

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

LOK SABHA  
UNSTARRED QUESTION NO. 461  
TO BE ANSWERED ON 06<sup>th</sup> February, 2018

**Price Hike of Medicines**

†461. SHRI KAUSHALENDRA KUMAR:

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

- (a) whether the Government has taken note of the continuous increase in the price of medicines and if so, the details thereof;
- (b) whether the poor are unable to afford the medicines and if so, the reaction of the Government thereto;
- (c) whether the Government has hiked the price of all medicines during the last three years; and
- (d) if so, the details thereof along with the impact on the poor?

**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) & (b): National Pharmaceutical Pricing Authority (NPPA) is effectively monitoring the prices of scheduled as well as non-scheduled medicines under Drugs (Prices Control) Order, 2013 (DPCO, 2013) so that the scheduled formulations are available to public at a price not higher than ceiling prices notified and increase in prices of scheduled and non-scheduled formulations is limited to the provision of DPCO, 2013. NPPA has fixed the ceiling prices of 851 formulations under DPCO, 2013 resulting in reduction of the ceiling prices to make the medicines affordable to the poor.

<u>Statement showing reduction in ceiling prices of scheduled formulations with respect to maximum price under NELM 2015 as on 31.1.2018</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 in NLEM 2015	851

NPPA also takes action against companies found overcharging the consumers based on the references received from the State Drugs Controllers / individuals, samples purchased from the open market and reports from market based data and complaints reported through the grievance redressal websites, 'Pharma Jan Samadhan' and 'Centralized Public Grievance Redress and Monitoring System (CPGRAMS)'. The monitoring of increase in the price of formulations beyond the permissible limit is also done on the basis of market data and individual complaints received.

(c) & (d): Annual Upward revision in the prices of scheduled formulations is permissible to the extent of increase in the Wholesale Price Index (WPI) for the scheduled formulations and upto 10 percent for non-scheduled formulations. NPPA revised the ceiling prices in respect of scheduled drugs after incorporating WPI @ 6.32% for the year 2013 (w.e.f. 01.04.2014); 3.849% for the year 2014 (w.e.f. 01.04.2015) and 1.97186% for the year 2016, (w.e.f. 01.04.2017) in compliance with the provisions contained in para 16 of DPCO, 2013. NPPA has also notified the revised ceiling prices of scheduled formulations for the year 2015 after applying WPI of (Minus) 2.7105%. Even after annual revision of the prices based on WPI, there is decrease in the prices of the medicines in most of the cases.

The fixation of ceiling prices/MRP under DPCO 2013 has resulted in a total estimated saving of Rs. 11,366 crores to the public as follows:

Particulars	Saving to consumer ( Rs. in Crores)
Under NLEM, 2011 from May, 2015 to Feb, 2016	2,422
Under NLEM, 2015 from March, 2016 to till date (31.1.2018)	2,643
Coronary Stents in Feb, 2017	4,450
Knee Implants in Aug, 2017	1,500
Para 19 - Cardio and Anti Diabetic in Jul, 2014	350
<b>TOTAL</b>	<b>11,366</b>

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