

file in the Government Departments about which other people cannot get information, because many details are passed on even to foreign countries from your Department. If any trade secret is furnished on behalf of the company and if that trade secret is passed on to other companies, then the Company which has made the research is deprived of the benefits. I would like to know if Government would make any arrangements under which permission may be given to the company which has done the research, so that its trade secret may not be leaked out to others.

SHRI VEERENDRA PATIL : Registration and making of entry in the Schedule is the responsibility of the Ministry of Agriculture. That Ministry looks after it. I have already said that a certain procedure has been laid down in the Insecticides Act and anyone who wants to get his insecticide, drug or invention registered, has to complete the formalities under that procedure.

If there is any trade secret, it should be safeguarded under the Patents Act and it should be ensured under the law, but if anybody wants to get his insecticide registered under the Insecticides Act, he would have to complete the formalities under the procedure laid down in the Act. If exemption is allowed in one case, every body would seek exemption. All the insecticides have been registered so far, have been registered after completing all the formalities. They should also get them registered after completion the necessary formalities.

[*English*]

Shifting of Ordnance Factories Board's Headquarters from Calcutta

*550. **SHRI INDRAJIT GUPTA :** Will the Minister of DEFENCE be pleased to state :

(a) whether the Ordnance Factories Board's Headquarters at Calcutta supervises/monitors all new Ordnance projects in the country ;

(b) whether the functions/cells of this Headquarters are gradually being shifted out of West Bengalis to places like Kanpur, Hyderabad, Avadi, etc ;

(c) if so, the reasons for this step which is not followed with regard to other regions ; and

(d) whether the Rajadhyaksha Committee had opposed decentralisation in this sphere ?

THE MINISTER OF DEFENCE
(SHRI P. V. NARASIMHA RAO) : (a)
Yes, Sir.

(b) and (c) : An officer of the rank of Addl. DGOF has been functioning in Kanpur since 1969, for looking after the Ordnance equipment group of factories. An officer of similar status has been functioning since 1984 at Avadi to look after mainly the new projects at Avadi and Medak (near Hyderabad). Both these officers function under the overall supervision and control of DGOF at Calcutta.

(d) No, Sir.

SHRI INDRAJIT GUPTA : The reply given by the Hon. Minister only confirms what I am trying to elicit from him through this question. 36 or so Ordnance factories which are now in existence and which are doing excellent work are naturally located all over the country and in different parts of the country. But it has always been the practice that supervision and monitoring of these factories has been done by the central office of what was formerly called the Director General of Ordnance Factories and now the Ordnance Factories Board located at Calcutta. This is a sort of pilot office. It is responsible for monitoring and supervising every project, every Ordnance project in the country.

Now I wanted to know why this departure has been made from this practice. He has admitted here that a post of Addl DGOF has been created and he

has been functioning in Kanpur and later on in Avadi. Is it part of the same establishment which was all these years functioning in Calcutta? My point is that if these addl DGOFs are created and posted at present in two places and subsequently may be in more places it will be done—does it not mean that the central headquarters established at Calcutta from the time of the British is systematically being squeezed out and is being gradually whittled down and ultimately I do not know what will remain of it.

SHRI P.V. NARSIMHA RAO : No, Sir. I can assure the Hon. Member that this was not the intention at all. In the interests of efficient functioning and particularly, when a factory starts work at the field level it is necessary to decentralise this to some extent although the overall control and monitoring will still continue to be at Calcutta. We would like to assure him that there is no question of eroding either the authority or the duties cast upon the Calcutta establishment. They will continue. But Hon. Member will appreciate that where factories are being established in very far off nooks and corners of the country, it is not possible to run these factories from Calcutta. So I would request the Hon. Member to appreciate this fact that this ADGOFs office that has been established in Avadi—in the order it has been very clearly stated—will submit periodical reports of the decisions taken by him in exercise of the delegated powers to the Calcutta office and no one can deny that in a situation like this certain delegation of powers is absolutely essential. Otherwise it will not be possible to run these factories on a day-to-day basis. That does not mean there is any erosion in the authority or in the overall responsibility of the main office in Calcutta. That will remain what it is. So far as Kanpur is concerned I would like to tell the Hon. Member that this has been there in existence before the Rajadhyaksha committee came into existence and the recommendations were received from the committee. In fact the committee said the Kanpur establishment should be taken out of the purview of the Calcutta establishment and

placed directly under the Minister of Defence. We have not accepted that as yet but there is a point in what they say that the manufacture line in Kanpur is essentially not the same as in other factories. Therefore, there is something different there. You could have it scooped out of the whole thing. We have not yet accepted that. But may be we will have to accept it in course of time.

SHRI INDRAJIT GUPTA : Sir, I am afraid the Minister is confusing the issues. He says that the factories are set-up in dispersed areas and it is very difficult to run production from Calcutta. Calcutta office is not meant for running the production at all. It is obvious that production has to be run by the management on the spot. This is the pilot office which has the specific obligation to supervise and monitor the projects. They are not responsible for running the factories. What I am saying is for so many years these factories have been running with their own managements and only being supervised and monitored from DGOF, Calcutta. Never was there any complaint that they were not functioning efficiently because of that.

Sir, we are more apprehensive because we find the Ordnance factories which are situated in West Bengal which are also under this office for years now not a single man is being recruited, all who retire or go out or die their places are not being filled up. No recruitment is taking place. No modernisation of machinery is taking place. Gradually the whole establishment—all these factories and DGOF office—seems to be earmarked by the government for gradually being disintegrated and reduced to nothing. Therefore, I want to know specifically from him that after setting up the DGOF offices at Avadi and Kanpur which means a part of the establishment at Calcutta has been shifted there, what are their views now. Do they propose to continue this process? Then what will be left of the Calcutta office?

SHRI P. V. NARSIMHA RAO : I would like to say in brief that in all this there has to be an amount of flexibility. When a project is first conceived naturally the entire work of planning, getting foreign collaboration, etc. if necessary all the preliminary steps have to be done at one place and that is naturally at Calcutta. But when a factory actually starts at the field level there are a number of decisions which will have to be taken at a level above the level of the local manager and those decisions cannot always in every case be referred to Calcutta. That will not make for smooth running of the factories there. So a certain amount of decentralisation has been conceived and that not with any detriment to the overall control. Control is one thing and supervision is another thing. These two are conceptually different. So, supervision at the local level, at a level which is close to the factory becomes absolutely necessary at some point of time down the line. Therefore, this is being done according to the needs. I would like to assure the Members that there is no question of any erosion. It is quite possible that in some cases those who are found surplus after the preliminary planning is over and if there is a cell in Calcutta and that cell is over-staffed they are liable to be transferred all over the country. Therefore, if some are transferred to some other place for better functioning of those units this should not be taken as an erosion of the authority or the functions of the Calcutta office. That will continue, as I said, as before.

SHRI AJAY MUSHRAN : Sir, about 200 years ago the DGOF was established in Calcutta because most of the ordnance activities revolved around Calcutta or about 150 miles surrounding it.

Over the years, large number of ordnance factories and installations have come up in Central India. Not only in Kanpur but in Jabalpur also where approximately 80,000 workers are employed in various ordnance factories producing various items of basic defence needs. Besides managerial,

administrative and organisational efficiency of the factories, it is very essential that the person who exercises the competent financial authority, that is; the Director General, is not to be located so far away from the workers and labourers thereby causing tremendous inconvenience and harassment to them, but that he has to be located in a central place. Will the Hon. Defence Minister be pleased to consider a suggestion that instead of Director General's Office being located in Calcutta, it should be more centrally located and the Additional Director General, Ordnance Factories can be located in Calcutta ?

MR. SPEAKER : Bhopal, I think, suitable ; it is in Madhya Pradesh.

SHRI P. V. NARASIMHA RAO : I have tried to tackle the problem in a balanced manner. There is something which needs to be done, to be monitored and controlled centrally. There are very many functions which have to be done at field level and some functions at a level above the management level. So these are being done according to the exigencies of the situation. Some flexibility, as I said, needs to be maintained.

SHRI PRIYA RANJAN DAS MUNSI : May I know from the Minister, in view of the fact that decentralisation in many parts of ordnance factories is on whether the capacity of the Ishapore Rifle factory and the Kshahipur gun and shell ordnance factory of Bengal will be expanded to the extent that Calcutta office can take care of both things as they have done it earlier ? Is the Minister aware that number of defence components are being manufactured in various public sector undertakings and public sector units in West Bengal, that is almost 80 and 90 per cent ? May I know whether directly the DGOF will monitor those things instead of bringing them to Delhi to obtain orders ?

SHRI P.V. NARASIMHA RAO : It needs a separate question. I will not be able to give an answer straight-way to that.

SHRI INDRAJIT GUPTA : The papers of the Hon. Minister's report—I have checked up with other Members also—are all coming to pieces. It should not be like the DGOF in Calcutta. Some proper binding should be done. This is probably some indication of the times to come.

Essential Drugs List

*552. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether the medicines of different brand names in Indian markets are often permutations and combinations of about 400 bulk drugs;

(b) whether these are often used for artificials pushing up of drug prices ;

(c) if so, whether Government are considering a proposal for insisting on generic names of the drugs as used in W.H.O. publications ; and

(d) whether Government propose to prepare an Essential Drug List ?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL) : (a) to (d) : A Statement is laid on the Table of the Lok Sabha.

Statement

(a) Formulations based on about 500 bulk drugs are marketed in our country in various dosage forms, strengths and combinations.

(b) The prices of most medicines are statutorily controlled under the Drugs (Prices Control) Order, 1979. Implementation of the Drugs (Prices Control) Order ensures that prices are fair both to the consumers and to the industry.

(c) According to the Drugs and Cosmetics Rules, single ingredient preparations are already required to be

labelled under the generic names along with the brand names, if any.

(d) National Drugs and Pharmaceuticals Development Council had drawn up a list of 95 priority drugs. Medicines required by the large majority of the people for the most common diseases known including those required by the National Health Programmes are included in this list. Government is seized of the matter regarding further processing of the review of the Drug Policy including the question of priority drug list.

SHRIMATI GEETA MUKHERJEE : The Hon. Minister has really circumscribed my question in his answer. My question was whether the medicines of different brand names in Indian markets are often permutations and combinations of about 400 bulk drugs, with very little variations, really intended to push up prices, and these are being practised by the drug companies. Now, the answer is this. He has said that there are 500 bulk drugs. Very good. About pushing up the prices, his answer is this. He says 'The prices of most medicines are statutorily controlled under the Drugs (Prices Control) Order 1979. Please mark the next sentence. 'Implementation of the Drugs (Prices Control) Order ensures that prices are fair both to the consumers and to the industry. 'I would like to know whether you consider prices to be fair to the consumer. Industry is another thing. Is the prices fair to the consumer ? Is the House agreeing to that ? I am coming to the question. Let me take one example. Paracetamol is a bulk drug. Crocin by DUPHAR-INTERFRAN LTD. is just a little variation of Paracetamol.

PROF. MADHU DANDAVATE : What is that animal you are referring to ?

SHRIMATI GEETA MUKHERJEE : Everybody knows about crocin.

MR. SPEAKER : I have never taken crocin and I do not know what it is.