

## NPPA to revise excipient prices



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THE drug controller has sought price details of 65 excipients, used to make medicines, in a bid to revise their prices.

"Cost of some of excipients may increase while others may come down depending on the price movement observed in the last three years," SM Jharwal, chairman of the National Pharmaceutical Pricing Authority told ET after a meeting with company representatives. Prices of excipients were last revised in 2007.

Excipients such as sugar, starch, lactose and coatings are inactive substances that serves as the medium for a drug. The revisions may be completed by September.

The drug controller periodically seeks details from drug makers to recommend final prices to avoid profiteering that would make medicine unaffordable for the vast majority of the population. It regulates prices of medicines made using 74 bulk drugs in the Rs 42,000 crore drug retail market. Companies are not allowed to raise prices beyond 10% within 12 months.

Although the prices of ingredients have risen substantially in recent years due to a surge in commodity prices, the final increase in product prices may not be sharp.

"Excipient cost constitute about 5-10% of a drug, so the final increase in retail price of brands should be marginal," said an executive from a local drug maker. Since excipients are used more in liquid forms such as syrups, companies who have products in liquid forms will benefit the most if a price increase is recommended.

Many of the country's top selling brands are popular cough syrups and vitamin supplements that are sold in liquid form. Some of them are Pfizer's Corex and Becosules, GlaxoSmithkline's Zinetac, and Franco Indian's Dexo-range.

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