

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

UNSTARRED QUESTION NO:6255
ANSWERED ON:05.05.2015
UNIFORMITY IN PRICES OF DRUGS
Ahlawat Smt. Santosh

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

- (a) whether it has come to the notice of the Government that different prices are being charged by drugs/medicines manufacturers for the same formula of drugs under different trade names;
- (b) if so, the reaction of the Government thereto and the remedial measures taken/ proposed to be taken to regulate the prices and ensure uniformity in the retail prices for the same formula of drugs/medicines;
- (c) whether the Government is evolving a mechanism for determining the prices of medicines on the basis of various brands instead of determining the prices on the basis of the raw material;
- (d) if so, the details thereof; and
- (e) the remedial steps proposed to be taken by the Government in this regard?

Answer

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

(a) & (b): Under DPCO, 2013, ceiling prices fixed and notified in generic name of medicines are applicable to all brands of the same medicines as specified in Schedule-I of the said order. No person is authorized to sell any scheduled formulation (medicine) to a consumer at a price exceeding the price notified by the NPPA. In respect of medicines not under price control, manufacturers are allowed to increase maximum retail price (MRP) by 10% annually.

The National Pharmaceutical Pricing Policy (NPPP) was notified on 7th December, 2012 with the objective to put in place a regulatory framework for pricing of drugs so as to ensure availability of required medicines - `essential medicines` at reasonable prices even while providing sufficient opportunity for innovation and competition to support the growth of pharma industry thereby meeting the goals of employment and shared economic well-being for all. It aims to bring the prices of essential medicines, as listed under National List of Essential Medicines-2011, under price control.

(c) to (e) The Department of Pharmaceuticals has notified the National Pharmaceutical Pricing Policy-2012 under which the prices of National List of Essential Medicines-2011 are to be controlled & regulated on the basis of Simple Average Price, of all the brands having market share (on the basis of Moving Annual Turnover) more than and equal to 1% of the total market turnover of that medicine.