



## Credit Assistance Program for Jan Aushadhi Kendras

**For Prelims:** [Jan Aushadhi Kendras](#), [SIDBI](#), [Goods and Services Tax](#), [Digital Public Infrastructure](#), [PMBJP Scheme](#)

**For Mains:** India's Pharma Sector and issues, Generic Medicines and its need, Steps taken to promote generic medicine in India, Government Policies & Interventions, Health.

**Source:** [PIB](#)

### Why in News?

Recently, the Union Minister for Chemicals & Fertilizers and Health & Family Welfare, inaugurated a **credit assistance program for [Jan Aushadhi Kendras \(JAK\)](#)**, aiming to enhance accessibility to affordable medicines across India.

- As a part of the program a memorandum of understanding (MoU) was signed between the [Small Industries Development Bank of India \(SIDBI\)](#) and the [Pharmaceuticals and Medical Devices Bureau of India \(PMBI\)](#) to provide financial assistance and support infrastructure development for JAKs.

### What is the Credit Assistance Program for Jan Aushadhi Kendras?

- The Government of India under this program will provide credit/loan assistance to operators/entrepreneurs running Jan Aushadhi Kendras across the country.
- The credit assistance program utilizes both [Goods and Services Tax \(GST\)](#) and [India's Digital Public Infrastructure \(DPI\)](#) to offer unsecured working capital loans to small businesses.
  - Through this program, operators can access unsecured working capital loans and infrastructure funding to establish and maintain their Jan Aushadhi Kendras.
  - The program seeks to **empower small entrepreneurs**, enhance the accessibility of affordable medicines, and strengthen the healthcare ecosystem in India.

### What are Jan Aushadhi Kendras?

- **About:**
  - Jan Aushadhi Kendras (JAKs) is a government initiative launched to provide affordable and quality medicines to the public.
    - They operate under the [Pradhan Mantri Bhartiya Janaushadhi Pariyojana \(PMBJP\) scheme](#) of the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.
- **PMBJP Scheme:**
  - The **Jan Aushadhi Scheme**, revamped as **Pradhan Mantri Jan Aushadhi Yojana (PMJAY)** in September 2015, aimed to make quality medicines available at affordable prices, particularly for the poor and disadvantaged.
  - In November 2016, the scheme underwent further enhancement and was renamed

as **PMBJP** to strengthen its impact.

- PMBJP, focuses on providing **generic drugs** through exclusive outlets known as **Jan Aushadhi Kendras**.
  - These stores offer generic medicines at significantly lower prices compared to branded drugs, ensuring reduced out-of-pocket expenses for healthcare.
  - Generic drugs provided by PMBJP stores are equivalent in quality and efficacy to expensive branded drugs, promoting the rational use of medications.
- **Benefits of Jan Aushadhi Kendras:**
  - **Increased affordability of medicines:** JAKs have significantly reduced healthcare costs for many people and reduced out-of-pocket expenditure.
    - Indian citizens have collectively **saved over Rs. 28,000 crores** over the last decade by purchasing medicines from Jan Aushadhi Kendras.
  - **Improved access to medicines:** JAKs have made essential medicines more readily available in underserved areas.
    - **Around 10 to 12 lakh people visit JAKs daily.**
  - **Promotion of rational medicine use:** JAKs provide information and counselling on the appropriate use of medicines, which can help to reduce misuse and overuse.
- **Expansion of Jan Aushadhi Kendras:**
  - PMBJP has expanded significantly in recent years, from only 80 Jan Aushadhi Kendras in 2014, to around **11,000 units operating across the country today**.
  - The government aims to further increase the number of Jan Aushadhi Kendras to 25,000 in the next two years.

## SIDBI

- The Small Industries Development Bank of India (SIDBI) is the primary financial institution for promoting, financing, and developing the **Micro, Small, and Medium Enterprise (MSME)** sector in India.
- SIDBI was established in 1990 and is the **apex regulatory body for licensing and regulating MSME finance companies**. It is under the jurisdiction of the **Ministry of Finance**, SIDBI is headquartered in Lucknow and has offices all over the country.
- SIDBI also supports **national climate change action plans** and promotes responsible business practices, such as energy efficiency, cleaner production, and sustainable financing.

## PMBI

- The PMBI is a government agency that **coordinates the supply, procurement, and marketing of generic drugs** through the PMBJKs.
- The PMBI is part of the Department of Pharmaceuticals and is responsible for implementing the PMBJP.

## What are India's other Initiatives for Affordable Healthcare?

- [Ayushman Bharat Pradhan Mantri Jan Arogya Yojana.](#)
- [National Health Mission \(NHM\).](#)
- [Pradhan Mantri Swasthya Suraksha Yojana .](#)
- [Janani Shishu Suraksha Karyakram \(JSSK\).](#)
- [Rashtriya Bal Swasthya Karyakram \(RBSK\).](#)
- [Rashtriya Arogya Nidhi \(RAN\).](#)
- [Affordable Medicines and Reliable Implants for Treatment \(AMRIT\) Deendayal Outlets.](#)

**UPSC Civil Services Examination, Previous Year Question (PYQ)**

**Mains:**

**Q.1** How is the Government of India protecting traditional knowledge of medicine from patenting by pharmaceutical companies? **(2019)**

**Q.2** Public health system has limitations in providing universal health coverage. Do you think that private sector could help in bridging the gap? What other viable alternatives would you suggest? **(2015)**

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