

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

UNSTARRED QUESTION NO:3834

ANSWERED ON:30.07.2009

REDUCTION IN PRICES OF LIFE SAVING DRUGS

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

- (a) whether the prices of certain life saving drugs have not come down in spite of reduction in the custom duties on such drugs;
- (b) if so, the reasons therefor; and
- (c) the steps being taken by the Government to reduce the prices of the nine life saving drugs i.e. breast cancer, Hepatitis-B etc.?

Answer

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

(a) to (c): The Government has reduced the basic custom duty on specified nine life saving formulations & their bulk drugs in the union budget 2009 -10. It is expected that in such cases the drug manufacturers would pass on the benefit of the duty exemption provided by the Government to patients by reducing the MRP of medicines. These nine drugs are non-Scheduled drugs and the prices of non-Scheduled drugs are not fixed by NPPA. However, National Pharmaceutical Pricing Authority (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 of 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 Drugs (Prices Control) Order, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.