

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a)
of the Public Utility Holding Company Act of 1935 or Section 30(f) of the
Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Date of Event Requiring Statement	4. Issuer Name and Ticker or Trading Symbol	6. If Amendment, Date of Original
Shroff Zubeen	(Month/Day/Year)	Halsey Drug Co., Inc. (HDG)	(Month/Day/Year)
(Last) (First) (Middle)	6-30-98		
610 Fifth Avenue, Rockefeller Center			
(Street)	3. IRS or Social Security Number of Reporting Person (Voluntary)	5. Relationship of Reporting Person to Issuer (Check all applicable)	7. Individual or Joint/Group Filing (Check Applicable Line)
New York, New York 10020		<input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner	<input type="checkbox"/> Form filed by One Reporting Person
(City) (State) (Zip)		<input type="checkbox"/> Officer <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Form filed by More than One Reporting Person
		(give title below) (specify below)	
		General partner of Galen Partners III, L.P. which together with affiliated entities owns convertible debentures exercisable for approximately fifth percent (50%) of the common stock of Halsey Drug Co., Inc.	

[illegible][illegible]

*If the form is filed by more than one Reporting Person, see Instruction 5(b)(v).

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

(over)

(Print or Type Responses)

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TABLE II -- DERIVATIVE SECURITIES BENEFICIALLY OWNED
(E.G., PUTS, CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Stock Options (Right to Buy)	*	*	Common Stock	10,000	\$ 2 3/8	D	

Explanation of Responses:

*Date of grant of stock option June 30, 1998; Date Exercisable and Expiration Date to be determined.

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ Zubeen Shroff

July 9, 1998

**Signature of Reporting Person

Date _____

Note. File three copies of this Form, one of which must be manually signed.
If space provided is insufficient, See Instruction 6 for procedure.

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