

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

UNSTARRED QUESTION NO:1603  
ANSWERED ON:02.12.2014  
MECHANISM TO CONTROL PRICES OF DRUGS  
Kodikunnil Shri Suresh;Singh Shri Dushyant

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

- (a) the mechanism put in place to fix prices of medicines in the country;
- (b) whether the Government proposes to set up drug price monitoring cells across the country and if so, the details thereof and time by which it is likely to be set up and made functional;
- (c) whether the Government is aware that India is one of the countries with the highest price of drugs in the world;
- (d) if so, the details thereof and reaction of the Government thereto;
- (e) whether the Government has signed any agreement with United States of America on price control of drugs; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI HANS RAJ GANGARAM AHIR)

- (a) Prices of drugs contained in National List of Essential Medicines and included in the First Schedule of the Drug (Price Control) Order (DPCO), 2013 are fixed as per the provisions contained in the DPCO, 2013.
- (b) A scheme of National Pharmaceutical Pricing Authority (NPPA) for setting up price monitoring cells in States which will render technical assistance to State Drug Controllers and NPPA in monitoring the notified price of medicines, price movement of scheduled/non-scheduled formulations, collection/monitoring availability of drugs etc., as required under provisions of DPCO, 2013, is under initial scrutiny of the Department.
- (c) & (d) Price fixed under the provisions of DPCO, 2013 are reasonable and based on market price data of the drugs sold in the country. There is no available comparison of prices with other countries.
- (e) & (f) No, Sir. Does not arise.