

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

STARRED QUESTION NO:3
ANSWERED ON:21.07.2015
Prices of Medicines
Rajoria Dr. Manoj;Singh Shri Bharat

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

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

- (a) the criteria/guidelines laid down by the Government/National Pharmaceutical Pricing Authority (NPPA) in determining and fixing the prices of essential medicines including medicines for treatment of cancer and ailments related to heart and kidney, diabetes, HIV;
- (b) whether the prices of essential medicines and other drugs have increased manifold;
- (c) if so, the details thereof and the reasons therefor;
- (d) the steps taken/being taken by the Government to control/reduce the prices of the medicines and the success achieved therefrom during each of the last three years and the current year; and
- (e) whether the Government proposes to direct the drug manufacturing companies to disclose prices of all medicines on website and if so, the details thereof?

Answer

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

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

Statement referred to in reply to Lok Sabha Starred Question No. 3 for answer on 21/07/2015 regarding prices of medicines

(a) to (d): National Pharmaceuticals Pricing Authority (NPPA) fixes the prices of essential medicines as per the provision of Drugs & Price Control Order (DPCO) 2013. NPPA has fixed ceiling price of 530 essential medicines. These also include medicines used for treatment of cancer, cardiovascular / heart disease, kidney disease, diabetes, HIV etc. specified in the Schedule-I of DPCO, 2013.

The reduction in prices effected as compared to the highest price prevailed prior to fixation of ceiling prices is as follows:

<>% reduction with respect to Highest prevailing MRP (No. of Drugs)

Diabetic Cardiovascular Total

0 <= 5% 7 10 17

5 <= 10% 2 10 12

10 <= 15% 1 11 12

15 <= 20% 1 8 9

20 <= 25% 2 12 14

25 <= 30% 2 7 9

30 <= 35% 2 7 9

35 <= 40% 1 4 5

Above 40% 4 15 19

Total 22 84 106

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As provided in para 13 of DPCO, 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, shall revise the prices of all such formulations downward not exceeding the ceiling price (plus local taxes as applicable). Upward revision in the prices of scheduled formulations is permissible to the extent of increase in the Wholesale Price Index (WPI) for the particular year. In respect of non-scheduled medicines, price increase is permissible up to maximum limit of 10% annually.

NPPA monitors the prices of medicines under provisions of DPCO, 2013. Where any manufacturer sells a formulation at a price higher than the price permissible under the said order, such manufacturer shall be liable to deposit the overcharged amount along with interest thereon from the date of such overcharging.

(e) 'Pharma Price Data Bank' (renamed as 'Pharma Data Bank'), an Integrated Pharmaceutical Database Management System (IPDMS) has been launched on 25.06.2015 and all the drug manufacturing companies have been directed to file Form II, Form III and the price list in Form V under Schedule-II of the DPCO, 2013, online in IPDMS to NPPA.
