

File No. 21(01)/2025/Div-III/NPPA/1
Government of India
Ministry of Chemicals & Fertilizers
Department of Pharmaceuticals
National Pharmaceutical Pricing Authority

3rd/ 5th Floor
YMCA Culture Centre Building
1, Jai Singh Road, New Delhi-110001
Date: 22.07.2025

OFFICE MEMORANDUM

Subject: Monitoring of annual increase in maximum retail prices (MRP) of non-scheduled formulations including new drugs under Paragraph 20 of DPCO, 2013 - Reg.

The Drugs (Price Control) Order, 2013 has been issued under Section 3 of the Essential Commodities Act, 1955. DPCO, 2013, *inter-alia*, provides for monitoring of prices of non-scheduled formulations and medical devices under Paragraph 20 which is as under:

(1) The Government shall monitor the maximum retail prices (MRP) of all the drugs including the non-scheduled formulations and ensure that no manufacturer increases the maximum retail price of a drug more than ten percent of maximum retail price during preceding twelve months and where the increase is beyond ten percent of maximum retail price, it shall reduce the same to the level of ten percent of maximum retail price for next twelve months.

(2) The manufacturer shall be liable to deposit the overcharged amount along with interest thereon from the date of increase in price in addition to the penalty.

2. NPPA monitors the prices of non-scheduled formulations at the formulation level. As per Para 2(i)(v) of the DPCO, 2013, *Non-scheduled formulation means a formulation, which is not included in the schedule-I.*

3. As per above provisions, NPPA monitors the MRP of all non-scheduled formulations & medical devices and ensures that no manufacturer increases the maximum retail price of such drugs and medical devices more than ten percent of maximum retail prices during preceding twelve months.

4. All Manufacturers are hereby, directed to align the prices of non-scheduled formulation launched under different brands, as per the provisions of para 20 of the DPCO, 2013, so that the difference in MRP is not more than ten percent.

5. Any violation of the provision specified in para 4 above shall attract penal action under the provisions of the DPCO, 2013 and Section 7 of the Essential Commodities Act, 1955.

Hence, concerned are hereby, directed to ensure strict compliance to the provisions of the DPCO, 2013.

6. This issues with approval of the competent authority.

Handwritten signature in blue ink, appearing to read 'Manisha Khuntia' with a date '22/7/2024' written below it.

(Manisha Khuntia)

Deputy Director (Enforcement)

To,

1. All Manufacturers
2. All Industry associations
3. All Stakeholders