

you should try to understand what construction means.

MR. SPEAKER: He wants to know why the work is taken up in different parts of the city.

SHRI MOHD. SHAFI QURESHI Contract for the work has been given to different parties. The work has to be started according to the priority laid down by the engineers

SHRI SOMNATH CHATTERJEE
Lack of common sense

SHRI MOHD. SHAFI QURESHI:
Common sense needs refreshment sometimes

SHRI H N MUKERJEE: In view of the fact that in so many other cities of the world, including a place like Leningrad, where the sub-soil conditions are perhaps very much more difficult than in Calcutta, there is tube railway, may I know how it is that Government, when it started this scheme, did not appear to have a manageable practicable programme of work, so that now when they claim to have the support of everybody in the country, and the voluntary cooperation of the people can be enlisted if they know for a certain fact that within a period of time the tube railway would be available, how is it that they do not have a target and they are proceeding in a manner which does not suggest anything like a business-like process and how is it that in a Question Hour, instead of being given the facts of the situation we are confronted with a proposition that some people in that region might be opposed or might be interested in other things? May I know how is it that Government formulates a programme for a tube railway in Calcutta that for more than ten years it is kept hanging fire and, in the mean time the whole area would go to blazes?

SHRI MOHD SHAFI QURESHI.
For external expert assistance we have had the benefit of the view of the

Russian experts. They have been associated with the project for a long time. Certain equipment has also to be imported from that region. It is not that we are not taking advantage of other people and their experience in other countries in this metropolitan project. But, as I have said the main difficulty is financial constraint, while the original estimate was Rs 140 crores, now it has gone up to Rs 250 crores. The cost might still go up higher because the cost of certain foreign equipments and local purchases may go up. That is the main reason why the project is getting delayed. As a matter of fact, Government has already started work

SARDAR SWARAN SINGH SOKHI
My question is in three parts. The Minister has stated that it is not possible to foresee when the project would be completed because of the increase in costs (a) If he is unable to foresee what will be the cost, on what basis does he prepare the annual budget and come forward for money here? (b) Is it a fact that only eight per cent of the work has been completed by December 1975? (c) May I know whether any equipment for tunnel construction would be imported from the Soviet Union and, if so, what is the cost of that equipment?

MR SPEAKER He can answer Part (b) of the question

SHRI MOHD SHAFI QURESHI
The percentage is about 8

Measures to bring down Price of Drugs

*199 **SHRI SHANKERRAO SAVANT**
Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state

(a) what attempts have been made, after the proclamation of emergency, to bring down the prices of drugs

which are manufactured indigenously and imported from outside;

(b) the success achieved by these attempts; and

(c) what additional measures are proposed to be taken for the purpose in near future?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) to (c). A statement is attached.

Statement

(1) The prices of drugs were brought under statutory control in 1962. The Drug Prices Control Order, 1970 provides for a detailed mechanism for fixation of prices of drugs at reasonable levels.

(2) As a result of cost examination by Bureau of Industrial Costs and Prices of the following drugs have been reduced recently:—

S. No.	Name of the drug	Unit	Pre-revised price (Rs.)	Price as now fixed by the Govt. (Rs.)
1.	Vitamin B 12	Gram	100.00	95.00
2.	Riboflavin-5 Phosphate Sodium	Kg.	2500.00 (France India)	2350.00 (for all)
			2800.00 (Nivedita)	
			3000.00 (IDPL)	
3.	Benzatam Penicillin	Kg.	1263.00 (HAL) 2000.00 (Geoffery Manners)	1375 (for all)

(3) The STC have also reduced the prices of the following bulk drugs during the current year:—

S. No.	Name of the drug	Pre-revision prices	Revised prices
		Rs./per kg	Rs./Per kg.
1.	Ampicillin Anhydrous	2030.00	1540.00
2.	Ampicillin Sodium	1670.00	1300.00
3.	Ampicillin Trihydrate	1425.00	1105.00
4.	Chloramphenicol Palmitate	670.00	522.00
5.	Chloramphenicol Powder (pooled Price)	646.00	524.60
6.	Chloramphenicol Sodium Succinate	1060.00	743.00
7.	Indomethacin	1316.00	816.68

There have been consequential reduction in the prices of formulations based on these drugs.

(4) The Committee on Drugs and Pharmaceutical Industry under the Chairmanship of Shri Jaisukhlal Hathi has made comprehensive recommendations with regard to pricing of drugs. Preliminary exercises have been made regarding the implications of accepting the recommendations made by the Committee. It is found that the acceptance of the recommendations would in some cases help to bring prices down but it would also in the case of a large number of essential drugs result in price increases. In view of these implications Government is giving careful reconsideration to the question.

SHRI SHANKERRAO SAVANT: When the prices of food articles are going down rapidly, there is no reason why the prices of drugs should not go down with equal rapidity. The reduction that is stated in the answer is very unsatisfactory. In reply to my question it was stated that the price of penicillin has been increased by more than Rs. 100. Why should the price of such an essential drug be increased?

SHRI P. C. SETHI: I would request the hon. Member to glance at the answer again. In the case of HAL, the price was Rs. 1263, but in the case of Geoffery Manners it was Rs. 2000. So, the price has been now put at Rs. 1375 for all, which would give a flat increase to HAL, which is a public sector company, while in the case of the private sector, it will come down from Rs. 2000 to Rs. 1375.

SHRI SHANKERRAO SAVANT: But why should there be any enhancement in price in the case of HAL?

SHRI P. C. SETHI: It is a matter of opinion. As a matter of fact, this is not an enhancement. From Rs 2000 we have brought it down to Rs. 1375.

SHR S. R DAMANI: May I know whether he is aware of the fake manufacture of important drugs and if so, what action has been taken and how many people have been arrested?

For the future, what is his plan to eliminate such fake manufacture?

SHRI P. C. SETHI: As far as fake medicines are concerned, there are Drug Controllers appointed by the State Governments in every State. Besides this, the Government of India has also a drug controlling authority which looks after the quality control of the drugs and, therefore, it is being done at that level.

SHRI DHAMANKAR: From the statement, it is seen that STC has reduced the prices of bulk drugs to the extent of 50 per cent but the formulations prepared from them are being sold under different trade names at fancy high prices. May I know what steps Government propose to take or have taken to reduce the prices of these trade mark drugs prepared from the bulk drugs purchased from STC?

SHRI P. C. SETHI: It has been stated in the statement itself that as a result of the reduction which has come in the seven drugs, the consequential reduction in the prices of formulations will also take place.

SHRI K. LAKKAPPA: It is not only a question of cutting down the prices of drugs available in this country, but also reforming the manufacturing system that is prevailing here because sub-standard drugs are being manufactured and supplied. Therefore, the whole structure of the supply of medicines to the vulnerable section of the people has to be looked into. Even during the emergency sub-standard drugs are being sold and the prices charged are also exorbitant. Therefore, in order to stop these things, may I know whether Government will take advantage of the emergency to take steps and if so, what steps are envisaged by the Ministry to streamline the trade?

SHRI P. C. SETHI: As far as drug prices are concerned, right from 1962-63 prices have been controlled by

the Drug Prices (Display and Control) Order, which was further amended in 1966. And a comprehensive price control was imposed in 1970. Actually, the prices of all these important drugs have been pegged at the 1962 level and wherever any increase has been asked for, that is gone into by the Bureau of Industrial Costs and Pricing, and it is only after their recommendation that the high power committee in the Ministry looks into it and then a price revision is allowed. As far as spurious drugs are concerned, I have stated earlier that the State Governments have got Drug Controllers and in the Centre also the Health Ministry provides over-all supervision for the quality of the drugs. It can be looked into whether this machinery should be tightened.

SHRI S M BANERJEE I am happy that the prices have been reduced, but the Hathi Committee made two specific recommendations that the multinational companies in drugs should be taken over by Government and that patents should be abolished. I would like to know whether Government have taken any decision in this regard and if not the reason for the same, and whether there is pressure from the drug companies not to take any decision.

SHRI P C SETHI I would like to remind my hon friend, Shri Banerjee, that we do not work under pressure either here or there. We take our independent decisions which are beneficial to the country. Now, as far as the Hathi Committee's recommendations in regard to the generic names of 13 drugs are concerned, we discussed this matter at great length in the Consultative Committee, and on the basis of the recommendations of the Health Ministry, we came to a conclusion that we can start this experiment at least in the case of six drugs which the Health Ministry has proposed. Now that proposal is going to the Cabinet sub-committee which will ultimately take the final view.

SHRI S. M. BANERJEE Which are those drugs?

SOME HON MEMBER Six drugs.

SHRI P C SETHI At this time, I would not be able to tell you, but that has appeared in the Press after the Consultative Committee's meeting. As far as prices are concerned, I would like to take the House into confidence by saying that the implementation of the Hathi Committee's recommendations as it is in toto, is not going to reduce the prices of the drugs which are most commonly consumed because, according to the Hathi Committee's recommendations, in the case of formulations, 12-13 per cent profit on sale turnover should be given to the companies, and in the case of bulk drugs, 12-14 per cent profit should be given. We carried out an exercise in this connection in the Ministry and on the basis of that exercise, we came to the conclusion that if this margin is allowed to the companies the mark up will be anything between 60-75 per cent. At the moment, excepting in certain formulations or tonics where the mark up is more than 100 per cent or 150 per cent certainly, the prices will come down. But there are certain drugs which have got only mark up of 5-10 per cent, it is likely that if this recommendation is adopted in toto, the prices of those essential drugs might go up. That is the dilemma. That is why, we are taking some time to take a decision on this issue.

Foreign Exchange saved due to Crude Production

*201 **SHRI SHASHI BHUSHAN:** Will the Minister of PETROLEUM be pleased to state:

(a) the amount of foreign exchange likely to be saved due to production of crude in Bombay High; and

(b) the crude produced in Bombay High and other places during 1975