

Govt announces customs duty full exemption for all drugs used in rare diseases treatment

30 March 2023 | News

Customs duty full exemption for all imported drugs & food for Special Medical Purposes for personal use for treatment of all Rare Diseases



The Central Government has given full exemption from basic customs duty on all drugs and food for special medical purposes imported for personal use for treatment of all rare diseases listed under the National Policy for Rare Diseases 2021 through a general exemption notification.

In order to avail this exemption, the individual importer has to produce a certificate from Central or State Director Health Services or District Medical Officer/Civil Surgeon of the district. Drugs/Medicines generally attract basic customs duty of 10%, while some categories of lifesaving drugs/vaccines attract concessional rate of 5% or Nil.

While exemptions have already been provided to specified drugs for treatment of Spinal Muscular Atrophy or Duchenne Muscular Dystrophy, the government has been receiving many representations seeking customs duty relief for drugs and medicines used in treatment of other Rare Diseases.

Drugs or Special Foods required for the treatment of these diseases are expensive and need to be imported. It is estimated that for a child weighing 10 kg, the annual cost of treatment for some rare diseases, may vary from Rs 10 lakh to more than Rs 1 crore per year with treatment being lifelong and drug dose and cost, increasing with age and weight.

This exemption will result in substantial cost savings and provide much needed relief to the patients.

The government has also fully exempted Pembrolizumab (Keytruda) used in treatment of various cancers from basic customs duty.