GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF PHARMACEUTICALS

LOK SABHA
UNSTARRED QUESTION No. 3282
TO BE ANSWERED ON THE 07TH August, 2018

Trade Margin of Medical Devices

3282. SHRI G. HARI:

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

- (a) whether the Government plans to put a cap on the trade margins of medical devices;
- (b) if so, the details thereof;
- (c) whether it is true that the Government had warned all those who deal with imported medical devices to reduce the prices of medical devices or face the consequences; and (d) if so, the details thereof?

<u>ANSWER</u>

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) & (b):The Drug (Prices Control) order, 2013 (DPCO,2013) provides that 16% of price to retailer shall be allowed as a margin to retailer, while fixing ceiling prices of scheduled formulations and retail prices of new drugs. At present, 23 medical devices have been notified as Drugs under Drugs & Cosmetics Act. These medical devices are regulated under Drugs (Price Control) Order, 2013 (DPCO, 2013). The Schedule-I of DPCO, 2013 contains Drugs including four notified medical devices. The ceiling prices of these Drugs are fixed under para 4, 5 & 6 of DPCO, 2013. Under this order, there is also a provision under which the Government may, in public interest, fix the ceiling prices / retail prices of non-Scheduled formulations. Government changes the policy according to the need of the time and it is an ongoing process.
- (c) & (d): No, Madam.
