

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:3274

ANSWERED ON:31.08.2012

SURVEY ON DRUG PRICING

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Das Gupta Shri Gurudas;Dharmshi Shri Babar Gajanan

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether his Ministry has recently received any report on the survey on drug pricing which has revealed exorbitant profit margins on certain drugs manufactured by Indian pharmaceutical companies;

(b) if so, the details thereof; and

(c) the reaction of his Ministry thereto along with the action taken/proposed thereon?

Answer

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI GHULAM NABIAZAD)

(a)to (c): The Ministry of Corporate Affairs has made a study on the cost of production of certain drugs and their market prices which shows that there is a huge mark up in the cost of production vis-À-vis the sale price of the drugs. The Ministry of Health & Family Welfare is of the view that all 348 drugs listed in the National List of Essential Medicines, 2011 should be brought within the purview of the Drug Price Control Order (DPCO) so that there should be minimum impact on the pocket of the common consumer. The DPCO is administered by the National Pharmaceutical Pricing Authority under the Department of Pharmaceuticals in the Ministry of Chemicals & Fertilisers. Accordingly, the Department of Pharmaceuticals has already been requested in this regard.