

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

UNSTARRED QUESTION NO:1106  
ANSWERED ON:09.12.2003  
RECOVERY OF OVERCHARGED AMOUNT  
BALIRAM

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

(a) whether it is a fact that the Supreme Court has asked the Union Government to recover 50% of amount from the companies on account of over charging;

(b) if so, the names of the Companies, the names of medicines, the amount over-charged and the amount paid by the companies to the Government so far; and

(c) measures being taken to recover the balance amount from the companies?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS(DR. CHHATTRA PAL SINGH)

(a) to (c): In its order dated 1.8.2003 the Honourable Supreme Court has stated, inter alia, that ` We also consider it just and proper to give liberty to the appellant and the concerned statutory authorities to recover 50% of the `overcharged` amounts pending fresh determination by the High Court. Accordingly, we direct stay of recovery of 50% of the `overcharged` amount subject to the payment of remaining 50% within the period of four weeks from the date of communication of the amount payable by each of the writ petitioners`. In Septmeber,2003 the National Pharmaceutical Pricing Authority (NPPA) have issued notices to the following companies for recovery of 50% of the overcharged amount in respect of the bulk drugs shown against each for the period upto June,2000:-

Sl.No. Name of the Bulk Drug Name of the Company 50% of Overcharged amount to be recovered  
as per the Supreme Court  
Order dated 1.8.2003 (Rs.)

1. Salbutamol M/s USV Ltd. 7,07,752
2. Cloxacillin M/s Okasa Ltd. 2,37,08,931
3. Cloxacillin M/s Okasa Pharma Ltd. 91,05,089
4. Theophylline M/s Okasa Pharma Ltd. 45,81,155
5. Norfloxacin M/s Ranbaxy Ltd. 94,03,039
6. Cloxacillin M/s Ranbaxy Ltd. 99,81,354
- 7 Ciprofloxacin M/s Ranbaxy Ltd. 23,47,00,748
8. Salbutamol M/s Cipla Ltd. 39,81,15,194
9. Ciprofloxacin M/s Cipla Ltd. 21,08,39,457
10. Cloxacillin M/s Cipla Ltd. 4,77,69,384
11. Norfloxacin M/s Cipla Ltd. 37,42,16,445

In November,2003 the National Pharmaceutical Pricing Authority (NPPA) have issued notices to the following companies for recovery of 50% of the overcharged amount in respect of the bulk drugs shown against each for the period from July,2000 to July,2003:-

Sl.No. Name of the Bulk Drug Name of the Company 50% of Overcharged amount to be recovered

as per the Supreme Court  
Order dated 1.8.2003 (Rs.)

1. Norfloxacin M/s Ranbaxy Ltd. 8,080,942
2. Cloxacillin M/s Ranbaxy Ltd. 7,99,685
3. Norfloxacin M/s Cipla Ltd. 257,209,232
4. Ciprofloxacin M/s Cipla Ltd. 239,558,166
5. Salbutamol M/s Cipla Ltd. 270,810,727
6. Theophylline M/s Okasa Pharma Ltd. 5,894,815
- 7 Cloxacillin M/s Okasa Pvt. Ltd. 119,262,500

M/s Ranbaxy Labs has deposited Rs.23,47,00,748/- (Rupees Twenty Three Crores Forty Seven Lakhs Seven Hundred Forty Eight only) being the 50% of the overcharged amount in the sale of Ciprofloxacin based formulations for the period upto June,2000. Appropriate measures as per law will be taken against the defaulters.