

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

UNSTARRED QUESTION NO:4810
ANSWERED ON:12.08.2014
VARIATION IN PRICES OF MEDICINES
Azad Shri Kirti (JHA);Hansdak Shri Vijay Kumar

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

- (a) whether large scale variations/discrepancies have been observed in the prices of essential medicines in the country;
- (b) if so, the details thereof and the reasons therefor and the steps taken to protect the interests of the common man;
- (c) whether existing policy/campaigns slated to have been launched by the Government have not yielded results so far;
- (d) if so, the steps proposed to be taken further by the Government to make essential drugs available to the people at affordable prices; and
- (e) whether the Government is aware that the drug sellers/retailers are providing discounts on various medicines and if so, the details thereof and the steps taken by the Government to pass such benefits of lower prices of medicines to the consumers?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI NIHAL CHAND)

(a) to (d): All the medicines specified in the National List of Essential Medicines 2011 (NLEM) have been included in the first schedule of Drugs (Prices control) Order, 2013 (DPCO, 2013) and brought under price control. Out of total 680 NLEM medicines under scheduled category of DPCO, 2013, NPPA has already notified the ceiling prices in respect of 444 medicines upto 10.07.2014 under provisions of the said order. Significant reduction in prices have been effected on the medicines notified under DPCO, 2013 as compared to the highest price prevalent prior to that. The ceiling prices, so fixed/notified, are applicable to branded drugs, generic drugs and branded-generic drugs. The overall profile of price reduction is as under:-

% reduction with respect to Highest Price to Retailer	No. of drugs
0<= 5%	35
5<=10%	41
10<=15%	50
15<=20%	40
20<=25%	60
25<=30%	43
30<=35%	27
35<=40%	34
Above 40%	114
Total	444

In cases of any discrepancies brought to the notice of government through review petitions filed by the companies under the provisions of para 31 of DPCO, 2013, wherever required, suitable orders are issued to NPPA for taking corrective action.

Under DPCO, 2013, no person is authorized to sell any scheduled formulation (medicine) to a consumer at a price exceeding the price notified by the NPPA. Whenever any case of overcharging is brought to the notice of NPPA or is detected by NPPA during its monitoring and enforcement activities, necessary action is taken for initiating recovery proceedings under the control order. There is no specific complaint received that drug companies are selling scheduled medicines at exorbitant prices arbitrarily in violation of DPCO, 2013.

In addition, for making available quality generic medicines at affordable prices to all the Government launched Jan Aushadhi Campaign in November, 2008 by way of opening up of Jan Aushadhi Drug Stores. Since November, 2008, 166 Jan Aushadhi Stores have been opened in various parts of the country, out of which 90 are functional. A new Business Plan has been approved particularly to address the shortcoming and challenges identified in scaling up the activities.

(e): There is a provision in the DPCO, 2013 related to control on sale price of formulations that no person shall sell any formulation to

any consumer at a price exceeding the price specified in the current price list or price indicated on the label of the container or pack thereof, whichever is less. Accordingly, drug sellers / retailers may sell the medicines at price lower than the price printed on label / price indicated in the price list.