

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

UNSTARRED QUESTION NO:1664

ANSWERED ON:16.07.2009

RECOVERY OF PENALTY FROM PHARMACEUTICAL FIRMS

Gaikwad Shri Eknath Mahadeo;Yaskhi Shri Madhu Goud

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

- (a) whether the National Pharmaceutical Pricing Authority (NPPA) is yet to recover the penalty amounting to Rs.1800 crore imposed on pharmaceutical firms for overpricing medicines;
- (b) if so, the details of the firms alongwith the penalty pending against each of them;
- (c) the reasons for delay in recovering the penalty; and
- (d) the steps being taken by the NPPA to recover the outstanding amount from the defaulting firms?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS(SHRI SRIKANT KUMAR JENA)

(a) & (b) Yes, Madam. As on 30.6.2009, the National Pharmaceutical Pricing Authority (NPPA) is to recover Rs.1850.78 crore on account of overcharging from the concerned companies. The details of the companies and the overcharged amount are available at the website of NPPA viz. www.nppaindia.nic.in. A copy of the same statement is enclosed at Annexure I.

(c) & (d) The delay in recovering the overcharged amount is due to concerned companies filing cases in Courts of Law, including Supreme Court against the demands raised by NPPA.