

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

UNSTARRED QUESTION NO:1920
ANSWERED ON:23.08.2012
DIFFERENCE BETWEEN BRANDED AND GENERIC MEDICINES
Patil Shri A.T. Nana

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

- (a) whether any enquiry has been conducted by the Government to find out the difference in the branded medicines and generic medicines including prices thereof;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

Answer

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

(a) to (c): No such enquiry has been conducted. As per Drugs(Prices Control) Order, 1995(DPCO, 1995), prices of scheduled medicines are fixed by National Pharmaceutical Pricing Authority (NPPA) taking into account a margin of 16% to the retailer. No one can sell the scheduled medicine at a price higher than the price fixed by NPPA /Government.

In respect of drugs not covered under the drugs DPCO, 1995, i.e. non-scheduled drugs, manufacturers fix the prices themselves without seeking the approval of government/NPPA. Such prices are normally fixed depending on various factors like the cost of bulk drugs used in the formulations, cost of excipients, cost of R&D, cost of utilities/packing material, trade margins, quality assurance cost, landed cost of imports etc.

The DPCO, 1995 does not distinguish between branded and non-branded/generic medicines.