

Ministry of Chemicals and Fertilizers

NPPA monitors the prices of scheduled as well as non-scheduled medicines under DPCO, 2013

Action is taken against companies found selling formulations at prices higher than the permissible price

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As per the provisions of Drugs (Prices Control) Order, 2013 (DPCO, 2013), formulations listed in Schedule-I of the DPCO are defined as scheduled formulation under section 2(1)(zb) of DPCO, 2013. Formulations not included in Schedule –I are defined under Para 2(1)(v) of DPCO, 2013 as non-scheduled formulation. Thus, both schedule and non-schedule drugs are covered under DPCO, 2013.

As per the extant 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 by National Pharmaceutical Pricing Authority (NPPA), on or before 1st April of every year and is notified by the Government on the 1st day of April every year. The details of price fixed by NPPA are available at NPPA's website i.e. nppaindia.nic.in. In case of non-scheduled formulation (branded or generic), as per para 20 of DPCO, 2013, no manufacturers can increase Maximum Retail Price (MRP) by more than 10% of MRP during preceding 12 months. The maximum permissible increase in prices, as per the provisions of DPCO, 2013 for scheduled and non-scheduled drugs may or may not be availed by their respective manufacturers based on commercial considerations and market dynamics.

Under the Drugs and Cosmetics Act, 1945 and Rules thereunder, manufacturers of drugs are required to comply with conditions of manufacturing licence and the requirements of Good Manufacturing Practices (GMP). As per the Drugs Rules, 1945, the manufacturing, testing, labeling, packaging, storage and distribution are required to be carried out in compliance with the conditions of license including the Good manufacturing practices (GMP) prescribed under the Schedule M of the Drugs Rules, 1945. In case of violation, the Licensing Authority is empowered to take action as per the said Act and Rules.

NPPA monitors the prices of scheduled as well as non-scheduled medicines under DPCO, 2013. Action is taken against companies, found selling formulations at prices higher than the permissible price, and the overcharged amount is recovered from the company as per the relevant provisions of the DPCO, 2013. During the financial year 2023-24, Rs. 72.73 crore was recovered from the defaulting companies.

This information was given by the Union Minister of State for Chemicals and Fertilizers Smt Anupriya Patel in Rajya Sabha in reply to a question today.

MV/AKS

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