

MAKER OF PANDEMIC'S 'MAGIC PILL' FACES INCOME TAX SEARCHES AND PIL PETITION

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Under watch: Income Tax department recently searched 36 premises of the Bengaluru-based Micro Labs Ltd. across nine states. PTI-

Called "the favourite snack" during the pandemic and a source of multiple social media memes, Dolo-650 mg, which registered sales of over Rs. 500 crore since the start of the pandemic in India in March 2020, is now in the news over a public interest litigation petition in the Supreme Court and income tax searches on its maker, Micro Labs.

In its petition, the Federation of Medical and Sales Representatives Association of India, a national-level trade union, alleged mounting instances of unethical marketing practices by pharma companies in their dealings (mainly the offer of freebies) with healthcare professionals, which, in turn, has a negative effect on the health of those who are already unwell. The federation has sought enforcement of the right to life under Article 21 of the Constitution.

The Central Board of Direct Taxes, the administrative body for the Income Tax Department, in July accused Micro Labs of indulging in "unethical practices" and distributing freebies estimated at about Rs. 1,000 crore to doctors and medical professionals for promoting its products. The Income Tax Department searched 36 premises of the firm across nine States on July 6.

"The existing code is voluntary and unethical practices will continue to proliferate. The ultimate sufferer is the ailing patient for whom we are fighting. We demand that all essential medicines be brought under price control and made tax-free. This will ensure that patients are directly benefited. No one should die for want of medicines," Santanu Chatterjee of the federation says.

"This current case is certainly not about Dolo-650 alone. It is just one of the examples cited. Paracetamol is one of the examples that we have referred to in the petition that was filed some years ago. We are working for bringing in regulations that would stop malpractice in the pharma industry," Aparna Bhat, advocate for the federation, says.

She says that government price control is applicable till 500 mg of the paracetamol salt. "The idea of Dolo-650 and freebies caught on because it is so widely used especially during COVID," she adds.

Data available with IQVIA, a healthcare research firm, show that Dolo-650 mg registered sales of Rs. 28.9 crore in December 2021, up 61.45% from the corresponding month the previous year. Its highest sales figures are from April and May in 2021, when it registered sales of Rs. 48.9 crore and Rs. 44.2 crore, respectively. This growth was when the country was witnessing the second wave of COVID-19.

Dolo-650 is one brand of paracetamol, also known as acetaminophen, and used to treat fever and mild to moderate pain. It is no different from brands such as Crocin and Calpol. However, unlike Dolo-650 mg, most other brands sell their paracetamol brand in 500-mg tablets.

Data from IQVIA show that Dolo-650 and Calpol (manufactured by GSK Pharmaceuticals) are the key brands driving the paracetamol segment. In all, there are over 30 brands of paracetamol that are top-sellers in different regions of India.

While the Supreme Court is now scheduled to take up the matter on September 29, earlier this month, the National Medical Commission sought details from the Income Tax Department of doctors who allegedly received freebies from six pharma companies, including Micro Labs.

Safe drug

A recent study by Future Market Insights (FMI) notes that the global acetaminophen market is expected to grow to over \$14.1 billion by 2031 from the \$9.4 billion in 2021.

In such a market, Dolo-650's popularity comes with the fact that it is one of three or four familiar brands that contain the drug paracetamol, what with Dolo having been around for almost three decades, says Rajeev Jayadevan, co-chairman (national), Indian Medical Association COVID task force.

"A specific advantage of Dolo 650 is that if a single tablet is taken up to three times a day, it comes well under the safe limit of 4 g every 24 hours. More number of pills might be needed if the 500-mg tablet is used. So it is convenient for adults of average build and weight. I understand other leading brands also released ads about their own 650-mg versions, apparently after seeing the popularity of this particular dose during the pandemic," he says.

Paracetamol is considered a safe drug to use within the recommended dosage. However, side effects may occur. Consult a doctor if symptoms stay for a long time or become severe, experts say.

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