

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

UNSTARRED QUESTION NO:67  
ANSWERED ON:22.11.2012  
OVERCHARGING BY DRUG MAKERS  
Mani Shri Jose K.

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

- (a) whether the drug price regulator National Pharmaceutical Pricing Authority had found instances of overcharging by major drug makers during January-October 2012;
- (b) if so, whether the errant drug companies were imposed penalty totalling Rs 130.00 crores;
- (c) if so, the details thereof;
- (d) whether the Government is working on the directions issued by the Hon`ble Supreme Court to formulate a new drug pricing policy bringing more than 340 drug formulations under the purview of price control; and
- (e) if so, the details thereof?

**Answer**

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

(a) to (c) Yes Sir. A number of drug companies have been found to be selling some of their medicines to the consumers at a price higher than the ceiling price notified by National Pharmaceutical Pricing Authority (NPPA). During the year 2012 {upto October 2012}, NPPA has raised fresh demand for overcharging amounting to Rs. 12971.42 Lakh (approx Rs. 130.00 crore) which inter-alia includes the following major drug makers:-

Sl. No. Name of the company Name of the formulation Demanded overcharged amount alongwith interest (Rs. in Crore)

1 Intas Pharmaceuticals Kufrest Syrup 0.51

2 Ind-Swift Ltd. Provita, 0.81  
neurovit

3 Astalife Doxy 1 LDR 7.83  
Forte

4 Aventis Pharma Ltd., Avil 25 & 5.19  
50 mg

5 Corned Chemicals Grisomed 0.51

6 Claris Life Science I.V. Fluid 104.07

7 Aventis Pharma Ltd., Combiflam 6.94

8 Next Wave Ltd. Ibukind Plus 0.68  
Tab

9 IPCA Lab Normax TZ 0.55

10 Intervet India Analgin Vat 1.27  
Inj.

Total 128.36

(d) & (e): Yes, Sir. The Department of Pharmaceuticals had prepared a draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) based on the criteria of essentiality and requirements as stipulated by the Ministry of Health & Family Welfare which included anti-cancer drugs also. The draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) was circulated among the concerned Ministries/Stakeholders, The draft Policy was also available for comments of any other interested person on the Department's website [www.pharmaceuticals.gov.in](http://www.pharmaceuticals.gov.in) till 30.11.2011. the views/inputs received on the draft NPPP-2011 were examined and the matter was placed before the Group of Ministers (GoM) which met on 25.4.2012. The Group of Ministers (GoM) in meeting held on 27.09.2012, gave its final recommendation on pricing of National List of Essential Medicines - 2011 based on which National Pharmaceutical Pricing Policy 2012 has been prepared and sent to the Cabinet on 15.10.2012 for its approval.