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Singapore: According to sources, the Tokyo-based pharma major Novartis, is likely to suffer temporary suspension by the Japanese Ministry of Health, Labor and Welfare. The Ministry will order a business suspension for 15 days due to failure to report adverse effects of a few drugs, reported the Japan Times.

This would be the first time Japanese officials have suspend a company for breaching the requisite guidelines and failing to report side effects promptly. For Novartis, this would be the second administrative punishment over side-effect issues, after a business improvement order was issued last July for its failure to properly report side effects of two leukemia drugs.

Novartis may be given a chance for explanation, said sources. A major scandal erupted in April 2014, where Novartis officials admitted the failure to report a total of 3,264 cases of patient health problems possibly caused by adverse effects of 26 types of drugs sold by the company.

Japanese laws state that pharmaceutical companies must report side-effects of their drugs within 15-30 days depending on the seriousness of the issue. The government had earlier warned Novartis to improve its business practices.