

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

LOK SABHA  
UNSTARRED QUESTION NO. 3670  
TO BE ANSWERED ON 10<sup>th</sup> December, 2019

**High Price of Medicines**

**3670. SHRI VINOD L. CHAVDA:**

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

- (a) whether the Government is aware that customers are buying medicines at expensive prices;
- (b) if so, the action taken by the Government in this regard;
- (c) the full proof method being considered by the Government to curb such malpractices; and
- (d) the details of the pricing policy of drugs with reference to the State Government of Gujarat?

**ANSWER**

**MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS  
(SHRI D. V. SADANANDA GOWDA)**

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(a) & (b): As per the provisions of Drugs (Prices Control) Order, 2013 (DPCO, 2013), the National Pharmaceutical Pricing Authority (NPPA) fixes the ceiling/retail price of scheduled formulation and new drugs. The pharma companies are liable to comply with the prices fixed by the NPPA. The NPPA also monitors non-scheduled formulations to ensure that no manufacturer increases the maximum retail price of a drug more than ten percent of maximum retail price during preceding twelve months. Whenever a company is found violating the provisions of the DPCO, and selling the medicine at a higher price, the NPPA initiates appropriate action for recovery of the overcharged amount in terms of the provisions of the DPCO read with Essential Commodities Act, 1955. Details of overcharging cases including the amount recovered from Pharma companies upto 31<sup>st</sup> October, 2019 is available on the NPPA's website [www.nppaindia.nic.in](http://www.nppaindia.nic.in).

(c): The NPPA undertakes following activities as per the provisions of the DPCO, 2013 to curb malpractices of selling medicines at higher prices:

(i) Samples are procured from open market to check compliance of the notified ceiling price for a scheduled drug/formulation. State Drug Controllers forward cases relating to violation of ceiling price for a scheduled drug / formulation.

(ii) NPPA monitors permissible annual increase in Maximum Retail Price (MRP) for a non-scheduled drug / formulation, and permissible annual increase in maximum retail price based on wholesale price index.

(iii) NPPA also takes action on complaints received from individuals, NGOs, etc. relating to violation of the provisions of the DPCO by the pharmaceutical companies.

(d): The prevailing Pricing Policy i.e. National Pharmaceuticals Pricing Policy (NPPP), 2012 is applicable to all the states across the country including Gujarat. Copy of NPPP, 2012 is available on the website of Department of Pharmaceuticals (DoP) i.e. [www.pharmaceuticals.gov.in](http://www.pharmaceuticals.gov.in).

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