

## Industry's reactions to the New Government

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### Indian Medical Device Industry optimistic of India becoming Global Medical Device Manufacturing Hub



*The Elections results are out and the BJP government continues to lead on. As a result, the industry players have started sharing their hopes and requirements from the new government.*

"A big boost is anticipated for the Financial Inclusion and Fintech sector in the second term of the NDA government. Fintech will continue to be a sunrise sector and with more supportive government regulations will exhibit tremendous growth and innovation especially in the sachet size financial products. With our suite of onboarding & digital products (KYC, eSign, eNACH), Veri5Digital will have a very important part to play in this growth sector by helping BFSI maintain compliance and costs in the delivery of these sachet size solutions"

**Saru Tumuluri, CEO, Veri5Digital**

"India's healthcare sector has witnessed some landmark developments in the last few years, through a slew of measures aimed at increasing the penetration of basic healthcare. The launch of Ayushman Bharat along with initiatives like Mission Indradhanush to improve immunization has provided much needed impetus to the sector. We hope the government now focuses on improving Emergency Medical Services (EMS) to increase its reach and accessibility. Often, timely EMS service can be the single most critical factor in saving lives and an active universal emergency number across the country is the need of the hour. The Government should also lay emphasis on infrastructure development to support the EMS network and help ambulances reach the remotest corners of the nation. In the past, the BJP government had promised to set up 1.5 lakh health centres and plug the existing health schemes. We are hopeful that in the coming years, the government will engage in focused efforts to boost the EMS sector in keeping with its health mission to ensure all citizens can avail of necessary medical services."

## **Manish Sacheti, Chief Financial Officer, Ziqitza Health Care Ltd**

"The last five years witnessed significant developments in the medical devices sector with noticeable focus by various Ministries of Government focusing on this earlier neglected sector, having realised the huge potential of this sector for unleashing Make in India and to become the next big Brand India success story after IT & Pharma.

The experimental and tentative steps taken to address inverted duty structure for some devices, price caps on Stents & Knee Implants, Indian Certification for Medical Devices, bringing in Medical Devices Rules, establishment of Kalam Institute of Healthcare Technology and Andhra Med Tech Park in Vishakapatnam, drafting an Essential list of Diagnostics and establishment of Medical Devices Promotion Council in Modi 1.0 needs to be now taken forward to the logical conclusion in Modi 2.0.

There is an urgent need for the Govt. to accelerate further reforms for which foundation has now been laid and supportive measures in order to boost medical device manufacturing within the country, reducing huge import dependency in this sector which is still at 70-90% and a staggering 31000 Cr Rs imports bill, minimizing outgo of foreign reserves, and making quality healthcare affordable and accessible to the masses at large as initiated under Ayushman Bharat.

Priority issues raised by AIMED are:

- Need to Regulate all Medical Devices under a Patients' Safety Medical Devices Law to protect patients
- Need to protect Consumers from exploitatively high MRP in Medical Devices by rationalized price controls
- Need to encourage employment and Make in India of Medical Devices and address 70-90% import dependency by a predictive nominal tariff protection policy as done for mobile phones to ensure a vibrant domestic industry & competitiveness and price stability driven by competing domestic players
- Need to incentivize Quality in Healthcare Products in public healthcare procurements by preferential pricing for Q1 e.g ICMED (QCI's Indian Certification for Medical Devices) instead of L1 to ensure patients access acceptable quality.

We stress these are vital and strategic to meet the health-for-all National agenda of PM Modi and aligned to the Health Policy 2017, to make quality healthcare accessible and affordable for common masses and to place India among the Top 5 Medical Devices manufacturing hubs worldwide and end the 70-90% import dependence forced upon us and an ever increasing import bill of over Rs 31, 000 crore ! Pseudo Manufacturing & Unethical marketing is harming consumers and disallowing manufacturing to succeed in India by well meaning investors."

## **Rajiv Nath, Forum Coordinator, Association of Indian Medical Device Industry (AiMeD)**

"The new government should look at creating an ecosystem which should focus more technology enabled solutions not just for metro cities but also in tier-2/3 cities to educate people on the new developments. This can solve the access problem tremendously in healthcare. The government being pro-tech is a positive sign towards New Bharath".

## **Rashie Jain, Cofounder & CEO, Onco.com**

"My congratulations to the NDA led by Hon'ble Prime Minister Narendra Modi, on winning the people's mandate for a second term in a row! The clear majority for a second term should give the government the fuel it needs to continue on the path of fiscal transformation and take the country to its rightful place in the global economy. The vote has clearly been for stability in the government and a stable forward looking policy should help bring in a renewed momentum leading to inclusive growth and development. I look forward to a continued focus on healthcare with Ayushmaan Bharat growing in scope to cover more beneficiaries with a prudent approach to pricing and reimbursements to encourage widespread adoption."

## **Dr Prathap C Reddy, Chairman, Apollo Hospitals Group**

"It is encouraging to see that National Democratic Alliance (NDA) has won a bigger majority these elections than the last. The results show that the electorate has given the union government a long-term horizon to undertake necessary economic and industrial reforms. The previous NDA government initiated various measures in the healthcare space with the good intention of reducing treatment costs for patients. However, some of these measures were not target specific, in administering the

remedy where it was needed, and ended up imposing restrictions on large parts of the industry. Price control, preferred market access to local suppliers, quality control order, development of Indian standards and compensation norms are a few examples of policies that must carry a 360-degree outlook on affordable and quality healthcare. These are policies that have a long term impact on the healthcare industry. Moving forward, all interventions should be thoughtful and widely discussed with the stakeholders before finalisation. We will continue to engage with the government to share our inputs for a holistic solution in the healthcare sector.”

**Pavan Choudary, Chairman and Director General, Medical Technology Association of India**

"We appreciate the efforts of the government to facilitate industrial growth in the education segment during its previous term, and expect that with its reappointment, it will renew its drive to bring about rapid and significant development in the sector. A key factor that plays a role in this growth is the availability of skilled and trained workers, which continues to be lacking. To address this urgent need, we hope that the government implements a number of much-required reforms in the education sector, in order to ensure that India has the talented workforce that can help sustain its continued growth."

**Akhil Shahani, Managing Director, The Shahani Group**