

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

UNSTARRED QUESTION NO:2029  
ANSWERED ON:05.08.2010  
REDUCTION IN PRICES OF MEDICINES  
Roy Shri Arjun;Sinh Dr. Sanjay

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

- (a) whether the Government has announced to reduce the prices of nearly 800 medicines;
- (b) if so, the details thereof alongwith the notification issued in this regard;
- (c) whether several companies have not reduced the prices of these medicines;
- (d) if so, the reaction of the Government thereto; and
- (e) the names of the companies against whom Government has taken action in this regard so far?

**Answer**

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

(a): The Government has not announced reduction in prices of nearly 800 medicines in the recent past. However, National Pharmaceutical Pricing Authority (NPPA) fixes or revises prices of 74 bulk drugs listed in the Schedule I of the Drugs (Prices Control) Order, 1995 (DPCO, 1995) and the formulation containing any of these scheduled drugs from time to time as per the provisions of DPCO.95. The NPPA monitors the prices of all formulations including imported scheduled formulations under price control. Under the DPCO, 1995, no one can sell any formulation (medicine) of price controlled category to a consumer at a price exceeding the price notified/approved by the NPPA/Government. In case a company is found selling at prices higher than the price notified/approved by the NPPA, action is taken against them as per the provisions of the DPCO.95.

In respect of drugs - not covered under the Drugs (Prices Control) Order, 1995 i.e. non-scheduled drugs, manufacturers fix the prices themselves without seeking the approval of Government / NPPA. However, as part of the price monitoring activity, NPPA 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 is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions, action is imitated under paragraph 10(b) of the DPCO,95 for fixing the price of the formulation in public interest. This is an ongoing process.

(b) To (e): Question does not arise.