

Biocon Breast Cancer Drug too Expensive, say Health Activists

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NEW DELHI,

Biocon's launch of the world's first bio-similar of Trastuzumab, a critical breast cancer drug, is unlikely to benefit patients in a big way if the company sticks to the prices it has indicated, claimed health activists on Monday.

They allege that Roche, which retails the drug at ₹75,000 for 440 mg vial, sells it at a discount to its long-term patients through many of its dealers for ₹55,000-57,000. Biocon's retail price of ₹56,000 per 440 mg vial doesn't make the drug much cheaper.

"A quick back-of-the-envelope calculation reveals that the introduction of the bio-similar will have little impact in terms of expanded access," said a statement of campaign for affordable Trastuzumab, a public health group.

A Biocon spokesperson told ET that it's unfair to compare the retail price of one drug with the discounted price of another as most companies offer additional discounts through trade channels. The company reiterated that its product would sell 'at about a 25% discount to the current listed price of the reference product in India'.

The Bangalore-based Biocon had announced on Saturday that it would launch the first-ever generic version of Roche's blockbuster drug Herceptin. On Monday, the company's scrip closed at ₹454 on BSE, up 2.92% since its previous close.

Biocon's bio-similar can't be afforded by households with an income of less than ₹30,000 per month, which constitute over 75% of the country's population, asserted health activists, drawing data from the National Council of Applied Economic Research. "We consider Biocon's price to be too steep to translate into any significant improvement in accessibility on the ground. There will be a feel-good factor to it considering that an Indian company has made the first Trastuzumab bio-similar globally. But to make any real difference, the company would have to slash its prices further," said Leena Menghaney of Medecins Sans Frontieres, a global medical NGO.

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This drug fetches its parent innovator firm \$6.4 billion globally while in India, the sales of the drug is estimated to be only \$21 million, largely because it remains unaffordable for many.

This forced the government to consider granting a compulsory licence for the drug last year, but the plan was abandoned after Roche abruptly relinquished its patent in India.

Roche introduced the drug in India at a price of ₹1, 20,000 lakh for 440 mg vial, but has cut its price to ₹75,000.

Biocon officials said that developing a bio-similar requires significantly higher investment than a plain generic, and thus, expectation of irrational sharp price cuts are unrealistic.

Rough calculation by health activists show that a woman weighing 60-65 kg may need to shell out about ₹13 lakh on Roche's drug (18 vials of 440 mg) and ₹9.5 lakh on Biocon's version (17 vials of 440 mg and 1 vial of 150 mg). If Biocon's bio-similar also offers a 25% discount on its retail price, then the lowest cost of treatment could be around ₹7 lakh, or more than ₹50,000 per month, they claimed.

New drug.