

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1556
ANSWERED ON:02.12.2005
COST AUDIT OF PHARMACEUTICAL COMPANIES
Manvendra Singh Shri ;Yadav Shri Anirudh Prasad (Sadhu)

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether there is a proposal for cost audit of two hundred Pharmaceutical companies under sector 223B of Companies Act, 1956;
- (b) if so, the details thereof;
- (c) whether the proposal is rejected by Ministry of Company Affairs;
- (d) if so, the reasons therefor; and
- (e) the time by which cost audit of Pharmaceutical companies is likely to be made?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

- (a) & (b) A suggestion for cost audit under section 233 (B) of the Companies Act, 1956, of companies engaged in drug manufacturing in the organised sector but not presently covered under Cost Audit orders, is under consideration of the Government.
- (c) No, Sir.
- (d) Does not arise.
- (e) The exercise of statutory powers under the Companies Act, in relation to any company, is subject to satisfaction of various statutory requirements laid down therein. As such no time frame can be indicated for all the companies under consideration.