

Approval letter for formulations

*376. SHRI RAJNI RANJAN
SAHU:
DR. JOSEPH LEON
D'SOUZA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) when was the price approval letter issued in favour of each formulation being marketed by Abbott, Glaxo, Warner Hindustan, Merck Sharp and Dhome, Fairdeal Corporation, Wyeth and Hoechst under the Drugs Price Control Order, 1979;

(b) whether it is a fact that price approval letters are issued after verification of permits issued under Drugs and Cosmetics and I(D&R) Act;

(c) if so, the reasons for non-verification of permissions;

(d) what are the names of the products of each company having doubtful validity which are exempted from price control;

(e) what was the price of each pack and strength of each formulation in 1979 and on the 30th June, 1985;

(f) whether it is a fact that there is a fall in production of categories I and II formulations and increase in production of exempted category III items; and

(g) if so, what was the production of each, category-wise, during 1979 and 1984?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) Price approval/price revision letters have been issued to the companies referred to under the Drugs (Prices Control) Order, 1979 for a number of products.

(b) and (c) The price approval letters are issued subject to the condition that the approval are without prejudice to the approval under I(D&R) Act, 1951.

(d) to (g) Requisite details are being collected and would be laid on the Table of the Rajya Sabha to the extent available.

Contractors of Paradeep Phosphate Ltd.

*377. SHRI GAYA CHAND BHUYAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what are the reasons for engaging contractors by the Paradeep Phosphate Ltd. from outside the State even for the construction of roads and buildings without calling for tenders;

(b) whether it is a fact that those contractors have engaged local sub-contractors for various works, offering very low rates; on account of which the work of construction of the company is suffering while it is incurring heavy expenditure on the work; and

(c) whether Government propose to institute an independent inquiry into the matter?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) M/s. Paradeep Phosphates Ltd. (PPL) have awarded contracts for construction of roads and buildings, after calling for tenders and to the lowest qualified bidders.

(b) No, Sir.

(c) Does not arise.

Out of court settlement by the Union Carbide Limited

*378. SHRI H. L. KAPUR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that M/s. Union Carbide Limited are willing to settle out of the court all claims of those who suffered loss of life and property due to Bhopal gas leakage;

(b) what sort of compensation has been offered by the Company and what is Government's stand on the same; and

(c) what steps are envisaged to expedite settlement of claims of those affected by this gruesome tragedy?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) to (c) The Government is sparing no effort in expediting the settlement of the claims of the victims of the Bhopal gas disaster. The Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 was enacted to confer certain powers on the Central Government to secure that claims arising out of or connected with the Bhopal gas leak disaster are dealt with speedily, effectively, equitably and to the best advantage of all the claimants. A complaint was filed on 8th April, 1985 in the United States Federal District Court, Southern District, New York against Union Carbide Corporation, claiming *inter-alia* compensatory and punitive damages. The second pre-trial conference of this case was held on 7th August, 1985.

The Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 also enables the Government to enter into a compromise. The proposals received initially from M/s. Union Carbide Corporation, prior to the filing of this complaint, were not acceptable since they were too low and conditions attached to were also found to be totally unacceptable. Subsequent to the filing of the complaint, some exploratory talks were held but no

concrete progress could be made. It would not be in public interest to indicate the details at this stage.

Prices of Maruti vehicles

*379. SHRI PYARELAL KHANDELWAL: Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state:

(a) what was the value of Japanese Yen vis-a-vis Indian rupee at the time of signing the collaboration agreement by Maruti Udyog with M/s. Suzuki Japan and on the 1st April, 1985 when price hike was announced for the Maruti cars and vans;

(b) what were the prices of Maruti cars, Deluxe cars and vans before and after the price hike;

(c) how much commission is given to the dealers by Maruti Limited on each vehicle and how much total commission was already been given;

(d) why this commission is given as the bookings were not made through the dealers; and

(e) why the prices of the vehicles are not reduced by eliminating the dealers' commission?

THE MINISTER OF INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL): (a) The rupee was equal to Yen 26.60 at the time of signing of the collaboration agreement with Suzuki Motor Company in 1982. The rupee was valued at Yen 19.80 on 1st April, 1985.

(b) and (c) A Statement is laid on the Table of the House.

(d) and (e) The dealers' commission is an established commercial practice and is intended to cover expenditure on establishment of show-rooms and workshop facilities so as to provide necessary after sales service, warranty attention and to attend to customer's enquiries, correspondence etc.