



## Pharmaceutical Pricing in India: A Pharmacoeconomic Perspective

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India, during the last two decades is fast becoming the "Pharmacy to the World". India is a world destination of affordable drugs. India's prowess is in making patented drugs more affordable. Though the prices of patented drugs are lower in India, the retail markets are highly stratified and price sensitive. Hence, even though a large number of manufacturers exist; substantial price differences exist between different brands of the same drug. In marked departure from the world pharmaceutical buying paradigm; In India medicines are bought and paid by the people themselves without social security or through health insurance. Because of limited social healthy schemes often out of reach insurance facilities, access to medicines has been low in India. But substantial populations of people are acquiring a fair degree of affluence of late. The government policy controls pricing of drugs in various forms since 1963. But its approach is selective prone to imperfections —while some drugs are under control, competing drugs have been kept out of control. This has provided the manufacturer to alter the to more profitable product portfolios out of DPCO's purview. In a significant change in the government policy after 2005, India has re-introduced product patent protection. MNCs have started selling new patented drugs at exorbitant prices but these are yet to be included under price control. India has been able to restrict product patents by exempting grant of patents under certain conditions, invoking certain sections of the Patents Act. In a pharmacoeconomic perspective the Indian Pharmaceutical pricing is a state of flux and needs a course correction.