

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:3802
ANSWERED ON:08.04.2003
PRICES OF DRUGS
VILAS BABURAO MUTTEMWAR

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it is a fact that the Hon`ble Bangalore High Court held that the newprices of drugs should be effective within 15 days of issuing of price notification by the Government;
- (b) if so, the details thereof;
- (c) whether it is a fact that drug companies have approached the Government for an out of the Courts settlement in the dispute over applicability of new prices fixed by the Government for old batches of medicines presently in the trade channels; and
- (d) if so, the reaction of the Government thereto?

Answer

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a) to (d) : Under Para 14(1) of the Drugs (Prices Control) Order,1995(DPCO,1995) every manufacturer or importer is required to carry into effect the price of a bulk drug or formulation, as the case may be, as fixed by the Government from time to time, within 15 days from the date of notification in the Official Gazette or receipt of the order of the Government in this behalf. In the Writ Petition No.38973/98 filed by M/s SmithKline Beecham Pharmaceuticals Limited, the High Court of Karnataka held, vide its order dated 12.11.2002, interalia, that `the provisions of the DPCO are clear that prices should be revised within 15 days even in regard to the formulations which were manufactured prior to the date of notification or those manufactured within 15 days from the date of notification`. A Special Leave Petition (SLP) has been filed in the Supreme Court of India by M/s Glaxo SmithKline Pharmaceuticals Ltd., against the order of Karnataka High Court.