

security paper for printing promissory notes for the Reserve Bank in large quantities incurring huge foreign exchange? May I know whether we are not in a position to produce even security paper required for printing promissory notes?

SHRI J. VENGAL RAO: Sir, this is an irrelevant supplementary to the question.

SHRI ATAL BIHARI VAJPAYEE: How can it be irrelevant? Under the Corporation there is a factory which is producing security paper.

MR. CHAIRMAN: I am supporting you. Now the point is, you say you are all incurring losses. Could you not produce security paper which will save foreign exchange?

SHRI J. VENGAL RAO: Sir, if you ask the Finance Minister, he will say Security paper is their look-out, not my look-out.

SHRI NIRMAL CHATTERJEE: When we try to attract capital into backward districts, we try to provide various kinds of infrastructural facilities and some concessions. I am surprised to find here that locational advantages are not considered at all while attracting Indian capital or foreign capital into backward areas. Would the Minister kindly enlighten us on this point whether in future at least, while inviting capital into backward districts, locational advantages would be one of the most important considerations? Otherwise, after some time when they become forward, you will be entangled with the locational disadvantage itself as in this particular case. Would you reveal your policy on this aspect?

SHRI J. VENGAL RAO: or future we will take note of the honourable Member's suggestion.

MR. CHAIRMAN: And apply it to Bengal!

PROF. C. LAKSHMANNA: Mr. Chairman, Sir, the Minister has been stating that the units have not been working because of the locational problems and also non-supply of electricity. I would like to ask the Minister whether there has been a case in any one of these four units where the technology which has been used is not of the correct type as a result of which there have been losses.

SHRI J. VENGAL RAO: That is not correct, Sir,

MR. CHAIRMAN: His point is whether the technology applied is not of the correct type.

SHRI J. VENGAL RAO: No, Sir. It is not because of technology that it is incurring losses. The main constraint is the power cut and, then non-availability of raw material.

श्री वीरेंद्र वर्मा : श्रीमन्, हिन्दुस्तान पेपर कारपोरेशन का वर्क सेटिसफेक्ट्री नहीं है, और माननीय मंत्री महोदय का जवाब भी सेटिसफेक्ट्री नहीं है। इसलिए मैं इस मामले पर आघे घंटे की चर्चा के लिए आपकी आज्ञा चाहूंगा। मैं आपको लिखकर भी दूंगा।

MR. CHAIRMAN: You please give in writing; I will consider.

New drug policy

*89. DR. BAPU KALDATE:

DR. (SHRIMATI) SAROJINI MAHISHI:†

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Committee of Secretaries has since approved the new drug policy;

(b) if so, what are the salient features of the new drug policy;

†The question was actually asked on the floor of the House by Dr. (Shrimati) Sarojini Mahishi.

(c) whether the new drug policy debars ex-FERA companies from the manufacture of some of the drugs; and

(d) if so, what are the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (d) The issue referred to are under consideration of the Government.

DR. (SHRIMATI) SAROJINI MAHISHI: Sir, the Hathi Committee report says that 85 per cent of the essential drugs should be brought under the Special Drug Control Order and that 14 per cent net profit can accrue to the manufacturers; rest of them can be produced in another category where only 12 per cent was allowed. But, instead of attending to the essential provisions of the Hathi Committee report, why is the Government considering formulation of a new drug policy? I would like to know this.

SHRI R. K. JAICHANDRA SINGH: Sir, I don't think we have come out categorically, that we would be coming out with a new policy. The old policy has been going on since 1978. This had some defects. We have to come out with a few measures. I have answered on the floor of this House on a number of occasions that there are certain areas in which we have to improve upon. These are the areas we are working out. For example, the production of essential drugs in categories 1 and 2 has been hampered because of low mark up. I am just giving an example. These are the areas in which the Government is working out, and the matter is under consideration before the Cabinet. We would be coming out with a series of measures, and we will be placing these measures on the floor of the House.

DR. (SHRIMATI) SAROJINI MAHISHI: The Government has come up with a series of measures. It has produced a number of orders also for drug control. Many of them have been

challenged. The Central Government has also gone to the court. Under these circumstances, the manufacturers are making use of the absence of the order or the non-implementation of this particular order. The Hathi Committee categorised the formulations into four categories; the first one having 44 per cent; the second one having 55 per cent; the third one having 100 per cent; the fourth one having no ceiling at all. Under these circumstances, I would like to know, Sir, whether the Government will give us a guarantee that the prices of the drugs which will not be shifted out of the control order shall not increase, the prices will not shoot up in the case of these essential drugs, number one. Number two, have these people been paying into the equalisation fund? They have not been paying. Will the Government give an assurance that the import of bulk essential drugs will not increase in the coming years?

MR. CHAIRMAN: Can you give any of these assurances? The first is whether you can say that the import of the bulk drugs will not increase in the coming years. Numbers two, ... you go on please.

SHRI R. K. JAICHANDRA SINGH: Sir, the import will depend.

DR. (SHRIMATI) SAROJINI MAHISHI: Eighty per cent of the essential drugs are going out of the control order.

MR. CHAIRMAN: Yes. I did not want to repeat all your questions. That is all.

SHRI R. K. JAICHANDRA SINGH: About these 80 to 85 per cent belonging to the drug control order, I do not understand because the DPCO does not say anything on that. Neither has the Hathi Committee anything to do with the DPCO. The DPCO was a creation later on. We are examining this whether we will have a new DPCO. The old DPCO has some defects, as I said. For example, the DPEA, the

Drug Price Equalisation Account. A number of cases are pending before the High Court and also the Supreme Court. We are trying to have the cases expeditiously heard. There is one case which has come to our notice. The party itself has been asked to pay this amount, and we have asked the Collector in Bombay to realise it as a part of land revenue.

DR. (SHRIMATI) SAROJINI MAHISHI: Will the Government give an assurance, Sir, on these two points: one, the import of essential drugs will not increase; number two, the price of essential drugs will not shoot up?

MR. CHAIRMAN: The issues referred to are under consideration. Please read the answer.

SHRIMATI JAYANTHI NATRAJAN: I want to know whether there is any policy under which the Ministry reviews from time to time what drugs have been banned in other countries. Some drugs are marketed all over the world, such as Analgin, and from time to time these are found in more advanced countries in the west to be harmful to health, particularly tablets such as Novalgin and Maxaform. We find that these drugs are still being sold in our markets. I want to know whether there is any policy under which these are reviewed and also these are banned in our country.

SHRI R. K. JAICHANDRA SINGH: Though this is strictly with the Health Ministry, I would like to say that the Government is aware that this has been raised on a number of occasions not only by hon. Members of Parliament but also by others. About drugs which are banned in different countries, the system differs. A particular drug which is banned in the United States is not banned in the U.K. A particular drug which is banned in the U.K. is not banned in some parts of Europe. There are different climatic conditions. Some of the drugs which

are banned in those countries, are not banned in our country in the tropical region. These aspects relate to the Drug Control Authority which is under the administrative machinery of the Health Ministry. They are looking into it. In fact, we are coming out with a series of measures for quality control over these things in the new measures, in the new policy measures that we are laying before the House.

MR. CHAIRMAN: Half-a-minute now. Mr. Lal Advani.

SHRI LAL K. ADVANI: Question No. 90.

MR. CHAIRMAN: The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Head offices of public sector undertakings

*85. SHRI VALAMPURI JOHN: Will the Minister of INDUSTRY be pleased to state:

(a) what are the public undertakings under his Ministry whose head offices are functioning at New Delhi;

(b) what are the public undertakings having the head offices at Madras, Bombay, Calcutta, Bangalore, Hyderabad and Trivandrum;

(c) whether Government seriously contemplates shifting of head offices of Public Sector Undertakings to various State Capitals in view of heavy concentration of head offices of these undertakings at New Delhi; and

(d) whether there is any proposal to shift such offices to various other nearby minor cities like Meerut in U.P.?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and