

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

LOK SABHA
UNSTARRED QUESTION NO. 2806
TO BE ANSWERED ON 13th March, 2018

Price Rise of Medicines

†2806. SHRI ASHOK MAHADEORAO NETE:

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

- (a) the percentage increase registered in the price of medicines during the last five years;
- (b) whether permission has been sought from the Government to increase the price of medicines;
- (c) if so, the details of permission granted for increase in the prices along with the names of such medicines; and
- (d) the details of the medicines for which the prices have reduced/have been reduced during the said period?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS;
MINISTRY OF SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI MANSUKH L. MANDAVIYA)**

(a) to (c): As per provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013), the Government shall revise the ceiling prices of scheduled formulations as per the annual wholesale price index (WPI) for preceding calendar year on or before 1st April of every year and notify the same on the 1st day of April every year. The manufacturers may increase the maximum retail price (MRP) of scheduled formulations once in a year, in the month of April, on the basis of the wholesale price index with respect to previous calendar year and no prior approval of the Government in this regard shall be required. The percentage increase in the maximum prices of Scheduled formulations based on wholesale prices for the last five years are 1.97186% w.e.f 01/04/2017; (-) 2.7105% w.e.f 01/04/2016; 3.849% w.e.f 01/04/2015; 6.32% w.e.f 01/04/2014 and 7.54% w.e.f 01/06/2013.

Further as per para 20 of the DPCO, 2013, the Government shall monitor the maximum retail prices (MRP) of all the drugs, including the non-scheduled formulations and ensure that no manufacturer increases the maximum retail price of a drug more than ten percent of maximum retail price during preceding twelve months and where the increase is beyond ten percent of maximum retail price, it shall reduce the same to the level of ten percent of maximum retail price for next twelve months.

(d): National Pharmaceutical Pricing Authority (NPPA) has fixed the ceiling prices of 530 scheduled formulations under original schedule - I of the DPCO, 2013 from period 15.5.2013 to 26.2.2016 resulting in the reduction of the prices as follows:

<u>Statement showing reduction in ceiling prices of scheduled formulations with respect to maximum price under NELM 2011 as on 26.2.2016</u>	
% 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
TOTAL	530

NPPA has also fixed/reduced the ceiling prices of 851 scheduled formulations w.e.f 29.3.2016 to 28.2.2018 resulting in the reduction in the prices as follows:

<u>Statement showing reduction in ceiling prices of scheduled formulations with respect to maximum price under NELM 2015 as on 28.2.2018</u>	
% reduction with respect to Maximum Price	No. of scheduled formulations
0<= 5%	234
5<=10%	134
10<=15%	98
15<=20%	98
20<=25%	93
25<=30%	65
30<=35%	46
35<=40%	24
Above 40%	59
Total formulations	851

The details of the price fixation are available at NPPA's website i.e. www.nppaindia.nic.in.
