Centre moves to cut cancer drug prices

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News

The Centre has decided to cap trade margins at 30% of MRP for 110 non-scheduled anti-cancer drugs (reported 8 Oct 2026). Officials said prices of some drugs could fall by up to 70%, saving about ₹2,500 crore a year. Margins of 170% to 700% were found at some outlets.

Key facts

Measure	Trade margin capped at 30% of MRP
Drugs	110 non-scheduled anti-cancer drugs (35 patented)
Impact	Prices down by up to 70%; ₹2,500 crore saved a year
Earlier step	2019: 30% cap on 42 cancer drugs – 526 brands, ₹984 crore saved
Bodies	Department of Pharmaceuticals (DoP), National Pharmaceutical Pricing Authority (NPPA)

Background

- Scheduled vs non-scheduled: the NPPA fixes ceiling prices for drugs in the National List of Essential Medicines (NLEM 2022 – 384 medicines). For non-scheduled drugs, makers may raise prices by up to 10% a year.

- Law: the Drugs (Prices Control) Order (DPCO) 2013 is issued under the Essential Commodities Act 1955. The NPPA was set up in 1997 under the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.
- Trade margin is the gap between the price a maker charges distributors and what consumers pay. Adding 'Trade Margin Rationalisation' (TMR) to the DPCO is under study.
- Other steps: the 2025–26 Budget exempted 36 life-saving drugs (including cancer drugs) from basic customs duty and announced day-care cancer centres in district hospitals.
- Supreme Court: a bench of Justices Vikram Nath and Sandeep Mehta is hearing a case on the scheduled/non-scheduled distinction.

Tamil Nadu link: the Adyar Cancer Institute, Chennai, was founded in 1954 by Dr Muthulakshmi Reddy; Dr V. Shanta built it into a world-famous centre (Ramon Magsaysay Award 2005). Tamil Nadu's Chief Minister's Comprehensive Health Insurance Scheme covers cancer treatment.

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