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Accelerate development of medical devices manufacturing hubs: J Mitra

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Jatin Mahajan, Managing Director â?? J Mitra & Co; Joint Coordinator â?? IVD (AiMeD)



"To boost the MedTech and diagnostics sector in the country, we have the following recommendations for the Government of India for the forthcoming Budget 2022.

- ***Inverted duty structure & custom duty****– this anomaly needs to be addressed. Zero custom duty on imported products have led to uncontrolled dumping of non-standardised Chinese products in the Indian market. This is negatively impacting Indian manufacturers who meet all quality standards and duty structures imposed by the government. Also the duty on finished imported products is lower as compared to the import of raw material. This does not favour domestic production, and is irrationally skewed in favour of importers. It is exactly this reason which has made us dependent on imports and not self-reliant through domestic manufacturing.*
- ***Rationalisation of Trade Margins*** *– Importers sell their products at 10x – 20x of the landing price in India. This massive profiteering (especially at the cost of custom duty) must be curbed. MRP for all such imported products must be capped at 4x of the landing price.*
- ***ICMED as the Umbrella Certification*** *– There should be a robust strategy for establishing ICMED as a robust Indian certification mark equivalent to the likes of CE and FDA. This should be implemented for all domestic and imported devices. This will bring about standardisation and raise the quality of the medical devices available in the Indian market. This will also curb the proliferation of inferior and low-quality Chinese products that are rampantly being dumped in the Indian market.*
- ***Infrastructure for Manufacturing*** *– Development of Medical Devices manufacturing hubs and special economic zones catering to the segment need to be accelerated. They will provide the right mix of common infrastructure, facilities, and subsidies for technological upgradation. This will increase sustainability and economies of scale, and boost the growth of the segment.*
- ***Other aspects critical for winning the Make-in-India race*** *– Ensuring cost advantage over China; faster government permissions and single-window clearances; ease of doing business; adequate financing; competent infrastructure; soft loans with longer repayments; should be key focus areas in the coming budget."*