

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

LOK SABHA  
UNSTARRED QUESTION NO. 2312  
TO BE ANSWERED ON 9<sup>th</sup> March, 2021

**Drug Price Control by NPPA**

**2312. SHRI SHANMUGA SUNDARAM K.:**

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

- (a) the details of the total number of drugs which have been placed under price control by the National Pharmaceuticals Pricing Authority (NPPA) as on date;
- (b) whether the Government has received any objection from the multinational pharma companies as well as Indian pharma giants and if so, the details thereof;
- (c) whether the NPPA order will cover the National List of Essential Medicines (NLEM) as well as nonessential drugs; and
- (d) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

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

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(a): National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP) fixes the ceiling price of scheduled formulations adopted from the National List of Essential Medicines (NLEM) and new drug 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 are as below:

- (i) Ceiling price of 881 scheduled formulation under revised schedule-I of DPCO, 2013.
- (ii) Retail price of 1,495 new drugs under the DPCO, 2013.
- (iii) Prices of 106 Anti-diabetic and Cardiovascular drugs under Para 19 of the DPCO, 2013 in public interest.
- (iv) Ceiling price of Cardiac Stents being scheduled formulation under the DPCO, 2013 affecting price reduction for Coronary Stents, which worked out up to 85% for Bare Metal Stents and 74% for Drug Eluting Stents.
- (v) Ceiling price of Orthopaedic Knee Implants under Para 19 of the DPCO, 2013 in Public interest affecting price reduction up to 69%.
- (vi) 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 up to 90%.

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

(b): The receipt of representations from the Industry and consultations on issues are an ongoing process. NPPA examines any representation received from the companies and Pharma Associations and addresses them suitably.

(c) & (d): NPPA fixes the ceiling prices of scheduled drugs listed in the NLEM and included as Schedule - I of the DPCO, 2013. All manufacturers of scheduled medicines (branded or generic) have to sell their products within the ceiling price (plus applicable Goods and Service Tax) fixed by the NPPA.

A manufacturer is at liberty to fix the maximum retail price of a non-scheduled formulation (branded or generic) launched by it. However, as per provisions of the DPCO, the manufacturers of non-scheduled formulations are not allowed to increase the maximum retail price of such formulations by more than 10% per annum.

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