

## Glaxo to Pay ₹71.21 Cr for not Selling Drugs at Govt Price

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The Supreme Court has directed pharma major Glaxo India to pay ₹71.21 crore to the state in a 20-year-old dispute over pricing of the drugs scheduled under the Drug Price Control Order (DPCO).

The dispute was over the pricing of — Betamethasone Alcohol, Betamethasone 17 valerate and Betamethasone di Sodium Phosphate — formulation used for manufacturing medicines for skin-related problems and fungal infection.

A bench of Justice R V Raveendran and Justice H L Dattu allowed the government's plea and held that it had the right to recover the amount difference stemming from the retail price at which the pharma manufacturer was selling that drug to customers, and the price fixed under Drug Price Control Order.

It directed the pharma major to deposit the amount difference in the Drug Price Equalisation Account (DPEA). In doing so, it set aside orders of the Delhi High Court, which had in 1991 rejected the government's demand from Glaxo (now GlaxoSmithKline) as "illegal and arbitrary". "We allow this appeal and set aside the order passed by the High Court and, thereby, we confirm the demands raised by the central government," the bench said.

NPPA