

CUSTOMS IN THE TIMES OF COVID-19

A snapshot of measures undertaken by the Indian Government

In the wake of the raging second wave of COVID-19, India is going through an extremely difficult phase. Uncertainties continue to galore, and a stressed infrastructure has pushed the government and the citizenry at large to import required medicines, medical equipment, and APIs. With the situation spiralling across the country, the Union Government has announced various relief measures for the benefit of businesses and individuals importing and/or exporting goods required for effective COVID management.

On the Customs front, the Union Government has taken the following measures to battle the ongoing crisis of the second wave of the COVID-19 outbreak:



Customs - Imports related

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| 1 | Exemption from Customs duty has been announced on the import of Remdesivir injection, Remdesivir API, Beta Cyclodextrin (SBEBDC) used in the manufacture of Remdesivir, up to 31 October 2021. | Notification no:27/2021-Customs dated 12 April 2021 |
| 2 | Exemption from Customs duty and Health cess has been introduced on the import of oxygen, oxygen-related equipment, COVID-19 vaccines, and other COVID-related imports, up to 31 July 2021. | Notification no:28/2021-Customs dated 24 April 2021 |
| 3 | Exemption from IGST has been introduced on the import of oxygen, oxygen-related equipment, COVID-19 vaccines, and other COVID-related imports, till 30 June 2021 on certain conditions. | Notification no:27-Customs dated 20 April 2021 and notification no: 28-Customs dated 24 April 2021 read with Ad hoc Exemption Order no:04/2021-Cus dated 03 May 2021 |
| 4 | Exemption from Customs duty on the import of specified Inflammatory Diagnostic (markers) kits up to 31 October 2021. | Notification no: 29/2021-Cus dated 30 April 2021 |

Foreign Trade Policy - Exports related

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| 1 | The Central Government has prohibited the export of the injection Remdesivir and Remdesivir Active Pharmaceutical Ingredients (API) with immediate effect. | DGFT Notification no:01/2015-2020 dated 11 April 2021 |
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Measures announced by the Government for Individuals

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| 1 | The Central Government included oxygen concentrators for personal use in the list of exempted categories, where customs clearance is sought as gifts till 31 July 2021. | DGFT Notification no: 4/ 2015-2020 dated 30 April 2021 |
| 2 | The Central Government reduced the IGST rate on the import of oxygen concentrators for personal use to 12% till 30 June 2021. | Notification no:30/2021-Cus dated 1 May 2021 |

Other Measures

1	A dedicated desk has been set up to handle queries related to COVID-19 related imports and handhold the trade, industry, and individuals for expeditious customs clearance.	Press Information Bureau Press Release dated 26 April 2021
2	Instruction has been given to all Customs formations to urgently clear import consignments relating to COVID-19.	Instruction no:07/2021-Customs dated 24 April 2021
3	DGFT operationalised the 'COVID-19 Helpdesk' to support and seek suitable resolutions to issues arising in respect of International Trade.	Trade Notice no:02/2021-2022 dated 26 April 2021
4	PGA requirements have been waived off on imports of COVID-19 items by MEA and the Indian Red Cross.	Instruction no:08/2021-Customs dated 27 April 2021
5	The Central Government simplified the registration procedure for global manufacturers for the import of oxygen cylinders and cryogenic tankers/containers. Now, on submission of the global manufacturer's particulars, approval will be granted online, without any delay.	Press Information Bureau Press Release dated 5 May 2021
6	Restored the facility to submit an undertaking in lieu of bond up to 30 June 2021	Circular no:09/2021-Customs dated 08 May 2021

KEY CHALLENGES

- Lack of clarity on restrictions/prohibitions regarding import and export
- IGBT exemptions on import by Trade and Individuals for personal use
- Classification of goods
- Documentation and Certifications
- Lack of clarity on conditions on certain conditional exemptions
- Faster clearance of goods

BDO INDIA SUPPORT

As we navigate this time of uncertainty together, we are determined to assist and provide support to individuals and industry alike to enable them to successfully avail of the relief measures announced by the Government seamlessly and hassle-free.

[CLICK HERE](#) to view all the Customs related relief measures announced by the Central Government

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