

## Jan Aushadi Store: A New Approach in Providing Low Cost Drugs to the Public

**Rohit Gujarati\***, T.M.Pramod Kumar, Parasiya Sachin R.,  
 Pharmaceutical Regulatory Affairs Group, Dept. of Pharmaceutics,  
 JSS College of Pharmacy, JSS University, S.S Nagar, Mysore-570015, Karnataka, India  
 \*rohitgujrati@gmail.com



### ABSTRACT

India has one of the best developed pharmaceutical industries, and produces about 20 per cent of the world's drugs. Currently many top Indian companies are exporting generic drugs worth Rs 45,000 crore every year to many countries including the US and Europe. But ironically, drugs are beyond the reach of people in India itself, especially the poor, because their prices are very high. It is not that the cost of R&D and manufacturing is high, but that the profit margins are exorbitant and in many cases exploitative, which can be explained by reasons like, lack of proper regulation on price control (except for few DPCO drugs), prescription made by the doctors, lack of awareness in public about the generic drugs.

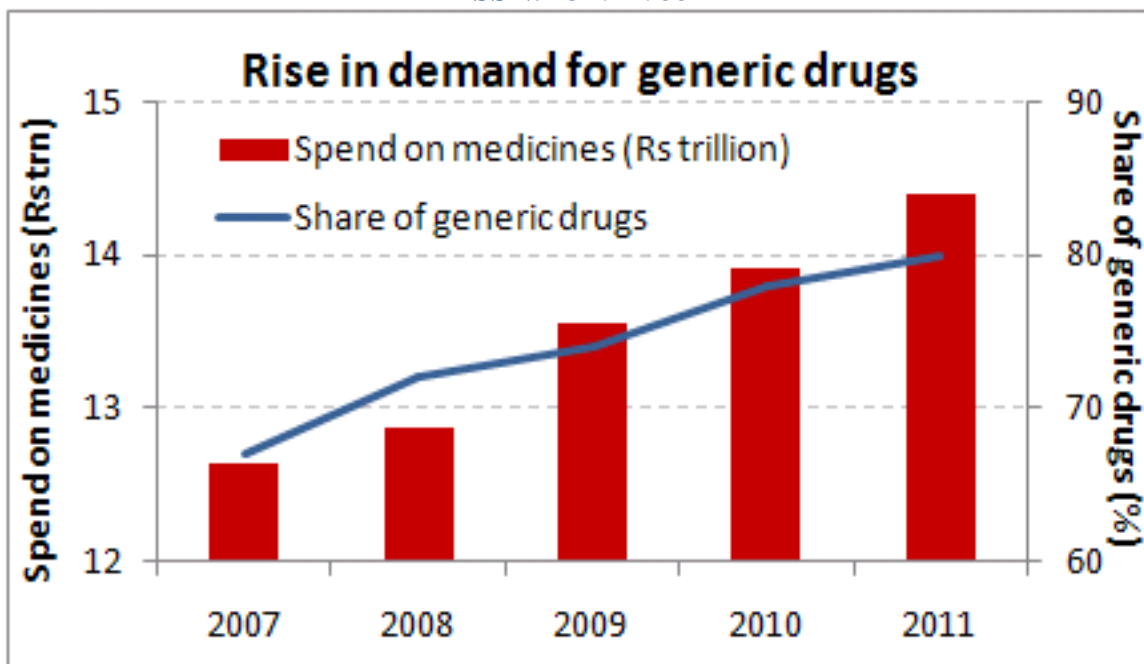
Government of India is taking certain steps in providing cost effective drugs to the public without compromising with the quality of the medicines. Recently Union government and regulatory bodies appear to be serious in ending the pharma-doctor nexus and curb unethical marketing practices. In its latest effort, the Medical Council of India (MCI) has directed doctors, hospitals and medical colleges to prescribe generic medicines as far as possible. This has not benefited much to the public. This Paper give a brief scenario about the various measures taken by the Govt. of India to scale down the rates of high cost medicines, among which, the concept of "Jan Aushadi", which talks about various measures taken by the Govt. of India on increasing the availability of the generic drugs throughout the country, has been highlighted.

**Keywords:** Jan Aushadi Store, Medical Council of India, Generic Drugs

### INTRODUCTION

The World Health Organization (WHO) says that over 23 per cent of the sick do not seek treatment because of the high cost of medicines. To reduce to cost of these high cost essential medicines, Parliamentary standing committee on its 58<sup>th</sup> report, by taking examples of the efforts done by the Government of Rajasthan, Tamil Nadu and Bihar, laid down the various measures by which these high cost branded drugs can be replaced with low cost generic drugs.

A primary reason is that doctors don't prescribe the generics. A study by Maulana Azad Medical College's pharmacology department at DDU showed that only 35% prescriptions mentioned drugs by their generic name. The rest advised costlier, branded versions. This is common in most hospitals, sarkari or private. In the US, almost 80% prescriptions name generic drugs. In the UK, the generic prescription rate is 82%.



**Objective:**

By taking example of the steps taken by the Govt of Rajasthan, the price monopoly of drug manufacturers can be broken by procuring drugs by tender system and by pursuing doctors to prescribe by the generic (Active Pharmaceutical Ingredient) name. About 400 essential drugs, etc are provided free of cost at about 14,000 Drug Distribution Centres located in government hospitals in Rajasthan. Most of the commonly used drugs are given free of cost but other drugs which are not in the free category are provided much below MRP at government generic medical stores.

**Method and Observation:**

An initiative was taken in the Chittorgarh district for making affordable medicines available to patients through Low Cost Drug Shops selling generic medicines.

- The first steps taken were in convincing doctors to prescribe medicines by generic/salt name as per the direction given by the State Government and removing the false notions about inferior quality of generic medicines.
- The next action was involvement of Government Co-operative Medical Stores in procurement of generic medicines through open tender. Drugs of reputed companies only were recommended by the Approval Committee. Against an initial approval of 22 drug companies, 57 companies stand approved at present. About 800 medicines and 200 surgical items were procured which were sold at 20% profit margin to the patients.
- Large gap in the procurement rate and the MRP of medicines was noticed as indicated below:

| Generic Drug          | Chittorgarh Tender Rate | MRP (Rs.) |
|-----------------------|-------------------------|-----------|
| Amlodipine (5 mg)     | Rs. 2.50 (10 Tablets)   | 22.00     |
| Cetirizine (10 mg)    | Rs. 1.20 (10 Tablets)   | 35.00     |
| Ceftazidime (1000 mg) | Rs. 52.00 (1 Injection) | 370.00    |

- Awareness about huge difference in prices was created among all stake holders, more particularly among pharmacists and patients. Advertisements to this effect were issued by the District Health Committee (Nagaur and Chittorgarh) under the National Rural Health Mission
- As a result there was sharp fall in the treatment costs. For example, for the treatment of Pneumonia involving 7 days therapy, the cost was Rs. 1136 when branded medicines were used compared to just Rs. 139.51 when generic medicines were purchased from Co-operative store.
- A saving of Rs. 6.05 crore in the treatment of 4.03 lakh patients in 6 months was estimated.
- Private Chemist Associations agreed to sell generic medicines at 50 per cent discount on MRP.

## ***GENERIC DRUG LABEL***

### **YOUR NAME**

#### **Chemical Name of Drug**

Substituted for: Brand Name

*Usually right under  
chemical name*

### **INSTRUCTIONS**

MFR: BigPill Company

Pill color and other identifying marks

*In very small type  
somewhere on bottle*

## ***BRAND NAME DRUG LABEL***

### **YOUR NAME**

#### **Brand Name of Drug**

MFR: Drug Manufacturer

*Manufacturer usually  
right under brand name*

### **INSTRUCTIONS**

Pill color and other identifying marks

*In very small type  
somewhere on pill bottle*

The Ministry of Health & Family Welfare has been pursuing the matter for opening of additional Jan Aushadhi Centres (Govt. Controlled generic drug stores) with the Department of Pharmaceuticals. As per available information, 112 Jan Aushadhi Stores have so far been started. The Ministry of Health & Family Welfare will continue to pursue this matter with the Department of Pharmaceuticals.

| Medicine                      | Pack | Jan Aushadhi | Market |
|-------------------------------|------|--------------|--------|
| Tab<br>Ciprofloxacin (250 mg) | 10   | 10.40        | 55.00  |
| Tab<br>Ciprofloxacin (500 mg) | 10   | 20.10        | 97.00  |
| Tab Diclofenac (100 mg)       | 10   | 3.10         | 36.70  |
| Tab Paracetamol (500 mg)      | 10   | 2.30         | 10.00  |
| Tab Nimesulide (100 mg)       | 10   | 2.50         | 25.00  |
| Cough Syrup (110 ml)          | -    | 12.50        | 33.00  |

### Current Scenario of Jan Aushadhi Stores

The central objective of the campaign is to make quality medicines available to the consumers at affordable prices. Given the socio-economic conditions and the level of ignorance and illiteracy with vast disparities of income in the country, the advantage of the scheme can be taken by the consumers or could reach the consumers particularly the poor and the needy, only when a good multimedia publicity programme is mounted to educate the consumers of all strata of society. The multi media campaign would also address the myth that low priced medicines are not good or efficacious and only the costly medicines are good or superior. Since every publicity programme costs money and this being a national campaign, initiated by the central government in the Department of Pharmaceuticals, funds are required for publicity programmes and other promotional measures including strengthening the Bureau of Pharma of PSU's of India and some initial financial back up support wherever required, to

help the NGOs, etc., which are interested in running the Jan Aushadhi Stores. In view of the above, a modest amount of Rs 5 crores has been sought to begin with from the Planning Commission. Simultaneously, a public campaign for this purpose needs to be undertaken by various stakeholders and the media on a voluntary basis.

### CONCLUSION

The Government, corporate hospitals, Jan Aushadhi Centres, NGOs etc. can provide medicines and health consumables at an affordable cost and improve medicine accessibility. With recent amendments made by the Govt. of India on issuing of licence to manufacture drugs only if the product is registered with its generic name rather than that of its brand name, the burden of expensive medicines on the common people can be drastically reduced. Along with providing the generics every action is to be taken to create awareness in public on usage of generics.

### ↓ REFERENCES

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