

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1748
ANSWERED ON:07.03.2011
COMPETITION FOR INDIAN GENERIC DRUGS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether generics medicines which are not patented can be freely produced and are much cheaper than drugs manufactured by global pharma giants;
- (b) if so, the details thereof;
- (c) whether big pharma's companies are facing a competition from Indian generic makers;
- (d) if so, the details thereof; and
- (e) the details of number of times when a generic drug shipment from India to EU were seized and response from the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): Pharmaceutical products which are not patented/off-patent can be produced in India and exported to the countries where such products are not covered under patents. Such generic drugs are cheaper in price due to strong manufacturing facilities and quality manpower available at low-cost in India.

(c) & (d): Due to India's capabilities to produce quality drugs at low cost, big international companies are facing tough competition from Indian generic exporters.

(e): Nine consignments of Indian pharmaceutical companies meant for African/ Latin American countries were seized in transit by customs in EU countries on the grounds that these pharmaceutical products were patented in Europe and therefore infringed the rights of the patent holders in Europe. The matter was taken up at diplomatic level with EC Trade Commissioner through Embassy of India, Brussels, clearly bringing out that since there was no patent protection available to the products in India or in the destination countries and these were not being diverted to the European markets, there was no patent violation. India also made a request to the Dispute Settlement Body of the WTO in May, 2010 seeking consultations with the EU in this regard. Consultations were held with the EU in July and September 2010. Consultations have been very useful as EU has acknowledged that some provisions of the relevant EC Regulation may have been misinterpreted by the Customs authorities of EU and has shown willingness to resolve the dispute without the need to seek establishment of a Panel. As EU has indicated to resolve the dispute, India has not yet sought establishment of a Panel in this dispute.