

Pharma firms face rap for overcharging

NEW DELHI: Leading pharmaceutical firms such as Cipla and Ranbaxy are among the firms pulled up by the drug price regulator National Pharmaceuticals Pricing Authority (NPPA) for overcharging. According to the information available on the NPPA website, as on October 31, 2010, the total estimated overcharged amount, including interest, by various pharmaceutical firms since the inception of the NPPA in 1997 stood at a whopping Rs 2,208.35 crore. But so far, the Authority could recover a paltry Rs 202.20 crore from this and is fighting litigations in various courts with the companies to recover the rest of the sum. While Cipla's overcharged amount stood at over Rs 1,300 crore, that of Ranbaxy's was at more than Rs 100 crore during the period. The NPPA was established on August 29, 1997 as an independent body of experts with the task of fixing and revising drug prices, both bulk drugs and formulations, to ensure the availability.

NPPA