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Ghost prescriptions, dark stores: Why quick delivery of medicine has become a headache



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Article Content:

Quick-commerce medicine delivery is heating up, with Zepto recently joining Blinkit and Swiggy Instamart in the race. But as the space gets crowded, concerns are mounting over prescription-only medicines without proper checks.

Industry body All India Organisation of Chemists and Druggists (AIOCD) has called for regulatory scrutiny and tighter oversight. "Medicines are not groceries that should be delivered within 10 minutes. These are highly regulated and need utmost care while handling – something that can't always be assured in a dark-store model," said Rajiv Singhal, General Secretary, AIOCD.

On 13 August, the association wrote to the home affairs ministry stating that easy access through online quick-commerce delivery has led to a sharp rise in misuse, including of Schedule H drugs such as Pregabalin, used for neuropathic pain, epilepsy, and anxiety. It alleged that medicines are being issued online without genuine prescription verification, raising concerns about "ghost prescriptions" – fake or fabricated prescriptions used to procure restricted drugs.

The same day, Zepto announced its entry into pharma, offering medicine delivery within 10 minutes across metropolitan cities, according to its press release.

Prior to this, Swiggy had entered the segment in August 2024, launching its 'Instamart' grocery service – which included medicines in select markets – through a partnership with PharmEasy that operated as a shop-in-shop inside dark stores in Bengaluru.

Blinkit last month introduced 10-minute delivery across its dark-store network and later piloted prescription-medicine delivery (including antibiotics, eye drops, antihistamines, and skin treatments) in Bengaluru. Blinkit has entered deeper into healthcare by piloting a 10-minute ambulance service in Gurugram.

Queries sent to all three companies on 13 August did not elicit a response until press time.

"If platforms commit to only e-prescriptions issued and signed by registered doctors, run an automatic check against the National Medical Register, and keep a pharmacist in the loop before dispatch, leakage

can be driven close to zero—even with fast delivery," said Nilaya Varma, co-founder at Primus Partners, a management consultancy firm in Delhi

Prescription verification still murky

Prescription verification for Schedule H/H1/X drugs on quick commerce is a legal mandate, not a best-efforts standard, said Aditya Patni, Partner at Khaitan & Co. Schedule H includes prescription-only drugs like antibiotics and anti-epileptics, dispensed by pharmacists without mandatory record-keeping. Schedule H1 adds stricter control—requiring prescriptions and three years of records for abuse-prone drugs. Schedule X is the most stringent, mandating duplicate prescriptions ((two copies of the doctor's prescription), special licences, and secure storage for narcotics and psychotropics. India still lacks a clear e-pharmacy rulebook; the draft regulations were never finalised. Platforms operate under older statutes like the Drugs & Cosmetics Act, 1940 and the Pharmacy Act, 1948, which never envisaged online prescription verification or instant delivery. Draft e-pharmacy rules, 2018—requiring licensed premises, pharmacist verification, and prescription uploads—remain unnotified.

"This has left a regulatory vacuum, with enforcement fragmented among state drug inspectors," said Rishabh Gandhi, founder, Rishabh Gandhi and Advocate.

Many platforms leverage the 'marketplace' model — which merely connects registered pharmacies to customers — to distance themselves from liability, even while facilitating the sale of prescription-only medicines, said Patni.

"Since they act as 'intermediaries' or 'aggregators' under the Information Technology Act, 2000, they do not require a licence for sale of drugs as the actual dispensation happens through physical pharmacies which are already registered," he said, adding that quick-commerce models — which rely on dark stores — may blur this line, leading to unlicensed storage and distribution.

Moreover, 'JPEG prescriptions'—photos of paper scripts—are easy to forge, reuse, or edit, said Varma.

"The last mile is often not a licensed premise with a pharmacist on record, even though the Drugs & Cosmetics Rules mandate pharmacist supervision for retail supply. In addition, catalogue mis-tags (H/H1/X drugs flagged as regular SKUs) can let restricted medicines slip past controls," he added.

Regulatory concerns circle established players too. Patni notes that in February 2023, the Central Drugs Standard Control Organisation (CDSCO) issued show-cause notices to 20 e-pharmacies—including Tata 1mg, Amazon, Flipkart, and Netmeds—for allegedly selling drugs without valid licenses or prescriptions. These entities claimed intermediary status.

The Delhi high court had imposed an interim ban on unlicensed e-pharmacy operations in December 2018, and in March 2024 specifically directed the health ministry to finalise a policy on online sale of drugs. Licensed pharmacies can still sell online, but with the March 2024 deadline missed, the e-pharmacy legal framework remains unclear and enforcement patchy.

Pregabalin predicament

Meanwhile, Pregabalin has been a flashpoint recently—its rising misuse triggered the Drugs Technical Advisory Board (DTAB) to recommend moving it from Schedule H to H1, highlighting gaps in verification and enforcement.

Pregabalin can only be sold on a doctor's prescription with record-keeping and labelling compliance. Some states such as Punjab have even tightened controls on high-dose formulations and bulk sales to curb misuse and diversion.

In April 2025, the DTAB recommended reclassifying pregabalin and its formulations under Schedule H1, but the change awaits a gazette notification to take legal effect.

While regulators and chemist bodies flag the broader system risk, all Schedule H, H1, and X drugs—including antibiotics, opioids, and psychotropics—can be misused if prescription verification is weak, enabling diversion and unsafe consumption.

"Traditional pharmacies sometimes dispense medications without strict prescription checks, especially if they know the patient personally. A physical pharmacy isn't going anywhere, so such practices are easier to trace, but with e-pharmacies, it's much harder to monitor or track, which is why the scrutiny often feels uneven," said Dr. Chitra Raju, a general practitioner in Delhi.

That said, quick commerce and e-pharmacy can improve healthcare for chronic patients and expand access, particularly for the elderly and in high-traffic urban areas, said Varma of Primus Partners.

"E-pharmacies already serve 20,000+ pincodes, and quick-commerce pharmacy networks have penetration access to 100+ cities. For an ageing India—10.5% of the population is 60+, projected to reach 20.8% by 2050—reliable refills and doorstep delivery can reduce drop-offs for long-term therapies," he added.

India's e-pharmacy market has around 50 players and was valued at \$0.5 billion in 2019 (~2–3% of total pharmacy sales), projected to grow to \$4.5 billion by 2025 at a CAGR of 44%. Major players like PharmEasy, Tata 1mg, Netmeds, and Medlife combine medicine delivery with services such as doctor consultations and lab tests, according to India Brand Equity Foundation (IBEF) under the commerce ministry.