

**GOVERNMENT OF INDIA  
HEALTH AND FAMILY WELFARE  
LOK SABHA**

UNSTARRED QUESTION NO:2424  
ANSWERED ON:07.12.2012  
PROCUREMENT OF AYURVEDIC DRUGS  
Saroj Shri Tufani

**Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:**

- (a) the norms and standards laid down by the Government for procurement of ayurvedic drugs from the pharmaceutical companies in the country;
- (b) whether lower rate of tender is the only criteria for awarding contracts to the drug companies, particularly those in private sector;
- (c) if so, the details thereof along with the reasons therefor and the manner in which quality adherence by the pharmaceutical companies are ensured in procurement of ayurvedic drugs;
- (d) whether instances of noncompliance of the prescribed norms by certain pharmaceutical companies supplying ayurvedic drugs have been reported in the country; and
- (e) if so, the details thereof along with the action taken/proposed by the Government thereon?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI S. GANDHISELVAN)

(a) Procurement of Ayurvedic drugs by State Government hospitals, dispensaries and Central Government Health Scheme (CGHS) Ayurveda Medical Store Depot has been directed to be from licensed drug manufacturing units on the basis of quality analysis of medicines as per standards prescribed in the pharmacopoeia. In the case of Centrally Sponsored Scheme implemented by the Government, the procurement of Ayurvedic medicines by the States is required to be from Indian Medicines Pharmaceutical Corporation Limited (a Government of India Enterprise) or from other public sector undertakings, pharmacies under State Governments and Co-operatives, who have their own arrangement for manufacturing medicines. The procurement of medicines under the scheme is not permitted from the loan licensee manufacturers, keeping in view the need for ensuring quality.

(b) & (c): No. The States are free to follow their own rules and regulations for purchase of medicines other than procurement funded under the Centrally Sponsored Scheme implemented by the Department of AYUSH, which does not allow procurement of medicines from private companies. In CGHS, most of the Ayurvedic medicines are procured from the central Public Sector Undertaking- Indian Medicines Pharmaceutical Corporation Limited (IMPCL) at rates approved by the Department of Expenditure, Ministry of Finance. Medicines not manufactured by IMPCL, but listed in the CGHS Ayurvedic Formulary, are procured from open market through tendering process following the procedure of technical and financial bids. For this kind of procurement of medicines, the drug manufacturer should provide valid license with certificate of Good Manufacturing Practices (GMP), non-conviction certificate, analysis reports from approved laboratory and proof of production capacity. A multilevel drug selection procedure is followed to list out the medicines for procurement involving clearance of tender documents, technical bid, samples and laboratory reports of drug analysis.

(d) No such reports have come to the notice to the Government.

(e) Question does not arise.