

No shortage of Essential Drugs post introduction of GST, smooth supplies being maintained: Shri Mansukh L. Mandaviya

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Minister of State for Road Transport & Highways, Shipping and Chemicals & Fertilizers, Shri Mansukh L. Mandaviya, in a written reply to a question in Rajya Sabha today, informed that as per the information received from the All Indian Origin Chemists & Distributors Limited (AIOCD), there is no shortage of essential drugs and smooth supplies are being maintained.

Shri Mandaviya informed the House that a facility for reporting shortage of medicines, if any, by the public has been provided by the National Pharmaceutical Pricing Authority (NPPA) through helpline number 1800111255, Pharma Jan Samadhan, Whatsapp Mobile Number (9695736333) and twitter handle (https://twitter.com/nppa_india).

The Minister stated that NPPA had earlier received a number of complaints from individuals through Whatsapp in the first week of July about non-availability of some formulations. These complaints of non-availability of a particular drug do not appear to be due to introduction of GST. However, in all these cases, the concerned companies have been instructed to coordinate with the complainants and ensure supply of medicine to the complainants.

Shri Mandaviya informed that NPPA has recently revised the ceiling price of scheduled formulations on account of implementation of GST and have reduced the ceiling prices to the extent the excise duty component was included in the ceiling prices.

Further, the Minister stated that the Government has taken steps to allay the fear of retailers and wholesalers about getting tax refund in time, in case of expired goods. Return of expired goods would be governed by the provisions of Section 34 of the Central Goods and Services Act, 2017.

Shri Mandaviya informed that a manufacturer may issue a credit note within the time specified in sub-section (2) of Section 34, subject to the condition that the person returning the expired medicines reduces his inputs tax credit. Subsequently, at the time when the expired goods are destroyed, the manufacturer has to reverse his input tax credit on account of the goods being destroyed. Further, where the goods are returned after the time limit specified in Section 34(2), the registered person returning the goods shall issue a tax invoice as it will be a supply within the meaning of the said Act.

The Minister also stated that to allay the fear of stakeholders on implementation of GST, NPPA has conducted various meetings with Pharmaceutical Associations/Federations etc including Wholesalers and Retailers Associations and the issues raised by the stakeholders have been appropriately addressed.

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