

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

LOK SABHA

UNSTARRED QUESTION NO. 1724

TO BE ANSWERED ON 06th March, 2018

Price of Essential Drugs

†1724. SHRI RAM CHARAN BOHRA:

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

- (a) whether there is huge difference/ anomalies in the prices of essential drugs in the country and if so, the details thereof;
- (b) whether any success has been achieved by the Government through the campaigns launched under the present policy;
- (c) if so, the details thereof; and
- (d) the other steps proposed to be taken by the Government to make the essential drugs available at affordable prices to the people?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS; MINISTRY OF SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA)

(a): No, Madam. The price notification of National Pharmaceutical Pricing Authority (NPPA) is followed by the pharmaceutical companies in general. Notices are issued to the pharmaceutical companies who are violating the notified price and overcharging patients under various provisions of Drugs (Prices Control) Order, 1995 (DPCO, 1995) / Drugs (Prices Control) Order, 2013 (DPCO, 2013) read with Section 7A of Essential Commodities Act, 1955.

DPCO, 2013 provides for fixing ceiling prices of essential drugs which are part of National List of Essential Medicines (NLEM). NPPA has fixed the ceiling prices of 851 essential formulations under revised schedule of DPCO, 2013 resulting in the reduction of the prices as follows:

<u>Statement showing reduction in ceiling prices of scheduled formulations with respect to maximum price under NELM 2015 as on 28.2.2018</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

No person is authorised to sell the scheduled formulation at a price exceeding the ceiling price in the DPCO, 2013.

(b) & (c): NPPA is monitoring the prices of scheduled medicines and 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 and price violation 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)' alongwith the analysis of price data from All Indian Origin Chemists & Distributors Limited - Advanced Working, Action & Correction System (AIOCD-AWACS). NPPA also monitors the maximum retail price of non-scheduled formulations and ensures that the MRP of life saving medicine does not exceed more than ten percent of maximum retail price during preceding twelve months. The fixation of ceiling prices/MRP under DPCO 2013 has resulted in a total estimated saving of Rs. 11,365.61 crores to the public as follows:

Particulars	Saving to consumer (Rs. in Crores)
Under NLEM, 2011 from May, 2015 to Feb, 2016	2,422.24
Under NLEM, 2015 from March, 2016 to till date (28.2.2018)	2,643.37
Coronary Stents in Feb, 2017	4,450
Knee Implants in Aug, 2017	1,500
Para 19 - Cardio and Anti Diabetic in Jul, 2014	350
TOTAL -	Round off to 11365.61

(d): The National Pharmaceuticals Pricing Policy (NPPP), 2012 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.
