



सत्यमेव जयते

## **GAZETTE OF INDIA**

EXTRAORDINARY

PART - I Section - I

Published by Authority

**New Delhi, Friday, August 29, 1997 / Bhadrapad 7, 1919**

**MINISTRY OF CHEMICALS AND FERTILIZERS**

(Department of Chemicals and Petrochemicals)

### **RESOLUTION**

**F.No. 33/7/97 PI**

1. - Whereas the prices of bulk drugs and the formulations included in the Schedules categories are being fixed by the Government of India as per the Drugs (Prices Control) Order, issued from time to time under the provisions of section 3 of the Essential Commodities Act, 1955 (10 of 1955) and the Government have been experiencing that the present mechanism for the fixation and revision of prices of bulk drugs and formulations is cumbersome, complicated and time consuming.

2. And whereas, after careful consideration, the Government is of the opinion that to streamline and simplify the procedure and to bring about a greater degree of transparency as well as objectivity, an expert body should be constituted with the powers, inter alia, to fix prices and notify the changes therein, if any, of bulk drugs and formulations, from time to time, under the Drugs (Prices Control) Order.

3. Therefore, the Government have now decided to establish an independent body of experts to be called as the National Pharmaceutical Pricing Authority, consisting of a Chairperson in the status of the Secretary to the Government of India, Members having expertise in the field of pharmaceuticals, economics and cost accountancy and Member Secretary in the status of Joint Secretary / Additional Secretary to the Government of India, and the same is entrusted with the task of price fixation revision and other related matters such as updating the list of drugs under price control by inclusion and exclusion on the basis of the established criteria / guidelines. The National Pharmaceutical Pricing Authority shall be empowered to take final decisions, which shall be subject to review by the Central

Government as and when considered necessary. The Authority shall also monitor the prices of decontrolled drugs and formulations and oversee the implementation of the provisions of the Drugs (Prices Control) Order. In addition to the above mentioned functions, the Authority is entrusted with certain other functions as detailed in the Schedule annexed to the Resolution.

4. The Authority shall have power to regulate its own procedure for performing the functions entrusted to it. It shall be to call for notes, memorandum, results of studies, data and other material relevant to its work, from official and non-official bodies / organizations, and hold discussions with them. The Authority shall be empowered to maintain close touch with the Ministries of the Central Government, State Governments, Industry, consumers and other related organizations.

5. The expenditure of the Authority shall be borne by the Central Government.

6. The Head Quarters of the Authority will be at New Delhi.

7. The Authority shall be established and start functioning from the date of publication of this resolution in the Official Gazette.

#### **SCHEDULE**

Other functions of the National Pharmaceutical Pricing Authority

(1) To implement and enforce the provisions of the Drugs (Prices Control) Order in accordance with the powers delegated to it.

(2) To deal with all legal matters arising out of the decisions of the Authority.

(3) To monitor the availability of drugs, identify shortages, if any, and to take remedial steps;

(4) To collect/maintain data on production, exports and imports, market share of individual companies, profitability of companies etc. for bulk drugs and formulations;

(5) To undertake and/or sponsor relevant studies in respect of pricing of drugs/pharmaceuticals;

(6) To recruit/appoint the officers and other staff members of the Authority, as per rules and procedures laid down by the Government;

(7) To render advice to the Central Government on changes/revisions in the drug policy;

(8) To render assistance to the Central Government in the parliamentary matters relating to the drug pricing.

#### **ORDER**

Ordered that a copy of this Resolution be communicated to all the State Governments, Union Territory Administration, Lok Sabha and Rajya Sabha Secretariats and the concerned Ministries and Departments of the Government of India.

Ordered also that the Resolution be published in the Gazette of India for general information.

**N.R. BANERJI, Secretary**