

Rs. 294.84 crores deposited by Pharmaceutical companies against demand notices issued by Government for overcharging patients for Scheduled Medicines Condoms, IUDs containing copper & Coronary Stents included in the Schedule-I of DPCO, 2013

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Minister of State for Chemicals and Fertilizers, Shipping, Road Transport and Highways, Shri Mansukh L. Mandaviya, in a written reply to a question in Rajya Sabha today, informed the House that the Drugs (Prices Control) Order (DPCO) issued by the Government from time to time contains provisions to take appropriate action against any manufacturer selling a schedule bulk drug or formulation at a price higher than the ceiling price fixed and notified by the Government.

Shri Mandaviya informed that the provisions empower the Government to direct the manufacturer to deposit the overcharged amount along with the interest thereon from the date of overcharging, in addition to the penalty. Pursuing the above mentioned provisions, the National Pharmaceutical Pricing Authority (NPPA), under Ministry of Chemicals & Fertilizers, has issued demand notices to companies which have overcharged patients. The details in the last three years is as follows:

Year	2013-14	2014-15	2015-16	2016-17 (as on 28.02.2017)
Cases of Overcharging	90	129	263	120
Amounts deposited by companies (Rs. crores)	40.08	90.17	12.36	294.84

The Minister also stated that the National List of Essential Medicines (NLEM) is prepared by the Ministry of Health and Family Welfare on the recommendation of the core committee appointed by them. The Ministry of Health and Family Welfare has revised the NLEM, 2015 on 23rd December, 2015 and subsequently Schedule - 1 of DPCO, 2013 was revised by Department of Pharmaceuticals on 10th March, 2016. There were 348 medicines listed in NLEM 2011. A total of 106 medicines have been added, and 70 medicines have been deleted to prepare NLEM 2015, which now contains a total of 376 medicines.

In a written reply to another question in Rajya Sabha today, Shri Mandaviya informed that the initial price fixation/price determination is not under the purview of Government. Government only controls price of medical devices declared as essential drugs. Out of the 23 medical devices regulated as "Drugs" under Drugs & Cosmetics Act & Rules thereunder, 3 devices namely 'Condom', 'Intra Uterine Device (IUD) containing copper' & 'Coronary Stents' have been included in the Schedule-I of DPCO, 2013 and are under price control. The remaining 20 medical devices are categorized as non-scheduled formulations under DPCO, 2013 and therefore, no price has been fixed for these non-scheduled medical devices. However, manufacturers are not allowed to increase the price of these 20 medical devices more than 10% per annum, the Minister added.

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