

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:173

ANSWERED ON:21.07.2015

Jan Aushadhi Scheme (JAS)

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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the salient features of Jan Aushadhi Scheme implemented by the Government in the country;
- (b) the number of Jan Aushadhi Stores (JAS) set up/functional/non-functional so far, the number of JAS proposed to be opened in the country including rural areas and the time by which new JAS are likely to be opened and made functional, location-wise;
- (c) whether the Government has reviewed the performance of the scheme and if so, the details and outcome thereof along with remedial measures taken for implementation of the scheme;
- (d) the extent to which the revival of Indian Drugs and Pharmaceuticals Limited and Hindustan Antibiotics Limited would help in success of the said scheme; and
- (e) the steps taken by the Government to provide all medicines at affordable rates to the consumers?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI HANSRAJ GANGARAM AHIR)

(a) The Government has launched 'Jan Aushadhi Scheme' to make available quality generic medicines at affordable prices to all, especially the poor, throughout the country, through outlets known as Jan Aushadhi Stores (JASs). Under the Jan Aushadhi Scheme, the State Governments are required to provide space in Government Hospital premises or any other suitable locations for the running of the Jan Aushadhi Stores (JAS). Bureau of Pharma PSUs of India (BPPI) is to provide one-time assistance of Rs.2.50 lakhs as furnishing and establishment costs, start up cost for setting up a Jan Aushadhi Outlet. Any NGOs/ Charitable Society/Institution/Self help Group with experience of minimum 3 years of successful operation in welfare activities, can also open the Jan Aushadhi store outside the hospital premises. A margin of 16% on the sale price is built in the MRP of each drug. In addition, the JAS are eligible for incentive linked to sale of medicines @ 10% of monthly sales amount subject to a ceiling of Rs. 10,000/- pm for a period of first 12 months. In case of Stores opened in North Eastern States and other difficult areas i.e. Naxal affected areas/Tribal areas etc. the rate of incentive is 15% of monthly sale amount subject to a ceiling of Rs. 15,000/- per month.

(b) At present only 182 Jan Aushadhi Stores have been opened across 16 States/UTs, out of which only 111 Jan Aushadhi Stores are in operation as on 13.07.2015. Now since the availability position has substantially improved, focused attention is being given on opening of new Jan Aushadhi stores. However, all out efforts are made to open at least 200 more Jan Aushadhi Stores during this financial year 2015-16. JAS are opened on the locations as requested by the entity intending to open. The steps are also taken to open Jan Aushadhi stores in all AIIMS, prominent Hospitals, Medical Colleges under the Ministry of Health & Family Welfare.

(c) The Public Health Foundation of India (PHFI) was asked to study the Scheme and suggest remedial measures. PHFI in their report pointed out the following factors which were mainly responsible for the scheme not being successful.

- i. Over dependence on support from State Government.
- ii. Poor Supply Chain management .
- iii. Non-prescription of Generic Medicines by the doctors.
- iv. State Governments launching free supply of drugs.
- v. Lack of awareness among the public.

Remedial measures taken for implementation of the scheme are summarized as under:-

- a) Increasing the number of products from 361 to 504 medicines and 161 surgical & consumable items
- b) Improving the supply chain mechanism through appointing Distributors and C&F agents in different States.
- c) Increasing the number of functional stores.
- d) Strengthening the Operating Agency i.e. BPPI through augmenting of manpower.
- e) Relaxation in the eligibility criteria of Operating Agency for JAS.

d) Indian Drugs & Pharmaceuticals Ltd. (IDPL) and Hindustan Antibiotics Ltd. (HAL), the Pharma CPSEs are key partners with regard to providing medicines for the scheme. After revival of the two Pharma CPSEs, they will play an important role.

e) BPPI has initiated various steps to increase the basket of products and services with a list of 504 medicines and 161 consumables. Rate contract for 314 medicines has already been finalized and the tender for remaining 190 medicines has also been published. 131 medicines have already been identified for PSUs and a list of 173 medicines have already been forwarded to Pharma PSUs for exploring the possibility of undertaking the manufacturing of the same.
