

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

STARRED QUESTION NO:101

ANSWERED ON:22.11.2007

ADDITION/EXCLUSION OF MEDICINES FROM THE LIST OF CONTROLLED MEDICINES

Ahir Shri Hansraj Gangaram;Singh Shri Rampal

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

- (a) whether the Government has amended the list of controlled medicines and added or removed certain medicines from the said list to make medicines available at lower rates;
- (b) if so, the details of the medicines added or removed from the said list in recent times alongwith their names; and
- (c) the steps being taken by the Government to check the spiralling prices of medicines and to ensure the availability of medicines at reasonable rates to persons belonging to all sections of the society?

Answer

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

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA STARRED QUESTION NO.101 FOR ANSWER ON 22-11-2007 ON THE SUBJECT OF ADDITION/EXCLUSION OF MEDICINES FROM THE LIST OF CONTROLLED MEDICINES

(a) to (c): The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed / revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. Government has not made any amendment in the list of bulk drugs in the First Schedule of DPCO'95 in the recent past.

The Government is committed to ensure the availability of life saving drugs at reasonable prices. For this purpose, the Department of Chemicals & Petrochemicals is taking various measures through National Pharmaceuticals Pricing Authority. NPPA is ensuring availability of medicines at reasonable rates through effective administration of provisions of DPCO'95 for Scheduled drugs and through effective monitoring of prices in the case of Non-Scheduled drugs. Some of the steps taken by the Government and the NPPA to check the price rise and high prices of medicines are:

1. Better market surveillance, detection and suo-moto scrutiny by NPPA has resulted in much better and effective enforcement of provisions of DPCO, 95. Because of better surveillance, the number of all first time price approvals in the last two and a half years has been much higher as compared to previous years. About 65% of the total prices fixed by NPPA for the first time are during this period.
2. As a result of better market surveillance, the NPPA has undertaken frequent price fixations in the cases of Scheduled formulations. About 80% of such price fixation were price reduction.
3. The price rise in the case of Non-Scheduled formulations is kept under check through effective monitoring on the basis of data from ORG-IMS. Government has delegated powers to the National Pharmaceuticals Pricing Authority (NPPA) for fixation of prices of Non-Scheduled formulations in "public interest" under para 10(b) of Drugs (Prices Control) Orders, 1995 (DPCO, 95). Subsequent to delegation of powers, NPPA have fixed prices in respect of 22 Non-Scheduled formulations under para 10(b) of DPCO, 95 between June, 07 to October, 07 (List enclosed at Annexure). The delegation has facilitated in expeditious action by the NPPA to monitor and control the prices in case of price increases beyond the prescribed limit with respect in the cases of Non-Scheduled formulations.
4. As a result of Government's efforts the Pharmaceutical Industry has voluntarily agreed to reduce prices of 886 generic formulation packs.

To make available life saving and essential drugs at reasonable prices, this Department has prepared draft National Pharmaceuticals Policy-2006. The proposed policy contains various measures to ensure better availability of drugs at reasonable prices and better access to medicines for the people belonging to BPL families. The draft National Pharmaceuticals Policy was considered by the Cabinet at its meeting held on 11.1.2007. The Cabinet has referred the Policy to Group of Ministers (GOM).

The Government has recently approved a Health insurance scheme namely "The Rashtriya Swasthya Bima Yojana", which is expected to cover all the BPL families in the unorganized sector in the next five years. The total sum insured would be Rs. 30,000/- per family per annum and would cover the hospitalization expenses. The Government of India would contribute 75% of the annual premium and the State Governments would contribute the remaining 25%.

