

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

UNSTARRED QUESTION NO:867

ANSWERED ON:26.02.2009

INCREASE IN PRICES OF MEDICINES

Gaikwad Shri Eknath Mahadeo; Mane Smt. Nivedita; Yaskhi Shri Madhu Goud

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

- (a) whether some pharmaceutical companies are selling some medicines like Ciprofloxacin, Diclofenac, Cetirazine, Paracetamol, Numesullide and Cephalixin at very high rates;
- (b) if so, the reasons therefor alongwith the names of such companies; and
- (c) the punitive action taken or likely to be taken by the Government against such companies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF MINES (SHRI B.K. HANDIQUE)

(a)to(c): In the case of Ciprofloxacin, which is a scheduled bulk drug the matter regarding price notification of the said bulk drug is presently affected by the orders of Hon`ble High Court of Mumbai and the Hon`ble Supreme Court of India and the matter is subjudice.

Additionally, it has come to the notice of NPPA that some pharmaceutical companies as per list at Annexure, are selling scheduled formulation containing Ciprofloxacin over and above the ceiling price fixed by NPPA. Subject to directions of courts in individual cases, NPPA has taken action to recover the overcharged amount.

In the case of the drugs viz: Diclofenac, Cetrizine, Paracetamol, Nimusullide and Cephalixin which are non-scheduled medicines for which manufacturers are free to fix the prices by themselves without seeking the approval of NPPA. As a part of price monitoring activity, NPPA regularly examines the movement in prices of non-scheduled formulations on the basis of monthly reports of ORG-IMS. Wherever the price increase is found beyond 10% in one year necessary action is taken by NPPA as per guidelines. The manufacturer is impressed upon in such cases to bring down the price voluntarily failing which, if justified, action is initiated under para 10(b) of the DPCO, 1995. This is an ongoing process.

No specific case has come to the notice of NPPA regarding selling the above medicines at rates at variance from the aforesaid guidelines except in the case of Relent containing Cetrizine manufactured by M/s Dr. Reddy's and Voveran containing Diclofenac manufactured by M/s Novartis for which prices have been fixed under para 10(b) of DPCO, 95.