

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

LOK SABHA
UNSTARRED QUESTION NO. †3161
TO BE ANSWERED ON THE 13th DECEMBER, 2024

Prices of Medicines and Surgical Equipments

†3161. Shri Daroga Prasad Saroj:

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

- (a) whether there is 5 to 100 times difference between wholesale price and selling price of most medical or surgical equipments like Vigo, IV set, fixator, vicryl thread, waist belt as well as medicines in India;
- (b) whether the Government has any control over pricing of medicines and surgical equipments;
- (c) if so, the details thereof alongwith the details of the authority who has been instilled for the same;
- (d) if not, the reasons therefor;
- (e) whether the Government is making any plan to print the MRP two to three times the actual price at whatever price fixed by the drugs companies to supply the medicines and surgical equipments to the dealers; and
- (f) whether the Government proposes to control the arbitrary and indiscriminate collection of consultation fees in Private hospitals and by doctors in the country?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SMT. ANUPRIYA PATEL)**

(a) to (e): National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP), fixes the ceiling price of medicines included in Scheduled-I to the Drugs (Prices Control) Order, 2013 (DPCO, 2013). All manufactures of scheduled medicines have to sell their products within the ceiling price (plus applicable Goods and Service Tax) fixed by the NPPA. In case of non-scheduled formulations, a manufacturer is at liberty to fix the Maximum Retail Price (MRP) of the drugs launched by it. However, as per the DPCO 2013, no manufacturer can increase MRP of non-scheduled drug by more than 10% of the MRP during preceding 12 months. Further, NPPA also fixes the retail price of new drug, as defined in DPCO 2013. NPPA monitors the prices and initiates action against the defaulting companies as per the extant provisions of DPCO, 2013 as and when any violation is reported/notices. However, the business practices including margins and discounts offered to various stakeholders in the supply chain at different stages are not within the purview of DPCO, 2013. The surgical equipment like Vigo, IV set, fixator, vicryl thread, waist belt, are non-scheduled items as per the DPCO, 2013. Accordingly, their prices are monitored for any violation in terms of increase in prices in accordance with law.

(f): As per the information provided by the Ministry of Health & Family Welfare, the Government enacted the Clinical Establishments (Registration and Regulation) Act, 2010 (CE

Act) with a view to prescribe minimum standards of facilities and services as may be provided by them. CE Act is applicable to all types of Clinical Establishments including clinics, hospitals, diagnostic centres in both government and private health facilities (except those of Armed Forces), if the same is adopted and implemented by the States/ Union Territories. As per the Clinical Establishments (Central Government) Rules, 2012 every clinical establishment shall display the details of charges, facilities available prominently at a conspicuous place to maintain transparency. The States/ Union Territories which have adopted CE Act are primarily responsible for regulating their hospitals including private hospitals as per provisions of the Act and Rules made thereunder so as to ensure the provision of affordable and quality healthcare to patients.
