

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

UNSTARRED QUESTION NO:128  
ANSWERED ON:08.07.2014  
SALE OF MEDICINES BY MNCS  
Kateel Shri Nalin Kumar

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

- (a) whether medicines/drugs listed under the National List of Essential Medicines (NLEM) are being sold at exorbitant prices by some Multi National Companies (MNCs);
- (b) if so, the details thereof and the reaction of the Government thereto along with the action taken/proposed to be taken by the Government against the MNCs involved in such activities;
- (c) whether the Government proposes to include cancer drugs under the Drugs (Price Control) Order, 2013 as part of the new NLEM;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to ensure affordability of cancer drugs in the country?

**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 the Schedule I of the Drugs (Prices Control) Order, 2013 (DPCO, 2013) and brought under price control. The National Pharmaceutical Pricing Authority (NPPA) fixes/revises the prices of scheduled medicines as per the provisions of DPCO, 2013. No person is authorized to sell any scheduled formulation (medicine) to a consumer at a price exceeding the price notified by the NPPA. Whenever any case of overcharging is brought to the notice of NPPA or is detected by NPPA during its monitoring and enforcement activities, necessary action is taken for initiating recovery proceedings under the DPCO, 2013. NPPA has initiated action for overcharging in respect of 451 formulations under DPCO, 2013 which inter-alia, also includes formulations manufactured/marketed by Multi National Companies (MNCs). Further, NPPA has issued demand in two cases for an amount of Rs.54.03 crore and has recovered Rs.54.01 crore which includes suo-moto payment in four cases till 30.6.2014

under DPCO, 2013. However, no separate record in this regard for MNCs is being maintained by NPPA.

(c) to (e): All medicines specified in the National List of Essential Medicines 2011 (NLEM) have been included in the Scheduled I of DPCO, 2013 and brought under price control. NLEM also includes 33 cancer drugs in the specified dosage and strength. The revision of NLEM for the purpose of price control is a dynamic process and any drug can be added in NLEM in public interest under Drug Price Control Order on the recommendation of Ministry of Health & Family Welfare.

Out of total 680 NLEM medicines under scheduled category of DPCO, 2013, 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 No. of drugs  
with respect  
to Highest  
Price to  
Retailer

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

