

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

UNSTARRED QUESTION NO:810
ANSWERED ON:29.07.2010
REVIEW OF FUNCTIONING OF NPPA
Rao Shri Kavuri Samba Siva

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

- (a) whether the Government has reviewed the functioning of the National Pharmaceuticals Pricing Authority;
- (b) If so, the details thereof; and
- (c) the efforts made by the Government to check the increasing prices of medicines in the country during the last six months?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): Yes, Sir, The functioning of NPPA is reviewed on regular basis in accordance with the provisions of Drugs (Prices Control) Order, 1995 (DPCO, 1995) and through the periodical reports and returns received from the authority and also through the review meetings taken by the competent authority in the Department.

(c): NPPA, as a part of price monitoring activity, regularly examines the movement in prices of non-scheduled formulations. The monthly reports of ORG IMS and the information furnished by individual manufacturers are utilized for the purpose of monitoring prices of non-scheduled formulations. Wherever a price increase beyond 10% per annum (20% before 01.04.2007) is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions action is initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.

As per the ORG-IMS monthly SSA Report for the month of April, 2010 (covering preceding 12 months period), there is no change in prices of medicines in case of 59900 packs (99.85%), out of total 59989 packs covered. Enforcement Division of NPPA regularly purchases samples to detect overcharging in scheduled formulations.