

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:3084
ANSWERED ON:19.08.2011
BLACKLISTED INDIAN DRUG COMPANIES
Reddy Shri Anantha Venkatarami

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether Sri Lanka has recently suspended tenders awarded to ten Indian drug companies and also blacklisted them;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the action taken/proposed by the Government thereon; and
- (d) the steps taken/proposed by the Government to check the quality of drugs being exported from the country?

Answer

THE MINISTER FOR HEALTH & FAMILY WELFARE (SHRI GHULAM NABI AZAD)

(a) to (d): The Ministry of External Affairs has informed that the issue of blacklisting / and supply of substandard drugs by some Indian companies came up in local newspapers in April, 2011. The Indian High Commissioner in a meeting with the Hon'ble Minister of Health, Government of Sri Lanka on 11th April, 2011 took up the matter reported in the media on the possible suspension of some pharmaceutical companies from India for allegedly violating tender norms. The High Commissioner said that both countries had long-standing cooperation in the pharmaceutical sector. India has a well-established and vibrant pharmaceuticals industry, which was committed to supplying quality drugs at affordable prices. India had emerged as a leading global exporter of generic drugs and other pharmaceutical products. Indian companies had exported over \$10 billion of drugs, pharmaceuticals and fine chemicals last year, with a large proportion of exports going to markets in advanced economies.

With regard to the concerns expressed by the Government of Sri Lanka, the High Commissioner suggested that careful delineation of technical standards and selection of companies was essential in the tendering process and proposed that a delegation from the Pharmaceuticals Export Promotion Council of India (PHARMEXCIL) visits Sri Lanka to meet the local health authorities regarding the procedure adopted by Government of Sri Lanka for sourcing pharmaceuticals from India. This would help in working out a mechanism to prevent substandard and low quality manufacturers from entering the market by exploiting loopholes in the procedures. The Hon'ble Minister welcomed this suggestion. The High Commissioner requested for the details of the companies alleged to have violated tender norms. The Hon'ble Minister of Health, Government of Sri Lanka clarified to the High Commissioner that the allegation was only against a few companies and not against Indian industry as such and promised to share the list of Indian companies that violated the norms. However, no list was provided by the Government of Sri Lanka.