

Chapter 12

Drug Availability and Stockouts

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Introduction: When the Shelves Run Empty

Even the most essential medicine is useless if it's **out of reach**. Despite India's vast drug manufacturing capacity, access to life-saving medications is **far from universal**. Across public hospitals, rural clinics, and even private pharmacies, **essential drugs often go missing**—not due to production shortages, but because of systemic failures in **procurement, distribution, and supply chain management**.

This chapter investigates India's **drug availability crisis**, exploring the reasons behind stockouts in both the public and private sectors, and their deadly consequences.

1. Understanding Drug Stockouts

A **stockout** is the **unavailability of a medicine at the point of dispensing**, when it is expected to be in stock. It can occur at:

- **Public hospitals/dispensaries**
- **Private pharmacies**
- **Jan Aushadhi outlets**

India lacks a **centralized tracking system** for real-time stock status, leading to **data blindness** at the policy level.

“Stockouts are not a logistics issue alone—they reflect a deeper governance crisis.” — Health systems researcher, PHFI.

2. Public Health System: Supply without Assurance

Most state governments procure medicines centrally and distribute them through **district warehouses**. However, issues arise due to:

- **Delayed tenders and payment cycles**
- **Poor inventory management**
- **Mismatch between demand and supply**

| **Table 1: Average Availability of Essential Medicines in Public Health Facilities (2022)** |

State	% Availability (EML drugs)
Tamil Nadu	78%
Rajasthan	56%
Uttar Pradesh	39%
Jharkhand	32%
National Average	45%

Source: National Health Systems Resource Centre (NHSRC), 2022 [1]

3. Supply Chain Bottlenecks

Key issues affecting public sector availability include:

- **No automated stock monitoring**
- **Manual recordkeeping**
- **Stock expiration due to poor forecasting**
- **No minimum stock-level alerts**

Only a few states like **Tamil Nadu and Kerala** have adopted **IT-based inventory systems (e.g., TNMSC)** that show consistent success.

4. Private Sector Shortages: A Hidden Problem

Even private chemists report stockouts—especially for **non-lucrative, low-margin drugs** such as:

- Paediatric suspensions
- Injectables with storage requirements
- Older essential antibiotics (e.g., amoxicillin)
- Anti-TB and anti-leprosy drugs

Reasons include:

- **Poor incentives for stocking low-profit drugs**

- Focus on high-margin supplements, cosmetics
- Urban-rural distribution disparities

“There’s no use keeping anti-TB drugs when customers mostly ask for cosmetics and pain balms.” – Pharmacist, Aurangabad.

5. Rural vs Urban Divide

Drug availability drops sharply as one moves away from metro cities.

| Table 2: Urban-Rural Drug Availability Survey (2023) |

Drug Category	Urban (%)	Rural (%)
Antibiotics	91%	59%
Antihypertensives	85%	48%
Insulin	76%	33%
Inhalers	68%	26%
Antipsychotics	44%	14%

Source: AIIMS-RAND Rural Access Study, 2023 [2]

Rural areas depend heavily on **government supply chains**, where **frequent outages** force patients to **travel 20–60 km** for a refill.

6. Life-or-Death Scenarios: Case Studies

a) Snakebite Treatment Crisis

India reports **50,000+ snakebite deaths annually**, yet **anti-snake venom is often unavailable** at PHCs in endemic regions (Bihar, Odisha, Maharashtra).

b) Insulin Shortages

A 2022 ICMR study found **only 27% of rural diabetics** had **regular access to insulin** due to supply chain gaps and high storage costs [3].

c) Cancer Drug Blackouts

During COVID-19, essential chemotherapy drugs like **methotrexate and vincristine** were unavailable in 60% of public hospitals, disrupting thousands of treatment cycles [4].

7. Procurement Corruption and Leakages

Multiple states have faced **scandals around inflated pricing, ghost suppliers, or expired medicine stockpiles.**

“We found warehouses full of expired drugs while patients were turned away due to ‘non-availability’.” – State audit officer, Rajasthan Health Department

Tender processes often lack transparency, and small companies with political links win bids despite lacking supply capacity.

8. Jan Aushadhi’s Inconsistent Promise

While the PMBJP program provides **low-cost generics**, audits reveal:

- **Only 60–65% of medicines are available on average**
- Many outlets operate **intermittently or close down**
- Logistic issues delay refill cycles

A 2023 CAG report noted **repeated stockouts of key medicines** like metformin, amlodipine, cefixime, and iron-folic acid tablets [5].

| **Table 3: Jan Aushadhi Stockout Frequency (Sample 200 outlets, 2023)** |

Drug	Days/Year Out of Stock
Metformin (500 mg)	82
Cefixime (200 mg)	101
Amoxicillin (250 mg)	64
Iron-Folic Acid	110

9. Regulatory Vacuum in Stock Monitoring

India lacks a **national medicine stock monitoring portal**, unlike systems used in:

- **Brazil (SUS)**
- **South Africa (Stock Visibility System - SVS)**
- **Thailand (MOPH Inventory Portal)**

e-Aushadhi (used in Rajasthan, Bihar, etc.) remains **partially implemented** and doesn't cover **last-mile outlets** or private pharmacies.

10. Toward Equitable Drug Access

| **Table 4: Solutions to Address Stockouts** |

Reform	Current Status
Real-time stock monitoring (e-Aushadhi)	Partial in 6 states
Minimum stock level mandates	Absent
Decentralized procurement (PHCs)	Rare
Drug availability dashboard (public)	Not implemented
Reward for stocking essential medicines	Proposed (2022)

India needs an integrated National Drug Inventory and Access Network—covering **public and private** sectors, with **transparency, accountability, and automation**.

Conclusion: Supply Chain, Not Just Science

In the end, it doesn't matter if India can manufacture a drug cheaply – it matters whether it reaches the patient **on time, every time**. Drug stockouts aren't just administrative lapses – they're **failures of care**, and often, failures of survival.

Until India can ensure that **essential drugs are always available where needed, healthcare will remain aspirational for millions**, not accessible.

References

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