

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

LOK SABHA  
UNSTARRED QUESTION NO. 2835  
TO BE ANSWERED ON 13<sup>th</sup> March, 2018

**Price of Life Saving Drugs**

†2835. SHRIMATI KAMLA DEVI PAATLE:

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

- (a) whether the prices of certain drugs/ life saving drugs have increased and if so, the details thereof and the reasons therefor;
- (b) whether the Government proposes to review the price regulating mechanism for drugs;
- (c) if so, the details thereof; and
- (d) the steps taken by the Government to strengthen research and development to minimise the manufacturing costs of drugs?

**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): As per provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013), the annual upward/downward revision in the prices of scheduled formulations is permissible to the extent of increase/decrease in the Wholesale Price Index (WPI) for the scheduled formulations and upto 10 percent for non-scheduled formulations. National Pharmaceutical Pricing Authority (NPPA) revised the ceiling prices in respect of scheduled drugs after incorporating WPI @ 3.849% for the year 2014 (w.e.f. 01.04.2015) and 1.97186% for the year 2016 (w.e.f. 01.04.2017). NPPA has also notified the revised ceiling prices of scheduled formulations for the year 2015 after applying WPI of (Minus) 2.7105%.

(b): No, Madam.

(c): In view of (b) above, does not arise.

(d): The Government is providing financial support for research and development through Drugs & Pharmaceuticals Research Programme (DPRP) run by the Department of Science & Technology. The companies undertaking Research & Development activities are provided income tax benefits. The Drugs (Prices Control) Order, 2013, Para-32(iii) provides exemptions from price control to a manufacturer producing a new drug involving a new delivery system developed through indigenous Research and Development for a period of five years from the date of its market approval in India.

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