

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

LOK SABHA
UNSTARRED QUESTION NO. †4881
TO BE ANSWERED ON 01st April, 2022

Regulation of Drug Prices

**†4881. DR. MANOJ RAJORIA:
SHRI SUMEDHANAND SARASWATI:
SHRIMATI RANJEETA KOLI:**

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

- (a) the percentage increase in the prices of drugs during the last five years, drug-wise;
- (b) the details of the drugs of which prices have come down during the said period, drug-wise;
- (c) whether the manufacturers of drugs have sought permission from the Government to increase the prices of certain drugs;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) whether there are any rules and regulations regarding controlling of increase in prices of drugs and if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI BHAGWANTH KHUBA)**

(a) and (b): As per the extant provisions of Drugs Prices Control Order, 2013 (DPCO, 2013), the ceiling price of all scheduled formulations figuring in the National List of Essential Medicines (NLEM) issued by the Ministry of Health & Family Welfare (M/o H&FW) are fixed by the National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals. The ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) for preceding calendar year on or before 1st April of every year, which is notified by the Government on the 1st day of April every year. The WPI revision notified by NPPA during the last five years is as under:

Year	WPI Increase/Decrease (%)
2021	0.53638 %
2020	1.884668 %
2019	4.2662 %
2018	3.43812 %
2017	1.97186 %

The details of retail/ceiling prices fixed/revised by NPPA are available on its website at www.nppaindia.nic.in.

(c) & (d): Representations from manufacturers of drugs are received from time to time by NPPA for upward revision of prices of the drugs on account of increase in raw material, transportation and other input costs, etc. These representations are examined and considered by NPPA after scrutiny. NPPA has invoked extraordinary powers in public interest under para 19 of DPCO, 2013 for upward revision of the ceiling prices of 30 scheduled formulations of 15 drugs by giving one time increase of 50% from the extant ceiling price in December 2019 and July 2021 respectively. Details of the same are available on NPPA's website at www.nppaindia.nic.in.

(e): As per the extant provisions of DPCO, 2013, the ceiling price of all scheduled formulations figuring in NLEM are fixed by NPPA. All manufacturers of these scheduled drugs are required to sell their products at a price equal to or lower than the ceiling price. Further, NPPA monitors the prices of non-scheduled drugs so as to ensure that increase in their Maximum Retail Price (MRP) is not more than 10% of what was prevalent during the preceding twelve months. The details of various medicines under price control are available on the website of NPPA at www.nppaindia.nic.in.
