

Agenda for Drug Pricing Committee meeting scheduled to be held on 14th July, 2016

Annual price increase allowable under para 8 of the Drug Pricing Policy-2015

1. Annual increase in prices of drugs shall be effective from July, 2016.
2. It is linked with Consumer Price Index (CPI) of the immediately preceding financial year i.e., 2015-16 as published by Pakistan Bureau of Statistics.
3. Pakistan Bureau of Statistics has published CPI for FY-2015-16 at 2.86%.
4. By applying CPI rate of 2.86%, price increase on the existing approved / authorized MRPs of drugs is calculated as under:
 - a. Scheduled drugs upto 50% of CPI: **1.43%**
 - b. Non-scheduled drugs up to 70% of CPI: **2%**
 - c. Lower priced drugs: **2.86%**

Lower priced drugs are drugs whose MRPs are less than the following threshold:

- (i). Rs.3/- per tablet / capsule / respule / caplet
 - (ii). Rs.3/- 5ml of syrup /suspension/elixir
 - (iii). Rs.3/- per patch
 - (iv). Rs.6/- per sachet
 - (v). Rs.15/- per injection
 - (vi). Rs.3/- per 1 gm of cream/ ointment/ gel (non sterile) subject to maximum pack size of 20gm.
 - (vii). Rs.4/- per 1 gm of cream/ ointment/ gel (sterile) subject to maximum pack size of 20gm.
 - (viii). Rs.4/- per ml of eye/ ear /nasal drops /nasal spray / inhalation solution (sterile) subject to maximum pack size of 10ml.
5. Price increase shall be notified after approval by the Federal Government.
 6. The price increase will not be applicable on the batches manufactured before affecting the increase of authorized rates by the Federal Government. No recall of drugs of already marketed batches will be allowed.

7. The revised MRPs shall be printed on the label in the manner prescribed by the Drugs (Labeling and Packing) Rules, 1986.
8. No manufacturer, importer, retailer, hospital, clinic, wholeseller or distributor will be allowed to affix sticker(s), overlapping and masking of prices. However in order to save the packing materials, manufacturers can reprint maximum retail price on the same through laser inkjet after masking the previous MRP for packing of new stocks
9. Calculations of revised MRP, duly signed & stamped by the Managing Director / Managing Partner / CEO or any authorized person on their behalf, shall be intimated to the Authority (Division of Costing and Pricing) at least 15 days prior to affecting the increase. Proforma for calculation is attached.
10. Revised price list will be submitted in hard copy and uploaded on the DRAP website or as prescribed by the Authority from time to time.
11. Evidence for authenticity of the existing approved / authorized prices will be submitted with declaration that the calculation have been made in accordance with the provisions of the Drug Pricing Policy-2015 and the authorized increased rate by the Federal Government.
12. Non intimation of MRPs shall be construed as non-revision of MRPs. The failure to intimate the increase in MRP shall tantamount to nullifying the price increase and will attract legal proceedings in case prices are found increased in the market.
13. Drug Regulatory Authority of Pakistan may verify increased prices for their compliance to the provisions of Drug Pricing Policy-2015 and in case of any violation; legal actions will be taken against the firm(s) under the Drugs Act, 1976 and rules framed there under.