

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

LOK SABHA  
UNSTARRED QUESTION NO. 455  
TO BE ANSWERED ON 4<sup>th</sup> February, 2020

**Pricing of Medicines**

**455. SHRI VASANTHAKUMAR H.:**

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

- (a) whether the Government is planning to give greater focus and thrust on the development of pharmaceutical sector in the country and to regulate various complex issues related to pricing and availability of medicines at affordable prices;
- (b) if so, the details thereof and the steps taken/being taken by the Government so far; and
- (c) whether the Department has been mainly divided on Pricing through NPPA and if so, the details thereof?

**ANSWER**

**MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS  
(SHRI D. V. SADANANDA GOWDA)**

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(a) & (b): Yes, Sir. National Pharmaceutical Pricing Authority (NPPA) deals with a scheme i.e. "Consumer Awareness, Publicity and Price Monitoring" Scheme. The Plan Scheme has two components viz., (a) National component and (b) State component. The national component covers the expenditure for publicity through print and electronic media, organizing seminars for consumer awareness, purchase of samples etc.

Under the State Component of the Scheme, NPPA sets up Price Monitoring and Resource Units (PMRUs) which are registered societies under the Chairmanship of the State Drug Controller, representatives of NPPA/State Health Department, civil societies and other stakeholders. PMRUs are the key collaborating partners of NPPA with information gathering mechanism at the grass roots levels. PMRUs create public awareness so that benefits of the Drugs (Prices Control) Order (DPCO) to trickle down to the grassroots levels.

Further, National Pharmaceutical Pricing Authority (NPPA) has taken the following steps for making medicines available at affordable price:

- (i) NPPA fixed the ceiling prices of 530 scheduled formulations under National List of Essential Medicines, 2011 (NLEM, 2011).
- (ii) NPPA has notified the ceiling prices of 860 scheduled formulations under NLEM, 2015.

(iii) NPPA fixed prices of 106 Anti-diabetic and Cardiovascular drugs under Para 19 of Drugs (Prices Control) Order, 2013 (DPCO, 2013) in Public interest.

(iv) NPPA has fixed ceiling price of Cardiac Stents being scheduled formulation under DPCO, 2013 affecting price reduction for Coronary Stents worked out up to 85% for Bare Metal Stents and 74% for Drug Eluting Stents.

(v) NPPA has fixed ceiling price of Orthopedic Knee Implants under Para 19 of DPCO, 2013 in Public interest affecting price reduction for orthopedic Knee Implants worked out up to be 69%.

(vi) NPPA capped the Trade Margin of non-scheduled formulations of 42 select Anti-cancer medicines under "Trade Margin Rationalization" approach as a Pilot for proof of concept, wherein price of above 500 brands of medicines were reduced upto 90%.

The fixation of prices has resulted in a total saving of Rs. 12,447 crore per annum to the public after implementation of DPCO, 2013.

(c): No, Sir.

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