

No. 31015/31/2013-PI.I
GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS

B Wing, Janpath Bhavan, New Delhi

ORDER

Subject: Review applications of M/s Wockhardt Limited against NPPA notification S.O. No. 1651(E) dated 14th June, 2013 for fixing ceiling price of Povidone Iodine Solution 5% and S.O. NO. 1905(E) dated 28th June, 2013 for fixing ceiling price of Povidone Iodine Ointment 5% under Drugs (Prices) Control) Order, 2013 (DPCO, 2013).

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Whereas Government of India, vide price fixation Order S.O. No.1651(E) dated 14th June, 2013 and S.O. NO. 1905(E) dated 28th June, 2013 fixed ceiling price of Povidone Iodine Solution 5% and Povidone Iodine Ointment 5% respectively.

2. And whereas aggrieved by the above notifications M/s. Wockhardt Limited (hereinafter referred to as the Petitioners) had represented to the reviewing authority against the said price fixation orders. Personal hearing was granted to the Petitioners by the Department of Pharmaceuticals on 4.9.2013. The Petitioners were represented by Shri Shahnawaz Khan, Vice President Finance and Shri S. Sethi, G.M. On behalf of the NPPA Shri S.K. Bhatt, Deputy Director (Tech) attended the hearing. Shri V.K. Tyagi, (DIA), Department of Pharmaceutical also attended the hearing as technical expert.

3. The issues involved in the review application have been examined based on the record of note of discussions of the personal hearing, other documents on record and the Government has decided as under:

- i. The DPCO, 2013 does not distinguish between sales through retailer shop or through hospital outlets. It is only the "Price to retailer", which is captured by IMS, that is taken into account for calculation of ceiling price. Therefore, any such further classification or exclusion of hospital sales may not be in line with provisions of DPCO, 2013.
- ii. Once the brands/generic versions of a particular medicine, having MAT of more than 1%, have been identified, it is only simple averaging of prices of all such versions, which determines ceiling price for that medicine. Para 4 of DPCO, 2013 also mentions the same. Therefore, the procedure followed by NPPA is in line with provisions of DPCO, 2013.

Issued on this date 23rd December, 2013.

(Roshan Lal)
Under Secretary to the Govt. of India
For and on behalf of the President of India

To

1. M/s. Wockhardt Limited
Wockhardt towers, Bandra Kurla Complex,
Bandra(East), Mumbai-400051
2. The Member Secretary,
National Pharmaceutical Pricing Authority,
YMCA Cultural Centre Building, New Delhi-110001

Copy to :

1. PS to Hon'ble Minister of State (Independent Charge) in the Ministry of Chemicals and Fertilizers, Shastri Bhawan, New Delhi for information.
2. Sr. PPS to Secretary (Pharma), Shastri Bhawan, New Delhi for information.
3. The Chairman, NPPA, YMCA Cultural Centre Building, New Delhi for information