

# No need to relabel stock in market: Pharma cos to HC

## ■ Court directs pharma body to reply to proposal

**Kaushal Shroff**

New Delhi, Jan 10: The Delhi High Court has directed the National Pharma Pricing Authority (NPPA) to submit reply in respect of a proposal made by a slew of pharmaceutical companies who have argued that re-labelling of new prices notified as per the Drug Pricing Control Order, 2013, on the stocks available in the market is not required as long as drug companies publish and distribute revised price lists of their medicines.

The ministry of chemicals and fertilisers, through the NPPA, on May 15 last year, issued the new DPCO and granted a period of 45 days to Cipla and other pharma companies to revise downwards the prices of 348 drugs in the market as per the ceiling prices fixed by the government. Subsequently, the pharma companies challenged the 2013 DPCO notification before the high court.

However, after an order of the Supreme Court in December last year, the case of the pharmaceutical companies — under which they had challenged earlier DPCO notifications of 1987 and 1995 — suffered a major blow. The apex



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court held that the drug firms will have to sell their current drug stocks in the market at the price provided by the regulator rather than at the older (higher) prices.

The high court, for now, has granted time to the NPPA to file its reply and listed the matter for January 16.

As per the proposal, accessed exclusively by FE, the

drug companies have claimed that re-labelling of the existing drug stocks in the market is not required as they have complied with the stipulations under various DPCO notifications mandating publishing and distribution of the revised price lists from time to time. Further, they also claim that the revised price lists have been circulated to dealers and state drug controllers, as required by the DPCO.

Additionally, they have also contended that the NPPA itself, in its documents, filed before the court has stated that there is no "mandatory" requirement to re-label new revised prices on products that have been already manufactured prior to the date on which the respective notification came into effect.

However, sources in the NPPA told FE that the proposal of the pharma companies refusing to re-label the available stock in the market is not acceptable to them and that, on the next date of hearing, they will submit to the court that the current market stocks should be relabelled as the same is in the interest of the consumers and in accordance with the directions of the Supreme Court.

*Pricing,*