

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

UNSTARRED QUESTION NO:4486

ANSWERED ON:20.12.2012

PRODUCTION COST OF MEDICINES

Bhagora Shri Tarachand;Singh Shri Rajiv Ranjan (Lalan);Yadav Shri Dinesh Chandra

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

- (a) whether the Supreme Court had advised the Government to make the production cost of medicines the basis to prepare price fixation policy for medicines across the country;
- (b) if so, the details thereof;
- (c) whether the Government has fixed a new basis by neglecting the said advice;
- (d) if so, the details thereof along with the reasons for neglecting the suggestion of the Supreme Court; and
- (e) whether the basis adopted by the Government entails a difference of 70 per cent in the market price and production cost?

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): No such final order has been given by the Hon'ble Supreme Court. (b) to (d): In view of reply to (a) above, does not arise.

(e): The Department of Pharmaceuticals has notified the National Pharmaceutical Pricing Policy-2012 under which the prices of National List of Essential Medicines-2011 are to be controlled & regulated. The objective is to put in place a regulatory framework for pricing of drugs so as to ensure availability of required medicines - 'essential medicines' - at reasonable prices even while providing sufficient opportunity for innovation and competition to support the growth of industry, thereby meeting the goals of employment and shared economic well being for all.