

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:1260  
ANSWERED ON:13.08.2013  
ILLEGAL SALE OF USEFUL DRUGS  
Singh Shri Jagada Nand

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether various pharmaceutical companies are involved in illegal profiteering and retail sale is being made at the rates higher than the actual cost in the market;
- (b) if so, the details thereof;
- (c) whether any action has been taken/being taken against the persons involved in the said illegal activities to put a control on prices; and
- (d) if so, the details thereof during each of the last three years and the current year?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA)

(a) & (b): The Drugs (Prices Control) Order, 2013 (DPCO, 2013) notified on 15th May, 2013 provides for fixation of prices of scheduled formulations on the basis of "market based prices" instead of "cost based pricing" which hitherto was being followed under DPCO, 1995. NPPA has already notified the ceiling prices in respect of 291 medicines under provisions of the DPCO, 2013. The first notification covering 151 NLEM- 2011 drugs was issued on 14.06.2013.

The manufacturers of mentioned scheduled formulations having maximum retail price higher than the ceiling price are required to revise the MRP to an amount not exceeding the ceiling price plus local taxes, wherever applicable within a period of 45 days from the date of price notification by NPPA in accordance with paragraph 13 (1) and 24 of the DPCO, 2013.

The manufacturers are also mandated to issue a price list in Form-V as per paragraph 24 (2) of the DPCO, 2013. All the existing manufacturers of scheduled formulations having MRP lower than the ceiling price are required to maintain the existing MRP in accordance with paragraph 13 (2) of the DPCO, 2013.

(c) & (d) : Information is being collected and will be laid on the table of the House.