

WRITTEN ANSWERS TO QUESTIONS

PROFITS OF DRUG FIRMS

- *333. SHRIMATI VIMAL PUNJAB
DESHMUKH : SHRI V. T.
NAGPUR : SHRI VITHAL
GADGIL : SHRI A. G. KULKARNI
: SHRI B. S. SAVNEKAR : SHRI
S. B. BOBDEY :

Will the Minister of PETROLEUM AND CHEMICALS/पेट्रोलियम और रसायन मन्त्री be pleased to state :

(a) whether attention of Government has been drawn to the huge profits made by drug firms despite price control ; and

(ii) if so, the steps taken by Government to bring down the drug prices?

THE MINISTER OF PETROLEUM AND CHEMICALS

/पेट्रोलियम और रसायन मन्त्री (SHRI P. C. SETHI) : (a) and (b) There are some reports to this effect. Under the Drugs (Prices Control) Order, 1970 certain limitations have been placed on the gross profits that could be earned by the drugs firms. The exact position in regard to the profits earned by the firms will be known only after the prices in terms of this Order have been in operation for at least one full year.

INDIAN OIL CORPORATION

*336. DR. BHAI MAHAVIR : Will the Minister of PETROLEUM AND CHEMICALS/पेट्रोलियम और रसायन मन्त्री be pleased to state :

(a) whether Government's attention has been drawn to the news-item published in the Blitz of 19th June and the Indian Express of 2nd June 1971 about the placing of order of 9 lakh barrels with one company resulting in a loss of about 34 lakhs to the Indian Oil Corporation ; and

(ii) if so, what are the details of the whole affair and the action taken by Government in the matter ?

THE MINISTER OF PETROLEUM AND CHEMICALS/पेट्रोलियम और रसायन मन्त्री (SHRI P. C. SETHI) : (a) The news item published in the 19th June 1971 issue of Blitz has been seen. However, no such news item has been noticed in the Indian Express of 2nd June 1971.

(b) The aforesaid news item, which appeared in the Blitz of 19th June 1971, has been contradicted by the same Journal in its issue of 7th August 1971. As the initial news item was incorrect and has been contradicted by the paper itself, the question of Government taking any action in the matter has not arisen.

EMPLOYEES IN GENERAL INSURANCE COMPANIES

- *337. SHRI MAHITOSH PURAKASHI : SHRI CHITTA BASI :

वित्त मन्त्री Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the problem of 'dummy' employees and inflated salaries to favoured employees in the nationalised general insurance companies ; and

(b) if so, what action is proposed to be taken to remedy the situation ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE

/वित्त मन्त्रालय में उप-मन्त्री (SHRIMATI SUSHILA ROHATGI) (ai) Yes, Sir.

(b) At the meeting held on the 8th July 1971 the Finance Minister had pointed out to the Custodians of General Insurance companies the importance of weeding out dummy employees and rectification of inflated salaries. The Custodians were instructed to take all possible steps in tackling the problem on an urgent basis. It is understood that the Custodians have made considerable headway in this matter.