

**GOVERNMENT OF INDIA
MINISTRY OF HEALTH AND FAMILY WELFARE
DEPARTMENT OF HEALTH AND FAMILY WELFARE**

**LOK SABHA
UNSTARRED QUESTION NO. †528
TO BE ANSWERED ON 09TH DECEMBER, 2022**

FIXATION OF PRICES OF ESSENTIAL DRUGS

†528: SHRI DILESHWAR KAMAIT:

Will the Minister of **HEALTH AND FAMILY WELFARE** be pleased to state:

- (a) the details of the criteria/guidelines for fixing of prices of Essential Drugs including those used for the treatment of Cancer, Diabetes, HIV, Cardiovascular and Kidney diseases;
- (b) whether the prices of Essential Drugs have come down;
- (c) if so, the details thereof; and
- (d) the details of Jan Aushadhi Kendras established in each district of Bihar including Supaul for sale of generic drugs at cheaper prices under the Pradhan Mantri Jan Aushadhi Yojana?

**ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND
FAMILY WELFARE
(DR. BHARATI PRAVIN PAWAR)**

(a): As informed by Department of Pharmaceuticals, the National List of Essential Medicines (NLEM) is adopted as the primary basis for determining essentiality and is incorporated in the First Schedule of Drugs (Prices Control) Order (DPCO), 2013, which constitutes the list of scheduled medicines, including the medicines used for the treatment of cancer, diabetes, HIV and Heart and kidney diseases for the purpose of price control. The key principles for regulation of prices in the National Pharmaceuticals Pricing Policy, 2012 are essentiality of drugs; control of formulations prices only; and Market Based Pricing.

National Pharmaceutical Pricing Authority (NPPA), fixes the ceiling price of scheduled medicines specified in the first schedule of the 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. DPCO, 2013 allows an annual price rise for scheduled formulations based on Wholesale Price Index (WPI). NPPA also fixes retail price of a new drug under DPCO, 2013 for existing manufacturers of scheduled formulation. Hence, the annual increase allowed in the case of Scheduled formulations is upto the level of annual revision in WPI. Further, in case of non-scheduled formulation, no manufacturers can increase MRP by more than 10% of MRP during preceding 12 months. Instances of overcharging are dealt with by NPPA under the relevant provisions of DPCO 2013.

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

- i. Ceiling prices of 890 scheduled formulations across various therapeutic categories under NLEM 2015 which includes four scheduled medical devices i.e. Intra Uterine

- Devices (Hormone releasing IUD, IUD containing Copper), Condom and Coronary Stents (bare metal stent and drug eluting stent) have been fixed by NPPA.
- ii. Retail price of approx. 2185 new drugs under DPCO, 2013 till 18.11.2022 have been fixed.
 - 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 Orthopaedic Knee Implants fixed under Para 19 of DPCO, 2013 since 16th 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 above 500 brands of medicines were reduced upto 90%. This is in addition to 86 anticancer drugs which are scheduled drugs and whose ceiling prices have been fixed by NPPA (the figures are included in the 890 drugs in Para (i) above.
 - vi. NPPA invoked Paragraph 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 fixation of prices has resulted in a notional savings of about Rs 12,447 Cr. per annum to the public after implementation of DPCO, 2013.

(d): Under Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP), till 30.11.2022, **8916** Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJKs) have been opened across the country, of which, **341** PMBJKs have been opened in Bihar, the details of which are as under:

Sl. No.	Name of the District of Bihar State	No. of PMBJKs
1.	Araria	1
2.	Arwal	2
3.	Aurangabad	5
4.	Banka	2
5.	Begusarai	12
6.	Bhagalpur	7
7.	Bhojpur	10
8.	Buxar	4
9.	Darbhanga	9
10.	Gaya	17
11.	Gopalganj	2
12.	Jamui	2
13.	Jehanabad	2
14.	Kaimur (Bhabua)	5
15.	Katihar	3
16.	Khagaria	1
17.	Kishanganj	1
18.	Lakhisarai	2

19.	Madhepura	3
20.	Madhubani	26
21.	Munger	4
22.	Muzaffarpur	38
23.	Nalanda	4
24.	Nawada	9
25.	Pashchim Champaran	9
26.	Patna	46
27.	Purbi Champaran	32
28.	Purnia	3
29.	Rohtas	13
30.	Saharsa	6
31.	Samastipur	13
32.	Saran	6
33.	Sheikhpura	4
34.	Sheohar	5
35.	Sitamarhi	9
36.	Siwan	4
37.	Supaul	7
38.	Vaishali	13
