

Cabinet to take up proposal for renewing pharma policy

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THE Union Cabinet will on Wednesday take up a proposal of the department of pharmaceuticals to renew a policy allowing all government institutions to procure drugs directly from pharmaceutical PSUs without calling for tenders. The policy lapsed in 2011.

However, the policy, aimed at revitalising sick pharma PSUs, does not make such procurement mandatory. Direct procurement from PSUs is meant largely as an emergency measure for buying drugs and supplies in

the wake of natural calamities, but if agencies are so inclined they can practice it otherwise too.

Rates will be fixed by the National Pharmaceutical Pricing Authority.

Pharma PSUs like Hindustan Antibiotics Limited, Bengal Chemicals and Pharmaceuticals Limited and Indian Drugs and Pharmaceuticals Limited have been sick for a long time now despite intermittent financial packages. However, joint ventures like the Rajasthan Drugs and Pharmaceuticals Limitations, Orissa Drugs and Chemicals Limited etc have started making profits.

Govt.