

No.31015/4/2011-PI.I
Government of India
Ministry of Chemicals & Fertilizers
Department of Pharmaceuticals

‘B’ Wing, 3rd Floor, Janpath Bhawan,
New Delhi

ORDER

Subject: Review application of M/s Reckitt Benckiser (India) Ltd. in respect of price fixation Order No. S.O.559 (E) dated 14.3.2011 fixing prices of Dettol Antiseptic Liquid formulations under Drugs (Prices Control) Order, 1995 (DPCO, 1995).

Whereas Government of India vide price fixation order S.O.559 (E) dated 14.3.2011 fixed prices of Dettol Antiseptic Liquid formulations.

2. And whereas aggrieved by the above mentioned notifications M/s Reckitt Benckiser (India) Ltd. (hereinafter referred to as Petitioners) had represented to the reviewing authority vide their application dated 28.3.2011 against the said price fixation order. Personal hearing was granted to the Petitioners by the Department of Pharmaceuticals on 27.4.2011. The Petitioners were represented by S/Shri Neeraj Pant, R. Jawahar Lal, Rajesh Kumar Jha, and Nitish Bajaj. On behalf of NPPA S/Shri S.K. Bhatt, Dy. Director(T) and Shri Manish Goswami, Dy. Director(Cost) attended the hearing.

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

(a) Price of Bulk Drug

NPPA should consider complete information provided by the Petitioners in Form-III application and arrive at the correct weighted average price of bulk drug terpineol.

(b) Rate of Castor Oil

NPPA has allowed the existing price of castor oil soap solution which is actual input in the formulation. There is no reason for considering the price of castor oil which is a constituent for making castor oil solution.

(c) Norms for conversion

NPPA treated Dettol as elixir and have allowed the norms for conversion of elixir on the ground that it contained alcohol as one of the ingredients in composition.

However, after going through the definition, it has been observed that Dettol may be considered Emulsion. Therefore, claim of the company for using norms of conversion for emulsion may be granted

(d) Non-fixing of prices of pack sizes i.e. 60 ml, 110 ml and 210 ml.

Claim of the company is justified and they should have been provided the cost of pack sizes produced by them.

(e) Packing Material Norms:

In the absence of notified prices NPPA should consider the existing norms for flat transparent bottle allowed to other companies as per the provisions of their internal guidelines or if no such price exists, NPPA should consider the cost details provided by the company in Form III.

4. NPPA and the Petitioners are directed to take action accordingly.

Issued on this date 1st August, 2013.

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

To

1. The Member Secretary,
National Pharmaceutical Pricing Authority,
YMCA Cultural Centre Building, New Delhi-110001
2. M/s Reckitt Benckiser (India) Ltd.
227, Okhla Industrial Estate,
Phase-III, Okhla,
New Delhi-110020

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.