

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

UNSTARRED QUESTION NO:5897

ANSWERED ON:02.05.2013

COMPLIANCE OF DRUGS PRICES FIXED BY NPPA

Alagiri Shri S. ;Rama Devi Smt.

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

- (a) the manner in which the National Pharmaceutical Pricing Authority (NPPA) ensures the compliances of the drug prices fixed by it;
- (b) the steps taken/being taken by the Government to ensure the compliances of the prices of drugs and the samples purchased by NPPA during the last three years, State-wise; and
- (c) the details of the punitive action taken on the basis of purchase of samples by NPPA?

Answer

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

(a) In order to ensure compliance of the drugs prices fixed/ notified under Drugs (Prices Control) Order, 1995 (DPCO, 1995), National Pharmaceutical Pricing Authority (NPPA) carries out continuous market surveillance based on IMS data, procures samples of scheduled formulations from market, examines price list received from the companies in Form V of the DPCO, 1995, besides the reports received from the State Drugs Controllers and complaints/ references received from individuals/ NGOs.

(b) During the last three years i.e. 2010-11, 2011-12 and 2012-13 NPPA has purchased 553, 559 and 626 samples respectively. Of these, prima facie DPCO violation/ discrepancies were found in 225, 156 and 163 cases respectively during the last three years.

(c) As and when the cases of selling medicines at higher price comes to notice of the NPPA, action is initiated against the respective companies to recover the overcharged amount from them. Since inception and as on 31.03.2013, there are 929 cases where demand notices have been issued by NPPA to Pharmaceutical companies amounting to Rs. 2607.29 crores for selling their medicines at prices higher than the price fixed by NPPA under DPCO 1995. Out of which, Rs. 234.37 crore has been realized till 31.03.2013 leaving a balance of Rs. 2372.92 crore to be realized. Out of Rs.2372.92 crore, an amount of Rs. 2267.83 crore is under litigation and pending in various courts.