

Government of India increases Custom Duty to promote domestic manufacturing of medical devices

As per the recommendation from a special task force responsible for rationalization of customs duty structure, the Government of India has increased the rate of Basic Customs Duty (BCD) on certain specified medical device from 5% to 7.5%.

Simultaneously, exclusion of Additional Customs Duty (aka SAD - Special Additional Duty) from these medical devices have also been withdrawn, and they will now attract 4% SAD.

Further, to give fillip to domestic manufacturing, BCD is being reduced to 2.5% along with full exemption from SAD on raw materials, parts and accessories for manufacture of medical devices, falling under headings 9018 to 9022.

