

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

RAJYA SABHA
STARRED QUESTION NO. *29
TO BE ANSWERED ON THE 04TH FEBRUARY 2025

Pricing of essential drugs

29 Shri Harbhajan Singh:

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

- (a) whether Government is aware that the patients are facing hardships to support their treatment, with increase in the costs of certain essential drugs which are vital for treating conditions like asthma, glaucoma, thalassemia, tuberculosis and mental health disorders;
- (b) if so, whether Government would consider to reduce the prices of such essential drugs; and
- (c) if so, the details thereof and if not, the reasons therefor?

ANSWER

**THE MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI JAGAT PRAKASH NADDA)**

- (a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to the Rajya Sabha Starred Question No. *29 (14th Position) for answer on 04.02.2025 raised by Shri Harbhajan Singh regarding “Pricing of essential drugs”

(a) to (c): The National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals fixes the ceiling price of essential medicines as per the provisions of Drugs (Prices Control) Order, 2013 (DPCO, 2013). Presently, ceiling prices of 928 scheduled formulations are effective. The average price reduction due to re-fixation of prices under the National List of Essential Medicines (NLEM, 2022) is about 16.89%, leading to annual savings of approximately ₹3,788 crore to patients. As per the provisions of DPCO, 2013, the ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) (All commodities) for the preceding calendar year, on or before the 1st of April of every year. The ceiling prices of scheduled medicines for the financial year 2024-25 were increased by 0.00551% with effect from 1.4.2024, based on annual change in WPI (All commodities).

NPPA received applications from various pharmaceutical manufacturing/marketing companies and industry associations requesting for upward revision of price of 77 formulations on the grounds that ensuring continued availability of these drugs at existing rates was not viable due to reasons like increase in cost of production, increase in cost of active pharmaceutical ingredients, changes in exchange rate, etc. Requests for allowing discontinuation of some of these formulations were also made on grounds of their non-viability at the existing rates. After detailed examination, NPPA approved one-time price increase of 50% in the prices of 11 formulations of eight drugs, with a view to ensure their continued availability so that the public is not forced to switch to expensive alternatives due to non-availability of these drugs in the market. These drugs are used for treatment of asthma, glaucoma, thalassemia, tuberculosis, mental health disorders, etc. Most of these drugs are low-cost and generally used as a first line of treatment crucial to public health programmes in the country.
