Government of India
Ministry of Chemicals & Fertilizers
Department of Pharmaceuticals
National Pharmaceutical Pricing Authority

CONSUMER AWARENESS, PUBLICITY AND PRICE MONITORING – (CAPPM) SCHEME GUIDELINES

1. Introduction

1.1. Pharmaceutical Industry is a knowledge based and dynamic industry. It has grown many folds in the recent past. With announcement of new National Pharmaceutical Pricing Policy (NPPA), 2012 and the DPCO, 2013, there has been a shift of regulation of prices from economic and cost based criteria to essentiality and market based criteria which entails enormous task of creating and maintaining data base and strengthening the existing monitoring system of NPPA. Further, NPPA does not have its own field units to forge linkages with the activities of the State Drug Controllers (SDCs) and State Drug Inspectors and it is also not equipped with adequate officers for conducting field investigation and inquiries for strict implementation/enforcement of its mandate.

1.2. Pronab Sen Task Force (2005) set up by the M/o Chemicals and Fertilizers has strongly recommended for establishment of a live linkage of NPPA with the SDCs through a dedicated Price Monitoring Cell which should be fully funded by Central Government for a period of at least five years.

1.3. Parliamentary Standing Committee on Chemicals and Fertilizers has time and again recommended for strengthening the existing monitoring and enforcement system as well creation of NPPA cells at the States/UTs level in order to carry out the mandate of NPPA in an effective manner. The Committee in its 38th Report has specifically stated that the relevance of strengthening the existing monitoring and enforcement system as well creation of NPPA cells at the State/UTs level should be re-examined again in the backdrop of the new Drug Price Control Order (DPCO), 2013.

1.4. Keeping in view the changing scenario in the Pharma Sector and the recommendations of the various committees, the existing Central Sector Plan Scheme was revised/ modified on 29.10.2015 initially for the period of two years and renamed as "Scheme of Consumer Awareness & Publicity and Price Monitoring" (CAPPM). The Scheme contained the modalities of setting up of Price Monitoring and Resource Units (PMRUs) at State level which will work under the direct supervision of respective State Drugs Controllers to increase the outreach of NPPA initiatives at State level. In 2018, the existing Scheme was again revised/ modified as the Centrally Sponsored Scheme for a period of 3 years (20017-18 to 2019-20).

2. The Scheme

The revised/ modified Scheme will be implemented at the Central level by the National Pharmaceutical Pricing Authority (NPPA) and at the State level by the Price Monitoring

and Resource Units (PMRUs) as registered Society. The Scheme has two components, viz.,

a. Assistance to Price Monitoring and Resource Units (PMRUs), and,
b. Advertisement and Publicity for CAPPM.

3. Aims and Objectives of the Scheme:

3.1. The objectives of the Scheme are to disseminate information on functioning of NPPA and educating the public at large, in particular the consumers of pharma products, about-

(i) Ceiling prices of scheduled medicines notified by the Government;

(ii) Permissible price increase for scheduled and non-scheduled medicines;

(iii) Availability of medicines at reasonable prices and promotion of generic medicines;

(iv) Precautions to be taken while purchasing medicines from chemists/retailers such as checking the MRP (which includes all taxes), manufacturing and expiry dates, price list of medicines, obtaining bill for the medicines bought, etc;

(v) Requirement for prescription of medicines by their generic names;

(vi) Price control and monitoring and enforcement activities of NPPA;

(vii) Lodging complaints to NPPA for any violation including violation of DPCO, 2013 as well as unethical practices in the Pharma sector.

4. Activities under the Scheme

4.1. NPPA:

The Scheme is expected to create general awareness about the availability of medicines, prices of medicines, ceiling prices of medicines fixed by the Government, precaution to be taken while purchasing medicines and about the functioning of NPPA. This will improve the accessibility of quality medicines at a reasonable price to the common people of the country and facilitate both clinically effective and cost effective treatment. An indicative list of activities may be undertaken by NPPA is given below:

(i) Awareness Creation: Creation of general awareness about the availability of medicines, ceiling prices of medicines fixed by the Government, precautions to be taken while purchasing medicines and about the functioning of NPPA. This will be done through issue of advertisements in the print media and through radio jingles and tele-films.

(ii) Organizing Conferences/ Seminars/ Workshops: It is proposed to organize national and State level Conferences/Seminars/Workshops with stakeholders.

(iii) Purchase of test samples by NPPA: NPPA does not have separate fund for purchase of test samples of medicines for its price monitoring activities and to ensure compliance of notified ceiling prices. It is mainly dependent on various complaints received from the State Drug Controllers and individuals for monitoring price compliance. In order to effectively carry out the monitoring

the enforcement activities, it has been, therefore, proposed to strengthen the enforcement activities by way of wide geographical coverage for purchase of test samples of medicines.

4.2 PMRUs:

4.2.1 Detailed Guidelines for Setting up Price Monitoring and Resource Units (PMRUs) at State / Union Territories have been given separately. Briefly stated:

a. Assistance for Setting up Price Monitoring and Resource Units (PMRUs) at the States/ Union Territories:

PMRUs will be registered societies under the Chairmanship of the State Drug Controller, representatives of NPPA, State Health Department, civil societies and other stakeholders. PMRUs will be the key collaborating partners of NPPA with information gathering mechanism at the grass roots levels. They will create public awareness so that benefits of the DPCO (revised from time to time) trickle down to the grassroots levels.

b. Objectives of setting up the PMRUs:

The objectives of setting up the PMRUs are to provide necessary technical assistance to the State Drug Controllers and NPPA include:

i. Monitoring the notified prices of medicines, detection of violation of the provisions of DPCO (revised from time to time), pricing compliance and ensuring availability of medicines;

ii. Monitoring the price movement of scheduled and non-scheduled formulations based on periodical returns filed by the industry, revision of price of scheduled formulations by the manufacturer based on the annual increase in Wholesale Price Index (WPI) as per provisions contained in the DPCO, oversee the price of non-scheduled formulations so that the prices of such formulations are not increased beyond 10% annually;

iii. Collection and compilation of market based data of scheduled as well as non-scheduled formulations and analyse them.

iv. Collect test samples of medicines at the retailed market whenever required;

v. Conduct training, seminars and workshops at the State and District levels for consumer awareness and publicity covering aspects relating to the role and functions of NPPA, availability of scheduled and non-scheduled medicines at reasonable prices and care to be taken while purchasing the medicines from the chemists/ retailers and availability of alternative cheaper medicines. The resource persons for the training will be provided by the State Drug Controller and by the NPPA, whenever required; and

vi. Any other related works as assigned to them by the NPPA from time to time.

c. Activities to be undertaken by PMRUs

PMRUs will be the key collaborating partners of NPPA with information gathering mechanism at the grass roots levels. They will create public awareness so that benefits of the DPCO (revised from time to time) trickle down to the grassroots levels. Their activities will include:

i. Market-based data collection, compilation, analysing in respect of scheduled/ non-scheduled formulations.
ii. Monitoring of price movement of scheduled/ non-scheduled formulations
iii. Collection/ purchase of test samples of medicines
iv. Advertisement and publication of newsletter, etc.
v. Conducting Training, seminars and workshops at the State and District level for consumer awareness and publicity.

5. Categories of States/ UTs for setting up the PMRU:

5.1. For the purpose of providing the required infrastructure and contract staff to the PMRUs, States/UTs have been proposed to be categorized into the following three categories:

1. Category I-States/UTs having population of more than 3% of all India population;
2. Category II-States/UTs having population of less than 3% but more than 1% of all India population; and
3. Category III- States/UTs having population of less than 1% of all India population.

Category I	Category II	Category III
1. Andhra Pradesh	1. Assam	1. Andaman & Nicobar Islands
2. Bihar	2. Chhattisgarh	2. Arunachal Pradesh
3. Gujarat	3. Delhi	3. Chandigarh
4. Karnataka	4. Haryana	4. Dadra & Nagar Haveli and Daman & Diu
5. Madhya Pradesh	5. Jammu & Kashmir	5. Goa
6. Maharashtra	6. Jharkhand	6. Himachal Pradesh
7. Odisha	7. Kerala	7. Laddakh
8. Rajasthan	8. Punjab	8. Lakshadweep
9. Tamil Nadu	9. Telangana	9. Manipur
10. Uttar Pradesh		10. Meghalaya
11. West Bengal		11. Mizoram
		12. Nagaland
		13. Puducherry
		14. Sikkim
		15. Tripura
		16. Uttarakhand

6. Mode of Funding:

6.1 The expenditure under the scheme will be independently met out of the Budget of NPPA. Any expenditure over and above the grant provided for under the non-recurring expenditure will have to be borne by the respective State/ UT. The Grant will be divided into two parts, viz., Non-Recurring and Recurring as detailed hereunder:

	Non-Recurring Grant	Recurring Grant
Category I	₹7 lakh	₹55 lakh
Category II	₹5 lakh	₹49 lakh
Category III	₹ 3 lakh	₹ 42 lakh

7. Physical Deliverables under the Scheme

Physical Deliverables under the Scheme

Component	Output 2020-21	Output 2021-22	Output 2022-23	Output 2023-24
A Advertisement and publicity	Through Electronic Media (Video spots in cinema halls, television channels, radio jingle, etc.)/ Social Media/ Hoardings/ Newspaper advertisements, etc.			
B Number of PMRUs set up (cumulative) (12 upto 2019-20)	18	24	30	36

8. Expenditure under the Scheme

Proposed expenditure under the Scheme (Rs. in Lakh)

Particulars	2020-*21*	2021-22	2022-23	2023-24	Total
	Proposed	Proposed	Proposed	Proposed	
Assistance to PMRUs	837.40	1,078.40	1,354.60	1,610.60	4,881.00
Advertising & Publicity (IEC)	250.00	312.50	390.60	488.30	1,441.40
Total	**1,087.40**	**1,390.90**	**1,745.20**	**2,098.90**	**6,322.40**

9. Period of Implementation

9.1 As of now, the revised/ modified scheme will be implemented in frou years from the financial year 2020-21 to 2023-24. A mid-term review shall be undertaken after 2022-23 for its extension for the period beyond 2023-24.

10. Monitoring of the Scheme

10.1 At the Central level, Member Secretary, NPPA and the Director in charge of Monitoring & Enforcement Division, NPPA will oversee the implementation of the project. The progress of the Scheme will be monitored by the Director of Monitoring & Enforcement Division, NPPA on monthly basis. At the state level, the progress of PMRUs to be monitored by the concerned State Drugs Controller. The State Drugs Controller has to convene meeting of the PMRU Society every month by 10th to monitor the progress of the scheme. A monthly report, alongwith the minutes of the monthly meeting, clearly indicating the targets and other pre-determined parameters vis-à-vis achievements in this regard, will be sent to NPPA by 20th of every month.

11. Expected Outcomes

11.1 The Scheme is expected to create general awareness about the availability of medicines, ceiling prices of medicines fixed by the Government, precautions to be taken while purchasing medicines and about the functioning of NPPA. This will improve the availability of quality medicines at reasonable price to the common people of the country and facilitate both clinically effective and cost effective treatment. However, the outcome cannot be measured in quantitative terms.

12. Conclusion

12.1 It has always been the endeavour of the National Pharmaceutical Pricing Authority to make available medicines at affordable price to the public at large. Majority of people in the country are not having knowledge of price control, drugs availability, availability of cheaper version of branded and generic medicines in the market and the prices at which these medicines are available in the market and also about other functions of NPPA. They might also not be aware of ceiling prices fixed from time to time by the Government and complaint mechanism. They may, therefore, end up paying higher amount for the medicines, though it may be available at cheaper rate in the market. Thus, the Scheme would help in creating general awareness amongst the people about role and functions of NPPA and availability of medicines and their prices which will be helpful to them in choosing quality medicines at reasonable price.

12.2 The Scheme will also help NPPA to have better interaction, coordination and linkages with various stakeholders, including State Government Departments, SDCs, hospitals, medical practitioners, patient/ consumer groups, NGOs, industry and trade, This will also help in policy formulation, implementation of existing policy of the government and consultation with the stakeholders.

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