

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

UNSTARRED QUESTION NO:3195
ANSWERED ON:15.03.2013
GENERIC MEDICINES
Naranbhai Shri Kachhadia;Pradhan Shri Amarnath

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

- (a) whether the Government is aware that generic medicines are being sold/ supplied to the patients and the Central Government Health Scheme (CGHS) dispensaries at maximum retail price (MRP) while the same are being made available to the chemists and wholesalers at a discount of 30 to 70 per cent;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government has specified any policy on the matter and if so, the details thereof;
- (d) the corrective measures taken/ proposed by the Government in this regard; and
- (e) the steps taken/proposed by the Government to promote generic names of common use drugs through print/electronic medium, website and a centralised call centre?

Answer

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI GHULAM NABIAZAD)

(a) & (b): CGHS procures medicines in bulk through Medical Stores Organisation, Medical Store Depot, HSCC and also from manufacturers directly as per its formulary at a discount of up to 40%. The medicines, which are outside the formulary or not available in CGHS dispensaries are procured through Authorised Local Chemists at dispensary level at a discount of 10.5% to 29% on MRP. The discount rates are obtained through a transparent tender process.

(c) & (d): CGHS adopts a very extensive and transparent process of bidding for procurement of medicines followed by physical inspection of the prospective bidder's establishment. All the laid down procedures are scrupulously followed while finalising the rate contracts. Supply contracts are awarded to the bidder offering the highest discount to CGHS.

(e): Government has issued circulars / instructions from time to time to doctors / specialists working in the Central Government / State Government hospitals and CGHS dispensaries for encouraging and motivating them to prescribe generic medicines to the maximum extent possible.

Moreover, The Government is committed to promote use of generic medicines. The following steps have been taken in this direction:

1. Opening Jan Aushadhi Stores across the country to make generic medicines available.
2. National List of Essential Medicines (NLEM) has been published in 2011 containing 348 commonly used medicines in their generic names.