

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

UNSTARRED QUESTION NO:4950

ANSWERED ON:26.08.2010

REDUCTION IN COST OF MEDICINES

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo;Yaskhi Shri Madhu Goud

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

- (a) whether healthcare cost was the second biggest reason for rural indebtedness;
- (b) if so the details thereof;
- (c) whether the Government proposes to bring down the cost of medicines;
- (d) if so, the details in this regard; and
- (e) the steps taken/being taken by the Government in this regard?

Answer

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

(a) & (b): This Ministry is not maintaining such details.

(c) to (e): As per the provisions of the Drugs (Price & Control) Order, 1995 (DPCO,95) the prices of 74 bulk drugs and the formulations containing any of these scheduled drugs are fixed/revised by National Pharmaceutical Pricing Authority (NPPA). The NPPA monitors prices of all formulations including imported scheduled formulations.

The NPPA has fixed / revised the prices of scheduled bulk drugs in 488 cases and 10530 formulations since its inception. Of these, the prices of 8 scheduled bulk drugs and derivatives and 190 formulations were fixed / revised during the period 2010-11 (1st April.2010 to 31st July 2010).

In respect of drugs not covered under the DPCO.95 i.e. non-scheduled drugs, manufacturers fix the prices by themselves without seeking the approval of NPPA. However, 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. Whenever 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.