

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

UNSTARRED QUESTION NO:682

ANSWERED ON:24.11.2011

MEDICINES UNDER PRICE CONTROL

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

- (a) whether out of the medicines sold in the country presently only 20% to 30% medicines are covered under the price-control;
- (b) if so, the details thereof;
- (c) whether the domestic market prices of the medicines covered under the price- control constitutes a very less portion of the market price of the total medicines;
- (d) if so, the details thereof;
- (e) whether there is a need to control the prices of medicines in the country;
- (f) if so, the reasons for delay in this regard; and
- (g) the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION AND
MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS(SHRI SRIKANT KUMAR JENA)

(a) to (d): Presently, around 20% of the medicines sold in the country are under the price control. As per the First Schedule of Drugs (Prices Control) Order, 1995 (DPCO, 95), there are 74 scheduled bulk drugs. In the case of scheduled drugs, the prices of 74 bulk drugs and the formulations containing any of these scheduled drugs are controlled under the provisions of the DPCO, 95. National Pharmaceutical Pricing Authority (NPPA) fixes or revises prices of scheduled drugs / formulations as per the provisions of the DPCO, 95. No one can sell any scheduled drug / formulation at a price higher than the price fixed by NPPA / Government.

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 Government / NPPA. As a part of price monitoring activity, NPPA regularly examines the movement in 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 initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.

Based on monitoring of prices of non-scheduled formulation, NPPA has fixed prices in case of 30 formulation packs under para 10(b) of DPCO, 95 and companies have reduced price voluntarily in case of 65 formulation packs. Thus in all, prices of 95 packs of non-scheduled drugs have got reduced as a result of the intervention of NPPA.

(e) to (g) The Department of Pharmaceuticals has prepared a draft National Pharmaceutical Pricing Policy 2011(NPPP-2011) based on the criteria of essentiality and requirements as stipulated by the Ministry of Health & Family Welfare. The draft NPPP-2011 has been circulated among the concerned Ministries/Stakeholders. The draft Policy envisages bringing medicines mentioned in the National List of Essential Medicines (NLEM) - 2011 and associated medicines under price control.