



Ministry of Chemicals and Fertilizers



Government caps Trade Margin up to 70% on Price to Distributor level on five medical devices



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Keeping in view the evolving COVID pandemic, and the continuing demand of the medical devices, the Government has decided to regulate their prices for affordable healthcare and COVID management. By invoking extraordinary powers under Para 19 of the DPCO, 2013 in larger public interest National Pharmaceutical Pricing Agency (NPPA) has vide its notification dated 13.07.2021, capped the Trade Margin up to 70% on Price to Distributor (PTD) level on (i) Pulse Oximeter, (ii) Blood Pressure Monitoring Machine, (iii) Nebulizer, (iv) Digital Thermometer, and (v) Glucometer. Earlier, in February 2019 NPPA had previously capped the Trade Margin on Anti-Cancer Drugs and on 3rd June 2021 for Oxygen Concentrators. Based on the notified Trade Margin, NPPA has instructed the manufacturers / importers to report revised MRP within seven days. Revised MRPs will be informed in public domain thereafter by NPPA. The revised prices will come into effect from 20th July 2021.

Every retailer, dealer, hospital and institution shall display price lists of these medical devices as furnished by the manufacturer, on a conspicuous part of the business premises in a manner so as to be easily accessible to any person wishing to consult the same. The manufacturers / importers not complying with the revised MRP after Trade Margin capping, shall be liable to deposit the overcharged amount along with interest @15% and penalty up to 100% under the provisions of the Drugs (Prices Control) Order, 2013 read with Essential Commodities Act, 1955. State Drug Controllers (SDCs) shall monitor the compliance of the order to ensure that no manufacturer, distributor, retailer shall sell these medical devices to any consumer at a price exceeding the revised MRP, to prevent instances of black-marketing.

The Order shall be applicable up to 31st January 2022, subject to review.

SS/AK

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