

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

UNSTARRED QUESTION NO:2075
ANSWERED ON:06.12.2012
DRUG PRICING POLICY
Meghwal Shri Arjun Ram

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

- (a) whether any Court has issued any guidelines to the Government regarding drug pricing policy pertaining to the essential drugs;
- (b) if so, the details of the guidelines issued by the Court in this regard;
- (c) whether the prices of drugs are likely to rise if change is effected in the existing pricing policy of drugs; and
- (d) if so, the steps proposed to be taken by the Government to keep the prices stable in the country?

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) to (d): 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'.

The Department of Pharmaceuticals had prepared a draft National Pharmaceutical Pricing Policy, 2011 (NPPP-2011) based on the criteria of essentiality as per the medicines as under National List of Essential Medicines-2011 (348 drugs with specified dosage and strengths), as stipulated by the Ministry of Health & Family Welfare which was placed before the Group of Ministers (GoM). Based on the recommendations of the GoM, National Pharmaceuticals Pricing Policy-2012(NPPP-2012) was formulated and placed before the Cabinet. The Cabinet considered NPPP-2012 in its meeting held on 22.11.2012 and approved the same with certain modifications. Further action to notify NPPP-2012 has been undertaken.