

MTal disapproves self-regulation proposal of AISNMA

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The association believes such a decision should be implemented by all stakeholders after proper consultations.



Medical Technology Association of India (MTal), which represents leading research-based medical technology companies with significant investments in India, is not in favour of self-regulation of syringe prices as proposed by All India Syringes and Needles Manufacturers Association (AISNMA) as it is not a viable solution for enabling patient access to advance medical technology products.

The association believes such a decision should be implemented by all stakeholders after proper consultations. MTal said the methodology recommended in the Report of The Committee of High Trade Margins in the Sale of Drugs, which is being evaluated by the Department of Pharmaceuticals, is the best way to regulate the trade margins.

According to the report, trade margin is the difference between Price to Trade (the price at which the manufacturer or marketing company sells the drug to the distributor or stockiest) and the MRP. The report adds that “the government should consider capping the overall trade margins, thus, giving a level playing field to every trade channel. Industry should have the liberty to decide intra-trade channel percentage,” the report adds.

“Our members companies support rationalization of trade margin as recommended in this report. Moreover, there is no direction from NPPA to rationalize trade margins on syringes by 75% as averred by some,” MTal said in a press release. “In the absence of government’s directive, any self-regulation will not be industry wide and would bring new tilts and distortions”, MTal added.

The association said its member companies offer a diverse portfolio (imported and locally produced) of medical devices and not one single product like syringe or needles. "Following different self-regulation mechanisms for different set of products would become a gigantic task," it stated.

MTal also asked for consideration of manufacturing standards of its members vis-à-vis domestic companies. "Any regulation should not just hinge on the pricing of a particular category while ignoring considerable divergence on good manufacturing standards", it said.

The association said that its member companies are committed to enhancing patient access to quality products and seek the undiluted implementation of the DOP report on trade margins.