

**Determining of ex-factory cost of bulk drugs**

1744. DR. JOSEPH LEON D'SOUZA: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to refer to the answer to Unstarred Question 1386 given in the Rajya Sabha on the 7th December, 1981 and state:

(a) whether for determining ex-factory cost, the information in respect of bulk drugs and formulations, as given in the industrial licence application, forms the basis or any other source is used to procure this information;

(b) what are the elements included in the ex-factory cost; and

(c) whether it is a fact that recognition of Right installed capacity by M/s. Glaxo for bulk drugs is on account of this company producing the bulk drugs from the imported intermediates and not from basic stages, if so, the complete details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI DALBIR SINGH): (a) and (b) The ex-factory values of actual production of bulk drugs and formulations are furnished by the drug companies. It is expected that all elements of the cost of production are taken into account for calculation of ex-factory values.

(c) No, Sir. The Policy relating to the recognition of higher installed capacity is governed by the parameters contained in the press Notes dated 29-8-80 and 17.10.1981 and guidelines issued by the Minister of Industry from time to time

**M/s. Burroughs Wellcome formulations**

1745. DR. JOSEPH LEON D'SOUZA: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that unhindered expansion in capacity of Trimethoprim and Septran formulations by M/s. Burroughs Wellcome is working against the growth and development of other units which are producing bulk drugs and formulations based on Trimethoprim and Sulphamethoxazole;

(b) what is the licensed capacity and production of Trimethoprim and Trimethoprim based formulations of this company during the last three years, yearwise;

(c) what steps have been taken to prevent this company from overproducing the formulations of Trimethoprim and Sulphamethoxazole; and

(d) what is the CIF Price of Trimethoprim and the CIF Price of the intermediate at which M/s. Burroughs Wellcome imported then during the last three years, yearwise, for the production of Trimethoprim and the foreign saving per kg. in this production?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI DALBIR SINGH): (a) Necessary information relating to excess production of Septran formulations by M/s. Burroughs Wellcome has already been furnished in reply to Starred Question No. 210 answered on 31-8-1981. This has, however, not prevented other Indian units both in the organised and small scale sectors from taking up production of these bulk drugs and formulations based thereon.

(b) A statement giving the requisite information to the extent available is attached.

(c) Government are considering the application of this company for regularisation of excess production/capacities according to the parameters laid down in the (i) Press Note dated 29-8-1980 issued

by Ministry of Industry and (ii) Press Note dated 17-10-1981 issued by Deptt. of Chemicals and Fertilizers.

(d) Information is being collected and will be laid on the Table of the Sabha.

#### Statement

Sl.No	Item	Licensed capacity	Production during the three years ending with March		
			1978-79	1979-80	1980-81
1	Trimethoprim	3.6 tonnes	10.86	14.57	9.30
2	Formulations containing Trimethoprim and Sulphamethoxazole				
	(i) *Tablets (Adult & Peed)	26 million	177	106	187
	(ii) Liquid	65 KLS.	Information is being collected and will be laid on the Table of the Sabha.		
	(*brand name Septran)				

#### Canalised and non-canalised drugs

1746. SHRIMATI AZIZA IMAM: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that IDPL have supplied in the past five years large quantities of canalised and non-canalised items of drugs and intermediates to M/s. Glaxo, Warner Hindustan and Pfizer to enable these companies to increase the production of the formulations beyond their licensed capacity;

(b) what is the entitlement of each of these companies for the bulk drugs the supplies of each of the bulk drugs made to these companies by IDPL in the past five years and the reasons therefor; and

(c) what are the details with regard to supply of Griseofluvin by IDPL to M/s. Glaxo, licensed capacity of M/s. Glaxo for Griseofluvin Tablets and the steps taken to ensure that M/s. Glaxo do not import Griseofluvin beyond their licensed capacity of Griseofluvin Tablets?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI DALBIR SINGH): (a) and (b) The information is being collected and will be laid on the Table of the House.

(c) M/s. IDPL have intimated that the following quantities of Griseofluvin were supplied to M/s. Glaxo Labs:—

1977-78	6500 kgs
1978-79	1950 kgs. (which includes 1200 kgs. against backlog of 1977-78)
1979-80	3500 kgs.
1980-81	250 kgs.