the Government for availability of medicines in the country?

Answer

THE MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (RAM VILAS P ASWAN)

(a) According to information received from the Pharmaceuticals Public Sector Undertaking under the administrative control of the Department of Chemicals and Petrochemicals, the details of expenditure incurred by them on R&D are as under;

Indian Drug and Pharmaceuticals Limited:
1999 to 2001-2002 Rs.1374 lakh.
2002-2003 & 2003-04 (Prov.) Rs. 789 lakh.

Hindustan Antibiotics Limited
2001-02 Rs. 123.90 lakh
2002-03 Rs. 114.11 lakh
2003-04 Rs. 120.00 lakh
(Provisional)

Bengal Chemicals & Pharmaceuticals Ltd:
2000-01 & 2001-02 Rs.30.74 lakh
2002-03 & 2003-04 - Rs.36.42 lakh

The Department does not compile the details of expenditure incurred by Private Pharmaceutical Sector on R&D.

(b) All the Five PSUs namely, Indian Drugs & Pharmaceuticals Limited (IDPL), Bengal Chemicals and Pharmaceuticals Limited (BCPL), Smith Stanistreet Pharmaceuticals Limited (SSPL), Bengal Immunity Limited (BIL) and Hindustan Antibiotics Limited (HAL) were referred to BIFR & were declared sick. The BIL and SSPL have been closed.

(c) As per the existing Foreign Trade Policy, except certain chemicals falling under Chapter 28 and 29 of ITC (HS), which are categorised as restricted, all other chemicals, including medicines manufactured by PSUs, are allowed to be imported.

(d) The Drug Policy, as amended from time to time, is directed towards ensuring abundant availability of quality drugs at reasonable prices.