

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:67

ANSWERED ON:27.11.2006

DRUG PRICES

Barman Shri Ranen;Rawale Shri Mohan

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

- (a) whether the Government has recently released the first list of some generic drugs whose prices have been reduced;
- (b) if so, the details thereof including the range of reduction in price levels of such drugs;
- (c) the steps taken by the Government to keep a check on drug prices;
- (d) whether the Government has finalised the National Pharmaceutical Policy;
- (e) if so, the details and the salient features thereof; and
- (f) the time by which the new policy is likely to be announced?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) to (f) OF THE LOK SABHA STARRED QUESTION NO. 67 (7th position) FOR ANSWER ON 27-11-2006 ON THE SUBJECT OF DRUG PRICES.

Pharma companies have agreed to voluntarily restrict the trade margins for generic medicines to 15% for wholesalers and 35% for retailers. A compilation of the list of 886 such medicines, whose prices have been voluntarily reduced by 11 companies as a result of this cap on trade margins has been brought out. The list is available on this Department's website www.chemicals.gov.in. Copies of the list have also been placed in the Parliament Library. It covers formulations in all dosage forms such as tablets, capsules and syrups, etc. which find usage in the treatment of a large number of diseases. The medicines covered are anti diabetics, antibiotics, cough syrups, painkillers as well as those used during the surgical operations, for the cure of the infectious diseases and for the treatment of hypertension etc. The voluntary reduction in prices of these medicines ranges between 0.26% and 74.53%.

The drug policies of the Government as amended from time to time are directed towards making available quality drugs at reasonable prices to the consumers in the country.

A Draft Cabinet Note on National Pharmaceutical Policy, 2006 is under finalisation. Some of the salient features include strengthening of Drug Regulatory System, (by Health Department), strengthening of patent office infrastructure, (by Department of Industrial Policy and Promotion), focus on Research and Development - Process Development, Drug Discovery, Drug Development and Clinical Trials, Human Resources Development in Pharmaceutical Sciences through more institutes like National Institute of Pharmaceutical Education and Research (NIPER), rationalisation of Excise duty on Pharmaceuticals, streamlining system of bulk procurement of drugs by Government, promotion of generic drugs, the poor especially BPL families, schemes of interest subsidy for implementation of Schedule M of Drugs and Cosmetics Rules, 1945 for Good Manufacturing Practices, scheme for settlement of old dues under Drugs (Prices Control) Order, 1979, re-structuring of National Pharmaceutical Pricing Authority (NPPA), price control to be applied to the specific drugs as listed under National List of Essential Medicine, 2003. There are several other features in the proposed policy aimed at benefiting the common man. The proposed draft policy also includes special schemes for Below Poverty Line people. After the finalisation, the draft policy would be placed before the Cabinet for approval. No specific time frame can be mentioned about the announcement of the policy.