

NEWSLETTER

COVID-19 can boost 'Make in India' of medical devices, says Mr. Rajiv Nath

India has suddenly woken up to the issue of self-reliance in medical devices as it braces for the fight against COVID-19. In an interview to MVIRDC World Trade Center Mumbai, Mr. Rajiv Nath, Forum Coordinator, Association of Indian Medical Device Industry (AiMeD) explains how the country is gearing up to enhance production capacity of critical medical devices in this period of crisis.

Excerpts of the interview:

1) Ventilators, masks and other personal protection equipments (PPEs) are some of the medical devices with high demand in the current circumstance. Explain us the current and expected level of demand and supply of these devices in India.

According to an estimate by Brookings, India might need anywhere between 1,10,000 - 2,20,000 ventilators by May 15 in the worst-case scenario and the number of ventilators today available in the country are a maximum of 57,000.

AiMeD has contacted seven of its ten major manufacturers, who have confirmed that the current production capacity of ventilator is 5,500-5,750 pieces per month. The actual production of previous month was approximately 2,700 pieces indicating already a rapid scale up in anticipation of an eventual spike in demand has taken place.

There is a pressing need of ventilators in India and a huge disparity in their availability in various states. For instance, Mumbai alone has 800 to 1,000 ventilators, while states such as Tamil Nadu and Madhya Pradesh have 1,500 and 1,800 respectively. The city of Bengaluru, has approximately 400 ventilators, whereas Kerala has 5,000.

On other hand, for masks, the manufacturing capacity of the 20 manufacturers in AiMeD's list is well over 300 million (over 25 million/month) pieces per annum. Usually, many manufacturers export their surplus as we have excess production. But now demand has spiked as non medical consumers are wishing to wear these and government has had to ban exports. There may be other manufacturers beyond this list. On today's date, market has probably expanded to over 40 million pieces per month.

For PPE coveralls andgown (& PPE kits) the capacity reported by the 20 manufacturers of AiMeD is over 6.25 million pieces i.e. over 5 lacs per month. This quantity is more than what Indian market usually needs. However, in the current circumstances, this is considered very less in terms of medical preparedness as the number of cases is expected to spike.

2) What are the steps being taken by your association to enhance the supply of ventilators in this critical time?

As India gears up to fight the COVID-19 crisis, the Association ofIndian Medical Device Industry (AiMeD) is at the forefront working relentlessly to combat the crisis. AiMeD and its 10 ventilator manufacturing members are in regular consultation with the government to ensure controlling of COVID-19 outbreak and support government in facing ongoing healthcare challenges.

Mr. Rajiv Nath on behalf of the Indian Medical Device industry assured Commerce Minister, Shri Piyush Goyal andthe government full support to its spirited fight against COVID-19 crisis. The association has also assured to work together with big companies such as Maruti, Mahindra, Kalyaani, Tata Motors, Hyundai etc. to "rapidly" scale up production of ventilators. The aim is to produce 50,000 ventilators per month by May 2020.

3) What is the role of the central and state governments in ensuring adequate supply of medical devices?

To tackle the shortage of ventilators India should go in for 2-3 models, one an epidemic low cost respirator model and a high end technology ICU model and instead of HLL Lifecare Ltd doing all the procurement, it could be done on the government's online procurement platform, viz. GeM.Procurement. Also, the government should not impose any exclusionary specification requirement such as US FDA / CE. which is still being the case in most recent March Tenders of Maharashtra and Rajasthan.

The initial specifications of the Ministry of Health and Family Welfare (MoHFW) seemed to be an over reach and impractical and not really specifications which could be making mass productions in tens of thousands of pieces that the government and the country is looking at. These have however been subsequently revised.

Government has assured us all possible help and asked AiMeD not to worry about the restrictions imposed in the supply chain of essential commodities like medicines, raw materials, components to make masks, sanitizers, ventilators and other medical devices. The Department of Pharma, DPIIT & Invest India have ensured that within a short while the whole supply chain that was there before should be up and running completely unobstructed as far as medical devices are concerned. We hope that the local administration of town level District Collector/ District Magistrate/police will similarly facilitate as India cannot afford closure of any factories especially of PPE, masks, gloves and sanitizers.

The government has informed the manufacturers that the Andhra Pradesh MedTech Zone (AMTZ) will provide financial assistance to the tune of Rs 40 crore for large-scale manufacturing of ventilators and many of AiMeD's Electronic Manufacturers have bid for this assistance and walk in plug and play, in Factory facilitation.

It is fantastic to see the competitors collaborating, exchanging ideas, willing to help each other with components, shortages, design & engineering. The fight with a common enemy has motivated us all to work together with 'Nation First'.

4) Do you feel this is an opportune time for India to take steps to become self-reliant in medical devices sector?

I hope 'Make in India' will get a major boost with biggies like Maruti, Mahindra, Kalyaani, Tata Motors, Hyundai joining hands with AiMeD's members to make Medical Devices. "In this large black cloud of

Coronavirus, the only silver lining I see is a boost to Make in India of Medical Devices which has been a neglected sector with import friendly policies in the past with negligible duties. Hopefully this will change going forward.

Notifications

Press Information Bureau, Government of India

- India's exports decline 34% in March 2020
- India attends G20 Finance Ministers and Central Bank Governors Meeting
- <u>Updates on COVID-19</u>
- Permission of select additional activities in certain zones after April 20, 2020
- Extension of due date for filing ECR by employers

CBIC

- Amendment in customs notification
- Amendment in notification on Anti-dumping duty

DGFT

• Continuation of MEIS scheme

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