Ministry of Chemicals and Fertilizers :
Department of Pharmaceuticals

Life-saving Medicines

प्रविष्टि तिथि: 07 AUG 2026 2:47PM by PIB Delhi

Prices of drugs are regulated as per the provisions of the Drugs (Prices Control) Order 2013 (DPCO, 2013). The National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals regulates the prices of medicines as per extant provisions of DPCO, 2013. NPPA fixes the ceiling prices of formulations specified in Schedule-I to DPCO, 2013 which is based on the National List of Essential Medicines (NLEM) published by Ministry of Health and Family Welfare (MoHFW) from time-to-time. As on 23.07.2026, Ceiling prices of 935 formulations are effective. The average price reduction due to refixation of prices under NLEM, 2022 is about 17%. NPPA also fixes retail prices of new drugs as defined in para 2(1)(u) of 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 retail prices of new drugs are applicable to the applicant manufacturer and marketer and they cannot sell the new drug above the price notified by NPPA. Retail prices of 3,845 new drugs have been fixed by the NPPA till 23.07.2026. Further, in case of non-scheduled formulations, manufacturers are required to not increase the maximum retail price (MRP) of a formulation by more than ten percent of the MRP of that formulation during the preceding 12 months. In addition, NPPA has fixed the prices of drugs under Para 19 to ensure the availability of drugs at affordable prices in public interest. Details of prices fixed or revised by NPPA are available on NPPA's website (www.nppa.gov.in).

The ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) (all commodities) for preceding calendar year on or before 1st April of every year, which is notified by the Government on the 1st day of April every year. This notified increase is the maximum permissible increase for schedule drug for that year, and a manufacturer may avail the same or a lower increase in the price of such drugs. The WPI of the last 3 years are as follows:

Year	WPI
1.04.2024	0.00551%
1.04.2025	1.74028%
1.04.2026	0.64956%

In case of non-scheduled formulations, manufacturers may avail an increase of up to 10 per cent in the MRP of a formulation over the MRP of that formulation during the preceding 12 months. However, it is observed from the market data (based on Pharmarack database for June, 2026) that the weighted average

annual price increase in the non-scheduled drugs over the last three years is 6.94% which is below the permissible price increase of 10% p.a.

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 overcharging consumers.

Besides price regulation, Government has also enabled access to affordable essential medicines through Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP), under which quality medicines are offered through Jan Aushadhi Kendras (JAKs) at rates that are typically 50% to 80% lower than the prices of branded medicines. In addition, 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. Also, 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.

As per the information provided by Ministry of Health and Family Welfare, the manufacture, sale and distribution of drugs in the country is regulated under the provisions of Drugs and Cosmetics Act, 1940 and Rules, 1945 thereunder through a system of licensing and inspection. Licenses for manufacture, sale and distribution of drugs are granted by the State Licensing Authorities (SLAs) appointed by respective State Governments.

Further, as per information received from various States/ Union Territories Drugs Controllers (SDCs), number of drug samples reported Not of Standard Quality/ spurious/ adulterated by the States/UTs Drugs Controller during the last three years is as follows:

Year	Drugs samples tested	Drugs samples declared not of standard quality	Drugs samples declared Spurious / Adulterated	Prosecution cases For Manufacturing, Sale And Distribution Of Spurious/ Adulterated Drugs
2023-24	1,06,150	2,988	282	604
2024-25	1,16,323	3,104	245	961
2025-26	1,41,322	3,012	283	779*

* *provisional figure*

State Licensing Authorities carryout periodic inspections or as per risk-based approach from time to time of the licensed premises for verification of compliance with the provisions of the Act and rules thereunder. Actions such as suspension and cancellation of licences, prosecutions in the court of law are taken against the erring firms by the State Licensing Authorities.

This information was given by Minister of State for Chemicals and Fertilizers, Smt. Anupriya Patel, in a written reply in the Lok Sabha today.

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