

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) After the announcement of National Pharmaceuticals Pricing Policy - 2012, Drugs (Prices Control) Order, 2013 (DPCO, 2013) was notified on 15.05.2013. As per the provisions of DPCO, 2013 all the existing manufacturers of scheduled formulations, selling the branded or generic or both the versions of scheduled formulations at a price higher than the ceiling price (plus local taxes as applicable) so fixed and notified by the Government under DPCO, 2013, shall revise the prices of all such formulations downward not exceeding the ceiling price (plus local taxes as applicable). 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. Further, as per the provisions of DPCO, 2013 the manufacturers shall have to implement the notified ceiling price within a period of 45 (forty five) days from the date of notification. NPPA has notified the ceiling prices for 300 essential medicines. In all these cases, prices have reduced significantly as compared to highest price of that particular medicine as per data furnished by IMS-Health.

**Sale of medicines at more than the fixed price**

†2211. SHRI RAM JETHMALANI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the National Pharmaceutical Pricing Authority has found that about 1,000 drug manufacturing companies in the country are guilty of selling medicines at more than the fixed prices;

(b) if so, the facts in this regard; and

(c) whether any action has been taken by Government against these companies so that these companies may not exploit the consumers?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) There are 970 cases as on 31.07.2013 where pharmaceutical companies have been found to be selling some of the scheduled medicines to the consumers at a price higher than the price notified by National Pharmaceutical Pricing Authority (NPPA).

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†Original notice of the question was received in Hindi.

(b) and (c) Action for recovery of the overcharged amount has been taken as per the provisions of Drugs (Price Control) Order, 1995 (DPCO, 1995). Demand notices have been issued to the pharmaceutical companies amounting to Rs. 2902.22 crore for selling the medicines at a price higher than the price fixed by NPPA, out of which, Rs. 253.43 crore has been recovered till 31.07.2013. However, in some cases, the demands raised for overcharging have been challenged in courts and as of now about 94% of the total outstanding amount i.e. Rs.2648.79 crore is under litigation. These court cases are being handled by the Law Officers and Central Government Counsels. NPPA is actively pursuing these court cases and is in constant touch with the Government Counsels. Where the demand raised by NPPA has not been challenged in the court and the concerned company does not deposit the amount of demand within the time granted, the matter is referred to the respective Collector for recovery of the overcharged amount as arrears of land revenue under Essential Commodities Act, 1955.

#### **Popularizing generic medicines**

2212. SHRIMATI VASANTHI STANLEY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) how far Government is successful in popularizing generic medicines;
- (b) whether the Ministry has issued any instructions to doctors to prescribe generic medicines; and
- (c) the steps taken by Government to keep rates of branded medicines within control?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) For making available low-cost quality generic medicines at affordable prices to all, the Government launched Jan Aushadhi Campaign in November, 2008 by way of opening up of Jan Aushadhi Drug Stores. Since November, 2008, 157 Jan Aushadhi Stores have been opened in various parts of the country, out of which 93 are functional. A New Business Plan has been designed particularly to address the shortcomings and challenges identified in scaling up the activities. Under the new Plan, the process of identification of operating agencies has now been simplified and entities other than those identified by the State Governments are also proposed to be appointed as operating agencies for running the Jan Aushadhi Stores. As per the new Plan, societies/ trusts/