

F. No. 20(8)/2013/Div. III/NPPA

Government of India  
Ministry of Chemicals & Fertilizers  
Department of Pharmaceuticals  
National Pharmaceutical Pricing Authority  
Ph: 23345116, 23345118 & 23345122  
Website: [www.nppaindia.nic.in](http://www.nppaindia.nic.in)

5<sup>th</sup> / 3<sup>rd</sup> Floor,  
YMCA Cultural Centre Building,  
1, Jai Singh Road, N. Delhi – 110001  
Date: 15.05.2015

To

The Managing Director/ Chief Executive Officer,  
(To Mfrs of Orthopaedic Implants)

**Sub: Monitoring of price movement of notified Orthopedic Implants as drugs under DPCO, 2013**

Sir,

There have been reports in certain sections of print media that the prices of Orthopaedic Implants regulated as 'drugs' under Drugs & Cosmetics Act & Rules there under, are sold at exorbitant price with high profit / trade margin.

Para 20 of the DPCO, 2013 provides for monitoring the prices of non scheduled formulations and to ensure that no manufacturer / importer / distributor is allowed to increase the MRP of a non scheduled drug more than ten percent of MRP during preceding twelve months and where the increase is beyond ten percent, it shall reduce the same to the level of ten percent of maximum retail price for next twelve months. The manufacturers / importer / distributor shall be liable to deposit the overcharged amount alongwith interest thereon, form the date of increase in price in addition to the penalty.

Further, Para 25 of DPCO, 2013 provides that every manufacturer / importer shall issue a price list and supplementary price list in Form V to the dealer, State Drugs Controller and the Government from time to time. As provided in Para 26 of the said order, no person is authorized to sell any formulation including medical devices regulated as drugs to any consumer at a price exceeding the price specified in the current price list or price indicated on the label of the container or pack thereof, whichever is less.





In this regard, it has been decided to seek the following information / documents in order to examine price violation, if any, in respect of notified medical device, manufactured / imported / marketed by the company:

1. Product specification with brief description / Literature for different types of notified medical devices manufactured / imported by the company.
2. Information / data in respect of Orthopedic Implants in the following format :

S. No.	Ex-factory price / landed cost (including applicable duties)	Distributor Cost	Maximum Retail Price (MRP)	%age increase in MRP (year to year) in the last three years			Remarks, if any
				2013	2014	2015	

The above information / document may be furnished urgently, not later than 7 days from the date of issue of this letter.

Yours faithfully,



(Shyam S. Agrawal)  
Assistant Director (M&E)