

# Standing Committee Report Summary

## Pradhan Mantri Bharatiya Janaushadhi Pariyojana

- The Standing Committee on Chemicals and Fertilizers (Chair: Ms. Kanimozhi Karunanidhi) submitted its report on the implementation of the Pradhan Mantri Bharatiya Janaushadhi Pariyojana (PMBJP) in March 2021. PMBJP aims to provide quality generic medicines to all at affordable prices. Under this scheme, dedicated outlets known as Pradhan Mantri Bharatiya Janaushadhi Kendras are opened all over the country to sell generic medicines to the public.
- **Coverage of the scheme:** The Committee noted that the coverage of the scheme remains inadequate. Though the number of PMBJP outlets increased from 80 to 6,520 during 2014-20 the number of outlets is very less in most of the States. Only five states (Gujarat, Karnataka, Kerala, Tamil Nadu, and Uttar Pradesh) have more than 500 PMBJP outlets. Currently, 732 districts are covered under the scheme against the target of covering all districts (739) across the country by 2020-21. The Committee recommended conducting a state-wise analysis on the status of the implementation of the scheme. It recommended the Department of Pharmaceuticals to focus on block level coverage instead of district level coverage. Further, the Committee recommended special attention to services for people in rural areas, remote areas, slums, and for people from low-income groups.
- **Bureau of Pharma Public Sector Undertakings of India (BPPI):** BPPI is the nodal agency for the implementation of the scheme. The functioning of BPPI is managed through a 10-member governing council. The Council includes: (i) Secretary of the Department of Pharmaceuticals (Chairperson), (ii) Managing Directors of certain public sector pharma companies (such as Hindustan Antibiotics Limited and Indian Drugs and Pharmaceuticals Limited), and (iii) two experts in the field of the pharma industry. The Committee noted that out of 10 members of the Council only two are experts in the Pharmaceutical field. It recommended increasing the number of Pharmaceutical experts in the Council. In this regard, the Government may consider nominating eminent medical administrations to the Governing Council along with expert industry representatives.
- Further, the Committee noted that BPPI is yet to attain financial self-sustainability. It recommended the central government to give grants to BPPI for meeting the administrative expenses (such as salaries) and additional expenses of the scheme (such as cost of incentives to the PMBJP outlets) till BPPI achieves self-sustainability.
- **Supply chain:** The Committee noted that 90% of the suppliers of medicines to BPPI are from the MSME sectors, who cannot absorb the fluctuations in prices of raw materials. Due to this, BPPI faces difficulties in the timely procurement of medicines. The Committee further noted that BPPI is formulating a new procurement policy to smoothen the supply of medicines. It recommended that the procurement policy must be formulated in such a way that the procurement is balanced between the large-scale manufacturers and the MSMEs.
- The Committee noted that BPPI aims to ensure the dispatch of medicines within 48 hours of receipt of the purchase order from PMBJP Kendras. The package is delivered within 10 days of the dispatch. The Committee recommended that the time to dispatch medicines should be reduced to one day and the time for delivering the medicines across India (including remote areas) should be reduced to two days from the date of dispatch. It recommended setting-up an adequate number of distributors in hilly areas of states such as Himachal Pradesh, West Bengal, and North-Eastern states to ensure a timely supply of medicines in remote areas.
- **Quality of medicines:** The Committee noted that during 2017-18, 2018-19, and 2019-20, 0.54%, 0.37%, and 0.46% of total medicines procured by BPPI were of non-standard quality, respectively. A non-standard quality medicine refers to the medicine which does not meet the Indian pharmacopoeia standards. The specifications under these standards include: (i) quality of bonding agent, (ii) quality of colouring agent, and (iii) dissolution time. The Committee recommended the Department of Pharmaceuticals to conduct a periodic review of the quality of medicines. It recommended increasing the ban on suppliers, supplying non-standard medicines, from two years to at least five years.
- **Basket of medicines:** The basket of medicines refers to the range of products (medicines and medical devices) offered under the PMBJP scheme. The present product basket consists of 1,250 medicines and 204 surgical instruments. The Committee noted that the Department of Pharmaceuticals plans to increase the number of medicines to 2,000 and surgical instruments to 300 by March 31, 2024. This is to include all essential medicines covering therapeutic groups such as anti-diabetics, cardiovascular drugs, anti-cancer, and analgesics. It recommended constituting a committee of experts (including eminent medical practitioners) to study the current basket of medicines under the scheme and provide recommendations on it.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.