PUBLIC NOTICE

COMPETITION COMMISSION OF INDIA

Attention: General Public, Chemists, Druggists, Stockists of Medicines, Whole-sellers & Pharmaceutical Manufacturers.

All are informed that in cases concerning practices of All India level, State level, District level associations of chemists, druggists, stockists, whole-sellers and manufacturers, the Commission found following practices as anti-competitive:

1. Issuance of No Objection Certificate or letter of consent by such associations for opening chemist shop/being appointed stockists/distributor/whole-seller.
2. Compulsory payment of PIS charges by pharmaceutical firms/manufacturers to associations for release of new drug/new formulation.
3. Fixation of trade margins at different levels of sale of drugs/medicines.
4. Issuance of instructions to chemists/druggists/shops/stockists/whole-sellers/manufacturers restricting discounts on sale of drugs in retail or wholesale.
5. Issuance of boycott calls by the associations to their members against any enterprise for not following the instructions of associations.

Penalties were imposed by the Commission on such trade associations of chemists and druggists for violation of provisions of Competition Act.

It is brought to the notice of public that the Commission had issued cease & desist order against the associations directing them not to indulge in anti-competitive practices and the associations have filed undertakings that they would not indulge in such illegal practices. Non-Compliance of the orders of this Commission involves severe penalties and can lead to prosecution.

All concerned are informed that they can approach the Commission bringing to its notice violations of the orders passed by the Commission which are available on its website (www.cci.gov.in).

Secretary

Competition Commission of India

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