

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

STARRED QUESTION NO:32
ANSWERED ON:08.07.2014
PROMOTION OF GENERIC DRUGS
Ahir Shri Hansraj Gangaram

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

- (a) whether the Government proposes to promote the sale of quality generic medicines at affordable prices to the consumers;
- (b) if so, the details thereof and the steps taken or proposed to be taken by the Government to promote generic drugs in the country;
- (c) whether the Government also proposes to include more medicines in the list of schedule drugs subjected to price control in view of the rise in prices of medicines and profiteering by the pharmaceutical companies, if so, the details thereof and if not, the reasons therefor; and
- (d) the other remedial steps taken/being taken by the Government to provide medicines to the common man at affordable prices?

Answer

MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI ANANTH KUMAR)

(a) to (d) : A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 32 for 08.07.2014

(a) & (b): The policy of the Government of India is to promote affordable generic drugs in the country. In pursuance of this policy, the Ministry of Health & Family Welfare (MoH&FW) has been continuously trying to promote generic drugs in the country and has taken several steps as under:

i. Under the National Health Mission (NHM), MOH&FW is providing financial assistance for provision of free generic/essential drugs to the States/UTs based on the requirements raised in their Programme Implementation Plans (PIPs). Incentive of additional funds up to 5% of resource allocation is provided to states subject to their having an Essential Drug List (EDL), Standard Treatment Guidelines (STGs), promotion of rational drug use, prescription audit etc. Substantial funding within the states' annual allocation is also provided under the National Health Mission-Free Drug Service Initiative for provision of free drugs subject to States/UTs setting up or agreeing to set up robust systems of procurement, quality assurance, logistics & IT infrastructure.

ii. MoH & FW has issued direction to all the State/UT Governments on 01.10.2012 under Section 33P of the Drugs & Cosmetics Act, 1940 to grant/renew licenses to manufacturer for sale or distribution of drugs in proper/generic names only.

iii. MoH & FW has from time to time been issuing repeated circulars/ instructions to all Central government hospitals, CGHS dispensaries and the State governments for encouraging /motivating doctors to prescribe generic medicines to the maximum extent possible.

(c) MoH & FW has published a National List of Essential Medicines

(NLEM), 2011 consisting of 348 medicines covering 680 formulation packs, which have been included by the Department of Pharmaceuticals under price control of DPCO, 2013. As on 30 June 2014, National Pharmaceutical Pricing Authority (NPPA) has fixed ceiling prices for 440 formulation packs under DPCO, 2013 and significant reduction has been effected on prices of medicines notified. Revision of NLEM is a dynamic process and any drug can be added in NLEM in public interest. The MoH&FW has already initiated the process for revising the NLEM, 2011 for which an expert committee has been constituted.

(d) Department of Pharmaceuticals has launched the Jan Aushadhi Scheme in November, 2008 for making available quality generic medicines at affordable prices through the Jan Aushadhi Stores (JAS). 164 JASs have been opened so far in the States of Punjab, Delhi, Haryana, Rajasthan, Andhra Pradesh, Odisha, West Bengal, Uttarakhand, Chandigarh, Jammu & Kashmir, Himachal Pradesh, Jharkhand and Tripura. Of these, 87 JASs are operational. With a view to remove bottlenecks in the implementation of the Scheme, a new Business Plan, has been approved in August, 2013.