

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

LOK SABHA  
UNSTARRED QUESTION NO. 3712  
TO BE ANSWERED ON 17<sup>th</sup> March, 2020

**Price Controlled Drugs**

**3712. SHRI THOMAS CHAZHIKADAN:**

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

- (a) the number of drugs under price control in the country;
- (b) whether the Government has any proposal to increase the number of such drugs by including more lifesaving drugs and if so, the details thereof;
- (c) whether cases of selling such drugs at high price have been noticed by the Government; and
- (d) if so, the details of such cases reported and the action taken in this regard?

**ANSWER**

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

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(a): The National Pharmaceutical Pricing Authority (NPPA) fixes the ceiling price of scheduled formulations adopted from the National List of Essential Medicines (NLEM) and new drugs as per the provisions of para 4, 5 and 6 of the Drugs (Prices Control) Order, 2013 (DPCO, 2013). The details of medicines under price control is as below:

- (i) There were 348 medicines in the National List of Essential Medicines 2011 (NLEM) which were included in the First Schedule of the DPCO, 2013. The NPPA fixed the ceiling prices of 530 scheduled formulations of such medicines based on market based pricing methodology.
- (ii) Schedule -I of the DPCO, 2013 was amended by adopting NLEM, 2015 consisting of 377 medicines. The NPPA has fixed the ceiling prices of 866 scheduled formulations of medicines under the NLEM, 2015. The detail of price fixed is available on the NPPA's website [www.nppaindia.nic.in](http://www.nppaindia.nic.in).
- (iii) NPPA has also fixed the retail price of 1250 new drugs under the DPCO, 2013 till date.
- (iv) NPPA fixed prices of 106 Anti-diabetic and Cardiovascular drugs under Para 19 of the DPCO, 2013 in Public interest.
- (v) NPPA has fixed ceiling price of Cardiac Stents being scheduled formulation under the DPCO, 2013 affecting price reduction for Coronary Stents worked out up to 85% for Bare Metal Stents and 74% for Drug Eluting Stents.

(vi) NPPA has fixed ceiling price of Orthopedic Knee Implants under Para 19 of the DPCO, 2013 in Public interest affecting price reduction for orthopedic Knee Implants worked out up to be 69%.

(vii) NPPA capped the Trade Margin of non-scheduled formulations of 42 Anti-cancer medicines under "Trade Margin Rationalization" approach as a Pilot for proof of concept, wherein price of more than 500 brands of medicines were reduced upto 90%.

The fixation of prices has resulted in a total saving of Rs. 12,447 crores per annum to the public after implementation of the DPCO, 2013.

(b): The National Pharmaceutical Pricing Authority (NPPA), as an ongoing process, fixes the ceiling prices of the formulations as and when formulations are included in the National List of Essential Medicines (NLEM).

(c) & (d): The NPPA monitors the prices of both scheduled and non-scheduled formulations on regular basis to check overcharging by pharmaceutical companies. Whenever companies are found to be overcharging the consumer in sale of medicine, NPPA issues notices to the companies to deposit the overcharged amount along with applicable interest under section 7A of Essential Commodities Act, 1955.

Since inception of the NPPA, 2083 demand notices (including suo-moto deposits) have been issued to pharmaceutical companies for their having overcharged consumers on the sale of formulations at prices above the ceiling price notified by the NPPA. Demand Notices have been issued for an amount of Rs. 6406.33 crore. Amount to the tune of Rs. 960.38 crore has been deposited by the companies to the Government. An amount of Rs. 4032.91 crore is under litigation. The demand notices are issued under various provisions of the DPCO, 1995 and the DPCO, 2013 read with Section 7A of the Essential Commodities Act, 1955. The Detailed list of overcharging cases where demand notices have been issued is available on NPPA's website [www.nppaindia.nic.in](http://www.nppaindia.nic.in).

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