

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

LOK SABHA

UNSTARRED QUESTION NO. 375

TO BE ANSWERED ON 26th APRIL, 2016

Drug Prices

375. PROF. SAUGATA ROY:

SHRI N.K. PREMACHANDRAN:

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

- (a) whether the Government is aware that the cost of life saving medicines are increasing and if so, the action taken by the Government to ensure the availability of medicines at reasonable prices;
- (b) whether the Government is aware that the companies are selling combination medicines at exorbitant prices and if so, the action taken by the Government to fix the price of combination medicines;
- (c) whether the Government proposes to ban combination medicines and if so, the details thereof; and
- (d) whether the Government proposes to introduce scheme for supply of medicines to citizens through Government controlled outlets at reasonable prices and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a): National Pharmaceutical Pricing Authority (NPPA) fixed the prices of 530 medicines under First Schedule of DPCO, 2013 (including 53 cardiovascular, 6 diabetes, 20 HIV/AIDS, 24 Tuberculosis, 47 Cancer and 6 Kidney disease) based on market based pricing methodology as enunciated in NPPP, 2012. The details of reduction in prices of scheduled formulations effected under DPCO, 2013 as compared to the highest price prevailed prior to the announcement of DPCO, 2013 is at **Annex I**.

In addition, maximum retail price (MRP) was capped under Para 19 of DPCO, 2013, in respect of 106 non scheduled medicines, out of which 84 are used for treatment of cardiovascular diseases and

22 for diabetes. Reduction in prices effected as compared to the highest price prevailed prior price capping is at **Annex II**.

NPPA has also fixed the ceiling prices of 173 scheduled medicines of revised Schedule I (including 22 anti cancer, 19 cardiovascular, 5 antidiabetic medicines, 14 anti-retroval and 13 anti-TB medicines). Statement showing reduction in price with respect to maximum price (as on 12.4.2016) is at **Annex III**.

(b): Fixed Dose Combination (FDC) which are included in the National List of Essential Medicines (NLEM), 2015 and hence are in revised Schedule- I, are being fixed by NPPA.

NPPA had earlier fixed the retail prices of 211 **FDCs** (which are qualified as new drugs under para 2 (U) of DPCO, 2013 as on 22.04.2016). Further, companies are not allowed to increase the price of any non-scheduled medicine more than 10% of the price of the preceding 12 months period. As per Para 15 of DPCO, 2013, where an existing manufacturer of a drug with dosage and strengths as specified in National List of Essential Medicines launches a new drug (combination or otherwise), such existing manufacturers are to take prior-pricing approval from NPPA in Form-I specified under Schedule-II of DPCO, 2013.

(c): Central Government has recently prohibited 344 Fixed Dose Combinations for manufacture for sale, sale and distribution in the country. However, many pharmaceutical companies have filed various writ petitions in various courts in the country and the matter is sub-judice. Certain other Fixed Dose Combinations licensed by State Licensing Authorities without approval of Drugs Controller General (I) are under scrutiny.

(d): To make quality drugs available at affordable prices to the needy people, a scheme namely 'Jan Aushadhi Yojana' has been launched by the Government of India. This scheme is implemented through Bureau of Pharma Public Sector Undertakings of India (BPPI). As on 31st March, 2016, 273 Jan Aushadhi Shops are operating in different parts of the country.

Annex- I

Statement showing reduction in price with respect maximum price

% reduction with respect to Maximum Price	No. of drugs
0<= 5%	80
5<=10%	50
10<=15%	57
15<=20%	43
20<=25%	65
25<=30%	49
30<=35%	26
35<=40%	34
Above 40%	126
	530

Annex- II

Statement showing % reduction with respect to Highest prevailing MRP under para 19 of DPCO, 2013

<u>% reduction with respect to Highest prevailing MRP (No. of Drugs)</u>			
	<u>Diabetic</u>	<u>Cardiovascular</u>	<u>Total</u>
0 <= 5%	7	10	17
5 <= 10%	2	10	12
10 <= 15%	1	11	12
15 <= 20%	1	8	9
20 <= 25%	2	12	14
25 <= 30%	2	7	9
30 <= 35%	2	7	9
35 <= 40%	1	4	5
Above 40%	4	15	19
Total	22	84	106

Annex III

Statement showing reduction in price with respect to maximum price (as on 12.4.2016)

% reduction with respect to Maximum Price	No. of formulations of revised Schedule-I for which ceiling price has been fixed so far
0<= 5%	16
5<=10%	10
10<=15%	21
15<=20%	26
20<=25%	25
25<=30%	17
30<=35%	15
35<=40%	12
Above 40%	31
Total	173