

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS**

LOK SABHA
UNSTARRED QUESTION NO. 3361
TO BE ANSWERED ON 16th March, 2021

Complaints Recieved by NPPA

3361. SHRI BHARTRUHARI MAHTAB:

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

- (a) the number of complaints received by the National Pharmaceuticals Pricing Authority (NPPA) for over pricing of medicines by Private Sector Hospitals across the country during each of the last three years and the current year, State/UT-wise including NCR;
- (b) the number of such complaints settled by NPPA along with the action taken against the said Hospitals so far, Hospital-wise;
- (c) the monitoring mechanism of the Government to keep a check on over pricing of medicines in such Hospitals;
- (d) the number of suggestions received by the Government from various quarters to improve the functioning of NPPA along with the action taken on such suggestions so far; and
- (e) the other steps taken/being taken by the Government to prevent the said hospitals from over pricing of medicines?

ANSWER

**MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI D.V. SADANANADA GOWDA)**

(a): The State-wise details of complaints of overcharging/overpricing against the Private Sector Hospitals received by the National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals are as under:

Year	State-wise	Number of complaints
2017-18	Delhi	2
	Haryana	2
2018-19	-	-
2019-20	West Bengal	1
2020-2021	Maharashtra	1
	Telangana	4
	Delhi	1
	Karnataka	1
Total		12

(b): These complaints have been examined as per the provisions of the Drugs (Prices Control) Order, 2013 (DPCO, 2013). In cases, where MRPs of the drugs administered were found to be overpriced, in violation of the ceiling prices notified for Scheduled Formulations or annual increase in MRP of non-scheduled formulations found to be more than 10%, suitable action for recovery of overcharged amount with interest from the manufacturer/ marketer of the medicine,

as applicable in individual case, were initiated as per provisions of DPCO, 2013. In case of a hospital in Karnataka, where overcharging in administration of medical oxygen to the patient was noticed on the part of the hospital, immediate corrective action was taken by NPPA to address the issue.

(c) & (e): Under the Drugs (Prices Control) Order 2013 (DPCO, 2013), NPPA fixes the ceiling price of formulation listed in the Schedule-I of DPCO, 2013. NPPA also fixes the retail prices of non-scheduled formulations falling under the category of new drugs as defined in DPCO, 2013. All these prices are available on NPPA's website. Further, NPPA with the help of Price Monitoring & Resource Units (PMRUs) and the State Drug Controllers (SDCs) regularly monitors and enforces the price fixed as per the provisions of the DPCO, 2013. Samples are also purchased from the open market throughout the country on random basis through SDCs to ensure the price compliance. Further NPPA takes prompt action on the basis of complaints received regarding overcharging through various channels. It also monitors the prices of non-scheduled formulations for increase in the prices beyond 10% during preceding twelve months.

(d): The suggestions received to improve functioning of NPPA are examined and suitably implemented. Further, NPPA has implemented single window online Eco-system for timely disposal and monitoring of various applications filed by the pharmaceuticals companies under DPCO, 2013. A tracking system is also in force by way of uploading the present status of applications received. Through this reform, simplification in applying for various approvals has been ensured and burden to submit various documents with offline applications has been reduced.
