1	2	3	4	5
2.	Overcharged amount demanded including interest whenever updated	4861.52	74.4	4935.92
3.	Total amount realised	316.31	68.6	384.91
4.	Amount outstanding (2-3)	4545.21	5.80	4551.01
5.	Cases under Litigation including Cases referred to collector but contested by the companies in the court of law and in r/o Cipla Ltd. and its associate, where no coercive action can be initiated as per order of Supreme Court	3673.36	24.96	3698.32
6.	Cases referred to collector and amount still to be recovered	67.85	0.01	67.86
7.	Pending with BIFR/Official Liquidator	5.41	0	5.41
8.	Amount pending relating to the overcharging cases under process (4-(5+6+7)	798.59	-19.17	779.42

Further, the demand raised in 37 overcharging cases under DPCO, 2013 amounting to ₹ 145.11 crore against the petitioner companies have been treated as show cause notices in pursuance of order dated 24.11.2015 passed by the Hon'ble High Court of Delhi in various writ petitions filed by them.

Price control mechanism for life saving drugs

1642. SHRIMATI RAJANI PATIL:
SHRI RAMDAS ATHAWALE:

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

(a) whether prices of life saving drugs/medicines have increased during recent months, if so, the reasons therefor;

(b) whether Government has set up or proposes to set up any high powered committee for review of price control mechanism of drugs along with their availability in the country, if so, the details thereof; and

(c) the steps taken by Government till date to keep the prices of life saving drugs/medicines under control?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) “Life Saving drugs”

are not defined in the Drugs (Prices Control) Order, 2013 (DPCO, 2013) or in the National Pharmaceutical Pricing Policy, 2012 (NPPP, 2012). All medicines specified in the National List of Essential Medicines 2011 (NLEM) have been included in the First Schedule of Drugs (Prices Control) Order, 2013 for the purpose of price regulation. The prices of scheduled medicines are fixed on the principle of market based pricing as enunciated in the NPPP, 2012. Out of total 680 scheduled formulations (628 net) under DPCO, 2013, NPPA fixed the ceiling prices of 530 scheduled formulations on market based pricing methodology (This includes 53 formulations for cardiovascular diseases, 6 for diabetes, 20 for HIV/AIDS, 24 for Tuberculosis, 47 for Cancer and 6 for kidney diseases). The reduction in prices of 530 scheduled formulations effected under DPCO, 2013 after price fixation of scheduled formulations by NPPA as compared to the highest price prevailing prior to the announcement of DPCO, 2013 is given the Statement-I (*See* below).

Annual revision in the prices of scheduled formulations is provided for to the extent of increase or decrease in the Wholesale Price Index (WPI) for the particular year. NPPA has revised the ceiling prices in respect of 530 scheduled drugs after incorporating WPI @ 6.32% for the year 2013 (*w.e.f.* 01.04.2014) and 3.849% for the year 2014, (*w.e.f.* 01.04.2015) in compliance with the provisions contained in Para 16 of DPCO, 2013. DPCO also provides that the Maximum Retail Price (MRP) of non-scheduled formulations can increase upto 10 per cent of the MRP of the preceding twelve months.

NPPA has also fixed the retail price of 283 'new drugs' (which fall within the purview of Para 2(u) of DPCO.2013). NPPA also capped the MRP of 106 non-scheduled formulations (84 cardiovascular formulations and 22 antidiabetics) under Para 19 of DPCO, 2013. The reduction in prices effected as compared to the highest price prevailing prior to price capping for these 106 non-scheduled medicines is given the Statement-II (*See* below).

(b) No, Madam

(c) NPPA is mandated to regulate the price of scheduled medicines. NPPA is also authorized to recover the overcharging amount if pharmaceutical companies are selling at prices higher than the ceiling price (plus local taxes) in case of scheduled formulations and in case of non-scheduled formulations if increase in Maximum Retail Price (MRP) is more than 10 per cent of the MRP of the preceding twelve months as the case may be. In order to ensure compliance of the prices notified under DPCO, 2013 NPPA also analyzes test samples from market. In 2015-16 up to 29.02.2016, about 2576 cases were analysed by NPPA in which 649 *prima facie* overcharging cases were detected.

NPPA has issued demand notices to pharmaceutical companies for recovery of overcharged amount alongwith interest thereon for violation under various provisions of DPCO, 1995 and DPCO, 2013 read with Section 7A of Essential Commodities Act, 1955 during the last financial year and the current year upto 29.02.2016 as under:—

Year	Demand Notice issued (₹ in crore)		
	DPCO, 1995	DPCO, 2013	Total
2014-15	536.27	54.07	590.34
2015-16 (Till 29.02.2016)	905.98	20.33	926.31

The year-wise list of these overcharging cases (updated upto 29.02.2016) has been uploaded on the website of NPPA *i.e. www.nppaindia.nic.in.* Since inception of NPPA, there are 1389 cases as on 29.02.2016 (1250 cases under DPCO 1995 and 139 cases under DPCO 2013) where demand notices have been issued by NPPA to Pharmaceutical companies. The status of these cases is given the Statement-III (*See* below).

Statement-I

Details regarding reduction in price of Scheduled Medicines with respect maximum price

% reduction with respect to Maximum Price	No. of drugs
0<= 5%	80
5<=10%	50
10<=15%	57
15<=20%	43
20<=25%	65
25<=30%	49
30<=35%	26
35<=40%	34
Above 40%	126
TOTAL	530

Statement-II

Reduction with respect to Highest prevailing MRP under para 19 of DPCO, 2013

% reduction with respect to Highest Prevailing MRP

(No. of Drugs)

	Diabetic	Cardiovascular	Total
0 <= 5%	7	10	17
5 <= 10%	2	10	12
10 <= 15%	1	11	12
15 <= 20%	1	8	9
20 <= 25%	2	12	14
25 <= 30%	2	7	9
30 <= 35%	2	7	9
35 <= 40%	1	4	5
Above 40%	4	15	19
TOTAL	22	84	106

Statement-III

Status of the Overcharging Cases

(₹ in crore)

Sl. No.	Particulars	DPCO 1995	DPCO 2013	Cumulative (Aug, 97 to 29.02.2016)
1	2	3	4	5
1.	No. of cases	1250	139	1389
2.	Overcharged amount demanded including interest whenever updated	4861.52	74.4	4935.92
3.	Total amount realised	316.31	68.6	384.91
4.	Amount outstanding (2-3)	4545.21	5.80	4551.01
5.	Cases under Litigation including Cases referred to collector but contested by the companies in the court of law and in r/o Cipla Ltd. and its associate, where no coercive action can be initiated as per order of Supreme Court	3673.36	24.96	3698.32

1	2	3	4	5
6.	Cases referred to collector and amount still to be recovered	67.85	0.01	67.86
7.	Pending with BIFR/Official Liquidator	5.41	0	5.41
8.	Amount pending relating to the overcharging cases under process (4-(5+6+7)	798.59	-19.17	779.42

Further, the demand raised in 37 overcharging cases under DPCO, 2013 amounting to ₹ 145.11 crore against the petitioner companies have been treated as show cause notices in pursuance of order dated 24.11.2015 passed by the Hon'ble High Court of Delhi in various writ petitions filed by them.

Speedy implementation of Bharat Net

1643. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that implementation of the National Broadband project, Bharat Net is very slow and is repeatedly falling short of its desired objective, if so, the details thereof; and

(b) whether it is also a fact that Telecom Regulatory Authority of India (TRAI) is planning to speed up Bharat Net by increasing the participation of private players under Public-Private-Partnership mode, if so, the details thereof?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD): (a) National Optical Fibre Network (NOFN) project was planned, in 2011, to connect all Gram Panchayats (GPs) in the country through Optical Fibre Cable (OFC) utilizing existing fibres of Public Sector Undertakings (PSUs) *viz.* Bharat Sanchar Nigam Limited (BSNL), Power Grid Corporation of India Limited (PGCIL) and RailTel and laying incremental fiber wherever necessary to bridge the connectivity gap between Gram Panchayats (GPs) and Blocks for providing broadband connectivity. The project is being executed by a Special Purpose Vehicle (SPV), namely, Bharat Broadband Network Limited (BBNL), which has been incorporated on 25.02.2012 under Indian Companies Act 1956. Under this project, at least 100 Mbps bandwidth has to be provided in all the estimated 2.5 lakh GPs for utilization by all categories of service providers on non-discriminatory basis including Internet Service Providers. The Project was to be executed in phases. Under Phase-I, one lakh GPs was targeted by 31.03.2015. Considering the vastness of project execution, the very limited resources deployed by the institutions, coordination with multiple agencies, time required for tendering, mobilisation of physical resources,