

## National Medical Devices Policy 2023

### Why in news?

The policy aims to reduce India's import dependence to nearly 30% in the next couple of years.

### Why was the policy proposed?

- **Large imports** - As per estimates, some 80-85% of the medical devices currently sold in India, mostly high end ones, and are imported.
- **Low quality** - The Indian players and manufacturers have centred their offerings in the low-cost and low-tech products, like consumables and disposables.
- **Reduce imports** - With the new policy in place, the Centre aims to reduce India's import dependence and become one of the top five global manufacturing hubs.

### What is National Medical Devices Policy 2023?

- **Export driven** - The policy looks at an export driven manufacturing of medical devices.
- **Per capita spend** - The policy also aims to increase India's per capita spend on medical devices.
- India has one of the lowest per capita spend on medical devices at \$3, compared to the global average of \$47.
- **Affordable** - The policy will look to make costly medical devices affordable; and also easily accessible, ensuring larger use across hospitals.

### Why a policy intervention?

- **Pre-independence Act** - India's medical devices sector is regulated by the *Drugs and Cosmetics Act of 1940* primarily.

*The Drugs and Cosmetics Act of 1940 regulates the import, manufacture, distribution and sale of drugs and cosmetics.*

- **Request from industries** - The industry has been asking for a specific policy on medical devices.

### How big is the medical devices sector pegged to be?

- **Market share** - India's current market share in the medical device category is 1.5% of the global space or \$11 billion in 2020.
- **Dominant market players** - US dominates the global market with 40% market share,

followed by Europe & Japan at 25 & 15% respectively.

### Why not PLI schemes to push manufacturing in the sector?

- The National Medical Devices Policy 2023 will be in addition to the existing PLI schemes that are underway.
- The Government of India has already initiated implementation of PLI Scheme for medical devices and support for setting up of four medical devices parks.

*The medical devices parks are located each in the states of Himachal Pradesh, Madhya Pradesh, Tamil Nadu and Uttar Pradesh.*

### How does the policy work?

- **Promote R&D** - It promotes R&D, establish Centres of Excellence in academic and research institutions, promote innovation hubs, plug and play infrastructures and support start-ups.
- **Private investments** - It will encourage private investments, VC funding and public-private partnerships in the segment.

### What is the way forward?

- **Skilling** - Skilling, reskilling and upskilling of professionals in the medical device sector, to ensure availability of skilled manpower.
- **Foreign training** - Making partnerships with foreign academic institutes and industry organizations to develop med-tech.
- **Awareness** - Brand positioning and awareness creation through dedicated export promotion council for the sector so that there is greater market access.

### References

1. [The Hindu Business Line | National Medical Devices Policy 2023](#)
2. [The Hindu | Union Cabinet approves National Medical Devices Policy](#)