

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

UNSTARRED QUESTION NO:1950  
ANSWERED ON:23.08.2012  
MANUFACTURING COST OF UNCONTROLLED MEDICINES  
Pandey Shri Ravindra Kumar

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

- (a) whether the manufacturing cost of uncontrolled medicines is many times more than the controlled medicines;
- (b) if so, the reasons therefor;
- (c) the steps taken by the Government in this regard;
- (d) whether the Government has formulated any policy to reduce the prices of medicines relating to cancer, AIDS and life saving medicines;
- (e) if so, the details thereof;
- (f) whether some medicine manufacturing companies have threatened to stop the manufacturing of medicines against such a decision; and
- (g) if so, the reaction of the Government thereto?

**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) : The Department of Pharmaceuticals and National Pharmaceutical Pricing Authority (NPPA) have not carried out any such comparative study regarding the manufacturing cost of uncontrolled medicines vis-a-vis controlled and hence, no such details are available.

The prices of non-scheduled / price de-controlled medicines are fixed by the manufacturers themselves and NPPA does not fix the launch price of non-scheduled drugs. As a part of price-monitoring activity, NPPA regularly examines the movement in prices of non-scheduled formulations. The monthly reports of IMS Health and the information furnished by individual manufactures 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 Drugs (Prices Control) Order, 1995 (DPCO, 1995) for fixing the price of the formulation in public interest.

(d) & (e): The Department of Pharmaceuticals had 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 National Pharmaceutical Pricing Policy, 2011 (NPPP.2011) was circulated among the concerned Ministries/Stakeholders. The draft policy was also available for comments of any other interested person on the Department's website [www.pharmaceuticals.gov.in](http://www.pharmaceuticals.gov.in) till 30.11.2011. The views/inputs received on the draft NPPP, 2011 were examined and the matter was placed before the Group of Ministers (GoM) which met on 25.4.2012. Subsequent to this two meeting have been held by the GoM.

(f): No, Sir. No such instance has come to the notice.

(g): Does not arise.