

(b) whether it is also a fact that the representatives of Naphtha-based fertilizer units have held discussion with Government in this regard very recently, and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANS RAJ GANGARAM AHIR): (a) Yes, Sir. As per the provisions of the Modified New Pricing Scheme (NPS)-III for existing urea units dated 2nd April, 2014, “the production of the high cost naphtha based urea units viz., Southern Petrochemicals Industries Corporation (SPIC) - Tuticorin, Madras Fertilizers limited (MFL)- Manali and Mangalore Chemicals and Fertilizers Limited (MCFL) - Mangalore will continue till the gas availability and connectivity is provided to these units or June, 2014 whichever is earlier, beyond which subsidy for naphtha based plants will not be paid.” However, the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th August, 2014 had decided to continue urea production from the three Naphtha based urea units upto 30th September, 2014.

(b) Yes, Sir. Based on the discussions held, the Department of Fertilizers has prepared and submitted a final CCEA Note for permitting operation of the three Naphtha based urea units. The CCEA in its meeting held on 10th December, 2014 considered the note submitted by Department of Fertilizers and allowed the operation of these plants only for a period of 100 days from the date of notification. The subsidy to these units will be paid in the following manner:

- (i.) The concession rate for these plants will be determined notionally on the basis of weighted average delivered cost of spot RLNG to recently converted plants after deducting state taxes (VAT, Entry tax) on Naphtha/FO or the cost of production of urea from Naphtha/FO after deducting state taxes (VAT, Entry tax) on Naphtha/FO, whichever is lower.
- (ii.) The above decision will be operationalized after concerned State Governments agree to waive the local taxes (VAT, Entry Tax) on Naphtha/FO used as feedstock for urea production.

The CCEA further directed that a proposal for alternative arrangements be finalised for its consideration, before the expiry of the aforesaid period.

Overcharging for drugs under price control

3037. SHRI P. BHATTACHARYA: 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 some companies are overcharging a large number of drugs/ formulations 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, company wise;

(d) whether Government/National Drugs Pricing Authority (NDPA) has ordered for recovery from these drug manufacturing companies; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANS RAJ GANGARAM AHIR): (a) All formulations 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 comply 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 13 (thirteen) companies under DPCO, 2013 as per the following details:

Statement

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

Sl. No.	Name of the Companies	Name of the Formulations	Demand (₹ in crore)	Recovery
1	2	3	4	5
1.	M/s Remidex Pharma Pvt Ltd & M/s GSK Asia Pvt Ltd	Crocine advance Tablet	53.99	53.99
2.	M/s Abbott Healthcare	Mercazole Tablet	0.04	
3.	M/s Wockhardt Ltd	Aziwok 500mg Tablet	2.19	
4.	M/s Abbott Healthcare	Phenergan 100ML Syrup	1.21	

1	2	3	4	5
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 Edil Pharmacia	Aziphar suspension	0.05	
8.	M/s IPCA Labs	Perinorm syrup 30 ml	0.52	
9.	M/s Baxter India Pvt Ltd	Dextrose 5% Injection	0.02	0.02
10.	M/s FDC Ltd	Zathrin 500 Tablet	0.23	
11.	M/s Novartis Pharma	Voveran	28.18	
12.	M/s Biological Evans	Bert Tetanus	33.28	
13.	M/s IPCA Laboratories	HCQS Tablets	2.33	
TOTAL			126.38	54.01
<i>Suo-moto</i> payments received from various companies				0.57
Total amount recovered under DPCO, 2013				54.58

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

Manufacturing of generic medicines

†3038. SHRI PRABHAT JHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- whether licence is not required for manufacturing of generic medicines in the country;
- if so, the details thereof;
- whether companies manufacture medicines even if the quality regulatory facilities for manufacturing the medicines is not there as there is no necessity of taking the license;
- whether there is any agency with Government to curb this situation; and
- if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANS RAJ GANGARAM AHIR): (a) to (e) Drugs cannot be

† Original notice of the question was received in Hindi.