

**Names of bulk drugs detected as omissions by the Kelkar Committee**

755. SHRI DHULESHWAR MEENA: Will the PRIME MINISTER be pleased to state:

(a) what are the names of bulk drugs which have been detected as omissions by the Kelkar Committee;

(b) how many sittings the Standing Committee had on this issue;

(c) whether his Ministry have taken any steps to check overinvoicing and large funds that have been directly and indirectly kept abroad by some drug companies; and

(d) how many cases of overinvoicing have been brought to the notice of his Ministry till now and what action has been taken so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) The Standing Committee constituted to look into and examine the matter of exclusion/inclusion of drugs from price control on the basis of Kelkar Committee recommendation has held seven meetings so far.

(c) and (d) A number of complaints have been received alleging overinvoicing in imports of drugs. These matters have been referred to Directorate of Revenue Intelligence to take appropriate action.

**Assessment of liability from drug companies**

756. CHOWDHARY RAM SEWAK: Will the PRIME MINISTER be pleased to refer to answer to Unstarred Question 659 given in the Rajya Sabha on the 4th March, 1991, and state:

(a) whether his Ministry have taken any steps to obtain full details for the assessment of their liabilities from Drug Companies; and

(b) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (d) Letters asking for complete data were issued from time to time, to the companies involved in the Supreme Court case. Instead of making available the data, a number of them have raised legal issues, while the others have not yet responded. All efforts are being made to obtain the data and if it does not become available soon, there will be no alternative out to compute their liabilities on the basis of whatever data is available with the Government.

**Recommendation of BICP regarding 50 per cent reduction in the cost of drugs**

757. CHOWDHARY RAM SEWAK: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that his Ministry have accepted the recommendations of BICP made in supplementary report regarding retention of 50 per cent reduction in cost of drugs due to process development efforts by drug companies;

(b) what are the basis of such acceptance;

(c) whether it is also a fact that a number of benefits are already allowed to drug companies for R&D activity;

(d) if so, the details thereof:

(e) what are the names of drugs whose prices were determined on the basis of acceptance of such recommendation; what was the net benefit to the company; and

(f) what was the production and captive consumption of each drug during the last three years, yearwise?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) Yes Sir. The Government decision was based on the recommendations of Kelkar Committee

(c) and (d) The other benefits extended to the industry on the basis of recommendation of Kelkar Committee is

exemption from price control to the company in respect of the drug for which technology has been developed by them through own R&D effort's or through National laboratories for a period of 5 years from the date of commercial production.

- (e) The benefit in question has not been extended to any company so far.  
(f) Does not arise.

#### Price of proluton depot

758. CHOWDHARY RAM SEWAK. Will the PRIME MINISTER be pleased to state:

- (a) what is the price of Proluton Depot at present and what was the price before DPCO, 1987;  
(b) whether it is a fact that this product is outside price control;  
(c) what is the bulk drug price and mark up shown in the break up submitted to his Ministry for this product;  
(d) whether it is a fact that the bulk drug is likely to be imported by the company from their principals;  
(e) if so, what is the quantity imported during the last three years, year-wise and what was the average CIF Price each year;  
(f) whether it is also a fact that the price per injection is very high;  
(g) whether it is also a fact that his Ministry have received a number of representations for inclusion of this product under price control; and  
(h) if so, the action taken so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) the price of Proluton Depot Tnj. 5 amp x 2ml. pack size is given below; —

Price before DPCO, 1987	Present Price
Rs. 169.00	Rs. 197.50 (18-12-90)

- (b) Yes, Sir.

(c) The bulk drug retail price as per Form-5 submitted by the company on 16-4-90 is Rs. 15, 44. 28/Kg.

(d) and (e) Import of individual drug by individual company is not monitored.

(f) The bulk drug in question is outside the price control.

(g) and (h) Yes, Sir. These are under consideration of the Government.

#### BICP's report on the price of Sulphamoxole

759. SHRI RAJNI RANJAN SAHU; Will the PRIME MINISTER be pleased to state:

- (a) when did BICP send its report to Government on the price of Sulphamoxole and when the price was fixed;  
(b) what was the earlier price and revised price per kg.;  
(c) whether it is a fact that the recommendation was for the reduction of price;  
(d) whether it is also a fact that there was abnormal delay in taking the decision on the report;  
(e) whether it is also a fact that company was benefited by with holding the decision for reduction in price;  
(f) what was the benefit to the company and what was the captive consumption and sale of formulation based on drugs during that period; and  
(g) what steps have been taken to fix responsibility for this anti-consumer Act?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) The BICP sent its report on the price of Sulphamoxole in June, 1990 and the price was notified on 3rd June, 1991.

(b) The earlier price of Sulphamoxole was Rs. 430/kg and the notified price of RS. 399/kg.