

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

RAJYA SABHA  
UNSTARRED QUESTION NO. 2109  
TO BE ANSWERED ON 8<sup>th</sup> August, 2023

**Prices of medicines**

**2109 Shri Rajeev Shukla:**

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) whether the Ministry is aware of the hardships faced by people due to increase in prices of medicines as a consequence of rise in Wholesale Price Index (WPI);
- (b) if so, whether the Ministry has taken steps to provide relief to people in this regard;
- (c) total number of medicines in respect of which price capping has been implemented by Government; and
- (d) the details of medicines in respect of which price capping is proposed to be implemented by Government?

**ANSWER**

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

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(a) to (b): Prices of drugs in India are regulated as per the provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013). National Pharmaceutical Pricing Authority (NPPA) under the aegis of Department of Pharmaceuticals (DoP) fixes the ceiling price of scheduled medicines specified in the Schedule-I of the Drugs (Prices Control) Order, 2013 (DPCO, 2013). All manufacturers of scheduled medicines have to sell their products within the ceiling price (plus applicable Goods and Service Tax) fixed by the NPPA. The maximum permissible annual increase allowed in the case of Scheduled formulations is up to the level of annual revision in Wholesale Price Index (WPI), which may or may not be availed by the manufacturers based on market dynamics.

In case of non-scheduled formulation, no manufacturers can increase MRP by more than 10% of MRP during preceding 12 months.

The annual WPI of all commodities increased by 12.1218% with effect from 01.04.2023. Meanwhile, the National List of Essential Medicines (NLEM), 2022 was notified by Ministry of Health and Family Welfare (MoHFW) on 13.09.2022, the Revised Schedule-I of DPCO, 2013, was notified by DoP on 11.11.2022. Accordingly, based on the revised Schedule-I, NPPA has fixed the ceiling prices of 691 formulations under NLEM, 2022 of which 91 are newly added formulations. The revision of ceiling price resulted in average reduction of 16.71% in the ceiling prices of 600 formulations when compared to their ceiling prices fixed earlier under NLEM, 2015. Therefore, even after allowing increase of upto 12.1218% according to WPI w.e.f. 01.04.2023, the revision of the ceiling prices of these 600 formulation under NLEM 2022 resulted in an estimated net reduction of 6.73%.

(c) to (d): The details of drugs brought under price control/regulation by NPPA are given below:

- (i) Ceiling price of 915 scheduled formulations have been notified as on 17.07.2023. Out of these, ceiling prices of 691 formulations have been fixed under NLEM, 2022 and for 224 formulations have been fixed under NLEM, 2015.
- (ii) Retail price of around 2450 new drugs have been fixed under DPCO, 2013 till 17.07.2023.
- (iii) In 2014, NPPA capped the MRP of 106 non-scheduled drug formulations under Para 19 of DPCO, 2013 which includes 22 diabetic and 84 cardiovascular drugs.
- (iv) Ceiling price of cardiac stents and Orthopaedic Knee Implants fixed under Para 19 of DPCO, 2013 since 16<sup>th</sup> August, 2017 in public interest.
- (v) Trade Margin of non-scheduled formulations of 42 select Anti-cancer medicines capped under “Trade Margin Rationalization” approach as a pilot for proof of concept, wherein price of about 500 brands of 42 medicines were reduced up to 90%.
- (vi) NPPA invoked Para 19 of the DPCO, 2013 to regulate the price of Oxygen Concentrators, Pulse Oximeter, Blood Pressure Monitoring Machine, Nebulizer, Digital Thermometer and Glucometer under “Trade Margin Rationalisation” approach in June / July 2021.

The details of prices fixed by NPPA till date are available on the website of NPPA i.e., [nppaindia.nic.in](http://nppaindia.nic.in).

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