

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

UNSTARRED QUESTION NO.104

TO BE ANSWERED ON MONDAY THE 19TH JULY, 2021
ASHADHA 28, 1943 (SAKA)

TAX EXEMPTION ON IMPORT OF MEDICAL ITEMS

104. SHRI KURUVA GORANTLA MADHAV:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has granted tax exemptions on the import of essential medical items to combat Covid-19;
- (b) if so, the details thereof;
- (c) whether the GST council has constituted a Group of Ministers to examine the requirement for GST concessions/exemption for items used as Covid-19 relief material; and
- (d) if so, the details of the report or the recommendations of the committee in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
SH. PANKAJ CHOUDHARY

(a) and (b): In order to ensure the availability and affordability of goods being used for Covid-19 relief and management, the Government has for specified period provided the following indirect exemptions/concessions on imports of such items:-

(i) Customs Duties including cesses, wherever applicable, has been exempted on (a) medicines such as Remdesivir injection, Remdesivir API, Amphotericin B and specified inputs for their manufacturing (b) oxygen and oxygen related equipment (c) Covid-19 Vaccines (d) specified inflammatory diagnostic kits, etc.

(ii) Specified Covid relief items have also been exempted from payment of IGST when imported for donation to Central Government, State Government or any relief agency, entity or statutory body for free distribution.

(iii) GST rate has been reduced on imports of specified goods like Covid-19 related medicines, oxygen, oxygen related equipment, specified Covid-19 testing kits, Pulse oximeters, hand sanitizers, temperature check equipment, Gas/electric furnace for crematorium and ambulances.

(c) and (d): GST Council in its 43rd meeting decided to constitute a Group of Ministers (GoM) to examine the issue of GST exemption/concession on Covid relief material. The GoM made recommendations for reducing GST rates on specified Covid relief items. These recommendations were discussed in 44th meeting of GST Council. Council made recommendation for reduction of GST rates, on Covid relief items taking into account the recommendations of GoM. On the recommendation of Council, the concessional GST rates on items mentioned at item no. (iii) in reply part (a) and (b) above were notified.
