



[Home](#) / [Business](#) / Rising costs of raw materials from China: NPPA to allow pharma cos to raise heparin price by 50%

Rising costs of raw materials from China: NPPA to allow pharma cos to raise heparin price by 50%

The price hike also comes as heparin was among several drugs flagged by the health ministry as essential medicines that needed to remain in stock while the country battled the ongoing Covid-19 pandemic.

Written by [Prabha Raghavan](#) | New Delhi | Published: July 2, 2020 3:31:16 am



The development also comes at a time when tensions between India and China have been on the rise. (Representational image)

The National Pharmaceutical Pricing Authority (NPPA) has decided to allow pharmaceutical companies to increase the price of essential blood thinner heparin



several drugs flagged by the health ministry as essential medicines that needed to remain in stock while the country battled the ongoing [Covid-19 pandemic](#).

■ square yards

Sign in

Meanwhile, other pharmaceutical companies have also approached the drug pricing watchdog seeking price increases for various other essential medicines like paracetamol formulations and antibiotics on similar grounds, [The Indian Express](#) has learnt.

The development also comes at a time when tensions between India and China have been on the rise. While there had been issues with delayed clearances of consignments from China at Indian ports over the last fortnight, shipments of pharmaceutical products have begun to get released this week, as per Pharmaceuticals Export Promotion Council of India Chairman Dinesh Dua.

NPPA had received applications from “several” companies with major market share of heparin injections seeking an upward price revision. In doing so, the firms had submitted that the cost of the heparin sodium active pharmaceutical ingredient (API) used to make the drug had risen “to a considerable extent”, making it “entirely unviable” for them to continue manufacturing it.

The costs of the API constitute a “major” portion of the input cost for the drug and the API is “mainly imported from China,” the firms had submitted to NPPA, according to a notification dated June 30.

“The Authority further noted that Heparin injection 5000IU/ml has also been included in list of medicine essential for patients admitted in ICU and Hospitalization due to COVID-19 circulated by Ministry of Health & Family Welfare (MoH&FW). Uninterrupted supply of such medicines is essential for management of COVID-19,” stated the minutes of NPPA’s June 22 Authority meeting, where this matter was discussed. “Further, reports of shortage have also been received for Heparin Injection.”

The Indian Express has viewed a copy of the minutes.

A committee headed by Central Drugs Standard Control Organisation joint drug controller Dr S Eswara Reddy had informed the Authority that there has been a 211



The committee had opined that “NPPA may consider to increase the ceiling price of Heparin Injection 5000IU/ml by 50 per cent in public interest. The committee also recommends that increase in ceiling price may be considered for only a fixed duration, say for about six to nine months, after which the situation may be reviewed and further necessary action can be taken as deemed fit.”

Apart from heparin, submissions for price increases have also been made over the past two months for other drugs under price control, ranging from paracetamol products and antibiotics to vitamins.

According to pharmaceutical associations in the country, the costs of APIs imported from China and used to make essential medicines here have on average risen 20-35 percent in the last 3-6 months, with a majority of the increase being brought in during the pandemic.

Antibiotic azithromycin, for instance, has seen a “substantial” increase in API costs, according to Indian Pharmaceutical Alliance Secretary General Sudarshan Jain.

Paracetamol products, according to Indian Drug Manufacturers Association Secretary General Daara B Patel, have also experienced similar hikes in cost as the key starting materials for them come mainly from China.

“During the pandemic, the overall cost of operations, especially transportation and APIs, have gone up substantially,” said Jain, adding that firms had separately approached the regulator with information regarding increasing costs of APIs, a majority of which come from China. “Wherever it is viable and the companies have applied for price revision with proper data, NPPA should consider it and give an increase where it is required,” he told *The Indian Express*.

Chinese manufacturers of these products seem to be trying to recover the costs of not being able to operate their facilities back in January, according to Patel. “China also experienced a lockdown, so manufacturers there had to shut operations for a while as well,” he said. “Because of this pandemic, prices have gone up for all imported items. We have requested NPPA to consider this on a case to case basis,” he said.



(@indianexpress) and stay updated with the latest headlines

SUBSCRIBE

Lifestyle Tech Videos Explained Audio Epaper

For all the latest **Business News**, download  **Sign in** .

TAGS: National Pharmaceutical Pricing Authority