

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

RAJYA SABHA  
UNSTARRED QUESTION NO. 988  
TO BE ANSWERED ON THE 9<sup>th</sup> DECEMBER, 2025

**Measures to stop overpricing and unethical practices**

**988 Shri Sant Balbir Singh:**

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

- (a) the steps taken by Government in the last five years to curb the exploitation of consumers through excessive pricing of essential medicines;
- (b) whether there is any mechanism in place to monitor and penalize hospitals, pharmacies, or manufacturers that charge unfair or inflated rates for medicines; and
- (c) whether Government has conducted any surveys or studies to assess the extent of overcharging in private healthcare institutions?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS**

**(SMT. ANUPRIYA PATEL)**

(a): The National Pharmaceutical Pricing Authority (NPPA) fixes ceiling prices of medicines included in the National List of Essential Medicines (NLEM) issued by the Ministry of Health and Family Welfare and incorporated in Schedule-I to the Drugs (Prices Control) Order, 2013 ("DPCO, 2013"). All manufacturers, marketers and importers of scheduled medicines are required to sell their products within such ceiling price (plus applicable local taxes).

NPPA also fixes retail prices of new drugs as defined in DPCO, 2013, *i.e.*, 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. The applicant manufacturer is required to not sell the new drug above the price fixed by NPPA.

Further, in case of non-scheduled formulations, manufacturers are not permitted to increase the maximum retail price (MRP) of such formulations by more than 10% of their MRP over a period of the preceding 12 months. In addition, the NPPA has taken measures to regulate the prices of drugs in extraordinary circumstances in public interest.

The details of price control measures taken by NPPA under DPCO, 2013 over the last five years with a view to ensure reasonable pricing of medicines for the common public are as follows:

- (i) Ceiling prices stand fixed for 935 scheduled formulations as on 1.12.2025. Average price reduction due to refixation of prices under the NLEM, 2022 was about 17%, leading to annual total savings of around ₹3,802 crore to public.

- (ii) Retail price of more than 3,600 new drugs under DPCO, 2013 have been notified till 1.12.2025.
- (iii) Ceiling prices of coronary stents were fixed/revised, resulting in estimated annual savings of about ₹11,600 crore to patients.
- (iv) Ceiling prices of orthopaedic knee implants were fixed/revised, resulting in estimated annual savings of about ₹1,500 crore to patients.
- (v) In June/July 2021, trade margin of oxygen concentrators, pulse oximeter, blood pressure monitoring machine, nebuliser, digital thermometer and glucometer were also capped, resulting in estimated annual savings of about ₹1,000 crore to consumers.

Details of prices fixed or revised by NPPA are available on NPPA's website ([www.nppa.gov.in](http://www.nppa.gov.in)). These and other measures taken have together helped in ensuring annual savings of up to ₹25,000 crore and India's drug prices being generally the lowest in the world. In addition, Government has taken other measures to improve the access of medicines at affordable rates to the common man which include the following:

- (i) The Government has launched the Pradhan Mantri Bhartiya Janaushadhi Pariyojana scheme under which quality generic medicines is provided through more than 17,000 Janaushadhi Kendras at rates that are typically 50% to 80% cheaper than branded medicines.
- (ii) Under Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) of the Department of Health and Family Welfare, health assurance/insurance cover of ₹5 lakh per family per year is provided for secondary or tertiary care hospitalisation, including for medicines. Over 42 crore persons have been issued PMJAY cards.
- (iii) Under the Free Drugs Service Initiative of the National Health Mission, essential medicines list recommended under the Indian Public Health Standards (IPHS) are made available free of any charge at public health facilities ranging from Primary Health Centres (PHCs) to district hospitals across the country.
- (iv) Under the Amrit (Affordable Medicines and Reliable Implants for Treatment) initiative of the Department of Health and Family Welfare, affordable medicines are provided for the treatment of cancer, cardiovascular and other diseases, implants, surgical disposables and other consumables etc., at an average discount of up to 50% on market rates through AMRIT Pharmacy stores set up in number of hospitals and healthcare institutions.
- (v) Financial assistance is provided to poor patients belonging to families living below the poverty line, who suffer from major life-threatening diseases including cancer, under the umbrella scheme of Rashtriya Arogya Nidhi and the Health Minister's Discretionary Grant.

(b) and (c): DPCO, 2013 requires every manufacturer of a formulation to print the maximum retail price on the label of the container of such formulation. Further, no person is permitted to sell any formulation to any consumer at a price exceeding the price specified on the current price list or price indicated on the label of the container or the pack thereof, whichever is less.

NPPA monitors the prices of both scheduled and non-scheduled formulations on an ongoing basis and takes action in accordance with the provisions of DPCO, 2013 against companies that are found as overcharging consumers, based on references received regarding overcharging from any source, including Price Monitoring and Resource Units set up in States, State Drugs Controllers, samples purchased from open market, reports from market database and complaints lodged through various grievance redress channels.

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