

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

RAJYA SABHA
UNSTARRED QUESTION NO. 514
TO BE ANSWERED ON 25th July, 2023

Capping on prices of essential drugs

514 Dr. M. Thambidurai:

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) whether Government has capped the prices of essential drugs;
- (b) if so, the details thereof;
- (c) whether Government is aware that the patients are charged more than the rates fixed;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the action proposed to be taken by Government in this regard?

ANSWER

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

(a): Yes Sir. National Pharmaceutical Pricing Authority (NPPA) under Department of Pharmaceuticals (DoP), fixes the ceiling price of scheduled medicines specified in the Schedule-I of the Drugs (Prices Control) Order, 2013 (DPCO, 2013) that is based on the National List of Essential Medicines (NLEM), notified by the Ministry of Health & Family Welfare (MHFW) from time to time. All manufacturers of scheduled medicines have to sell their products within the ceiling price (plus applicable Goods and Service Tax) fixed by the NPPA. Further, DPCO, 2013 allows an annual price rise for scheduled formulations based on Wholesale Price Index (WPI).

(b): The details of prices of drugs capped by NPPA are given below:

- i. Ceiling prices of 915 scheduled formulations have been fixed till 17.07.2023, out of which ceiling prices of 691 formulations have been fixed under NLEM 2022 and 224 formulations under NLEM 2015.
- ii. Retail price of around 2450 new drugs under DPCO, 2013 have been fixed till 17.07.2023.
- iii. In 2014, NPPA capped the MRP of 106 non-scheduled drug formulations under Para 19 of DPCO 2013 which includes 22 diabetic and 84 cardiovascular drugs.
- iv. Ceiling price of Orthopaedic Knee Implants fixed under Para 19 of DPCO, 2013 since 16th August 2017 in public interest.
- v. Trade Margin of non-scheduled formulations of 42 select Anti-cancer medicines capped under "Trade Margin Rationalization" approach as a pilot for proof of concept, wherein price of above 500 brands of medicines were reduced upto 90%.

vi. Price of Oxygen Concentrators, Pulse Oximeter, Blood Pressure Monitoring Machine, Nebulizer, Digital Thermometer and Glucometer were fixed under Para 19 of DPCO, 2013 in June/July 2021 under “Trade Margin Rationalisation”.

The details of prices fixed by NPPA is available on the website of NPPA i.e., nppaindia.nic.in.

(c) to (e): Yes Sir. A total of 5772 complaints alleging overcharging were received in NPPA over the five-year period of 2018-19 to 2022-23. DPCO, *inter-alia*, contains provisions to control/ regulate the prices of drugs sold in the country. The NPPA monitors the prices of scheduled as well as non-scheduled medicines under DPCO, 2013 and takes action against companies found overcharging the consumers based on the references received from Price Monitoring Resource Units (PMRUs), the State Drugs Controllers; individuals; samples purchased from the open market; reports from market based data; and complaints reported through the grievance redressal websites, ‘Pharma Jan Samadhan’, Mobile App ‘Pharma Sahi Daam’, and ‘Centralized Public Grievance Redress and Monitoring System (CPGRAMS)’. In addition, NPPA has a Helpline 1800-111-255/email: monitoring-nppa@gov.in, on which complaints on shortage, overcharging of drugs are received from consumers across the country. The Government takes action against companies found overcharging the consumers under the relevant provisions of DPCO, 2013.
