

'Create an eco-system for Inflow of Higher FDI'

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Mr Sudhanshu Pandey, Joint Secretary, Ministry of Commerce, Government of India, has underscored the need for enhancing FDI in the medical device industry. While addressing the delegates at CII's Medical Technology Conference held in Delhi, Mr Pandey said that the medical device segment accounted for less than 0.5 per cent of the total inflow of FDI, which was very inadequate considering the fact that FDI was allowed both in brownfield and greenfield segments.

More inflow of FDI could also make India a hub for medical device production not only for catering to domestic use but also exports.

Mr Pandey also referred to the skill deficit in the country and suggested introduction of customized courses in poly-technics, ITIs and engineering colleges to create the required number of qualified professionals for the industry. He said, 'Industry to come forward with specific suggestions for skill development so that it could be dovetailed with the activities of Skill Development Councils.'

Referring to the role of ancillary industry in the manufacture of medical devices, Mr Pandey said that the import dependence in the segment should be brought down. For that, it was imperative to have a strong drive towards ancillarization. The government is motivating MSMEs to be more active in the field. Support mechanisms are being evolved by the government for this end.

Mr Pandey referred to the new legislation that is being brought about to regulate and harmonize the segment, which is presently covered by the Drugs and Cosmetics Act. Since the legislation might take some time, certain short term measures also can be brought to address the immediate problems of the industry such as labeling requirements etc.

He called for transfer of technology to give a leg up to the medical device industry by taking up contract designing, research, leading to manufacturing. Products sourced from India at cheaper prices are sold at higher prices abroad, denying the Indian industry the benefits.

Mr Pandey exhorted industry to evolve a pragmatic pricing policy for equipment. Product pricing should be transparent, predictable and economical to make the medical treatment affordable to the common man.