

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

LOK SABHA
UNSTARRED QUESTION NO. †2176
TO BE ANSWERED ON 15th December, 2023

Drug Price Control Mechanism

†2176. **SHRI GAJANAN KIRTIKAR:**

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

- (a) whether life-saving drugs and some other drugs are being sold at very high prices due to its shortage in the country;
- (b) if so, the details thereof along with the percentage rise in the price of each of the medicines;
- (c) the steps taken/proposed to be taken by the Government to ensure that the prices of the said drugs are maintained within affordable limit in the country;
- (d) whether the Government has laid down any criteria to maintain the minimum stock of life-saving drugs in the country and if so, the details thereof;
- (e) whether the Government has constituted/ proposes to constitute any high-powered committee to review the drug price control mechanism in the country and if so, the details thereof; and
- (f) the steps taken/proposed to be taken to strengthen research and development in this regard so as to explore the possibility of low cost production of drugs in the country?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SHRI BHAGWANTH KHUBA)**

(a) to (c): The essential medicines included in the National List of Essential Medicines (NLEM) published by the Ministry of Health & Family Welfare (MHFW) are included in Schedule-I of the Drugs (Prices Control) Order, 2013 (DPCO, 2013) and their ceiling prices are fixed by the National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP). No manufacturer can sell these medicines at a price more than the ceiling prices fixed by the NPPA. No reports have been received recently by NPPA regarding the selling of drugs at high prices due to shortage in the country.

(d): As per the extant provisions of DPCO, 2013, to achieve adequate availability and to regulate the distribution of drugs, in case of emergency or in circumstances of urgency or in case of non-commercial use in public interest, Government can direct any manufacturer of any active pharmaceutical ingredient (API) or bulk drug or formulation to increase the production and sell such API or bulk drug to such other manufacturer(s) of formulations and direct formulators to sell the formulations to institutions, hospitals or any agency as the case may be.

(e): As per its mandate, the NPPA, a body of experts, controls/ regulates the prices of medicines in accordance with the provisions of DPCOs.

(f): R&D in the Pharma sector is undertaken by several institutions and organizations under various scientific ministries/ departments. Department of Pharmaceuticals (DoP) has notified a National Policy on Research & Development and Innovation in Pharma-MediTech Sector in India on 18.8.2023 to encourage R&D in pharmaceuticals and medical devices and to create an ecosystem for innovation in this sector. Further, DoP has also notified the Scheme for Promotion of Research & Innovation in Pharma sector (PRIP) on 17.08.2023 with an outlay of Rs. 5000 Crore for a period of 5 years i.e., 2023-24 to 2027-28 with the objective of transforming Pharma MediTech sector from cost-based to innovation-based sector by strengthening research infrastructure in the country. In addition, DoP has set up seven National Institutes of Pharmaceutical Education & Research (NIPERs) as institutes of national importance, which besides imparting postgraduate and doctorate education, conduct high-end research in various pharma specializations.
