

Overcharging on life saving drugs

2075. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a case of over-invoicing by M/s. Glaxo and M/s. Hagal Capsul Industry Ltd. has come to the notice of Government;

(b) if so, the details thereof;

(c) whether Government's attention has been drawn on over-charging for some life saving drugs and importing of Ceftom Syrup at higher prices of these companies; and

(d) if so, what is present Indian market price of Ceftom Syrup and import price quoted by these companies?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) No such case has been brought to the notice of this Department.

(c) and (d) Cases of overcharging by M/s. Glaxo, under DPCO 1995, have come to the notice of the Government in respect of Ranitidine formulations and Betnelan Tablets. For Ranitidine formulations the company paid Rs. 177 lacs to the Government on account of overcharging for the period from January 1998 to February 1998. Thereafter the company is following the notified prices. In respect of Betnelan Tablets manufactured by M/s. Glaxo, Government served a notice for overcharging for the period from January 1995 to July 1995 against which the company filed a Writ Petition in the Bombay High Court in May, 1999 and the Court passed an order on 6.5.1999 directing the Government to maintain status quo. Presently the matter is subjudice.

Ceftum Syrup is a non-scheduled formulation. For non-scheduled formulations manufacturers/importers are free to fix their prices. As per the Trade Price list of July, 1998 of M/s. Glaxo the prices of Ceftum formulations are as under:

Sl. No.	Pack size	Strength	Price (Rs.)
1.	4's Strip	125mg	70.97 (inclusive of ED)
2.	4's Strip	250mg	129.29 (inclusive of ED)
3.	4's Strip	500mg	235.25 (inclusive of ED)
4.	50ml Bot. (Oral suspension)	125mg/5ml	225.00 (inclusive of ED)