

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

UNSTARRED QUESTION NO:1420

ANSWERED ON:02.12.2014

OVERCHARGING BY DRUG MANUFACTURING COMPANIES

Dubey Shri Satish Chandra

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

- (a) whether it is a fact that medicines manufactured from all basic medicines/ formulations prescribed under the Drug (Price Control) Order, 2013 come under the purview of price control;
- (b) if so, whether it is a fact that some companies are overcharging of a large number of drug/formulation that come under the purview of price control;
- (c) if so, the time since when such drug manufacturing companies have been overcharging the price of drugs and the action taken against them so far companywise;
- (d) whether the Government/National Drugs Pricing Authority (NDPA) has ordered for recovery from these drug manufacturing companies; and
- (e) if so, the details thereof and the present status of process of recovery from the guilty companies and the manner in which consumers would be compensated for the loss suffered by them?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI HANS RAJ GANGARAM AHIR)

(a): All medicines contained in National List of Essential Medicines and included in the First Schedule of the Drug (Price Control) Order (DPCO), 2013 come under the purview of price control.

(b) to (e) All manufacturers of a scheduled drug/ formulation have to with the price fixed by the Government/ NPPA from the date of its notification. If any company is found selling a scheduled drug/ formulation at a price higher than the notified price, notice for recovery of the overcharged amount is issued to them. So far, demand notices for recovery of overcharged amount have been issued to 11 (eleven) companies under DPCO, 2013 as per the following details:

List of Demand Notices issued to the Companies and Amounts recovered from the Companies under DPCO, 2013

S. No	Name of the Companies	Name of the Demand Recovery Formulations	Rs. in Crore
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1	M/s RemidexPharma Pvt Ltd & M/s GSK Asia Pvt Ltd	Crocine advance Tablet	53.99 53.99
2	M/s Abbott Healthcare	Mercazone Tablet	0.04
3	M/s Wockhardt Ltd	Aziwok 500mg Tablet	2.19
4	M/s Abbott Healthcare	Phenergan 100ML Syrup	1.21
5	M/s Wockhardt Ltd	Tryptomer 25mg Tablet	3.55
6	M/s Abbott Healthcare Pvt Ltd	Gardenal 60 Tablets	0.79
7	M/s Scott Edii Pharmacia	Aziphar suspension	0.05
8	M/s IPCA Labs	Perinorm syrup 30 ml	0.52
9	M/s Baxter India	Dextrose 5%	0.02 0.02

Pvt Ltd	Injection	
10 M/s FDC Ltd	Zathrin 500	0.23
	Tablet	
11 M/s Novartis Pharma	Voveran	28.18
Total		90.77 54.01
Suomotu payments received		0.57
from various companies		
Total amount recovered		54.58
under DPCO, 2013		

As on 28.11.2014, an amount of Rs.54.58 crore has been recovered. The overcharged amount recovered from the companies is deposited in the Consolidated Fund of India.