

Unauthorised manufacture of drugs by German Remedies

815. SHRI HUSEN DALWAI: Will the Minister of CEMICALS AND FERTILIZERS be pleased to state;

(a) whether it is a fact that German Remedies did not have any authority under (D&R) Act for the manufacture of Complamina Retard Tablets and obtained COB licence on the basis of Complamina plain tablets for which the company possess registration with DGTD;

(b) whether it is also a fact that this company applied for re-endorsement of capacity of this item under 1982 Policy, if so, what was the original capacity, licence number and what is the capacity endorsed;

(c) whether it is also a fact that this company has installed huge plant and machinery without the permission of Government and created unauthorised capacity; if so, what was its original total value of plant and machinery and what is the present value; and

(d) whether any verification was done in regard to plant and machinery before allowing re-endorsement of capacity; if so, what are the details in this regard and if not, what are the reasons therefor?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): (a) and (b) M/s German Remedies hold DGTID registration granted in July, 1966 and industrial expansion granted in April 1973 for manufacture of Complamina tablets, which are based in bulk Xantinol Nicotinate. Complamina retard is the name given to tablets of higher strength of the same bulk drug. Complamina retard tablets is covered under Industrial Licence No. IL; S 21(77) dated 1st February, 1977 within the composite capacity of 1335 lakhs per annum. Its capacity has been re-endorsed corresponding to the bulk drug requirement of 9988.15 kgs. per annum under the Policy of re-endorsement of capacity of April 1982.

(c) According to the company, the original value of the bulk drug plant was Rs. 6.95 lakhs. The value as on 31st December, 1983 was 78.83 lakh rupees. Similar

information in respect of formulation plant has not yet been received and without analysis of complete information, it cannot be concluded whether the company has installed plant and machinery substantially in excess of the permissible levels.

(d) Verification of Plant and Machinery has not been done since the Policy of Re-endorsement of Capacity does not envisage such verification.

Import of Raw Materials by German Remedies

816. DR. MOHD. HASIM KIDWAI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to refer to the answer to Unstarred Question 933 given in Rajya Sabha on the 7th May 1984 regarding price of sulphemoxol and state:

(a) whether it is a fact that German Remedies are importing most of the raw materials from their principals and such imports not only involve over-invoicing but also involve payment of commissions to the foreign National Managing Director of the company;

(b) since when the Managing Director is in India and when he is expected to leave the country;

(c) what is the commission earned with details of activities by this foreign national during the last three years, year-wise; and

(d) what are the imports of this company from their principals and their associates during the last three years, year-wise with name of items, quantity of each, CIF price of each consignment?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): (a) and (b) A statement showing the imports of raw materials made by M/s. German Remedies Limited from their principals and others during the last three years, year-wise is attached. No instance of over-invoicing has come to the notice of my Ministry.