Medical device firms see red over additional tariff

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India's medical devices industry has raised concerns after US President Donald Trump on Thursday announced an additional 25 per cent tariff on Indian shipments, on top of the existing 25 per cent duties announced last month.

The Medical Technology Association of India (MTaI) called the second round of tariffs short-sighted, adding that the escalation is numbing for our exporters not only in its economic impact but in its disregard for stability and predictability in global trade.

Industry executives fear the tariff rise could also affect the competitiveness of Indian medical device experts, compared to China and the European Union (EU). While the EU has agreed to a 15 per cent tariff duty, the US has proposed a 30 per cent tariff on China. Both of these are less than the 50 per cent currently imposed on India.

According to data from the Department of Pharmaceuticals (DoP), India's total medical device exports for 2023-24 (FY24) stood at \$3.78 billion till September 2024, of which \$287.7 million worth of devices were exported to the US. Endoscopes, orthopedic implants, magnetic resonance imaging (MRI) equipment, urinary catheters and electrocardiographs are among the top five exports to the US from India.

"Our market in the US is limited to low risk devices, however we are already facing a challenge from China in terms of costs.

MTaI added that the move is also likely to harm American patients, particularly in critical sectors like medical devices and pharmaceuticals, where global supply chains are deeply integrated. Rajiv Nath, forum coordinator at the Association of Indian Medical Device Industry (AIMED) said it would be premature to comment on US-India tariffs.