

as also of other bulk drugs whose prices have been fixed on the basis of cost examination and the manufacturers thereof are indicated in the attached Statement-I. [See Appendix CVII, Annexure—No. 83].

(b) The manufacturers of other bulk drugs, (those which are not "Essential Bulk Drugs") are free to declare the prices of their bulk drugs, under para 5 of the Drugs (Prices Control) Order, 1970. However, such manufacturers cannot subsequently increase the prices without prior approval of the Government.

(c) Government- have in the past fixed the prices of certain bulk drugs on the recommendations made by the Drug Prices Review Committee, without conducting cost-cum-technical examination.

(d) The prices referred to in part-C have been fixed keeping in view the following factors: —

(i) Principle of parity with the declared prices of other manufacturers;

(ii) Landed costs of imports of the same drugs;

(iii) Stage from which the drug is manufactured by the producer.

It would, thus, be seen that there is a definite rationale for price fixation in such cases.

An illustrative list is given in the attached Statement-II. [See Appendix CVII, Annexure No. 84].

Employment to the son or daughter of a retired railway employee

1448. SHRI BHISHMA NARAIN SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that the dependent son/daughter of a retired railway employee is provided with suitable employment in the Railways as a matter of convention;

(b) if so, what is the number of persons who have been provided with jobs in the Railways on the retirement of their parents from the Railway service during the last three years;

(c) what is the number of cases pending with the Railways for such jobs, Zone-wise; and

(d) by when these pending cases are likely to be decided?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI SHEO NARAIN): (a) No.

(b) to (d). Do not arise.

Prices of the canalised bulk drugs

1449. SHRIMATI JAMUNA DEVI: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that canalisation of bulk drugs has been used as a medium to help the public sector instead of the drug industry as a whole;

(b) whether it is also a fact that all canalised bulk drugs produced by the IDPL were taken into distribution pool at their declared prices whereas similar facility was refused to other Indian companies; and

(c) what are the details of the declared/approved prices of canalised bulk drugs, their import prices and their pooled prices since the inception of the Drugs Price Control Order?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): (a) No, Sir.

(b) It would not be correct to say that canalised bulk drugs produced by IDPL are taken into distribution pool at their declared prices whereas similar facility was refused to other Indian Companies. For instance, Grisofulvin, a bulk drug produced by IDPL, was

distributed at a price of Rs. 1471/kg., although IDPL, declared a price of Rs. 4925/kg. Similarly, Phthalyl Sulphathiazole, another bulk drug produced by DIPL, was distributed at a price of Rs. 129.40/kg although IDPL declared a price of Rs. 173/kg.

(c) A statement containing detail^ to the extent available, is attached. [See Appendix CVII, Annexure No. 85].

Manufacture of Federal C by M/s. Warner Hindustan

1450. SHRIMATI JAMUNA DEVI: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that M/s. Warner Hindustan are manufacturing Federal C Tablets without any industrial licence;

(b) whether any release of prednisolone was recommended in their favour; if so, under what authority and at what level the decision to release Prednisolone was taken; and

(c) what are the details of the instructions issued by his Ministry to the CPC in regard to Prednisolone releases?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): (a) M/s. Warner Hindustan Ltd. applied to the Government in 1975 for Price approval in respect of Federal C tablets. The company were already manufacturing Federal tablets and it was considered that the party could take up the manufacture of Federal C tablets on the authority of an industrial licence obtained by them on 14-12-1962 although the composition of Tederal C was not identical with the composition of Tederal. The price approval was, therefore, granted to the company on 15-11-76.

Ministry of Law have since advised that change in the composition of an

existing formulation would also involve manufacture of a 'New Article'. In this context, the question as to whether the company should be asked to obtain a specific approval under the I(D&R) Act, 1951 for the manufacture of Tederal C tablets, is being re-examined.

(b) On 21-2-1977, Warner Hindustan sought an *ad hoc* release of Prednisolone from this Ministry. In Ministry's letter dated 12th April, 1977, their request for *ad hoc* release was rejected.

2. On 20th April 1977, the Company furnished data required by the Government and again asked for *ad hoc* release of 60 kgs. of Prednisolone.

3. On 21st and 22nd June 1977, the party was informed as follow: —

"It would not be possible to allow additional release of Prednisolone to you so as to enable you to produce tablets beyond 1976 production level attained for tablets. Government is, however, prepared to permit you to produce 1 crore numbers of Federal C tablets, provided they are produced within the 1976 production level of tablets attained by you. If this condition is acceptable to your company, you may confirm the position directly to CPC as well as to this Ministry. On receipt of such as confirmation, CPC will release 15 kgs. of Prednisolone which would be adequate to produce 1 crore number, of Federal C tablets."

4. In their letters dated 21st June 1977 and 6th July 1977, the company pleaded that they would not be able to comply with the condition that one crore Federal C tablets should be produced within the Company's 1976 tablet production.

5. In the meanwhile, the Company wanted instructions to go to CPC to release what they were entitled to on the basis of past consumption. A parallel development was that Wyeth's Prednisolone plant was closed down for a period of about four months from