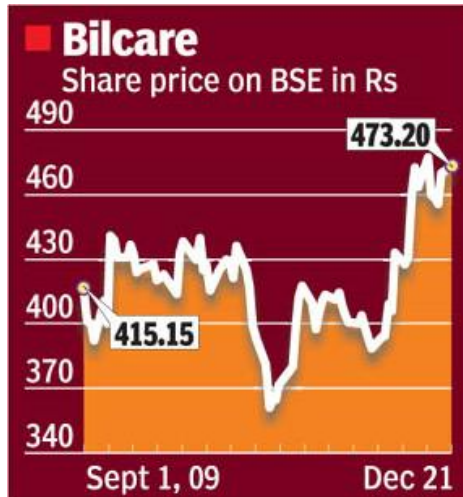




Fake-proof packaging to up price of decontrolled drugs 10%

Mumbai, Dec 22 2009:



The National Pharmaceutical Pricing Authority (NPPA) may allow non-scheduled drug makers who use a new packaging material developed by Bilcare Ltd, which will deter sales of spurious drugs, to raise product prices by over 10%, chairman S M Jharwal said.

Currently, the NPPA permits non-scheduled drug makers to annually raise prices by 10%.

"I am awaiting the Indian Drug Manufacturers' Association and Organisation of Pharmaceutical Producers of India's response on switching over to upgraded packaging material to reduce the problems of counterfeit drugs," Jharwal said.

Praful Naik, executive director and chief scientific officer, Bilcare, said the company was currently undertaking pilot projects with some Indian and foreign pharmaceutical companies.

"Depending on the specifications required by (a) company, it (the price rise) may vary from Rs 1.50 to Rs 2 per pack... We plan to commercially launch this technology within this financial year," he said.

The technology is cost-competitive and can be adopted by companies for low-value packs as well, he said. Jharwal said that due to better packaging, the maximum retail price is likely to go up around 6%.

"We may allow price increase over 10% on non-scheduled drugs on case-to-case basis, if pharmaceutical companies choose to adopt the new technology to counter flow of sub-standard drugs," he said.

Naik said the technology would help assess not only the authenticity of a drug, but will also help track its movement starting from manufacturing site to the retailer.

"It is tamper-proof and any tampering will result in loss of data thereby indicating counterfeiting," Naik said. It is estimated that counterfeit and sub-standard drugs account for about 10% of the global pharmaceutical market. A recent World Health Organisation report said the loss due to counterfeits and sub-standard drugs was close to \$75 billion every year.