

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

LOK SABHA
UNSTARRED QUESTION NO. 1805
TO BE ANSWERED ON 16th December, 2022

Price Control on Scheduled Drugs

1805. SHRI RAVIKUMAR D.:

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

- (a) whether the drug pricing authority has allowed a price hike of 10.7 per cent for scheduled drugs which are under price control on March 28, 2022 and if so, the details thereof;
- (b) the number and names of the drugs whose prices have been hiked;
- (c) whether the hike in the price of scheduled medicines are also applicable for drugs sold at the Jan Aushadhi Kendras; and
- (d) if not, the measures taken/proposed to be taken by the Government to retain the price of the medicines sold in Jan Aushadhi Kendras?

ANSWER

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

(a) & (b): As per the extant provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013), the ceiling prices of scheduled formulations (branded or generic) as per Schedule-I of DPCO, 2013 are fixed by the National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals. As per provisions of DPCO, 2013, annual revision of ceiling prices of scheduled medicines is permissible based on Wholesale Price Index (WPI) for all commodities for the preceding year.

The Compounded Annual Growth Rate (CAGR) of WPI for the last 5 years is 4.12%. The annual change in WPI of all commodities with base year 2011-12 works out as 10.76607% during the calendar year 2021 over the corresponding period in 2020. Accordingly, the ceiling price of 898 scheduled formulations (of which 889 scheduled formulations fixed under NLEM 2015) were revised based on WPI effective from 01.04.2022. The relevant notification, S.O. No. 1499(E) dated 30.03.2022 showing the list of medicines is available at the website of NPPA, viz., nppaindia.nic.in. The WPI increase is the maximum increase permissible and may or may not be availed by the manufacturers. It is further clarified that prices are increased or decreased by the manufacturers based on market dynamics, within the ceiling, wherever prescribed, by NPPA.

(c) & (d): With an objective of making quality generic medicines available at affordable prices to all citizens, especially the poor and the deprived ones, Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) was launched by the government. Under the Scheme,

dedicated outlets known as Pradhan Mantri Bhartiya Janaushadhi Kendras have been opened to provide quality generic medicines at affordable prices. All manufacturers of scheduled medicines (including those sold through Jan Aushadhi Kendras) have to sell the same within the ceiling price or ceiling price (as revised based on WPI). Pharmaceuticals and Medical Devices Bureau of India (*PMBI*) fixes the prices of medicines sold through the Kendras at least 50% cheaper than that of branded medicines available in the open market.
