



PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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News / Story reproduced with thanks:- **Pharmabiz**

Hindustan Antibiotics plans to manufacture erythromycin-based antibiotics

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Joseph Alexander, New Delhi

Direct link to the News/Story:-

<http://www.pharmabiz.com/article/detnews.asp?articleid=55663§ionid=>

Hindustan Antibiotics Ltd (HAL), Pune, one of the sick public sector drugs manufacturing units, is planning to make use of its idle facilities by starting production of erythromycin based antibiotics and has entrusted the task to a consultant to prepare pre-feasibility report to make a corporate strategic plan for the company.

The corporate strategic plan will detail new business areas like upgradation of formulation facilities, product mix, unlocking of untapped real estate assets on PPP basis, creation of pharma park, biotechnology park, incubation centres etc. It will also study the feasibility of creation of support infrastructure like R&D, life sciences, and education in collaboration with international and national organizations for advanced technologies and technical knowledge, it is learnt.

Meanwhile, the HAL is planning to utilize the fermentation facilities now for manufacture of erythromycin based antibiotics since manufacturing of Pen-G is not viable. The proposal has been finally cleared by Planning Commission in March 2010 and funds are expected to be released in financial year 2010-11, sources said.

Located at Pimpri in Pune, HAL was the first PSU for drugs and pharmaceuticals. But following increasing losses since 1993-94, it was referred to the BIFR in January, 1997. BIFR declared the company formally sick on March 31, 1997. The BIFR appointed the Industrial Development Bank of India (IDBI), Mumbai as the operating agency for a techno-economic viability study and report. The first rehabilitation scheme prepared by HAL was revised on the directions of the BIFR and the Government.

HAL was earlier engaged in the manufacture of bulk drugs mainly penicillin, streptomycin, gentamycin, hamycin, aureofungin and other formulation products. At present, the fermentors as well as major portion of utilities equipments like boilers, compressors, chillers, and effluent treatment are lying idle.

Though HAL invited offers for utilizing these fermentation facilities for manufacture of penicillin in leading newspapers several times from 2004 onwards, there was no response and facilities could not be utilized. Poor response was due to dumping of fermentation based products offered by China at prices not viable for Indian manufacturers, sources said.