



Ref: SMTA/Feb.2020/EBM/MIN-5

Date: 05-04-2020

MINUTES

Pursuant to the Agenda Notice No. SMTA/Feb.2020/Agenda - 5 dated 10th February, 2020, the 5th Executive Body Meeting of The Surgical Manufacturers and Traders Association was held on 13th February, 2020 at 5.00 PM at the Registered Office, 60 - Daryaganj, New Delhi-110002.

Following members were present:

1. Mr. PradeepChawla (In the Chair)
2. Mr. PuneetBhasin
3. Mr. JitenderSareen
4. Mr. SatishMahajan
5. Mr. Harpreet Singh
6. Mr. Anurag Seth
7. Mr. Vijay K. Aggarwal
8. Mr. R.C. Gupta
9. Mr. Ashok Sareen
10. Mr. Rajesh Sawhney
11. Mr. Rakesh Arora
12. Mr. Rakesh Sawhney
13. Mr. Ramesh Bhasin
14. Mr. Rajesh Narula
15. Mr. S. B. Sawhney
16. Mr. Arun Sharma
17. Mr. Ashok Makkar
18. Mr.Virender K. Suri

Regrets: Mr. Ravi Awasthi and Mr. Karan Bir Suri had registered their inability to attend the meeting.

Welcome Address by the President:

The President welcomed all the members & requested the secretary Sh. Puneet Bhasin to conduct the meeting as per agenda.

Confirmation of Minutes:

The minutes of the previous Executive Body Meeting held on 7th January, 2020, duly circulated vide circular No. SMTA/Feb.2020/EBM/Min-4, dt. 01st February, 2020 were read and there being no objection to the same and none on record, the minutes were confirmed and adopted.

Imposition of Health Cess in Import of Medical Equipment

The Secretary Mr. Puneet Bhasin Informed the House that Finance Minister Nirmala Sitharaman in the latest Union budget announced a 5% health cess on import of Medical Equipment, a move that wil make imported medical devices costlier. The government's decision to impose 5% health cess on imports of medical equipment, over and above basic customs duty (BCD), will also increase the treatment costs for patients. Currently, most medical device imports attract a basic customs duty of 7.5%. With an additional 5 % cess, the revised customs duty becomes 12.5% in addition to the education cess & GST levied on importers. The government has however, exempted inputs and parts used in the manufacture of medical devices from the

Health cess. In a developing country like India, where per capita disposable income is very low, one of the Primary objectives of the government should be to make low-cost healthcare available for all. Imposition of health cess goes against this objective. Hence this additional duty incurred by the companies would result in an increase in prices of vital medical equipment/devices, which would ultimately be recovered from the end consumers. This would ultimately end up increasing the healthcare costs.

The House Observed that Health Cess is discriminatory as it has been imposed only on import of all Medical devices. A strong representation to roll back Health Cess may be sent immediately to the finance ministry with a copy to Prime Minister's Office, Ministry of Health & Ministry of Commerce. It was further suggested that letter/representation should also be sent individually by all the Members of the Association to the respective ministries.

Mr Rajesh Sawhney suggested that all such Government's discriminatory policies should be propagated through print media too, so that the common man should also understand that the Import of medical devices and instruments will become costlier thereby increasing the cost of treatment for the patients.

Mr Harpreet Singh also suggested that representation/letter for separate HSN code for medical devices should be sent for uniformity on custom duty.

Proposal of enhancing Income Tax Audit Limit for MSME

Union Finance Minister Nirmala Sitharaman has proposed to raise by five times the turnover threshold for audit from the existing ₹1 crore to ₹5 crore. It will apply only to businesses which carry out less than 5% of transactions in cash & 5% of payments. The House suggested that a letter of representation should be sent to the finance ministry appreciating the rise in the limit but the clause of 5% of transactions in cash & payments should be removed.

Abolition of GSTR-9 & GSTR-9C for MSME

The Secretary Mr. Puneet Bhasin informed that the filing of GSTR-9C for all MSME tax payers is an unnecessary burden, especially when income tax audit has also been done and any mismatch in input tax taken is already reflected in GSTR 2A and moreover income tax department is sharing data with GST authorities. The entrepreneur should be made free from the rigorous filling of returns and audits and allow him to concentrate on his core business activity which would be more productive for both the tax payer and the government. The House decided to write a letter to the finance ministry & chairmen of GST Council for abolition of above returns.

Proposal of Imposition of Trade Margin Cap on Medical Devices

The Secretary informed that it is learnt from the social media & government agencies that they intend to bring all the Medical Devices under Price Control while capping the trade margins. It is difficult and not feasible to have a Price caps on all Medical Devices. The House discussed the matter in length and decided that a representation letter should be given to the National Pharmaceutical Pricing Authority (NPPA), Department of pharmaceutical and Ministry of Chemical & fertilizers.

Grievances of Members

The President informed that some of our Members from Bhagirath Palace Market had complained regarding the cleanliness & bad conditions of the roads during the rainy season. He insisted that the Association should look in to the matter to provide good hygiene in the market. The House suggested that there are 4-5 different Association's in Bhagirath Palace, and SMTA should work with them collectively. A letter should be written to the MCD, stating all the grievances of the market along with similar letters of all other Associations of Bhagirath Palace. The House requested the Chairman Bhagirath Palace Sub Committee to take charge of the matter.

Any Other Matter:

The undersigned informed the house that Ministry of Health & Family welfare issued a final notification to consider all Medical Devices as Drugs and bringing them under the purview of Central Drugs & standard Control Organisation (CDSCO) starting 1st April,2020. This notification will make enforcement of norms for Medical Devices more stringent. The House decided to seek a fresh legal opinion on the new notification to regulate all Medical devices under Drug & Cosmetic Act 1940 and the Association should file a fresh Writ after seeking advice from the legal team. The House pressed that we should try to gather more support from various Medical Associations of other states which in turn will further provide intellectual, moral & financial support in our fight against this government policy.

The President also informed that Members are complaining that the SMTA Website is not updated. The Secretary informed the House that he has sent the Minutes, Circulars, condolences till date and List of newly elected Office Bearer & Executive Members for doing the needful.

New Memberships:

01. M/s Syana India Associates, Mr. Shashi Sharma,

208 Vardhman Crystal Plaza, 2nd Floor,
D-10/17, sector-15, Rohini, Delhi-110085

Local Shopping Complex, Plot No. 5,
CD-Block, Pitampura, Delhi-110034.
Ph.: 011-41078291.

Mr.AkshayMudgal,

Ph.: 011-45130508, 9811770508 and 9599755412.

Works: Khasra No. 40/22/2/1/2,
Dada Nangaje Peer Road, Village Bagdu,
Sonipat, Haryana.
Ph.: 9599755412, 9811770508

02. M/s Diagnostic Traders,

Mr. Gopal Krishan Nagpal & Mr. Jatin Nagpal.

Shop No. 5, Building No. 1595, (Ground floor)
7/196, Geeta Colony, Delhi-110031.

Srinath Ji Dawa Bazar, Bhagirath Palace, Delhi-110006.
Ph.: 9810430419.

Mr. Narinder Dudeja

222, SwastikKunj, Sector-13, Rohini, Delhi-110085.
Ph.: 011-23867712-13, 9910521004, 9899960887.

The applications were found in order and the firms were inducted as new members to the Association with immediate effect.

There being no other matter, the meeting came to an end with a vote of thanks to the chair.

For THE SURGICAL MANUFACTURERS & TRADERS ASSOCIATION



(PUNEET BHASIN)
Secretary – SMTA

