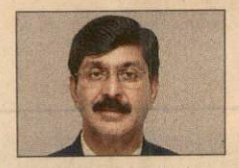
The Economic Times
30/10/2026

Affordable, But Sustainable



Kewal Handa

A cheap medicine that isn't available doesn't help anyone. Neither does a well-stocked med that patients can't afford. Pricing policy must solve for both. GoI's move to cap trade margins on non-scheduled anti-cancer medicines at 30% has reopened an important debate.

India has one of the most comprehensive drug-pricing frameworks. The task now is to make it work harder. Drugs (Prices Control) Order (DPCO), 2013, provides multiple layers of oversight. Essential meds are subject to government-determined ceiling prices, while annual price increases for non-scheduled formulations are restricted. GoI also retains the power to intervene in exceptional circumstances when public interest demands it.

The scope of direct regulation has expanded considerably, from 74 bulk drugs under DPCO, 1995, to hundreds of essential medicines and over 1,000 specified formulations today. National List of Essential Medicines is reviewed periodically to reflect evolving treatment needs, disease burdens and clinical priorities.

Medicines outside direct price controls remain regulated through market monitoring and limits on annual price increases. A stable regulatory framework supports long-term investment in manufacturing, quality and research, while allowing government intervention where affordability concerns arise.

India's pharma success has been driven as much by competition as by regulation. Across numerous therapeutic categories, multiple manufacturers offer medicines containing the same molecule. Competition encourages manufacturing efficiency, price differentiation and wider availability. It has helped India build a globally competitive generic medicines industry. But pharma markets are not uniform. A widely prescribed generic with several competing brands operates differently from a specialised therapy with limited alternatives.

Applying identical regulatory measures across these categories may not produce identical outcomes. Where competition delivers affordable prices and reliable supply, it should be preserved. Where specific products or distribution practices create unreasonable prices, targeted intervention is justified. Competition and regulation should complement each other rather than be treated as competing approaches.

The current debate also requires clarity on how medicine prices are structured. Manufacturer's selling price, retailer's purchase price and printed MRP are different. The gap between these includes margins earned across the distribution chain and shouldn't automatically be treated as manufacturer's profit. The focus should be on identifying where excessive margins arise and how they affect patients.

Hospitals also incur costs in storing and handling medicines, including cold storage, staff training and ensuring safe administration. Medicine revenues can also help support subsidised treatment for government-referred and economically weaker patients. A uniform margin cap, without considering these costs, could affect hospitals' ability to provide affordable care, particularly as they expand into tier-2 and -3 cities.

The solution is in identifying excessive margins at specific points in the supply chain, while accounting for genuine hospital operating costs. Greater pricing transparency and targeted intervention under the existing regulatory framework can protect patients without affecting affordable treatment or healthcare expansion. Greater transparency across the supply chain would help regulators identify excessive margins and address them where they arise.

The existing framework has shown that focused intervention can address affordability concerns. In Feb 2019, National Pharmaceutical Pricing Authority (NPPA) capped trade margins at 30% for 42 non-scheduled anti-cancer medicines, resulting in reductions in MRPs across several brands. The experience provides a useful precedent. However, lower printed prices should not be the only measure of regulatory success.

Medicine Price Cap



Need just the right dose

Did patients pay less? Did medicine availability improve? Were treatment volumes sustained? Did the intervention affect new launches or supply over time? These outcomes should inform future decisions, particularly when considering whether similar measures should extend to other therapeutic categories. Evidence-based intervention is not weaker regulation, but more effective.

India's pharma industry is entering a phase where competitiveness will depend increasingly on complex generics, biologics, advanced manufacturing and innovative therapies. These capabilities require sustained investment in research, technology, quality systems and regulatory compliance.

A predictable pricing environment supports such investments. This does not mean protecting excessive profits. It means ensuring that affordability measures don't inadvertently weaken manufacturing capabilities and reliable supply that patients depend upon.

India must balance medicine affordability with a sustainable pharma industry by strengthening its existing regulatory framework through greater transparency and targeted, evidence-based intervention. Priority should be ensuring patients have access to quality medicines at reasonable prices, while supporting continued investment and innovation.

The writer is former MD, Pfizer India

The Indian Express 30/10/2026

For affordable cancer care, go beyond price caps

THE GOVERNMENT'S decision to regulate trade margins on non-scheduled cancer drugs is a response to an urgent public-health concern. In recent years, new therapies have offered hope for cancer patients. At the same time, unaffordable drugs are known to be a major cause for patients delaying treatment, skipping doses or even stopping medication. According to the National Pharmaceutical Pricing Authority, intermediaries between manufacturers and patients — stockists, distributors, hospital pharmacies, and wholesale agents — add an average profit mark-up of around 170 per cent to the prices of these medicines. Now, the government has capped the seller's profit at 30 per cent of the MRP. The intervention's litmus test will be in making treatment more accessible.

Regulating trade margins is not the same as controlling prices set by manufacturers. The cap does not apply only to the price at which companies sell medicines to distributors or hospitals. If the initial price is too high, the treatment may remain unaffordable even after the trade margin limit comes into force. Patented drugs face little competition from generic alternatives, giving manufacturers greater control over their prices. The price trajectory of medicines already subject to caps underlines the limitations of this approach. The monthly cost of ribociclib reportedly rose from Rs 58,000 to Rs 78,000, despite the restrictions placed on profits on the breast cancer drug in 2019. Another challenge is the use of artificial discounts to distort the apparent market price. Manufacturers may offer steep discounts on a small number of units to select corporate hospitals while selling most of their stock at much higher prices. This could make it difficult for regulators to determine the medicine's actual market price. Trade margin regulation must therefore be backed by closer scrutiny of manufacturers' prices and transparent reporting of sales and discounts.

At the same time, regulation must be designed and enforced with care. Pharmacies have legitimate costs, including those related to storage and handling. A blanket approach could disrupt supplies to underserved areas and affect the quality of care. There are also fears that hospitals will pass on costs to patients through means such as increasing room rents. Price control needs to work in concert with measures such as stronger public-health services, wider insurance coverage and more research on generics.

Cancer drug price cuts must reach patients, says former National Health Authority chief

Bindu Shajan Perappadan
NEW DELHI

The National Pharmaceutical Pricing Authority's (NPPA) decision to cap trade margins on 137 anti-cancer medicines is an important step towards reducing the financial burden of cancer treatment, but its success will depend on whether the savings reach patients, Indu Bhushan, healthcare policy expert and former CEO of the National Health Authority, said.

In an exclusive interview with *The Hindu*, Dr. Bhushan said the intervention could substantially reduce costs for patients requiring prolonged treatment. The revised prices are to take effect from November 9.

"The immediate priority should be ensuring that hospitals and pharmacies pass these benefits directly to patients," he said, stressing that uninterrupted availability of medicines is equally important.


Indu Bhushan

The government has introduced the reduction through trade margin rationalisation rather than a direct cut in manufacturers' prices. Under the Drugs (Prices Control) Order, 2013, the NPPA has capped trade margins at 30% of the maximum retail price, excluding applicable GST, for the identified non-scheduled anti-cancer medicines. The measure targets excessive mark-ups across the distribution and retail chain.

However, affordability remains a major challenge. According to a 2023 study involving over 12,000 cancer patients in India, the average annual out-of-pocket expenditure was approximately ₹3.31 lakh per patient. Costs vary depending on the type and stage of cancer, treatment requirements, and the hospital providing care. Families also face expenses on travel, accommodation, and lost income.

India could make cancer care more affordable without compromising medicine quality or pharmaceutical innovation by leveraging generic drugs, biosimilars and domestic manufacturing, while ensuring that lower prices do not weaken manufacturing and testing standards.

For expensive patented medicines, Dr. Bhushan advocates negotiated prices, voluntary licensing where appropriate, and assessments of the additional clinical benefit offered by new treatments.

"The objective is not simply the cheapest medicine. It is the best health outcome at a price that patients and the health system can sustain," he said.

Drawing on his experience in implementing Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (PM-JAY), Dr. Bhushan said financial protection cannot be achieved through price regulation alone. Cancer treatment often extends over months or years, with substantial expenditure incurred outside hospital admissions on medicines, diagnostic tests, consultations, and follow-up care.

Strategic purchasing is also essential, with treatment packages reflecting clinical complexity, quality, and the actual costs of care. Rates set too low could discourage good hospitals from participating, while poorly designed packages could encourage unnecessary procedures or inappropriate treatment.

Dr. Bhushan also stressed the need for greater public investment in cancer prevention, early detection, pathology, radiotherapy, and specialised cancer centres.

"The ultimate objective should be straightforward – no patient should be denied effective cancer treatment because of an inability to pay, and no family should be pushed into poverty because someone has cancer," he said.

The Hindu
Dated 30/10/2026

The Indian Express 29/10/2026

Price cap: Generic cancer drugs see sharp price cuts, no change for single-source medicines

Anonna Dutt
New Delhi, October 28

TEN DAYS after the government capped the trade margins for 137 cancer medicines, the manufacturers announced their revised MRP on Tuesday, which will be effective from November 9. Of the 543 formulations — different brands and doses of the 137 selected drugs — the prices remained unchanged for 146, with another 21 formulations seeing reductions of less than Rs 100, according to the data.

The average change in price of all the formulations stood at just over Rs 5,000. The average reduction remained low despite a significant dip in prices of some medicines.

The prices of all drugs under patent, licensing, or other protection mechanisms, however, remained unchanged.

The price of commonly used patented immunotherapy medicines such as pembrolizumab (sold as Keytruda by Merck) — used for the treatment of lung cancer, breast cancer and several other indications — remained unchanged at Rs 2.16 lakh per 100 mg vial. An investigation by The Indian Express had shown that patients were unable to afford the drug even with the help of patient assistance programmes.

The price also remained unchanged for the patented immunotherapy drug ribociclib (Kryxana or Kisqali by Novartis), for which patients had gone to the Kerala High Court, urging the government to ensure affordability. The cost of a pack of 21 pills of 200mg strength remained unchanged at Rs 24,435.

"The list of revised MRP confirms our view that trade margin rationalisation is unlikely to affect the prices of patent drugs in the absence of competition as seen among generic manufacturers," said K M Gopakumar, co-convenor of Working Group on Access to Medicines and Treatments. He added that 34 of the 42 drugs that were part of the government's pilot project initiated in 2019 remained on the current list, "meaning the measure remained ineffective in controlling the cost of the medicines and making them affordable". In fact, ribociclib was one of the medicines that was part of the pilot, and yet its monthly cost rose from Rs 58,000 in 2022 to Rs 78,000 in 2025.

The data shows that the highest reductions were seen in the chemotherapy medicine Thiotepa (sold under the Samtepa by Samarth Life Sciences), for which the price went down by 91% from Rs 80,071 to Rs 7,150 for a 100mg vial. This was followed by the breast cancer immunotherapy drug Pertuzumab (Hertumab by Glenmark), for which the price reduced by 68% from Rs 94,951 to Rs 30,593 for a 30mg vial.

While the reductions announced by the companies have met the expectations of the National Pharmaceutical Pricing Authority, which in its recent meeting said the reductions in the MRP would broadly be in the range of 20% to 70%, the MRP of a significant number of medicines, especially the most expensive ones, remain unchanged.

Experts say that the price reductions would be more significant if the margin was capped over the manufacturing cost or importing a medicine rather than the cost at the first point of sale. Gopakumar had previously explained that the companies could manipulate the cost to wholesalers and stockists. "Take for example, a company may sell 1,000 vials of a medicine at an inflated price to the distributor and say that I will give you 500 vials free, meaning the company will be able to keep the prices artificially inflated even if they abide by the 30% margin capping," he had previously said.

For patented medicines, provisions that exist under the current Patent law have to be used to make them affordable, he added.

Dainik Jagran 29/10/26.

कैंसर की 543 दवाओं के दाम में 93 प्रतिशत तक की कटौती

- कैंसर के मरीजों को सरकार ने दी बड़ी राहत, नौ नवंबर से लागू होंगी नई दरें
- एक दवा पाल्बोप्रो के कैप्सूल पैक की कीमत 40,421 से घटकर 2720 रुपये हुई

जागरण न्यूज नेटवर्क, नई दिल्ली: दवाओं की कीमतों को नियंत्रित करने वाली संस्था राष्ट्रीय औषधि मूल्य निर्धारण प्राधिकरण (एनपीपीए) के निर्देश पर दवा कंपनियों ने कैंसर दवाओं के 543 ब्रांड के दाम घटा दिए हैं। ट्रेड मार्जिन रैशनलाइजेशन (टीएमआर) ढांचे के तहत की गई इस कटौती में कुछ दवाओं की कीमतों में 93 प्रतिशत तक की कमी आई है। संशोधित अधिकतम खुदरा मूल्य (एमआरपी) नौ नवंबर से लागू होंगे। इससे देशभर के कैंसर मरीजों को बड़ी राहत मिलने की उम्मीद है।

रसायन और उर्वरक मंत्रालय के तहत एनपीपीए ने कैंसर दवाओं के 543 ब्रांड की एक सूची जारी की है जिनकी एमआरपी फिर से निर्धारित की गई है। इन दवाओं के लिए सरकार की ओर से पहले कोई अधिकतम मूल्य सीमा तय नहीं थी। सूची के अनुसार, रुपयों के हिसाब से सबसे बड़ी कटौती 'थियोटेपा' में हुई है। यह एक कीमोथेरेपी इंजेक्शन है, जिसका इस्तेमाल स्टेम सेल ट्रांसप्लांट से पहले और ब्लैडर कैंसर के इलाज में किया जाता है। 'सैमटेपा' की 100 एमजी की शीशी की कीमत 80,071.86 से घटकर 7150.33 हो गई है, यानी इसमें 72,921.53 (91.1%) की कमी आई है। प्रतिशत के हिसाब से सबसे बड़ी गिरावट स्तन कैंसर की दवा 'पाल्बोसाइक्लिब' में देखी गई है। 'पाल्बोप्रो' 125 एमजी के 21 कैप्सूल वाले पैक की कीमत 93.3% घटकर 40,421.33 से 2720 हो गई है। आरपीजी लाइफ साइंसेज लिमिटेड द्वारा 'अनार्जोल' ब्रांड नाम से बेची जाने वाली 'एनास्ट्रोजोल' 1-एमजी टैबलेट के 10 गोलियों वाले पैक की कीमत 695.76 से घटाकर 73 रुपये कर दी गई है। एनपीपीए का अनुमान है कि मरीजों के होने वाले खर्च में सालाना 2500 करोड़ से 3500 करोड़ की बचत होगी।

The Economic Times 29/10/26.

Cancer Care Can Be Cheaper




C S Pramesh & Manju Sengar

India records about 1.5 mn new cancer cases and 0.9 mn cancer deaths annually. Over 70% of patients are diagnosed late owing to healthcare disparities and socioeconomic barriers. Financial toxicity delays or ends treatment and creates generational poverty. Cancer medicines account for almost 45% of it.

On Oct 17, National Pharmaceutical Pricing Authority (NPPA) capped trade margins at 30% on 137 non-scheduled anti-cancer drugs, effective Nov 9. MRP can be no more than March 2026 price to stockist (PTS), or to distributor (PTD) divided by 0.7. A drug sold to trade at ₹70 can carry an MRP of at most ₹100, plus GST. The order covers every strength, dosage form and combination, including patented drugs.

Patients have long paid MRP unrelated to the price at which the product entered the market. The 2019 pilot on 42 drugs cut MRPs by up to 90% across 526 brands. This round is broader, including immunotherapies and targeted agents. A 30% margin on an expensive molecule is still expensive. But the cap removes the most arbitrary part of the price and helps out-of-pocket (OOP) patients most.

A hospital supplied directly by a manufacturer is treated as stockist. Hospitals must monitor MRPs, display revised prices and report violations to NPPA. For public hospitals, this is administrative. For private hospitals whose pharmacies depend on margin, it's a business model question.

The cap is anchored to the manufacturer's own March 2026 PTS/PTD. So, it trims distribution margins, not manufacturer revenue. Indian companies, whose branded generics often competed on generous trade margins, must now compete on quality, reliability and tender performance. MNCs hold many patented products, which get no exemption. The effect will be limited where margins are modest, and larger where imports pass through layered channels.



Let it not be astronomical

Price intervention raises fears of stock-outs and slipping quality. The order safeguards supply by requiring current production levels, prior permission before cutting output, and six months' notice before discontinuation. Distributors and retailers are the likelier short-term source of friction. So, state drug controllers must watch for rationing, hoarding or quiet withdrawal.

National Cancer Grid's (NCG) pooled procurement complements trade margin rationalisation. While the latter narrows the gap between manufacturers' prices and patients' bills, pooling prioritises quality and uses aggregated demand to negotiate lower prices. The 2019-20 pilot across 23 centres covered 40 drugs worth ₹15.6 bn at MRP, saving ₹13.2 bn through discounts averaging 85%. It used quality-based reserve pricing, firm volume commitments and a 3-stage evaluation, with prices fixed for 2 yrs.

NPPA's historic step needs 6 more steps to ensure that costs of cancer medicines are within reach:

1. Standardisation of cancer treatment across India to ensure appropriate treatments are prescribed.
2. Evaluate cancer medicines by health technology assessment to ensure only cost-effective drugs with meaningful clinical benefit are part of health benefit packages.
3. Stringent quality control measures for approval of generics and biosimilars, with periodic mandatory quality checks through a transparent system.
4. Cost treatment pathways and drug manufacturing, with necessary quality control measures, so they are sensitive to cost-drivers (e.g., raw material or packaging cost rise).
5. Pooled procurement with quality as the first screening criterion. National-level negotiation would help bring down costs not just for generics and biosimilars, but for innovator molecules, too.

For innovator and sole-source drugs, negotiations should draw on the pilot's recommendation to assess clinical benefit and cost-effectiveness, ideally at national scale. Common price ceilings, contracts and specs would help remote hospitals procure medicines on the same terms as metropolitan ones. For effective, low-cost drugs with limited commercial appeal, reserve prices should reflect inflation and raw material costs to ensure adequate supply.

6. Same approach is needed for antibiotics, as they account for considerable cost of supportive care after anti-cancer treatment.

Pramesh and Sengar are director and senior oncohematologist, respectively, Tata Memorial Hospital

The Hindu 29/10/2026.

Regulator cuts prices of 543 anti-cancer medicines

Bindu Shajan Perappadan
NEW DELHI

The National Pharmaceutical Pricing Authority (NPPA) on Wednesday revised downward the maximum retail price of 543 anti-cancer medicines of different brands, effective November 9.

On October 17, the NPPA had announced Trade Margin Rationalisation (TMR) of 137 non-scheduled anti-cancer drugs in public interest to address excessive trade margins, make cancer treatment more affordable, and improve access to anti-cancer medicines.

Meanwhile, Jan Swasthya Abhiyan India (JSA India), an organisation working for accessibility of medicines, said that controlling trade margins alone is insufficient. Life-saving cancer treatment must be affordable based on medical need, not a patient's ability to pay.

"For example, the reported MRP of one brand of palbociclib fell from approximately ₹40,421 to ₹2,720 per pack, while thiotepa fell from approximately ₹80,072 to ₹7,150 per vial. Such drastic reductions raise serious questions about the pricing practices of pharmaceutical companies," the group said.

The Economic Times Dated 28/10/2026

SC Pulls Up Centre Over Soaring Medicine Costs

Indu Bhan

New Delhi: The Supreme Court on Tuesday pulled up the government for allowing steep medicine prices, saying that this was happening before its eyes.

Asking the government to explain why medicines reach patients at prices far above what retailers pay for them, and why the country's drug-pricing framework appeared to work for drug manufacturers rather than the "helpless" patients, a bench comprising Justices Vikram Nath and Sandeep Mehta said "the government is allowing all this to happen".

Reiterating that the Centre should cap trade margins at 16% of the MRP charged on the supply and sale of all drugs, the bench said: "You are playing with the lives of people. Don't treat it as commerce, you are only talking of economic policy and commerce."

"When you talk of patients, do you think with capitalist thinking?" asked the court, adding that India was not a country where there was such a huge amount of social stability that one expects.

While reserving its decision on the sale of essential drugs at inflated prices, the court asked the government for justification for a 300-400% difference on the price that a retailer pays and the MRP. "Where does the money go? Who does it benefit? What is the justification for the difference in prices," it asked, adding: "You are not able to come up with an answer. We have asked you 30 times".

"What does the manufacturer get out of the difference? Why is the entire system working to help these people (manufacturers)," the bench asked. It noted that there were pending recoveries of ₹8,700 crore against pharma firms against the difference they charged from consumers on drugs. Additional solicitor general Aishwarya Bhati, appearing for the government, said the government's policy was that the entire ecosystem should not be brought under regulatory control.

The Centre is constantly calibrating drug prices, she said. "India already has one of the lowest prices in the world. The dichotomy is there which we are addressing from time to time," she said. "Your calibration is too wayward," the bench said, responding to her argument.

Cancer Drug Price Cuts Leave Costly Brands Untouched

Our Bureau

Mumbai: Prices of several widely used cancer drugs are set to fall sharply from November 9, following a revision by the National Pharmaceutical Pricing Authority (NPPA). However, the price cuts leave several top-selling patented treatments, including Keytruda (pembrolizumab), Opdyta (nivolumab), Tagrisso (osimertinib) and Imjudo (tremelimumab), untouched.

The NPPA released a list of 543 anti-cancer drug brands late Tuesday evening, detailing the revised prices.

The move comes amid a Supreme Court hearing on petitions seeking regulation of high-trade margins charged by hospitals on medicines. The court has criticised regulatory agencies, hospitals and pharma companies over the unaffordability of cancer drugs.

On October 17, NPPA released a list of 137 compounds for which it said trade margins would be capped at 30%. It also directed companies to fix the maximum retail price (MRP) at the first point of sale for non-scheduled formulations.

The revised list leaves prices of several patented drugs unchanged. Keytruda 100 mg injections remain priced at ₹2,16,500, Imjudo 300 mg injections at ₹4,17,522 and Opdyta 100 mg infusions at ₹1,09,450. An industry source said this is subject to additional clarifications from the Centre.

Generic cancer drugs, by contrast, face steep reductions. A pack of sunitinib capsules will cost ₹285.69, down from ₹889, while a pack of 30 olaparib tablets will be priced at ₹2,695, compared with ₹15,398 earlier. The price of a pack of 21 palbociclib 100 mg capsules will fall more than 10-fold, from ₹24,505 to ₹2,068. These drugs are used to treat cancers including ovarian, breast, lung and liver cancer.

A veteran health policy expert told **ET** that although prices of patented drugs remain unchanged, patient assistance programmes (PAPs) offered at private hospitals could lower the effective purchase price for patients. The expert said the government should negotiate prices for these drugs when procuring them for public health services, the armed forces and other institutional requirements.

The Hindu
28/10/2026.

Economic policy cannot outweigh citizens' lives: SC on medicine prices

Aaratrika Bhaumik
NEW DELHI

The Supreme Court on Tuesday said "economic policy" could not take precedence over the lives of citizens as it questioned the Centre over its approach to regulating the prices of essential medicines.

A Bench of Justices Vikram Nath and Sandeep Mehta questioned Additional Solicitor-General Aishwarya Bhati, appearing for the Centre, over the failure of the National Pharmaceutical Pricing Authority (NPPA) to cap trade margins on essential medicines despite concerns over excessive markups. It also sought to know why such a ceiling had been imposed on certain anti-cancer drugs only after the court's intervention. Earlier this month, the NPPA, the government's drug-price regulator, capped trade margins on 137 non-scheduled anti-cancer medicines at 30% of their maximum retail price (MRP). The revised prices are set to take effect from November 9.



SC questioned the Centre over its approach to regulating medicine prices. FILE PHOTO

"For so many years, why were you silent? Suddenly, you decided to cap trade margins of cancer drugs?... Don't force us to ask harsh questions," the Bench remarked.

The oral observations came during the hearing of petitions filed by advocate Kishan Chand Jain and paediatric surgeon Sanjay Kulshrestha seeking stricter enforcement of price controls under the Drugs (Prices Control) Order, 2013, (DPCO) to curb disproportionate margins across the pharmaceutical supply chain.

Ms. Bhati, however, told the Bench that "complete government control" over essential medicines could adversely affect the market. "We want investments to also come here... We can make these interventions from time to time, but complete control is not the answer," Ms. Bhati submitted.

The Bench also questioned why the 16% retailer margin prescribed under the DPCO should not apply to all essential medicines and sought the basis for classifying drugs as scheduled or non-scheduled. While scheduled formulations are subject to government-fixed price ceilings, non-scheduled medicines remain outside this framework.

"How do you decide which medicine is essential and which is not? Why should all medicines not be essential? That is where the game is... the NPPA seems to be totally defunct," Justice Mehta remarked.

Senior advocate Mukul Rohatgi, appearing for an association of hospitals, defended the steep markups on essential medicines, including anti-cancer drugs, contending that capping such margins would make hospital operations financially unviable. The Bench, however, dismissed the contention, remarking that patients could not be subjected to "dacoity". It reserved its order in the matter and gave the parties two weeks to file their submissions.

Cap on cancer drug margins may not lower medical bills

Benefit could be limited as patient-assistance programmes have been left out: Experts

SANKET KOUL
New Delhi, 26 October

Cancer patients may not gain proportionately from the Centre's decision to cap trade margins at 30 per cent of the maximum retail price (MRP) for 137 anti-cancer drugs.

The concern is on account of the fact that the patient-assistance programme (PAP) has been left out of price calculations.

PAPs are manufacturer-funded programmes offering free or discounted medicines to eligible patients.

The revised prices take effect on November 9.

"The trade-margin cap is unlikely to reduce costs for patients enrolled in PAPs, because their medicines are already being provided free or at heavily discounted rates," said Tanvi Singh, medical oncologist at MOC Cancer Care, Pusa Road, New Delhi.

She said patients buying medicines outside PAPs, such as through hospitals or pharmacies, would benefit more.

PAPs can reduce expenditure by 30-60 per cent for some expensive immunotherapies and targeted therapies.

Officials told *Business Standard* the intervention could reduce MRPs by 20-70 per cent, depending on the existing prices, generating estimated annual savings of ₹2,500 crore.

"PAPs are market-expansion strategies which operate by providing discounts or buy and get some free deals", said Malini Aisola, co-convener of the All India Drug Action Network (AIDAN).

She said excluding PAP volumes understated trade margins and diluted MRP reductions. Aisola also questioned the methodology, calling markups of 42.86 per cent in direct hospital sales or shorter supply chains "extremely liberal".

According to the notification of the National Pharmaceutical Pricing Authority (NPPA), the 30 per cent cap on the MRP, excluding goods and services tax, translates into a 42.86 per cent markup on the price to a stockist or distributor (PTS/PTD).

PAP arrangements vary by manufacturer, distributor, eligibility and treatment cycle, making their overall scale difficult to quantify. Free quantities supplied under qualifying PAPs are excluded from price calculations.



Bitter dose

10 Top-selling anti-neoplastic drugs

Drug	MAT (in ₹ cr)	Included in NLEM/TMR list
Mycophenolate mofetil*	438.51	NLEM
Bevacizumab	426.47	TMR
Nivolumab	366.76	TMR
Trastuzumab	330.35	NLEM
Tacrolimus*	301.06	NLEM
Rituximab	276.72	NLEM
Adalimumab*	236.07	NA#
Filgrastim*	203.12	NLEM
Abiraterone acetate	191.25	TMR
Paclitaxel	184.73	NLEM

MAT: Moving annual turnover, or the rolling sales figure over the last 12 months (until Sept 2026); NLEM: National List of Essential Medicines; TMR: Trade Margin Rationalisation; *Drugs not primarily used for cancer treatment only; sales figures may include other inidications; #Not listed in either NLEM or the TMR list

Source: Pharmarack

Lack of a fail-safe

The NPPA requires manufacturers seeking PAP exemption to maintain records on the identity of the patient, diagnosis, dosage and medicines received and consumed, alongside undertakings on accuracy.

"The authority can seek further detail, conduct audits or inspections, and verify programmes through third-party agencies," the senior official quoted above said.

Manufacturers must also report PTS/PTD and MRP data through the NPPA's Integrated Pharmaceutical Database Management System (IPDMS) and submit revised price information within seven days of the notification, even where MRPs remain unchanged.

In an affidavit before the Supreme Court, the Centre acknowledged hospital markups of 170-700 per cent or more on anti-cancer drugs and 100-1,000 per cent or more on medical consumables. It said it lacked the data to assess hospital-supply margins and would need to compare procurement prices with patient charges before considering further controls.

Mandeep Singh Malhotra, director of surgical oncology at Delhi's CK Birla Hospital, said hospitals and doctors often facilitated PAP enrolment and administration, while eligibility and benefits varied.

"An independent verification of sales data, transparent disclosures and periodic audits would help ensure the exemption did not obscure commercial sales or dilute intended price reductions," he added.

Only three top-selling drugs covered by new cap

Six of India's 10 top-selling anti-neoplastic drugs in the retail channel are price-capped under the National List of Essential Medicines (NLEM).

According to Pharmarack, only three top-selling cancer drugs by moving annual turnover (MAT) as of September 2026 — bevacizumab, nivolumab and abiraterone acetate — are covered by the new trade-margin rationalisation (TMR) order.

Industry estimates put hospitals' share at nearly 70 per cent of cancer-drug sales. Retail rankings exclude institutional sales and PAP distribution. "Margin capping and price capping are two different things. The former includes drugs whose MRP could still be raised by 10 per cent every year with only the trade margin being capped," a Delhi-based pharma executive said.

A single 10-millilitre injection of nivolumab costs ₹1.09 lakh. Its trade margin may be capped at 30 per cent of the MRP, but the MRP can still rise under the Drug Pricing Control Order (DPCO).

The exercise follows a 2019 pilot covering 42 non-scheduled anti-cancer drugs, reportedly generating ₹984 crore in annual savings across 526 brands.

Concerns also persist that hospitals could offset the lost pharmaceutical margins through higher admission or chemotherapy charges. An executive at an unlisted hospital chain in the Delhi-National Capital Region said reducing one revenue component without addressing underlying costs would require recalibrating economics elsewhere.

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Cap on cancer drug margins may not lower medical bills

Benefit could be limited as patient-assistance programmes have been left out: Experts

SANKET KOUL
New Delhi, 26 October

Cancer patients may not gain proportionately from the Centre's decision to cap trade margins at 30 per cent of the maximum retail price (MRP) for 137 anti-cancer drugs.

The concern is on account of the fact that the patient-assistance programme (PAP) has been left out of price calculations.

PAPs are manufacturer-funded programmes offering free or discounted medicines to eligible patients.

The revised prices take effect on November 9.

"The trade-margin cap is unlikely to reduce costs for patients enrolled in PAPs, because their medicines are already being provided free or at heavily discounted rates," said Tanvi Singh, medical oncologist at MOC Cancer Care, Pusa Road, New Delhi.

She said patients buying medicines outside PAPs, such as through hospitals or pharmacies, would benefit more.

PAPs can reduce expenditure by 30-60 per cent for some expensive immunotherapies and targeted therapies.

Officials told *Business Standard* the intervention could reduce MRPs by 20-70 per cent, depending on the existing prices, generating estimated annual savings of ₹2,500 crore.

"PAPs are market-expansion strategies which operate by providing discounts or buy and get some free deals", said Malini Aisola, co-convener of the All India Drug Action Network (AIDAN).

She said excluding PAP volumes understated trade margins and diluted MRP reductions. Aisola also questioned the methodology, calling markups of 42.86 per cent in direct hospital sales or shorter supply chains "extremely liberal".



Bitter dose

10 Top-selling anti-neoplastic drugs

Drug	MAT (in ₹ cr)	Included in NLEM/TMR list
Mycophenolate mofetil*	438.51	NLEM
Bevacizumab	426.47	TMR
Nivolumab	366.76	TMR
Trastuzumab	330.35	NLEM
Tacrolimus*	301.06	NLEM
Rituximab	276.72	NLEM
Adalimumab*	236.07	NA#
Filgrastim*	203.12	NLEM
Abiraterone acetate	191.25	TMR
Paclitaxel	184.73	NLEM

MAT: Moving annual turnover, or the rolling sales figure over the last 12 months (until Sept 2026); NLEM: National List of Essential Medicines; TMR: Trade Margin Rationalisation; *Drugs not primarily used for cancer treatment only; sales figures may include other indications; #Not listed in either NLEM or the TMR list

Source: Pharmarack

According to the notification of the National Pharmaceutical Pricing Authority (NPPA), the 30 per cent cap on the MRP, excluding goods and services tax, translates into a 42.86 per cent markup on the price to a stockist or distributor (PTS/PTD).

PAP arrangements vary by manufacturer, distributor, eligibility and treatment cycle, making their overall scale difficult to quantify. Free quantities supplied under qualifying PAPs are excluded from price calculations.

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Drug prices: overcharging claims of ₹8,447 crore remain unpaid

The outstanding amount accounts for about 84% of the cumulative demand

The Hindu
22/10/2026

DATA POINT

Devyanshi Bihani

On October 12, the Centre informed the Supreme Court that it had decided to cap trade margins at 30% for non-scheduled anti-cancer medicines. A Bench of Justices Vikram Nath and Sandeep Mehta questioned why similar restrictions could not be extended to other medicines and medical products. Citing steep differences between the prices at which products were supplied and those charged to patients, the court asked the government to work out broader measures for regulating medicine prices. The matter is scheduled to be heard again on October 27.

While high trade margins are not necessarily illegal, overcharging beyond regulated prices violates the Drugs (Prices Control) Orders (DPCO), which governs medicine pricing in India. Both, however, raise questions about the costs borne by patients.

The National Pharmaceutical Pricing Authority (NPPA), the government's drug-price regulator, continues to pursue companies over past cases of overcharging. Although established in 1997, the NPPA's records cover cases dating back to 1979. Since certain pricing violations can attract penalties, as of March 31, 2026, ₹10,029.8 crore had been demanded, including with interest. Of the total demanded, ₹1,582.4 crore had been realised, leaving ₹8,447.4 crore outstanding. The scale of the issue matters because medicines make up a significant share of household hospitalisation costs. According to the National Statistics Office's Household Social Consumption: Health survey, conducted in 2025, medicine expenditure averaged ₹6,368 per hospitalisation case in rural areas, out of a total of ₹32,884 – nearly one-fifth of the cost. In urban areas, the average was ₹6,948 out of ₹46,774, or about one-seventh **(Chart 1)**.

The outstanding amount is more than five times the amount realised and accounts for about 84% of the cumulative demand. Moreover, these figures cover only cases in which the NPPA has raised demands against companies for overcharging. They do not include cases that may have gone undetected or have not been pursued by the regulator. The NPPA's year-wise data show that the number of cases has varied considerably between 2009-10 and 2025-26. The highest count in this period was 268 cases in 2015-16, followed by 224 in 2017-18. The number fell to 38 in 2020-21 before rising to 148 in 2022-23. In 2025-26, the regulator recorded 133 cases **(Chart 2)**.

The annual entries after 2009 add up to approximately ₹5,265 crore in demands, including interest, of which about ₹4,460 crore remain outstanding. For the period before 2009, the NPPA recorded 731 cases, with ₹4,764.75 crore demanded and ₹3,987.5 crore outstanding. Outstanding amounts were highest in 2015-16, at ₹1,003.3 crore, followed by ₹576 crore in 2017-18. In 2025-26, ₹45.1 crore remained outstanding against a demand of ₹72.2 crore **(Chart 3)**. Of the total outstanding amount, more than ₹5,800 crore is tied up in litigation. Another ₹200 crore relates to cases referred to collectors for recovery, while ₹2,369.3 crore remains under process **(Chart 4)**.

Importantly, recovering money from pharmaceutical companies is distinct from compensating patients who paid higher prices. In a Lok Sabha reply in 2019, the Department of Pharmaceuticals stated that "there is no mechanism to compensate the consumers for the amount overcharged." However, the NPPA accepts complaints from consumers about medicine overpricing, shortages, new drugs being sold without prior price approval, and refusal to supply or sell medicines. The regulator takes action where warranted.

A bitter pill to swallow

The data for the charts were sourced from the National Pharmaceutical Pricing Authority (NPPA) and NSS Report no. 596: Household Social Consumption: Health (2025) by the Ministry of Statistics and Program Implementation

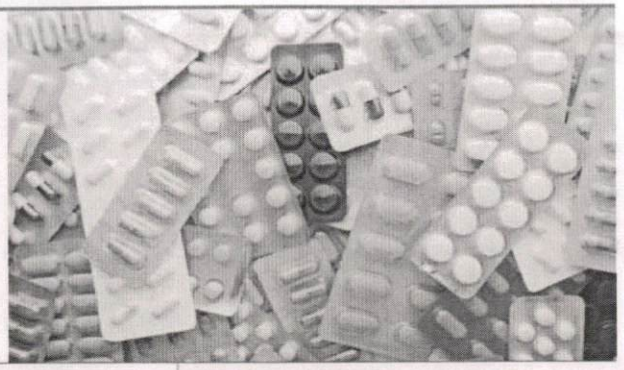
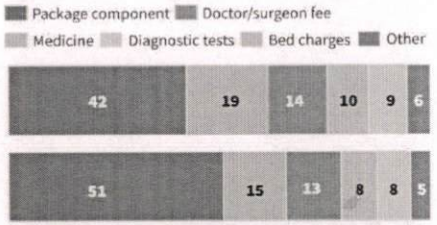


CHART 1: The break-up of average medical expenditure (₹) (excluding childbirth) per hospitalisation case by its component across medical institutions in rural and urban areas during 2025



When hospitals charged a single package price and households could not specify expenditure on individual items, the amount was recorded as a lump sum under the 'package component'. Since these packages may include medicines, the actual share of hospitalisation costs spent on medicines could be higher than the separately reported figures of nearly 1/5th in rural areas and 1/7th in urban areas

CHART 2: Number of overcharging cases recorded by the NPPA each financial year, from 2009-10 to 2025-26

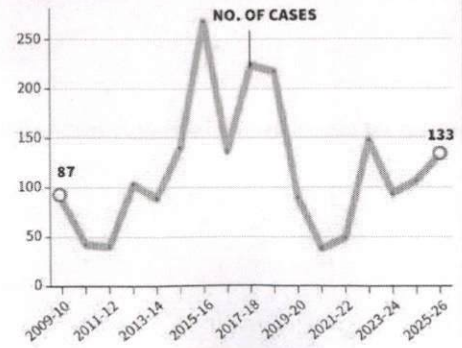


CHART 3: Amount outstanding and amount realised against demands raised by the NPPA for each financial year cohort, from 2009-10 to 2025-26 (₹ crore). Recoveries may occur in years subsequent to the demand

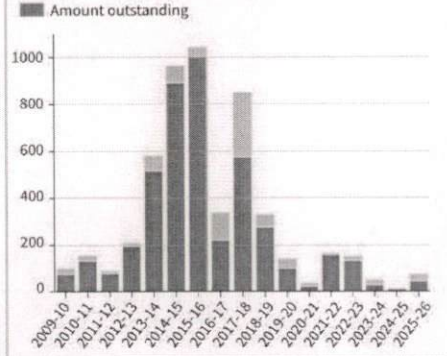
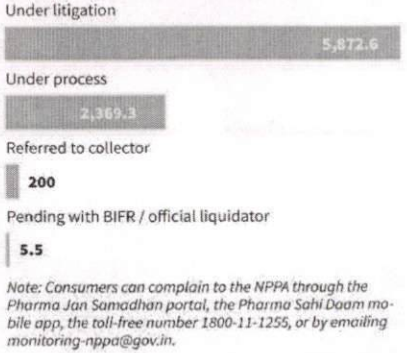


CHART 4: Break-up of the NPPA's outstanding overcharging dues by status as of March 31, 2026 (₹ crore)



Note: Consumers can complain to the NPPA through the Pharma Jan Samadhan portal, the Pharma Sahi Daam mobile app, the toll-free number 1800-11-1255, or by emailing monitoring-nppa@gov.in.