

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

UNSTARRED QUESTION NO:221

ANSWERED ON:24.02.2015

PRICE NEGOTIATION MECHANISM FOR PATENTED MEDICINES

Shinde Dr. Shrikant Eknath;Singh Shri Rajveer (Raju Bhaiya);Tamta Shri Ajay

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

- (a) whether the Government proposes to negotiate prices of patented medicines with their manufacturers before allowing pharmaceutical companies to launch them in the country;
- (b) if so, the details thereof;
- (c) whether the Government also proposes to bring patented medicines under the ambit of National Pharmaceutical Pricing Policy (NPPP);
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the present status to address the issues of Price Negotiation Mechanism for patented drugs and the steps taken/being taken by the Government to bring down the prices of essential medicines used in treatment of life threatening diseases?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a)to(d): To address the issues of Price Negotiation mechanisms for patented drugs, an Inter-ministerial Committee of Joint Secretaries has been set up on 07.11.2013 to look into the issues and to suggest ways and means to fix the prices of patented drugs in the country.

(e): The Inter-Ministerial Committee of Joint Secretaries which is looking into the issue of Price Negotiation Mechanism for Patented Drugs are at present taking feedback from the stakeholders so that a road map could be prepared for formulating a mechanism for controlling the price of patented drugs. The Government has brought out Drugs (Prices Control) Order (DPCO) 2013 under which prices of medicines covered under National List of Essential Medicines (NLEM) 2011 are brought under price control. In respect of other medicines not covered under scheduled category of DPCO, 2013, the manufacturers may increase retail price by upto 10 percent of maximum retail price during preceding twelve months.