

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

UNSTARRED QUESTION NO:4361

ANSWERED ON:06.09.2012

SALE OF EXFREGENE DRUGS BY MNCS

Joshi Dr. Murli Manohar;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the Multi National Companies in the country are using the open market system for selling their expensive drugs;
- (b) if so, whether due to these companies the major drug manufacturing companies of the country have also started selling their medicines at higher prices;
- (c) if so, the details thereof;
- (d) whether in view of the aforesaid condition the Government is likely to make arrangements for manufacturing and selling of cheaper drugs in the country; and
- (e) if so, the details thereof?

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) to (c): Under the provisions of the Drugs (Prices Control) Order, 1995 (DPCO.1995) the prices of 74 bulk drugs and the formulations containing any of these scheduled drugs are controlled. NPPA fixes or revises prices of scheduled drugs/ formulations as per the provisions of the DPCO,1995. The NPPA monitors the prices of all formulations including imported scheduled formulations under price control. Under the provisions of DPCO 1995, no person can sell any scheduled formulation (medicine) to a consumer at a price exceeding the price notified/approved by the NPPA.

In respect of drugs not covered under the Drugs (Prices Control) Order, 1995 i.e. non-scheduled drugs, manufacturers fix the prices by themselves without seeking the approval of Government / NPPA. In respect of non scheduled formulations there is no control on the launch price of the formulations.

As a part of price-monitoring activity, NPPA regularly examines the movement in prices of non-scheduled formulations. The monthly reports of MS Health and the information furnished by individual manufacturers are utilized for the purpose of monitoring prices of non-scheduled formulations. Wherever a price increase beyond 10% per annum is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions, action is initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest.

(d) & (e): The Department of Pharmaceuticals has also launched 'Jan Aushadhi Campaign' with the objective of making available medicines at affordable prices for all. Under this campaign less priced quality unbranded generic medicines are made available through Jan Aushadhi Stores. The Jan Aushadhi Campaign has now been formalized as Generic Drug Scheme with the approval of Planning Commission. 125 Jan Aushadhi Stores have been opened in different States/UTs in the country as on 21.8.2012.

Further, the Department of Pharmaceuticals has prepared a draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) based on the criteria of essentiality and requirements as stipulated by the Ministry of Health & Family Welfare. The draft National Pharmaceutical Pricing Policy, 2011 was circulated among the concerned Ministries/Stakeholders. The draft policy was also available for comments of any other interested person on the Department's website www.pharmaceuticals.gov.in till 30.11.2011. The view/inputs received on the draft NPPP, 2011 were examined and the matter was placed before the Group of Ministers (GoM) which met on 25.4.2012. Subsequent to this two meetings have been held by the GoM.