

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

UNSTARRED QUESTION NO:135

ANSWERED ON:22.11.2012

FINALIZATION OF NEW PHARMACEUTICAL POLICY

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dubey Shri Nishikant; Lingam Shri P.; Owaisi Shri Asaduddin; Rathwa Shri Ramsinhbhai Patalbhai; Shankar Alias Kushal Tiwari Shri Bhisma; Singh Shri Bhola; Yadav Shri Dharmendra; Yaskhi Shri Madhu Goud

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

- (a) whether the Government had tried to introduce the pharmaceutical policy on earlier two occasions but without any success;
- (b) if so, the reasons for not achieving any success on the earlier occasions;
- (c) whether it is a fact that the existing policy regulates the prices of 74 bulk drugs and their formulations (around 1,500) and covers 20 percent of the market;
- (d) if so, whether the Government has finalized the new pharmaceutical policy;
- (e) if so, the details thereof;
- (f) whether the stakeholders are sharply divided on the methodology of fixing the price of drugs?
- (g) if so, the details of suggestions received by the Government from the pharmaceutical companies and consumer associations before recommending the new pharmaceutical policy; and
- (h) the number of drugs proposed to be brought under the price control and the steps proposed to be taken by the Government to implement the new pharmaceutical policy?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): The Government announced the 'Pharmaceutical Policy 2002' in February 2002. However, a public interest litigation filed in the High Court of Karnataka at Bangalore in WP No. 2168 of 2002 resulted in an Order dated 12-11-2002 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. The Supreme Court vide its order dated 10.3.2003 directed the Government, inter-alia, that, 'we suspend the operation of the order to the extent it directs that the Policy dated 15.2.2002 shall not be implemented. However we direct that the petitioner shall consider and formulate appropriate criteria for ensuring essential and life saving drugs not to fall out of the price control and further directed to review drugs, which are essential and life saving in nature till 2nd May, 2003'. Subsequently the Ministry of Health and Family Welfare has brought out the National List of Essential Medicines, 2003 after the review of the National Essential Drugs List, 1996. The draft National Pharmaceuticals Policy, 2006 was prepared by this Department after extensive discussions with various stakeholders, and in line with the declared objective of the Government in the National Common Minimum Programme (NCMP). This Policy was submitted before the Cabinet for its approval. The Cabinet considered the Policy in its meeting held on 11th January, 2007 and decided that the matter, in the first instance, be considered by a Group of Ministers (GoM).

(c): Under the provisions of Drugs (Prices Control) Order, 1995 (DPCO, 1995), prices of 74 scheduled bulk drugs and the formulations containing any of these scheduled drugs are controlled.

(d) to (h): The Department of Pharmaceuticals had prepared a draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) based on the criteria of essentiality and requirements as stipulated by the Ministry of Health & Family Welfare. The draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) was circulated among the concerned Ministries /Stakeholders. The draft Policy was also available for comments of any other interested person on the Department's website [www.pharmaceuticals.gov.in](http://www.pharmaceuticals.gov.in) till 30.11.2011. The views/inputs received on the draft NPPP-2011 were examined and the matter was placed before the Group of Ministers (GoM) which met on 25.04.2012. The Group of Ministers (GoM) in the meeting held on 27.09.2012, gave its final recommendation on pricing of National List of Essential Medicines - 2011 based on which National Pharmaceutical Pricing Policy 2012 has been prepared and sent to the Cabinet on 15.10.2012 for its approval.