

# **JAN AUSHADHI SCHEME**

## **Annual Report 2015-16**

### **Introduction:**

It is a well-known fact that branded medicines are sold at significantly higher prices in India. Given the widespread poverty across the country, making available reasonably priced quality medicines in the market would benefit everyone, especially the poor and the disadvantaged. This has been always a major concern for the Government of India. Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers has been taking several regulatory and fiscal measures from time to time towards realizing this objective.

“Jan Aushadhi” is the novel project launched by Government of India in the year 2008 for the noble cause – Quality Medicines at Affordable Prices for All. The campaign was undertaken through sale of generic medicines through exclusive outlets namely “Jan Aushadhi Medical Store” in various districts of the country. The first “Jan Aushadhi Medical Store” was opened on 25th Nov 2008 at Amritsar in Punjab.

The original target of the campaign was to establish Jan Aushadhi Stores in every district of our country.

### **Progress up to 31<sup>st</sup> Mar 2015:**

As on end March 2012, only 157 stores could be opened and later many of them became non-functional too. To have an accelerated growth of the campaign, a New Business Plan was released during Aug 2013 with an ambitious target of opening 3000 Jan Aushadhi Stores by the end of 2016-17. The plan also contained certain changes in the scheme. Still by the end of previous financial year, 2014-15, the number of Jan Aushadhi Stores could reach a level of 99 functional Stores only. The no of products physically available was less than 100.

### **Revamped Jan Aushadhi Scheme 2015-16:**

Effective implementation of JAS has been analyzed in a big way through organizing brain storming sessions and discussions with various stake holders and BPPI submitted their Strategic Action Plan (SAP 2015) to achieve the objectives set by the Government. Key significant areas identified for

revamping the scheme were Availability, Acceptability, Accessibility, Affordability, Awareness, Viability and Capability for implementation.

Year 2015-16 was declared as the "Year of Action". Vision and Mission statements were first time formulated for the project.

**Vision:**

To bring down the healthcare budget of every citizen of India through providing Quality Generic Medicines at Affordable Prices.

**Mission:**

1. Create awareness among public regarding generic medicines.
2. Create demand for generic medicines through medical practioners.
3. Create awareness through education and awareness program that high price need not be synonymous with high quality.
4. Provide all the commonly used generic medicines covering all the therapeutic groups.
5. Provide all the related health care products too under the scheme.

**Major changes incorporated in the scheme.**

Financial support to JAS: An amount of Rs.2.5 lakhs shall be extended to NGOs/agencies/individuals establishing JAS in government hospital premises where space is provided free of cost by Govt. to operating agency:

Rs. 1 lakh reimbursement of furniture and fixtures

Rs. 1 lakh by way of free medicines in the beginning

Rs. 0.50 lakh as reimbursement for computer, internet, printer, scanner, etc

JAS run by private entrepreneurs / pharmacists / NGOs / Charitable organizations that are linked with BPPI headquarters through internet shall be extended an incentive up to Rs. 1.5 lakhs. This will be given @ 10% of monthly sales subject to a ceiling of Rs. 10,000/- per month up to a limit of Rs. 1.5 lakhs. In NE states, i.e. naxal affected areas and tribal areas, the rate of incentive will be 15% and subject to monthly ceiling of Rs. 15,000 and total limit of Rs. 1.5 lakhs.

Trade margin to retailers and distributors: Trade margins have been revised from 16% to 20% for Retailers and from 8% to 10% for Distributors.

### **Progress achieved during 2015-16:**

**Availability:** Our basket of products and services has been augmented by adding more items, reaching a level of 452 medicines and 153 surgical and consumables. Medicines offered now cover all the most commonly known therapeutic groups. Actions have been initiated to take this figure to 1000 by the end of March 2017. Apart from procurement of medicines from CPSUs, BPPI is supplementing supply by direct purchase of medicines from private sector companies through open tendering process so as ensure availability of adequate medicines and to avoid any stock-out situation. BPPI has initiated the required action to take this figure to 1000 by the end of March 2017.

Physical availability of products at Jan Aushadhi store level has gone up to 400 medicines.

### **Supply Chain: From Suppliers →CWH →C&F Agents →Distributors → JAS**

BPPI has established a central warehouse at IDPL Complex, Gurgaon to store adequate stock of medicines. Also appointed C&F agents in 4 states and 35 Distributors spread over different states through an open tendering process.

**Acceptability:** To ensure the quality of medicines procured from the CPSUs and private manufacturers for supplying to Jan Aushadhi Stores, each batch of drug is tested for 2<sup>nd</sup> time at BPPI's empaneled NABL accredited laboratories thereby ensuring quality, safety and efficacy of medicines and conformance with required standards. Only after certified by these laboratories, medicines are dispatched to C&F agents, Distributors and Jan Aushadhi stores.

**Accessibility:** No of Jan Aushadhi Stores functioning as on 31<sup>st</sup> Mar 2016 has reached 269 (spread over 22 States/UTs), out of which 170 stores were opened during the current financial year, 2015-16. Besides 23 stores were ready to commence operation, but preferred to wait for auspicious days. Another 80 stores are expected to receive Drug License shortly which can commence operation during April-May 2016.

BPPI has received EOI for opening large number of JAS from the following organizations.

- |     |                              |   |                               |
|-----|------------------------------|---|-------------------------------|
| 1.  | Common Service Centres       | : | for 2937 JAS, 6 started.      |
| 2.  | Dhan Foundation, TN          | : | for 20 JAS, Agreement signed  |
| 4.  | JSS, Karnataka               | : | for 4 JAS, 1 No started       |
| 5.  | Lions Club                   | : | for 300 JAS, Agreement signed |
| 6.  | Indian Red Cross Society, AP | : | for 13 JAS, W/f DL            |
| 7.  | Pradeep Tiwari Const. Co, UP | : | for 25 JAS, W/f DL            |
| 8.  | Sai Associates, UP           | : | for 25 JAS Approval given     |
| 9.  | CISSIL, Kerala               | : | for 100 JAS Agreement signed  |
| 10. | NWHM, Kerala                 | : | for 100 JAS Agreement signed  |
| 11. | BSS, Kerala                  | : | for 1000 JAS Agreement signed |

State Government: Discussion is in progress with State Govt. of Andhra Pradesh, Punjab, Haryana, Kerala and Maharashtra, Arunachal Pradesh and Assam.

108 Jan Aushadhi stores were declared opened in Chhattisgarh on 21<sup>st</sup> Feb 2016 by the Hon'ble Prime Minister, Shri Narendra Modi. Another 32 are under process.

Added to above we have about 400 applications from private entrepreneurs.

BPPI is putting all out efforts to have our presence in all the 36 States/UTs in our country, all the 543 Parliamentary constituencies in India, and all the 688 Districts of our country by the end of 2016-17. The target remains same, 3000 JAS by the end of 12th Five Year plan period. BPPI is certain to achieve this figure by the end of February 2016-17.

Awareness: The awareness among common people regarding the JAS is very poor. Media campaigns would play an important role in educating people about use of generic medicines. In this context, BPPI has initiated various steps, especially in those States where the Jan Aushadhi Stores are now functioning so that people take full advantage of the availability of generic medicines at affordable prices at the Jan Aushadhi stores.

BPPI intends to create awareness about Jan Aushadhi and its stores in the towns where Jan Aushadhi Stores are already established using integrated media platform. Apart from which facelift of the Jan Aushadhi stores, standardized branding across all old stores as well as in the new stores is also taken up. LOI for the same has been released on 31<sup>st</sup> Mar. The campaign is



scheduled to be flagged off on 11th April at Chandigarh. Various publicity channels like print media, visual media, SMS and other direct communication methods are also planned.

BPPI has already taken part in 4 exhibitions / workshops, Dhan Foundation at Indian Habitat Centre, Perfect Health Mela 2015, IITF 2015, and India Pharma Expo 2016.

### **IITF (Delhi) participation:**

Displayed a 28sq.ft. stall at IITF and got very good response. Almost 250 enquiries for New JAS and 150 diabetic patients were registered. Jan Aushadhi participated for the first time at IITF. The stall showcased the features of Jan Aushadhi Scheme, spread awareness about the generic medicines through distribution of disease specific pamphlets, its availability at affordable prices for all, highlighting the difference of prices of Jan Aushadhi medicine vis-à-vis their branded equivalent. Any Individuals, NGO's, Hospitals who wished to join hands in this noble cause were provided with the guidelines with regard to opening Jan Aushadhi Stores.

IPE 2016: Raw space was booked for 80 sq.mt. We got numerous queries for opening new JAS, many consumers got in touch with us, and we were able to contact many large scale manufacturers under one roof.

### **Jan Aushadhi Store at PGIMR, Chandigarh:**

In order to have a direct experience of running a medical store, BPPI has completed the process of establishing a Jan Aushadhi Medical store at PGIMR, Chandigarh which is scheduled for inauguration on 11<sup>th</sup> April 2016. This store will be considered as a model Jan Aushadhi Medical store, which will offer all the medicines on 24 x 7 basis.

### **New website:**

We have developed and placed in domain a new website for BPPI. An improved face of BPPI is reflected through the new website which is more user friendly and has the new features like online application for new Jan Aushadhi stores, on line application for job opportunities, and provides complete and latest status of "Jan Aushadhi Scheme".



### **Other factors in ensuring success of the scheme:**

The success of this initiative is dependent on other agencies too, such as Ministry of Health & Family Welfare, different State Governments, active co-operation of Hon members of Parliament, Hon. Members of different Legislative assemblies, IMA, Hospitals run by Private groups and Charitable institutions, NGOs, Practicing Doctors etc. State Governments are having their own schemes like free distribution of medicines. Non-prescription of Generic Medicines by the doctors is another factor. BPPI is continuing their efforts to persuade Doctors to prescribe only generic medicines. For this BPPI is working in close association with other organizations and Govt. departments. Seminars/ Workshops inviting Doctors, Scientists, Government officials and other stakeholders will be also organized.

### **Budgeted Sales:**

Actual Sales during the year 2015-16 was Rs 9.35 Cr and the sales projection for 2016-17 is Rs. 100 Cr.

### **Jan Aushadhi scheme ahead:**

The endeavor of BPPI is to make available at Jan Aushadhi Stores all the commonly used generic drugs covering all the therapeutic groups. In the coming years, Jan Aushadhi scheme shall provide the complete spectrum of Health care products and services, starting from making available all the generic drugs covering all the therapeutic groups. Jan Aushadhi scheme is now getting revamped, and is to be re launched soon under a new name.

M D Sreekumar,  
CEO, BPPI.