

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

UNSTARRED QUESTION NO:2844
ANSWERED ON:27.08.2013
NATIONAL PHARMACEUTICAL PRICING AUTHORITY
Joshi Shri Mahesh

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

- (a) whether instances of alleged irregularities amongst the staff/officers of the National Pharmaceutical Pricing Authority (NPPA) have come to the notice of the Government in the daily working of the organisation during each of the last three years;
- (b) if so, the details thereof, case-wise;
- (c) the loss incurred to the organisation on account of these irregularities;
- (d) whether some ex-officials/staff and serving officers in the Ministry were also found to be involved in these irregularities;
- (e) if so, the action taken against them; and
- (f) the steps taken/proposed to be taken by the Government to rout out corruption from this organisation?

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) to (e): Yes, Sir. Some complaints have been received alleging irregularities by some officials of National Pharmaceutical Pricing Authority (NPPA). The main thrust of the allegation is that recovery notices have not been issued to the Pharma companies for price violation under Drugs (Prices Control) Order during the tenure of those officials. In one of the cases matter was referred to Central Vigilance Commission (CVC) and based on their advice, Department has referred the matter to Chairman, NPPA to get an independent enquiry conducted.

(f): In order to bring transparency in the working of NPPA, the Department has given instructions to NPPA that:

- i. NPPA should place the internal guidelines being followed by NPPA while fixing/revising the prices of drugs/formulations on its website for information of the drug companies.
- ii. Any deviation from internal guidelines of NPPA should be with the specific approval of their Authority with the reasons to be recorded in writing and any such conscious decision to be placed on the website of NPPA.
- iii. The calculation sheet for fixing/revising the prices of formulations should also be placed on the website of the NPPA so that any arbitrariness in such fixing/revising the prices is ruled out.