

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

UNSTARRED QUESTION NO:267  
ANSWERED ON:06.07.2004  
NEW DRUG POLICY  
Rao Shri Sambasiva Rayapati

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

- (a) whether the Government has resolved legal issues relating to drug policy and the new Drug Price Control Order;
- (b) if so, the details thereof and the steps taken by the Government in this regard;
- (c) the time by which the Pharma sector will sort out drug price and Patent issues;
- (d) whether the Government has also decided to revive public sector drug manufacturing units to bring down the price of drugs;
- (e) if so, the details thereof; and
- (f) the time by which these are likely to be implemented?

**Answer**

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS (K. RAHMAN KHAN)

(a) to (c) : The Government announced the Pharmaceutical Policy 2002 in February, 2002. However, a public interest litigation filed in the High Court of Karnataka at Bangalore resulted in an Order dated 12.11.02, which stopped the Government from implementing the price control regime of the Pharmaceutical Policy 2002. This Department filed a Special Leave Petition (SLP) before the Supreme Court of India against the order of the Karnataka High Court, which has been admitted as SLP(C) No.3668/2003. The matter is sub-judice.

(d) to (f) : There are five Pharmaceutical PSUs namely, Bengal Chemicals & Pharmaceuticals Limited (BCPL), Bengal Immunity Limited (BIL), Smith Stanistreet Pharmaceuticals Limited (SSPL), Hindustan Antibiotics Limited (HAL) and Indian Drugs & Pharmaceuticals Limited (IDPL). In case of BIL, SSPL and IDPL, the Board of Industrial and Financial Reconstruction (BIFR) has passed winding up orders. BIL and SSPL have been closed. The case of IDPL is before the Appellate Authority of Industrial and Financial Reconstruction (AAIFR). In case of BCPL, the BIFR has sanctioned the modified draft rehabilitation scheme. HAL is before the BIFR. The National Common Minimum Programme, as adopted by the Government, states that the feasibility of reviving public sector units set up for the manufacture of critical bulk drugs will be re-examined so as to bring down and keep a check on prices of drugs.