

F.No. 31026/31/2016-PLI (Pt-III)
Government of India
Ministry of Chemicals & Fertilizers
Department of Pharmaceuticals

Room No. 346, A-Wing, Shastri Bhawan,
New Delhi, dated the 20.04.2017

OFFICE MEMORANDUM

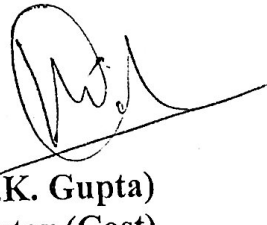
Sub: Fixation of ceiling price of a scheduled formulation under Para 4 of Drugs (Prices Control) Order, 2013 (DPCO, 2013) - regarding.

Whereas it has been noticed that while fixing the prices of Scheduled formulations/medicines, National Pharmaceutical Pricing Authority (NPPA) has adopted a practice that even when some brands/generic versions of a medicine of a company have less than 1% market share, the market share of all such versions of that medicine of that company is clubbed for the purpose of determining whether the company's market share (in place of a given brand's market share) is equal to or more than 1%.

2. And whereas DPCO, 2013 does not recognize a company for average PTR but recognizes only medicines/formulations. This has also been stated in different Review Orders passed by the Government in its capacity as reviewing authority and NPPA has been directed to refix the ceiling price by considering the PTR (Price to Retailer) of only such formulations/brands that have more than 1% market share.

3. Now therefore, the Government hereby clarifies that while fixing the ceiling prices of scheduled formulations, Moving Annual Turnover (MAT) value and PTR of only those medicines/formulations shall be considered which are having 1% or more market share.

This issues with the approval of competent authority.


(S.K. Gupta)
Director (Cost)
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