

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:1055

ANSWERED ON:07.12.2004

MRP ON MEDICINES

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

- (a) whether the Government is preparing any plan to control the network of drug mafia in the country as reported in 'Rashtriya Sahara' dated September 24, 2004;
- (b) if so, the details and facts of the matter reported therein;
- (c) whether the Government has since decided to introduce MRP for medicines;
- (d) if so, the details thereof;
- (e) if not, the time by which it is likely to be decided and implemented; and
- (f) the names of medicines in various categories, which are having MRP in contravention of prices fixed under DPCO,1995?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (f) : During a meeting with Minister (C&F&S), representatives of the Indian Pharmaceutical Alliance (IPA) voluntarily agreed that they would maintain the current price of medicines until 31st March 2005. Another major association Indian Drug Manufacturers Association has issued an appeal to its members to voluntarily reduce the prices of specified branded generics (where margins are very high) by 20% as compared to prices of similar branded products. Prices of medicines are printed under the provisions of Para 14 and 15 of the Drugs (Prices Control) Order,1995 (DPCO,1995). Under the provisions of the DPCO 95, prices of both Scheduled and non-Scheduled formulations are printed as "retail price not to exceedlocal taxes extra'. Representations have been received from time to time that the provisions of the DPCO, 1995 should be amended for printing the retail prices o fall medicines inclusive of all taxes. Various options are being considered for solving the problem, however, due to difference in types and rates of local taxes of states/local authorities, no proper solution has been found so far. Whenever cases in contravention of prices fixed under DPCO, 1995 are detected action is taken by National Pharmaceutical Pricing Authority (NPPA) for recovery of overcharged amount.