

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

LOK SABHA  
UNSTARRED QUESTION NO. †3778  
TO BE ANSWERED ON 17<sup>th</sup> March, 2020

**Scheme by NPPA**

**†3778. SHRI AJAY KUMAR MISRA TENI:**

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

- (a) whether in view of the rising prices of medicines in the country the National Pharmaceuticals Pricing Authority (NPPA) is formulating any scheme to bring such medicines under price control to make them affordable, especially for the poor;
- (b) if so, the time by which the scheme is likely to be implemented along with the extent to which the people are likely to be benefited therefrom; and
- (c) if not, the reasons therefor?

**ANSWER**

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

(a) to (c): Yes, Sir. The National Pharmaceutical Pricing Authority (NPPA) fixes the ceiling price of scheduled formulations adopted from 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). Further, the prices of non-scheduled formulation are monitored so that their MRP is not increased by more than 10% of MRP during preceding twelve months.

The NPPA has taken the following steps for making medicines available at affordable price:

(i) NPPA fixed the ceiling prices of 530 scheduled formulations under NLEM, 2011. The details of reduction in prices of scheduled formulations effected under the DPCO, 2013 as compared to the highest price prevailed prior to the price fixation is as below:

<b>% reduction with respect to Maximum Price</b>	<b>No. of drugs</b>
0<= 5%	80
5<=10%	50
10<=15%	57
15<=20%	43
20<=25%	65
25<=30%	49
30<=35%	26
35<=40%	34
Above 40%	126
	<b>530</b>

(ii) Further, Schedule-I of the DPCO, 2013 was amended by adopting NLEM, 2015. The NPPA has notified the ceiling prices of 866 scheduled formulations under NLEM, 2015. The details of reduction in prices of scheduled formulations effected under the DPCO, 2013 as compared to the highest price prevailed prior to the price fixation is as below:

<b>% reduction with respect to Maximum Price</b>	<b>No. of formulations</b>
0<= 5%*	237
5<=10%	138
10<=15%	99
15<=20%	100
20<=25%	92
25<=30%	68
30<=35%	46
35<=40%	26
Above 40%	60
<b>Total formulations in NLEM, 2015</b>	<b>866</b>

(iii) The NPPA fixed prices of 106 Anti-diabetic and Cardiovascular drugs under Para 19 of DPCO, 2013 in Public interest.

(iv) The NPPA has fixed ceiling price of Cardiac Stents being scheduled formulation under DPCO, 2013 affecting price reduction for Coronary Stents worked out up to 85% for Bare Metal Stents and 74% for Drug Eluting Stents.

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

(vi) The NPPA capped the Trade Margin of non-scheduled formulations of 42 select Anti-cancer medicines under "Trade Margin Rationalization" approach as a Pilot for proof of concept, wherein price of above 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.

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