

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS**

RAJYA SABHA
UNSTARRED QUESTION NO. 2901
TO BE ANSWERED ON 19TH AUGUST, 2025

Price control of essential medicines

2901 Dr. V. Sivadasan:

Will the Minister of **Chemicals and Fertilizers** be pleased to state:

- (a) whether Government maintains a list of essential medicines under price control and if so, the details of the current National List of Essential Medicines (NLEM);
- (b) the trends in retail prices of essential medicines over the past five years, especially for life-saving drugs such as insulin, antibiotics, cancer, and cardiovascular medicines; and
- (c) whether there have been any complaints or findings regarding overpricing or profiteering by pharmaceutical companies despite price ceilings under the Drug Price Control Order (DPCO)?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) and (b): The Ministry of Health and Family Welfare (MoHFW) publishes the National List of Essential Medicines (NLEM), which is incorporated as the First Schedule to the Drugs (Prices Control) Order, 2013 (“DPCO, 2013”). NLEM, 2022 contains 388 medicines, listed under 29 therapeutic categories and is available on the website of the Central Drugs Standard Control Organisation and may be accessed using the link <https://cdsco.gov.in/opencms/opencms/en/consumer/Essential-Medicines>.

The National Pharmaceutical Pricing Authority (NPPA) fixes ceiling prices of the said scheduled formulations in accordance with the provisions of DPCO, 2013. As on 13.8.2025, ceiling prices stand fixed for 931 formulations, including 11 anti-diabetic formulations (including insulin), 194 anti-infective formulations that include antibiotics, 131 anti-cancer formulations and 66 cardiovascular formulations. Ceiling prices are revised annually based on the Wholesale Price Index (WPI) (all commodities) and are also refixed after five years based on market prices. On account of refixation of prices since incorporation of medicines listed in NLEM, 2022 as scheduled formulations, there has been an average reduction in ceiling prices of around 17%. The net average increase in the ceiling prices of scheduled drugs over the last five years, that is from 1.4.2020 to 1.4.2025, as a result of WPI-based annual revision and refixation after five years, is 1.1% per annum.

NPPA also fixes the retail price of new drugs, which is defined in paragraph 2(u) of DPCO, 2013, that is, formulations launched by existing manufacturers of a medicine listed in NLEM by combining it with another drug, or by changing the strength or dosage or both of such

medicine. During the period from 2020 to 2025 (till 13.8.2025), NPPA has fixed retail price for over 2,300 new drugs, which includes 994 anti-diabetic, 223 anti-infective (including anti-bacterial), 19 anti-cancer and 487 cardiovascular (including anti-hypertensive) category formulations. For non-scheduled formulations (including new drugs), manufacturers are required to not increase the maximum retail price (MRP) of drugs launched by them by more than 10% of MRP during the preceding 12 months.

(c): NPPA monitors the prices of medicines on an ongoing basis and wherever pharmaceutical companies are found to be overcharging the consumer in sale of medicine, it initiates action against such companies in accordance with the provisions of the DPCO, 2013. During the period of last five financial years, from the financial years 2020-21 to 2024-25, 436 cases of overcharging have been initiated and overcharged amount plus interest and penalty thereon amounting to a total of ₹ 133.19 crore has been recovered from the companies in these cases during the same period. Detailed list of overcharging cases where demand notices have been issued is available on the website of NPPA (www.nppa.gov.in).
