

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:2708  
ANSWERED ON:29.03.2012  
HIGH PRICES OF LIFE SAVING DRUGS  
Mahato Shri Narahari;Roy Shri Nripendra Nath

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether the Government is aware that due to shortage, life saving drugs are being sold at high prices;
- (b) if so, the facts thereof;
- (c) whether any information of stock of sellers of life saving drugs is received from time to time;
- (d) if so, the details thereof;
- (e) the steps being taken by the Government for the research of the new life saving drugs; and
- (f) the amount likely to be spent on the research of new life saving drugs by the Government during the Twelfth Five Year Plan?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION  
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): National Pharmaceutical Pricing Authority (NPPA) fixes or revises price of scheduled drugs / formulations as per the provisions of Drugs (Prices Control) Order, 1995 (DPCO, 1995). No one can sell any scheduled drugs / formulation at a price higher than the price fixed by the NPPA. The life saving drugs are not defined in the DPCO, 1995.

A number of drug companies have been found to be selling medicines at a higher price to consumers. In such cases, NPPA initiates action of overcharging against the companies as per the provisions of the DPCO, 1995 and the Essential Commodities Act, 1955. Based on detection of overcharging cases since its inception and till 29th February 2012, NPPA has issued demand notices in 816 no of cases involving an amount of Rs. 2456-89 crore

(overcharging along with interest) for selling the medicines at a price higher than the prices fixed under DPCO, 1995. Of this, Rs. 217.67 crore has been realized till 29th February 2012 leaving a balance of Rs. 2239.22 crore to be realized. Out of this, an amount of Rs. 2126.72 crore is under litigation & pending in various courts and Rs. 44.18 crore is pending for recovery with Collectors of various States and the balance is under process.

The NPPA monitors the shortage and availability of the drugs in the country through State Drug Control Administration. Whenever shortage is reported by the State Drug Controller, NPPA takes remedial steps for ensuring availability of drugs by impressing upon manufacturers to rush the stocks to the places of shortage. The shortages reported are the brand specific and in most cases equivalent substitutes are available in the market.

(c): No, Sir.

(d): Does not arise.

(e) & (f): Apart from various efforts being done by Ministry of Science & Technology, Department of Biotechnology and the Council of Scientific and Industrial Research (details at Annexures-I, II & 111 respectively) the Faculty and researchers of National Institute of Pharmaceutical Education & Research (NIPER), under the administrative control of Department of Pharmaceuticals are also working in the area of most neglected diseases.