

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

STARRED QUESTION NO:119

ANSWERED ON:13.08.2013

GUIDELINES FOR PRICING OF DECONTROLLED DRUGS

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan

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

- (a) whether the Government has revised the guidelines regarding fixing, controlling and revising the prices of decontrolled drugs as per the guidelines of the World Health Organisation;
- (b) if so, the details thereof and the time when these guidelines were revised earlier;
- (c) whether the patent drug manufacturers are consistently increasing the price of their essential drugs by violating the Government guidelines;
- (d) if so, the details thereof and the action taken by the Government against the erring companies; and
- (e) the steps taken by the Government to make the prices of drugs affordable to the common people?

Answer

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

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO. 119 FOR ANSWER ON 13.08.2013 REGARDING GUIDELINES FOR PRICING OF DECONTROLLED DRUGS

(a) & (b): The Government has notified National Pharmaceutical Pricing Policy – 2012 and subsequently Drugs (Price Control) Order (DPCO), 2013 to control and regulate the prices of medicines (having either controlled or decontrolled drugs) in the country. Accordingly, all the medicines of dosages and strengths as specified under National List of Essential Medicines (NLEM)-2011 have been brought under price control based on a concept of Ceiling Price by having the Simple Average Price of all the brands and generic versions of such medicines having market share more than and equal to 1% of the total domestic market turnover of that medicine. For the medicines having dosages and strengths not specified under National List of Essential Medicines (NLEM)-2011, there is a provision of monitoring of the prices on regular basis and no manufacturer can increase the price of such medicines at a rate of more than 10% per annum.

(c) & (d): The new Drugs (Prices Control) Order, 2013 was notified on 15.05.2013 to control the prices of specified dosages and strengths as under National List of Essential Medicines- 2011(NLEM-2011). For the medicines having dosages and strengths not specified under National List of Essential Medicines (NLEM)-2011, there is a provision of monitoring of the prices on regular basis and no manufacturer can increase the price of such medicines at a rate of more than 10% per annum.

(e): As per the provisions of Drugs (Prices Control) Order, 2013, all the existing manufactures of scheduled formulations, selling the branded or generic or both the versions of scheduled formulations at a price higher than the ceiling price (plus local taxes as applicable) so fixed and notified by the Government, have to revise the prices of all such formulations downward not exceeding the ceiling price (plus local taxes as applicable). Besides this, in order to provide relief to the common man in the area of healthcare, a countrywide campaign in the name of 'Jan Aushadhi Campaign' was initiated by the Department of Pharmaceuticals, Government of India, in collaboration with the State Governments, by way of opening up of Jan Aushadhi Generic Drug Stores to make available quality generic medicines at affordable prices to all.