

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

LOK SABHA
UNSTARRED QUESTION NO. 1494
TO BE ANSWERED ON 28th July, 2023

Rising Prices of Medicines

†1494. **SHRIMATI RANJANBEN DHANANJAY BHATT:**

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

- (a) whether the Government is seriously considering to curb the rising prices of medicines in the country;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

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

(a) to (c): The Government has notified National Pharmaceutical Pricing Policy, 2012 (NPPP-2012) with an objective to put in place a regulatory framework for pricing of drugs. Based on the NPPP, 2012, The Drugs (Prices Control) Order, 2013 (DPCO, 2013) has been promulgated under Sec. 3 of Essential Commodities Act, 1955. National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP) fixes the ceiling price of the 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. As per provisions of the DPCO, 2013, the ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) (all commodities) for preceding calendar year on or before 1st April of every year, which is notified by the Government on the 1st day of April every year. The WPI increase is the maximum increase permissible and may or may not be availed by the manufacturers. NPPA also fixes the retail price of a new drug under the DPCO, 2013 for existing manufacturers of scheduled formulation. 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.

The details of drugs brought under price control/regulation by NPPA are given below:

- i. Ceiling prices of 915 scheduled formulations have been notified as on 17.07.2023. Out of these, ceiling prices of 691 formulations have been fixed under NLEM 2022 and for 224 formulations under NLEM 2015.
- ii. Retail price of around 2450 new drugs notified under DPCO, 2013 till 17.07.2023.

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 Orthopedic 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%.

vi. NPPA invoked Para 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 details of prices fixed by NPPA are available on the website of NPPA i.e., nppaindia.nic.in.
