

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

LOK SABHA
UNSTARRED QUESTION NO. 5748
TO BE ANSWERED ON 4th APRIL, 2025

Drug Price Hikes

5748. Shri K C Venugopal:

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

- (a) whether the Government has taken note of the National Pharmaceutical Pricing Authority's (NPPA's) decision to permit drug price hikes;
- (b) if so, the justification provided by the NPPA for these price increases and the manner in which it reconciles with the Government's commitment to ensuring affordable access to essential medicines for all citizens;
- (c) whether adequate consultations were held with relevant stakeholders, prior to approving the price hikes; and
- (d) the remedial measures the Government is planning to implement to address the concerns raised by Parliamentarians to prevent similar issues in future?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (d): Ensuring the availability of required essential medicines is one of the objective of the National Pharmaceutical Pricing Policy, 2012. Accordingly, the National Pharmaceutical Pricing Authority (NPPA), while regulating prices of essential medicines under the Drugs (Prices Control) Order, 2013 ["DPCO, 2013"] issued pursuant to the said policy, has to also keep in view the objectives of availability of essential medicines in the market.

NPPA, from time to time, receives requests from manufacturers for allowing discontinuation of some formulations of essential medicines as well as requests from various pharmaceutical manufacturing/marketing companies and industry associations for upward revision of prices on the grounds that ensuring continued availability of formulations at existing prices is unviable due to reasons such as increases in the costs of production and active pharmaceutical ingredients (APIs), changes in exchange rate, etc. To deliberate on such representations, a consultative mechanism in the form of an Inter-Ministerial Committee (IMC) of representatives from the Director General of Health Services, Central Drugs Standard Control Organisation and NPPA exists in NPPA. IMC examines such requests keeping in view parameters like essentiality of medicines, period since when they have been under price control, trend of API prices in recent years, any concerns regarding possible shortages and receipt of requests for discontinuing manufacturing. Based on detailed deliberations and the recommendations of IMC in respect of requests for increase of prices for 77 formulations on grounds as aforesaid,

NPPA has allowed increase in ceiling prices of 11 formulations of 8 drugs to ensure their continued availability so that the public is not forced to switch to expensive alternatives due to non-availability of these drugs in the market.
