Medical device makers seek 7.5% import duty

MANU KAUSHIK New Delhi, April 16

RISING "INDIRECT IMPORTS" from China, coupled with falling exports, have prompted domestic medical device manufacturers to seek commerce and industry minister Piyush Goyal's intervention to safeguard their interests.

In a letter to Goyal, the Association of Indian Medical Device Industry (AiMeD) has said that the imports of medical devices from countries like Hong Kong (28%), Malaysia (24%) and Singapore (13%) have shot up in the period from April 2024 to January 2025 due to the likely diversion of Chineseorigin goods transiting through these countries to India.

"The imports from these countries have surged in order to circumvent regulatory restrictions from the Central Drugs Standard Control Organisation (CDSCO) on Chinese goods as well as to circumvent trade restrictions imposed by the Department for Promotion of Industry and Internal Trade (DPIIT) on neighbouring countries," said Rajiv Nath, forum coordinator at AiMeD.

The letter stated that the excess

capacity in China is also hurting international prices of medical devices, especially in regions like Africa and West Asia. "Globally, the prices are under a lot of pressure as Chinese products are being dumped due to excess capacity. This is due to the restrictions being imposed by USFDA and other tariff barriers being put in place by the US government on

Chinese devices," Nath said. The association has urged the minister to safeguard the sector by removing zero and 5% "concessional duty" on medical devices, and has asked for a minimum 7.5% on all medical devices. "If imports keep rising at the current pace, it will become unviable to Make in India," it said.

The sector is facing a double whammy of rising imports and declining exports. The export growth between April 2024 and January 2025 averaged 6%, lower than the 12% growth in FY24. Currently, India imports over 70% of its medical devices from foreign suppliers. Experts said that despite the government's push to reduce this dependence, the progress has been slow. In January, the CDSCO prohibited the import of refurbished medical devices due to a lack of specific regulations.