

**F.No. 31026/31/2016-PI.I**  
**Government of India**  
**Ministry of Chemicals & Fertilizers**  
**Department of Pharmaceuticals**

Room No. 346, A-Wing, 3<sup>rd</sup> Floor, Shastri Bhawan  
New Delhi-110001, Dated: May 19, 2017

**OFFICE MEMORANDUM**

**Sub: Implementation of prices fixed and notified under the provisions of DPCO, 2013  
- reg.**

The undersigned is directed to refer to NPPA's OM No. 25(5)/2014/Div.-V/NPPA dated 13/04/2016 on the above mentioned subject. Under the provisions of the DPCO, 2013, ceiling prices or retail prices are fixed and notified by the NPPA, from time to time. All the manufacturers are required to implement the prices fixed or revised by the NPPA as per Para 24 of the DPCO, 2013. Some queries have been received from various drugs manufacturer associations, drugs distributor and dealer associations, etc. in Department regarding captioned matter. There is also some misinformation regarding recalling or re-labeling or re-stickering on the label of container or pack of released stocks in the market prior to date of notifications.

2. The provisions of Para 24 of the DPCO, 2013 cast an obligation on the manufacturers to ensure compliance with the prices fixed or revised by the NPPA, from date of price notification by issuing a revised price list or supplementary price list, if required, in Form V to dealers, the retailers, State Drug Controllers and the Government.

3. Manufacturer has to ensure that the information related to revision of prices carried out by them is properly disseminated to all concerned.

4. The provisions contained in Para 14 (2) and Para 16 of DPCO, 2013, also lays down that the manufacturers are liable to deposit the overcharged amount alongwith interest thereon from the date of such overcharging in cases of sale of scheduled formulations at a price higher than ceiling price (plus local taxes as applicable) fixed and notified by the Government and non-submission of information about revision of Maximum Retail Prices (MRPs) carried as per the Wholesale Price Index respectively.

5. It is clarified that the information regarding revised price is to be notified by the manufacturers to all concerned including retailers, distributors and stockists. If the manufacturers are able to produce documentary evidence (when required) of having communicated the revised price list, and if a retailer or a distributor or a stockist is found selling the medicine above the ceiling price (plus local taxes as applicable), the overcharged amount would be limited/calculated only in respect of the stock handled by the concerned retailer(s) or distributor(s) or stockist(s) pertaining to that batch.

**(A.K. Chaudhary)**  
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