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MTaI raises concerns over price capping of covid essentials

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The Tamil Nadu Government recently announced the fixing of MRP of 15 COVID essential medical products

MTaI
MEDICAL TECHNOLOGY ASSOCIATION OF INDIA

Medical Technology Association of India (MTaI) is concerned over the price capping of MRPs of various medical products from time to time by various state governments. The Tamil Nadu Government recently announced the fixing of MRP of 15 COVID essential medical products including hand sanitisers, PPE kits, N95 masks and surgical gowns. This is similar to the orders released by the Kerala government in May and by the Maharashtra government last year. NPPA issues several advisories from time to time to address the issues of national interests and priorities.

Pavan Choudary, Chairman & Director General, MTaI, said “We are at a critical juncture in the fight against COVID and the government and industry are trying to rally together to overcome this situation. At such a time, decisions taken without consulting with the industry will lead to confusion. Kerala, Tamil Nadu and Maharashtra have fixed prices at different points which may create a risk of products being sold at multiple price points across the country. This will lead to companies incurring additional costs and logistical challenges due to re-labelling and may disrupt the availability of these essential products. Companies may also choose not to market the product in the territory where the costs and complexities overweigh the benefits.”

“The points at which the prices have been capped seem irrationally low, which may make this market unviable for the industry. Another concern is that this may deprive the frontline healthcare workers of access to good quality protection compromising their safety,” said Choudary.

“Some experts have opined that theoretically not only the state governments, but District magistrates also have the authority to regulate prices. If such adventurism in pricing is allowed in practice, the industry will have to brace itself for a time when price control is happening at a district level also. Our vision to attract domestic and foreign capital to invest in medical devices will go crashing and so would patient interest. Price control decisions, when unavoidable, should be taken by a single body for which India already has the NPPA, which has the research and implementation ability to do this job thoroughly. We look forward to a timely intervention by the concerned authorities to restrain the states’ intervention in price control,” added Choudary.