

Prices of essential medicines will not be increased in FY25: Mandaviya

Union Minister Mansukh Mandaviya said on Thursday said there will be no increase in prices of essential medicines this fiscal year in view of negligible growth in wholesale price-based inflation.

Union Minister Mansukh Mandaviya said on Thursday said there will be no increase in prices of essential medicines this fiscal year in view of negligible growth in wholesale price-based inflation.

In an interaction with PTI editors at the news agency's headquarters here, Mandaviya -- the Union Chemicals and Fertilisers Minister -- assured that this is "Modiji's guarantee".

When asked about reports and speculations of hike in rates of essential drugs, he said, "It is absolutely incorrect. There will be no increase in the price of medicines".

The minister said the National Pharmaceutical Pricing Authority (NPPA), which is under the Department of Pharmaceuticals, annually revises the ceiling prices of scheduled medicines on the basis of Wholesale Price Index (WPI).

"NPPA monitors and fixes the prices of essential medicines based on WPI," Mandaviya said.

When inflation rises, it leads to a hike in prices and when it goes down, the prices come down, the minister said.

"This year the inflation has not increased. It is just 0.005. Therefore companies are not going to increase prices this year. This is Modiji's guarantee," Mandaviya asserted.

As per the provisions of Drug Price Control Orders (DPCO) 2013, drugs are categorised as scheduled and non-scheduled formulations.

The formulations, which are listed in Schedule-I of DPCO 2013, are scheduled formulations also referred to as essential medicines.

In case of non-scheduled formulation, a manufacturer is at liberty to fix the price, the minister said, adding that prices of essential medicines would not go up this fiscal.

During the calendar year 2023 over the corresponding period in 2022, the annual change in WPI with base year 2011-12 was +0.00551 per cent as per data published by Department for Promotion of Industry and Internal Trade (DPIIT).

Accordingly, the NPPA in its meeting on March 20, 2024 approved the WPI increase of 0.00551 per cent for the scheduled medicines.

Based on the above mentioned WPI, there will be no change in the prevailing ceiling prices for 782 medicines and the existing ceiling prices will continue to prevail up to March 31, 2025, according to an official statement earlier this week.

Ceiling price of 54 medicines, ranging from Rs 90 to Rs 261, will have a miniscule increase of Rs 0.01.

As the permissible price increase is miniscule, the companies may or may not avail of this increase.

Thus, in FY25, there will be almost no change in the ceiling price of medicines based on WPI.

Over the last 30 years, the Indian pharmaceutical industry has become a leader in the manufacture of high quality generic drugs at competitive prices.

News Source:

https://www.business-standard.com/india-news/prices-of-essential-medicines-will-not-be-increased-in-fy25-mandaviya-124040400717_1.html