

Life-saving drugs manufactured by Mys. CIPLA Limited

•220. SHRIMATI MANORAMA PANDEY: SHRI RAMANAND YADAV:

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

(a) what are the names of life saving drugs manufactured by M/s. CIPLA Limited and at what prices they are being marketed at present; and

(b) whether it is a fact that M/s. CIPLA Limited is charging exorbitant prices on the life saving drugs in the market violating all the rules and regulations, including guidelines of the Government for life saving drugs manufacturing companies?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): (a) and (b). There is no standard list of life saving drugs. The Committee on Drugs & Pharmaceuticals Industry (popularly known as the Hathi Committee), keeping in view the essentiality of medicines, their need and their availability, identified 116 medicines which in its opinion are extensively used in medical practice both in Urban and Rural areas. The bulk drugs/ active ingredients in these 116 medicines number about 91. The Chemical Industrial and Pharmaceuticals Labs. Ltd. (CIPLA) are engaged in the production of two medicines out of the 116 medicines identified by the Committee, namely, Chloroquin Phosphate Tablets and Chloroquine Phosphate Injection and one bulk drug out of 91 bulk drugs/active ingredients identified by the said Committee, namely, Metronidazole. The company have confirmed that they are selling Chloroquin Phosphate Tablets and Chloroquin Phosphate Injection at the leader prices notified by the Government and the bulk drug Metronidazole at the price notified by

the Government. There are no guidelines of the Government for life saving drugs. However, the Prices of drugs are controlled under the Drugs (Prices Control) Order 1979. No instance of M/s. CIPLA selling any essential medicine in violation of the DPCO 1979 has been noticed.

Self-sufficiency in life saving drugs

221. SHRI BHUVNESH CHATURVEDI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what steps Government have taken or propose to take to achieve self-sufficiency in the production of life-saving drugs; and

(b) whether there is any plan or policy to invite foreign collaboration to produce these drugs in the country?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): (a) Although there is no agreed list of life-saving drugs as such, there is a list of drugs known as 'essential drugs' which was identified by the Hathi Committee. These items number 116 and they include life saving drugs. Steps taken to improve production of bulk drugs and formulations are listed in the statement. (See below)

(b) Foreign Collaboration proposals are considered on merits depending upon factors like availability of indigenous technology, outgo of foreign exchange, reliability, cost effectiveness, possibility of export etc.

Statement

I. (i) A large number of Industrial approvals including DGTD Registrations have been granted.

(ii) Expansion in the capacity of bulk drugs and formulations in the public sector has been undertaken.

(iii) Assistance is given for removing bottlenecks in production by

the introduction of improved technology, in the procurement of raw materials, and supply of utilities, in respect of existing drug units.

(iv) Implementation of industrial licences and letters of intent is monitored, and the difficulties in implementation, if any, in respect of such units is gone into.

II. A number of decisions have been taken by Government for stimulating the production in different industrial sectors including the drug industry.

(i) In August, 1980 Government notified the decision providing for automatic 5 per cent annual growth (limited to 20 per cent in a year period) in one or more stages. This decision is applicable to the drug industry with suitable modifications on the basis of the 1978 Drug Policy, as notified vide Press Note dated 22-5-1982.

(ii) In August/September, 1980 Government announced its decision to recognise productive installed capacities as on 4-9-1980 which were in excess of the licensed capacities. This decision is also applicable to the drug industry as modified on the basis of the 1978 Drug Policy, vide Press Note 17-10-1981.

(iii) In April, 1982 Government announced the facility of re-endorsement of capacities. Under this decision if the highest production during the five year period ending March, 1982 plus 1/3rd thereof exceeds 125 per cent of the licensed capacity, the said highest production + 1/3rd can be endorsed on the relevant industrial licences. Further, if the production during 1982-83 is higher than the capacity endorsed, that production plus 1/3rd thereof would be endorsed in the licences in 1983. For FERA and MRTF Companies, this is restricted to Appendix I (core sector) activity. The provisions of the Press Note dated 17-10-1981 are applicable in the case of drug units.

Winding up of M/s. Wyeth (India) Pvt. Ltd.

1081. SHRI K.V.R.S. BAL-A SUBBA RAO: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what was the original capital of M/s. Wyeth Labs., M/s. Wyeth (India) Private Ltd. and M/s. John Wyeth and Bros. India, and what is their current capital;

(b) whether any of these companies remitted a dividend higher than the original capital during any year in the past five years;

(c) when was the first decision taken to ask M/s. Wyeth (India) Private Ltd. and M/s. John Wyeth & Bros, to wind up, on what basis, the instructions to Reserve Bank of India were withdrawn and when were the fresh instructions issued to Reserve Bank of India; and

(d) whether it is a fact that M/s. John Wyeth & Bros, is neither a Manufacturer nor a Trader, if so, how it has been allowed to operate in the country after the commencement of FERA 1973?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): (a) and (b). The original equity capital of M/s. Wyeth Labs. was Rs. 33.3 lakhs and the equity capital employed of the company at the end of the year 1980-81, for which the information is available, was Rs. 90 lakhs. M/s. John Wyeth & Brother, is only a branch of a foreign Co. incorporated in England. The equity capital of M/s. Wyeth (I) Pvt. Ltd. as shown in their FERA application submitted in 1974 was Rs. 5 lakhs. Its equity capital at the end of 1930-81 is Rs. 10 lakhs. From the figures of annual remittances during the 5 year period ending 1980-81, for which information is available, it is understood that M/s. Wyeth Labs, did not make remittance? higher than their wife~