

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

UNSTARRED QUESTION NO:4400
ANSWERED ON:03.05.2012
REVISION IN PRICES OF MEDICINES
Chavan Shri Harischandra Deoram

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

(a) whether as per the statistics of National Pharmaceutical Pricing Authority, the prices of most commonly used medicines have been revised upward upto 10 per cent annually over the last ten years; and

(b) if so, the manner in which the Government proposes to safeguard the interests of the common man?

Answer

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

(a) & (b) : As per IMS Health monthly SSA report for the month of October, 2011, the increase/ decrease in respect of prices of 61109 formulation packs are as follows:

Price changes during the month	No. of medicines (packs)	% of total
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A. Price Declines 74 0.12%

B. Price Increases 115 0.19%

(a) Upto 5% 50 0.08%

(b) Above 5% and upto 10% 41 0.07%

(c) Above 10% and upto 20% 14 0.02%

(d) Above 20% 10 0.02%

C. No. change in Price 60920 99.69%

Total 61109 100.00%

The details of percentage number of packs, whose prices have increased, decreased and remained stable on the monthly basis in percentage terms as per Retail Audit Reports of IMS Health from 2003-04 till date are as follows given annexure.

It may be observed that the increase in prices of drugs & medicines has been generally lower than that for All Commodities during the years 2006-07 to 2011-2012.

Under the provisions of the Drugs (Prices & Control) Order, 1995 (DPCO,95) the prices of 74 bulk drugs and the formulations containing any of these scheduled drugs are controlled. NPPA / Govt. 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 / Govt.

In respect of drugs - not covered under the Drugs (Prices Control) Order, 1995 i.e. non-scheduled drugs, manufacturers fix the prices by themselves without seeking the approval of Government / NPPA. However, as a part of 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 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) 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.