

Standard Operating Procedure for annual price increase of drugs
(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 will be linked with Consumer Price Index (CPI) of the immediately preceding financial year as published by Pakistan Bureau of Statistics.
3. Drug Pricing Committee will, within 04 working days of the publication of CPI published by Pakistan Bureau of Statistics, recommend the rates to be applied for price increase on the existing approved / authorized MRPs of drugs, calculated on the basis as under:
 - a. Scheduled drugs upto 50% of CPI (with a cap of 4%),
 - b. Non-scheduled drugs up to 70% of CPI (with a cap of 6%); and
 - c. Lower priced drugs shall be allowed maximum increase equal to CPI once in any financial year till MRP / cap of threshold as specified in para 11 of the Drug Pricing Policy-2015 is achieved.
4. Upon receipt of recommendation by the DPC, the Federal Government will, within one week, grant approval and notify rates of increase.
5. 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.
6. The revised MRPs shall be printed on the label in the manner prescribed by the Drugs (Labeling and Packing) Rules, 1986.
7. 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
8. 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.
9. 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.

10. 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.
11. 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.
12. 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.

FORMAT FOR SUBMISSION OF REVISED PRICE LIST

| Revised price list | | | | | | | | | |
|------------------------|------------|--------|-------------|-------------|-----------|---|---------------------------|--|-------------|
| Company Name & Address | | | | | | | | | |
| S.No | Brand Name | Reg.No | Formulation | Dosage Form | Pack Size | Previous MPR (Approved / Authorized) (annex authentic evidence) | Scheduled / Non-Scheduled | %age Increase notified by Federal Government | Revised MRP |
| 1 | | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |

Signature

Name:.....

Designation:.....

