

SHRI NIRMAL CHATTERJEE: Sir, I was referring to the conditions.

MR. CHAIRMAN: Conditions are part of the resolution.

SHRI INDRADEEP SINHA: Sir, there is wide-spread apprehension and I think, the reply given by the Hon'ble Minister will further strengthen those apprehensions that there has been a change in the policy of the Government and what the statement talks of, in vague terms, as being "conceptualised" is only to conceal what is likely to happen. I want a categorical statement from the hon. Minister whether the Government have now come to a policy of gradual privatisation of the State sector industries and, therefore, they have started doing so bit by bit.

SHRI ARIF MOHD. KHAN: No, Sir, I do not agree with the observations made by the hon. Member.

SHRI PARVATHANENI UPENDRA: Sir, the hon. Minister has stated that the Government has decided to relax the rules to encourage participation of the private sector in the manufacture of telecommunication equipment. As far as telecommunication equipment is concerned, we are far behind many countries and it is good that the Government has relaxed the rules. But I do not know why they have confined it only to a few items. For example, in regard to the push-button telephone dialler and the key telephone system, the Government is not encouraging the private sector and it is not giving licences. I would like to know why the Government...

MR. CHAIRMAN: You must ask the Communications Minister.

SHRI PARVATHANENI UPENDRA: This is part of the answer he has given.

MR. CHAIRMAN: He will not be able to answer things relating to the Communications Department. Next Question—Question No. 286.

*286. [The questioners (S/Shri Dharam Chander Prashant and Suresh Kalmadi) were absent. For answer vide col. 31 infra].

*287. [The questioner (Shri R. Sambasiva Rai) was absent. For answer vide col. 31 infra].

Marketing of Phexin capsules by Glaxo

*288. **SHRI (MOLANA) ASRARUL HAQ:**

SHRIMATI MAIMOONA SULTAN:†

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state;

(a) whether it is a fact that Glaxo have marketed Phexin Capsules without price approval thereby making profit on this essential medicine;

(b) if so, what is their selling price and what action has been taken against them for the violation of Drugs Price Control Order, 1979;

(c) whether it is a fact that bulk drug for this formulation has been imported from M/s. Glaxo, U.K. at a very high price;

(d) if so, what is the total quantity imported in the country, the source and CIF price of Cephalixin;

(e) whether it is also a fact that this multinational company is already overcharging the prices of their Betnovate range of formulations; and

(f) if so, why action against this company has not been taken so far?

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

†The question was actually asked on the floor of the House by Smt. Maimoona Sultan.

Statement

(a) and (b) M/s. Glaxo Labs. (India) Ltd. are marketing Cephalixin Capsules manufactured by M/s. Capsulation Services Ltd. under the brand name Phexin. Retail price including excise duty at which M/s. Glaxo India Ltd. are marketing Phexin Capsules are as follows:—

Phexin Capsules 250 mg. 10.5 Strip
Rs. 16.46

Phexin Capsules 500 mg—10.5 strip
Rs. 29.96

The onus of taking price approval under the Drugs (Prices Control) Order, 1979 rested with Capsulation Services Ltd, which is exempt from price approval under the Drugs (Prices Control) Order, 1979 as its sales turnover did not exceed Rupees fifty lakhs in the last accounting year.

(c) M/s. Glaxo Labs. India Ltd. have confirmed that they have not made arrangements for imports of Cephalixin with their Principals for any Small Scale Manufacturers and that they did not import any Cephalixin.

(d) As per information available during the year 1983-84, 17645 kgs. of the drug was imported at a cif value of Rs. 270.19 lakhs. Details of source-wise imports are not maintained.

(e) and (f) Government reduced the prices of Betamethasone and its derivatives under the Drugs (Prices Control) Order, 1979 on 12th May, 1981. Before the prices of formulations based on the revised prices of bulk drug could be announced the company filed a writ petition in the Delhi High Court and first obtained an interim stay and then stay against the reduction in prices of bulk drugs and the proposed revision in prices of formulations. The Delhi High Court is yet to deliver its judgement in this case. Till the judgement is delivered by the Delhi High Court, no action can be taken against the company.

SHRIMATI MAIMOONA SULTAN:

Sir in the statement it has been stated that Phexin capsules are being marketed by Glaxo. Now, in view of the fact that the hon. Minister categorically stated in reply to Unstarred Question No. 1247 on the 13th May that no industrial licence to manufacture the bulk drug Betamethasone was given to this company, I would like to know whether this company has gone into the production of this drug. And even then this medicine is being marketed under its brand name of Glaxo. Has it come to the notice of the Government? If so, what action has been taken? Sir, this is the strip of that medicine with the brand name and the name of the company. There is no escape route, this is done directly by Glaxo.

SHRI VEERENDRA PATIL: This drug, the Phexin capsule, is being manufactured by Capsulation Services Limited, which is a small-scale unit. It is not correct to say that...

SHRIMATI MAIMOONA SULTAN: It is under the brand name of Glaxo, not of any small-scale unit.

SHRI VEERENDRA PATIL: I am explaining. This medicine, Phexin, is being manufactured by Capsulation Services Limited, which is a small-scale unit. But the marketing is being done by Glaxo India Limited. So Glaxo India Limited is not producing but only marketing this medicine. It is being produced by a small-scale industry unit called Capsulation Services Limited. They have started manufacturing it only recently. I think, in October-November, 1984 and their turnover has not yet crossed Rs. 50 lakhs. Therefore, there is no question of taking any action against anybody.

SHRIMATI MAIMOONA SULTAN: I would like to know whether it is a fact that the fair price fixed by the Government for this drug is Rs. 130 per gramme and any unintended profit is to be shown, as per the directive of the High Court, wherever a case is pending. May I know what amount

is being shown, as verified by the Ministry? How much of unintended profit is shown by the company? What is that amount?

SHRI VISHWAJIT PRITHVIJIT SINGH: Answer, please.

SHRI VEERENDRA PATIL: I am here to answer only.

MR CHAIRMAN: There is a lot of weight behind that suggestion.

SHRI VEERENDRA PATIL: It is true that Betamethasone is being manufactured by Glaxo and they are manufacturing in excess capacity. And the prices fixed earlier. (*Interruptions*). The prices were also reduced, but on the reduction of prices, they have gone to the High Court and the High Court has issued a stay order. So far as the excess capacity of Betamethasone is concerned, a committee had been constituted... (*Interruptions*) Let me complete (*Interruptions*)

MR. CHAIRMAN: If you go on giving a running commentary on the answer, neither yours nor the Minister's answer will be recorded.

SHRI VEERENDRA PATIL: I have admitted the fact that this company is producing in excess of the licensed capacity the drug called Betamethasone. A committee had been constituted to go into this matter and the committee has submitted its report and the report is being processed.

DR. JOSEPH LEON D'SOUZA: The Glaxo Laboratories Limited submitted an application to manufacture Cephalixin, synthetic penicillin from penicillin base. The Government had notified a ban for a period of one year on the issue of fresh licences for the manufacture of synthetic penicillin. Despite this ban, during the ban period, the Government was pleased to issue a letter of intent to Glaxo. Will the Minister assure the House to hold an inquiry regarding the serious lapse on the part of the Ministry? Will the Minister explain this discrepancy done during the ban period?....

MR. CHAIRMAN: Question Hour over.

SHRI R. RAMAKRISHNAN: You have saved the Minister of the embarrassment of giving an answer....

MR. CHAIRMAN: No, the time has saved him, not I.

WRITTEN ANSWERS TO QUESTIONS

Electoral rolls in Assam

*282. SHRI M. KALYANASUNDARAM: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the electoral rolls for the Lok Sabha Elections in Assam have been finalised; if not, what progress has so far been made in this regard and by when the same are likely to be finalised;

(b) by when the elections are likely to be held there; and

(c) whether the agitation leaders were consulted for finalising the election schedule?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ):

(a) The intensive revision of electoral rolls for the constituencies in the State of Assam is still in progress. The Election Commission has informed that rolls of all the 126 constituencies have been published in draft. Rolls of 21 constituencies have so far been finally published; final rolls for the balance of constituencies will be published after disposal of all claims and objections filed.

(b) The question relating to holding of elections in Assam can be taken up only after the final publication of the rolls for all the constituencies.

(c) Does not arise.