

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

UNSTARRED QUESTION NO:2831  
ANSWERED ON:18.08.2011  
CHANGE IN NAMES OF PRODUCTS BY PHARMACEUTICAL COMPANIES  
Thomas Shri P. T.

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

- (a) whether certain pharmaceutical companies change the names of their products and market them at higher price vis-a-vis the original price;
- (b) if so, whether the Government proposes to make a stringent law to curtail this tendency; and
- (c) if so, the details thereof?

**Answer**

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (c): No company can sell/market scheduled formulations/products, i.e. price controlled drug formulations, by changing the names of their products more than the ceiling prices fixed by the National Pharmaceutical Pricing Authority (NPPA) under the Drugs(Prices Control) Order, 1995 (DPCO 1995). In respect of non-scheduled formulations, i.e. price decontrolled drug formulations, NPPA monitors movement of prices as per the guidelines already placed on the website of NPPA. The companies are not allowed to increase the price of non-scheduled formulations more than 10% over the period of one year as per the monitoring criteria.

In respect of non-scheduled formulations/products, it has come to the notice of NPPA that the companies have shifted manufacturing of drugs to food and nutrition supplements under Preventions of Food Adulteration Act, 1954 which has enabled them to remain out of price control. Examples observed in this regard are Evion 400mg of M/s Merck, Revita! of M/s Ranbaxy, Recharge Pius of M/s Trikio, Soft Z gold of M/s Indchem, etc.

The above practice followed by the companies was brought to the notice of Ministry of Health and Family Welfare by NPPA/Government with the request to examine the matter and take appropriate action to prevent the same. Ministry of Health and Family Welfare has informed NPPA in November, 2010 that this matter is being looked by the Food Safety and Standards Authority of India and the concern of NPPA will be addressed while formulating rules and regulation to regulate such products as specified under Section 22 of the Food Safety and Standards Act. The said rules are yet to be finalized by the above mentioned Authority.