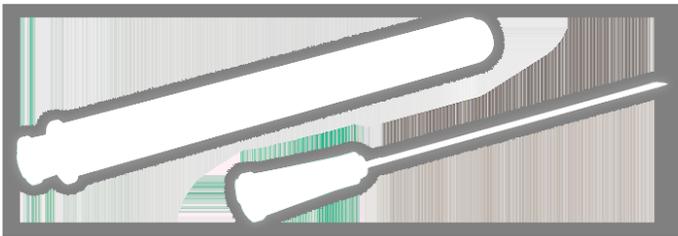


MTal points out ill-information on needles, syringes pricing

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There has been no advisory from NPPA on reducing high margins on needles and syringes so far.



We have studied the stories in media recently and found them ill-informed and wrong at multiple places especially the mention of our member companies Becton Dickinson, and B Braun Medical. The story states that the two companies have not followed an NPPA (National Pharmaceutical Pricing Authority) advisory to reduce high margins on needles and syringes.

We want to put on record that there has been no advisory from NPPA on reducing high margins on needles and syringes so far. Therefore the question of not following the advisory does not arise.

There was a voluntary decision by AISNMA last year to cap the margins on syringes and needles. AISNMA (All India Syringes & Needle Manufacturers Association) represented only a small section of the industry and many domestic and overseas manufacturers were not engaged in these deliberations. Therefore, their voluntary decision was not binding on all players in the industry.

To reiterate, as the voluntary decision was taken by a limited group of the industry, specific companies can't be blamed for not following a decision for which they were not consulted.

To maintain propriety and correct legal protocol, several companies of the medical device industry had approached AISNMA under appropriate associational umbrellas to discuss the regulation of syringes and needles. However, AISNMA had refused to have a discussion on the same.

MTal and its member companies have been champions of trade margin rationalization for needles and syringes for all manufacturers. It is heartwarming to know that AISNMA is following our footsteps now.

On all other medical devices also, MTal has championed the advocacy on trade margin rationalization with the government. MTal believe that trade margins should be fixed at Price to Trade for overseas manufacturers to create a level playing field vis-à-vis domestic manufacturers. This is in line with recommendations of Department of Pharmaceuticals' report on Trade Margin Rationalisation, which is an informed, even-handed and practical report.

In summary, we would like to say that AISNMA might have written to the government on the subject now, but MTal and its members have been in touch with the government for more than a year asking for compulsory trade margin rationalisation.

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