

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2348
ANSWERED ON:14.03.2008
COST AUDIT REPORT
Khaire Shri Chandrakant Bhaurao

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether cost audit reports of companies such as Cipla, Ranbaxy, Dr. Reddy, Sun Pharma, Nicholas Piramal, Torrent, US vitamins, Cadila Health Care, Cadila Pharmaceuticals, IPCA, Lupin, Unichem, Aurbindo Pharma, Glenmark have not been analyzed;
- (b) if so, the reasons therefor;
- (c) whether the Government proposes to investigate the matter; and
- (d) if so, by when?

Answer

MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a) to (d): Cost audit of the companies is carried out under section 233B of the Companies Act, 1956 and the compliance thereof is monitored in the Ministry of Corporate Affairs. All the companies mentioned in part (a) of the question are engaged in the manufacture of pharmaceutical products. National Pharmaceutical Pricing Authority has been availing cost audit reports of these companies from this Ministry for regulatory action by them. In addition, Department of Expenditure has also been using such cost audit reports for cost/price studies. The Government undertakes investigations as per the provisions of the law whenever any specific allegation warranting investigation is noticed.