

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

LOK SABHA
UNSTARRED QUESTION NO. 1500
TO BE ANSWERED ON 20th September, 2020

Increase in Drug Price

1500. SHRI VELUSAMY P.:

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

- (a) whether the Government has any proposal to increase the prices of commonly used medicines like key antibiotics, anti-allergies, anti-malaria drugs, BCG vaccine and Vitamin C which are being used by the poor people on daily basis and if so, the details thereof;
- (b) whether the National Pharmaceutical Pricing Authority (NPPA) has informed that the prices are increased by 50% in the interest of the public;
- (c) if so, the clarification of public interest which necessitated exorbitant price rise at this time of slowdown of the economy;
- (d) whether paragraph 19 of the Drug Prices Control Order 2013 has been used to reduce the drug prices but not for increasing the prices of common drugs; and
- (e) if not, the reasons therefor?

ANSWER

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

(a) & (b): The National Pharmaceutical Pricing Authority (NPPA) has received applications for upward price revision under Para 19 of the Drugs (Prices Control) Order, 2013 (DPCO, 2013) citing various reasons like increase in Active Pharmaceutical Ingredient (API) cost, increase in cost of production, exchange rate variation etc. making the sustainable production and marketing of the drugs unviable. Based on the recommendation of Standing Committee on Affordable Medicines and Health Products (SCAMHP), ceiling price of shortlisted 21 scheduled formulations of 12 medicines were revised by allowing one time price increase of up to 50% from the applicable ceiling price in public interest as an exceptional measure by invoking Para 19 of the DPCO, 2013 on 13th December, 2019. The detail of price revision is as below:

| S. No. | Name of the Scheduled Formulation | Dosage form & Strength | Unit | Revised Ceiling Price (Rs.) |
|--------|-----------------------------------|-----------------------------------|-----------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) |
| 1. | BCG vaccine | | Each Dose | 8.75 |
| 2. | Benzathine benzylpenicillin | Powder for Injection 12 lac units | Each Pack | 17.84 |

| | | | | |
|-----|---|-----------------------------------|-----------|-------|
| 3. | Benzathine benzylpenicillin | Powder for Injection 6 lac units | Each Pack | 11.81 |
| 4. | Benzyl penicillin | Powder for Injection 10 Lac Units | Each Pack | 7.64 |
| 5. | Chloroquine | Tablet 150mg | 1 Tablet | 1.16 |
| 6. | Dapsone | Tablet 100 mg | 1 Tablet | 0.35 |
| 7. | Furosemide | Tablet 40 mg | 1 Tablet | 0.74 |
| 8. | Furosemide | Injection 10mg/ml | 1 ml | 2.43 |
| 9. | Metronidazole | Oral Liquid 200 mg/5ml | 1 ml | 0.44 |
| 10. | Metronidazole | Tablet 200 mg | 1 Tablet | 0.68 |
| 11. | Metronidazole | Tablet 400 mg | 1 Tablet | 1.25 |
| 12. | Metronidazole | Injection 500mg/100ml | 1 ml | 0.20 |
| 13. | Ascorbic Acid (Vitamin C) | Tablet 500 mg | 1 Tablet | 1.34 |
| 14. | Co-trimoxazole (Sulphamethoxazole (A)+Trimethoprim (B)) | Tablet 400 mg(A)+80 mg(B) | 1 Tablet | 0.77 |
| 15. | Co-trimoxazole (Sulphamethoxazole (A)+Trimethoprim (B)) | Tablet 800 mg(A)+160 mg(B) | 1 Tablet | 1.98 |
| 16. | Co-trimoxazole (Sulphamethoxazole (A)+Trimethoprim (B)) | Oral Liquid 200mg(A)+40mg(B)/5ml | 1 ml | 0.32 |
| 17. | Pheniramine | Injection 22.75 mg/ml(10ml pack) | 1 ml | 1.67 |
| 18. | Pheniramine | Injection 22.75 mg/ml (2ml pack) | 1 ml | 2.24 |
| 19. | Prednisolone | Drops 1% | 1 ml | 4.92 |
| 20. | Clofazimine | Capsule 50 mg | 1 Capsule | 2.13 |
| 21. | Clofazimine | Capsule 100 mg | 1 Capsule | 3.63 |

The ceiling price of Heparin Injection 5000 IU/ml and 1000IU/ml were also increased by allowing increase of 50% over the then applicable ceiling price vide notification dated 30th June, 2020. The revised ceiling prices are Rs. 24.39 per ml for Heparin 1000IU/ml and Rs. 60.54 per ml for Heparin 5000IU/ml. The increased prices are applicable till 31st December, 2020.

(c): Regarding upward revision of ceiling price of 21 scheduled formulations of 12 medicines, a Committee comprising of Adviser (Cost), Adviser DGHS and Deputy Drug Controller, DCGI with Director (Pricing), NPPA as the convenor examined such formulations based on parameters of essentiality, market share of the applicant Company and available alternatives etc. It was noted that these scheduled formulations are low priced drugs and have been under repeated price control. Most of these drugs are used as first line of treatment and are crucial to the public health program of the country. Many companies have applied for discontinuation of the product on account of them being unviable. Therefore, these formulations were considered for upward price revision to enable manufacturing and continued availability to the consumers.

Regarding ceiling price of scheduled formulations Heparin 1000IU/ml and 5000IU/ml injection, it was noted that Heparin injection 5000IU/ml has also been included in list of medicine essential for patients admitted in ICU and Hospitalization due to COVID-19 circulated by Ministry of Health & Family Welfare (MoH&FW). Uninterrupted supply of such medicines is essential for management of COVID-19. Further, reports of shortage were also received for Heparin Injection. The Committee headed by Dr. S. Eswara Reddy, Jt Drug Controller, CDSCO reported an increase of 211% in the price of API Heparin when compared to base year of September 2018, recommending NPPA to consider to increase the ceiling price of Heparin Injection 5000IU/ ml by 50% to ensure continuous availability of the essential drugs in public interest. Therefore, the Authority approved 50% price increase for Heparin upto 31st December, 2020 by invoking extra ordinary powers in public interest under Para 19 of the DPCO, 2013 to enable manufacturing and continued availability to the consumers.

(d) & (e): The Paragraph 19 of the DPCO, 2013 has been used to reduce the drug prices, however, the provision also provides that in case of extra-ordinary circumstances the Government may allow an increase or decrease in the ceiling price or the retail price, as the case may be, irrespective of annual wholesale price index for that year in public interest.
