

**GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF PHARMACEUTICALS**

LOK SABHA  
STARRED QUESTION NO. \*511  
TO BE ANSWERED ON 03<sup>rd</sup> April, 2018

**Drugs under Price Control**

†\*511. SHRIMATI JYOTI DHURVE:

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

- (a) whether the Government has any proposal to bring more drugs including all the essential medicines under price control;
- (b) if so, the details thereof;
- (c) the details of drugs brought under price control along with the reduction in the prices in the recent past;
- (d) whether the consumers have benefited as a result thereof; and
- (e) if so, the details thereof along with the efforts being made to monitor the price control mechanism?

**ANSWER**

**MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND  
PARLIAMENTARY AFFAIRS (SHRI ANANTH KUMAR)**

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

**Statement referred to in reply to Lok Sabha Starred Question No. \*511 for answer on 03/04/2018 regarding Drugs under Price Control.**

(a) & (b): The Government has notified National Pharmaceutical Pricing Policy, 2012 (NPPP-2012) on 7<sup>th</sup> December, 2012 with an 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. Pursuant to the announcement of National Pharmaceutical Pricing Policy, 2012 (NPPP, 2012), Government notified the Drugs (Prices Control) Order, 2013 (DPCO, 2013) on 15<sup>th</sup> May, 2013. All the medicines specified in the National List of Essential Medicines prepared by the Ministry of Health and Family Welfare and revised from time to time are included in the Schedule - I of DPCO, 2013 which are under price control in accordance with provision of DPCO 2013.

As per para 17 of the Drugs (Prices Control) Order 2013 (DPCO, 2013), a decision to amend the first schedule, clearly stating the reasons thereof, shall be taken by the Government within sixty days of receipt of communication from the Ministry of Health and Family Welfare and the amendment(s) or revision, if required, in the first schedule shall be notified and thereafter, the ceiling price(s) for the medicine(s) added in the first schedule shall be fixed as per the provisions of this order within a period of sixty days from the date of the notification.

(c): The National Pharmaceutical Pricing Authority (NPPA) fixes the ceiling prices of medicines listed in the Schedule - I of Drugs (Prices Control) Order, 2013 (DPCO, 2013). Till February 2018, the Government has fixed the ceiling prices of 851 medicines (including 4 medical devices i.e. Cardiac stents, drug eluting stents, condoms and intra uterine devices) under Revised Schedule - I based on National List of Essential Medicines, 2015 (NLEM, 2015).

The details of reduction in prices of scheduled formulations effected under DPCO, 2013 as compared to the highest price prevailing prior to the announcement of DPCO, 2013 for formulation of NLEM, 2015 (Revised Schedule - I) are as follows:

<u>Statement showing reduction in ceiling prices of scheduled formulations with respect to maximum price under NELM 2015 as on 28.02.2018</u>	
% reduction with respect to Maximum Price	No. of scheduled formulations
0<= 5%	234
5<=10%	134
10<=15%	98
15<=20%	98
20<=25%	93
25<=30%	65
30<=35%	46
35<=40%	24
Above 40%	59
Total formulations in NLEM, 2015	851

(d): The fixation of ceiling prices/MRP is estimated to have resulted in a total saving of Rs. 11,463 crores to the public after implementation of DPCO, 2013. This includes the saving of Rs. 4,547 crores on account of fixation of ceiling price of coronary stents (including re-fixation) and Rs. 1,500 crores on account of price fixation of Knee implants. Details are as under:

Particulars	Estimated Saving to consumer (Rs. in Crores)
Under NLEM 2011 from May 2013 to Feb 2016	2,422
Under NLEM 2015 from March 2016 to till date (31.01.2018)	2,644
Cardio vascular and Anti-diabetic medicines	350
Coronary Stents in Feb 2017 (including re-fixation)	4,547
Knee Implants in Aug 2017	1,500
<b>TOTAL</b>	<b>11,463</b>

(e): NPPA is effectively monitoring the prices of scheduled as well as non-scheduled medicines under DPCO, 2013 so that these formulations are available to public at or below ceiling prices notified and increase in price is limited to the provisions of DPCO, 2013. It takes action against companies found overcharging the consumers based on the references received from the State Drugs Controllers / individuals, samples purchased from the open market, reports from market based data and complaints reported through the grievance redressal websites; 'Pharma Jan Samadhan' and 'Centralized Public Grievance Redress and Monitoring System (CPGRAMS)'. The monitoring of prices of formulations is also done on the basis of market data submitted by All Indian Origin Chemists & Distributors Limited (AIOCD) (Pharma Trac Data) and individual complaints received.

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