

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

LOK SABHA
UNSTARRED QUESTION NO. 2049
TO BE ANSWERED ON 02nd August, 2024

Price Hike by NPPA

2049 Shri Manickam Tagore B:

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

- (a) whether it is a fact that the National Pharmaceutical Pricing Authority (NPPA) had allowed price hike for select medicines in the country;
- (b) if so, the details thereof;
- (c) whether it is true that the Government has issued its annual list of revise ceiling prices for 933 scheduled drug formulations and revised retail prices of 65 formulations; and
- (d) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS &
FERTILIZERS**

(SMT. ANUPRIYA PATEL)

(a) & (b): As per the extant provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013), the ceiling prices of scheduled formulations included in Schedule-I of DPCO, 2013 are fixed by the National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP). As per provisions of DPCO, 2013, the ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) (all commodities) 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 increase is based on the data published by Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India. For the Financial year 2024-25, the annual change in WPI of all commodities worked out as 0.00551% during the calendar year 2023 over the corresponding period in 2022. Accordingly, the ceiling prices of the formulations have been increased by 0.00551% w.e.f. 01.04.2024. Although, the annual permitted increase in the prices of Scheduled drugs is based on the increase in WPI (all commodities), the WPI increase is the maximum permissible increase and may or may not be availed by the manufacturers based on market dynamics.

(c) & (d): Based on above WPI increase, ceiling prices of 923 formulations were notified vide S.O. 1547 (E) to 1557 (E) dated 26.03.2024. Further, ceiling prices of 3 more scheduled formulations were notified vide S.O. 2286 (E), S.O. 2289 (E) and S.O. 2290 (E) dated 14.06.2024, thus making a total of 926 formulations under ceiling prices as on 29.07.2024.

Further, NPPA fixes the retail price of a new drug as defined in para 2(1)(u) of the DPCO, 2013 read with Para 5 of DPCO, 2013 for existing manufacturers of scheduled formulations. The retail price of a new drug is applicable to the applicant manufacturer and marketer and they cannot sell the new drug above the price notified by NPPA. Fixation of retail prices is an ongoing process, based on Form I application filed by the companies. Till date, 2894 retail prices has been notified by NPPA under DPCO, 2013. The details of prices fixed by NPPA are available on the website of NPPA i.e., nppaindia.nic.in.
