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Title: Need to bring down prices of drugs in the country.

*SHRI P.R. NATARAJAN (COIMBATORE): Hon'ble Chairman Sir, I wish to bring to the notice of this House, an important matter relating to the proposed new legislation aimed at the price control and monitoring of drugs. The draft legislation, based on pharmaceutical pricing policy, is only in favour of pharmaceutical companies. Although Drug Price Control Order (DPCO) is implemented, there is no monitoring mechanism. Since last 20 years, there has been no governmental control over pricing of drugs. The pharmaceutical companies do not fix the price for drugs on the basis of their manufacturing cost. On the contrary, these pharmaceutical companies sell their medicines at exorbitant prices. For example, *Atenolol* is a drug used in treatment for high blood pressure and cardio vascular diseases. This drug is sold at a price more than 13 times of its actual manufacturing cost. *Amlodipine* is another drug which is used to treat heart-related diseases. This drug is overpriced and the price is 43 times more than that of other low cost medicines available for heart-related diseases. Also pharmaceutical companies sell medicines to the retailers as well as the government hospitals at different rates. Hospitals which supply medicines to the people, free of cost, are in a compulsion to buy medicines at very high prices from these companies.

Many pharmaceutical companies, in connivance with Doctors, make them to prescribe only their medicines and thereby earn huge profit. The proposed legislation is based on market based pricing policy, which is more profitable to pharmaceutical companies.

As per the direction of the Hon'ble Supreme Court, the Union Government

should bring changes in the proposed legislation namely Drug Price Control bill- 2012, which is otherwise more or less based on market pricing policy.

The drugs should be priced on the basis of the actual manufacturing costs incurred by the pharmaceutical company in producing them, so that Crores of people who are below the poverty line may be benefitted. I urge upon the Union Government to look into this matter.