

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

UNSTARRED QUESTION NO:694
ANSWERED ON:15.07.2014
SALE OF MEDICINES AT ARBITRARY PRICES
Azad Shri Kirti (JHA)

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

- (a) whether the Government is aware that medicines are getting out of reach of common man due to the present drug policy;
- (b) if so, the reasons therefor and the reaction of the Government thereto;
- (c) whether the Government has received complaints that foreign drug companies are selling medicines at arbitrary prices by violating the drug policy;
- (d) if so, the details thereof along with the action/steps taken by the Government on such complaints during each of the last three years and the current year; and
- (e) the steps being taken by the Government to provide medicines to the people at cheaper rates?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI NIHAL CHAND)

(a) & (b) All the medicines specified in the National List of Essential Medicines 2011 (NLEM) have been included in Schedule-I of Drugs (Price Control) Order, 2013 (DPCO, 2013) and brought under price control. Out of total 680 NLEM medicines under scheduled category of DPCO, 2013, National Pharmaceutical Pricing Authority (NPPA) has already notified the ceiling prices in respect of 440 medicines upto 30th June, 2014 under provisions of the said order. Significant reduction in prices have been effected on the medicines notified under DPCO, 2013 as compared to the highest price prevalent prior to that which differs from formulation to formulation. The overall profile of price reduction is as under:-

% reduction with respect to Highest Price to Retailer	No. of drugs
0<= 5%	35
5<=10%	41
10<=15%	49
15<=20%	40
20<=25%	58
25<=30%	43
30<=35%	27
35<=40%	34
Above 40%	113
Total	440

As per para 13(2) of the DPCO, 2013, all the existing manufacturers of scheduled formulations, selling the branded or generic or both the versions of scheduled formulations at a price lower than the ceiling price (plus local taxes as applicable) so fixed and notified by the Government shall maintain their existing maximum retail price. Therefore, the question of medicines getting out of the reach of the common man due to the present drug policy does not arise.

(c) & (d) NPPA has initiated action for overcharging in respect of 451 formulations under DPCO, 2013 which inter-alia, includes formulations manufactured/ marketed by MNCs. Further, NPPA has issued final demand in 2 cases for an amount of Rs. 54.03 crore and has recovered Rs. 54.01 crore which includes suo-moto payment in 4 cases till 30.06.2014 under DPCO, 2013.

(e) All the medicines specified in the NLEM-2011 (National List of Essential Medicines) have been included in the first schedule of DPCO, 2013 and brought under price control. Further, for making available quality generic medicines at affordable prices to all, the Government launched Jan Aushadhi Campaign in November, 2008 by way of opening up Jan Aushadhi Drug Stores. Since, November, 2008, 164 Jan Aushadhi Stores have been opened in various parts of the country, out of which 87 are functional

