BioSpectrum
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

â??Pricing needs to be considered carefully in the context of the global marketâ?•

01 November 2026 | Views | By Narayan Kulkarni

The Governmentâ??s decision to cap trade margins on non-scheduled anti-cancer medicines at 30 per cent of maximum retail price (MRP) is expected to ease the financial burden on cancer patients, with projected annual savings of Rs 2,500 crore. However, effective implementation and uninterrupted supplies will be critical to translating lower prices into patient benefits. In this interview with BioSpectrum, Sudarshan Jain, Secretary General, Indian Pharmaceutical Alliance (IPA), discusses the orderâ??s implications for drug pricing, distribution, affordability and innovation.

How will the Centre’s decision to cap trade margins on non-scheduled anti-cancer medicines affect drug pricing and distribution in India?

The order seeks to rationalise the trade margins between the price at which medicines enter the distribution chain and the maximum retail price printed on the pack. The cap will affect margins across the supply chain, particularly the movement of medicines from stockists to hospitals and pharmacies. The immediate impact will be on healthcare providers and distribution channels rather than directly on manufacturers’ prices. The objective is to ensure that patients receive cancer medicines at lower prices. It is important that the benefits of this intervention reach patients while maintaining the availability of medicines.

The expanded intervention covers 137 anti-cancer medicines, compared with the earlier exercise involving around 42 medicines in 2019. What does this expansion mean for the industry and the healthcare system?

This is a significant expansion. The earlier intervention covered around 42 cancer medicines, with approximately 400–500 brands. The current measure covers 137 medicines and is expected to affect around 1,000 brands.

Given the scale of the intervention, our immediate recommendation is to focus on effective implementation and assess its impact on patient access and overall cancer care before considering further expansion of price controls.

We must ensure that medicine supplies do not decline and that hospitals continue investing in oncology services. Patients need consistent access to the medicines prescribed to them, and more doctors should be encouraged to treat cancer patients as the incidence of the disease increases. Investment in cancer care must grow rather than decline.

What are the immediate implementation challenges for pharmaceutical companies, distributors, stockists and hospitals?

The immediate priority is to ensure that the revised prices are implemented across the supply chain within the stipulated timeline. Companies need to communicate the revised prices to hospitals and other distribution partners, while pharmacies must ensure that patients are charged accordingly.

The industry also needs to create awareness among hospitals, healthcare professionals and patients. The Government has an important role in monitoring implementation, and pharmaceutical companies must work with all stakeholders to ensure that the intended benefits reach patients.

IPA member companies have been advised to support the Government’s initiative, prevent shortages and ensure that products are available at the specified prices.

How can the Government ensure that the revised prices are implemented even when hospitals and pharmacies hold existing stocks carrying higher printed MRPs?

Hospitals and pharmacies need to be informed that the revised prices must be followed, including for existing stocks where the printed MRP is higher. Pharmaceutical companies will communicate with hospitals and make efforts to ensure that the necessary awareness is created.

Retail pharmacies, hospital pharmacies and online pharmacies also have an important role. These channels have systems to monitor pricing, and the Government must closely oversee compliance to ensure that patients receive medicines at the revised prices. The focus should be on effective implementation and ensuring that the intended price reductions are reflected in what patients actually pay.

The Government has directed manufacturers to maintain existing production levels. How can the industry ensure uninterrupted supplies under the revised pricing framework?

The availability of cancer medicines is extremely important. We must ensure that the price intervention does not lead to a reduction in production or create shortages, particularly for products where the economics of supplying smaller volumes may be challenging.

The right medicine must be available to the right patient at the right price, consistently. IPA member companies have been advised to support the Government's decision, ensure that supplies are maintained and work with hospitals and patients to improve awareness.

The Government must also closely monitor availability. Any disruption in the supply of cancer medicines would create additional risks for patients who depend on uninterrupted treatment.

Could tighter price controls affect investment in oncology research and development, clinical trials and innovation?

Our consistent position is that stringent price controls can affect investment. International experience indicates that when price controls become too restrictive, investment in certain therapeutic areas can be affected.

India has developed a price-control framework that combines market-based pricing with controls for essential medicines. The existing system has evolved over time, and the Government has the power under Paragraph 19 of the Drugs (Prices Control) Order, 2013, to intervene when necessary. However, the impact of this expanded intervention needs to be studied carefully. If too much emphasis is placed on cost alone, there could be implications for quality, innovation and access to products.

We should first evaluate the impact of the current measure on patients and the healthcare system before considering further extensions. India needs continued investment in cancer care, research and innovation.

How can the industry and regulators prevent substandard or spurious medicines from entering the market as pricing structures change?

We must be very careful about product quality. Strong monitoring is necessary to ensure that substandard and spurious medicines do not enter the market and that patients receive quality-assured products.

The Government must take appropriate measures, while pharmaceutical companies should also monitor the market. Equally important is ensuring that manufacturers do not reduce production in ways that compromise the availability of cancer medicines.

Affordability cannot be pursued at the expense of quality or continuity of treatment. Patients need access to medicines that are both affordable and reliable.

What role should the Government and the pharmaceutical industry play in monitoring compliance and ensuring that patients benefit from the new order?

The immediate priority should be close monitoring of implementation. The Government must ensure that the revised prices are followed throughout the distribution chain and that patients can access medicines at the intended lower prices.

Pharmaceutical companies must communicate the changes to hospitals and other stakeholders and create awareness among patients. Distributors, stockists and pharmacies must also ensure compliance.

We have seen the industry respond to earlier Government interventions, including reductions in Goods and Services Tax rates, by working to ensure that patients receive the benefits. We expect a similar collaborative effort in implementing the cancer medicine pricing measures. It is important to establish the impact through data and assess whether the intervention is delivering the intended results.

Beyond price controls, what should be the broader policy priority for improving cancer care in India?

We need to focus on ensuring that patients receive quality medicines at the right price and that these medicines remain consistently available. The healthcare system also needs greater investment in cancer treatment and more doctors treating cancer patients.

India already has a competitive pharmaceutical market, and our focus should remain on quality and innovation alongside affordability. We must ensure that the pricing framework supports patient access without discouraging the investment needed to develop better treatments and strengthen cancer care. The immediate task is to implement the current intervention effectively, monitor its outcomes and ensure that patients benefit.

Could the revised pricing framework influence Indian companies' export strategies for oncology medicines?

Pricing needs to be considered carefully in the context of the global market. If prices in India are set too low, other countries may seek similar pricing, which could affect the economics of quality improvement and innovation. India is a knowledge-based industry, and our objectives must extend beyond reducing prices. We must also build quality and innovation-driven capabilities.

As far as IPA member companies are concerned, I can assure you that they will support the Government's measure and work to ensure that cancer medicines remain available to patients.

Narayan Kulkarni

narayan.kulkarni@mmactiv.com