EPCES
Goverment Of India

Director General EPCES <dg@epces.in>

Fwd: Representation from Serum Institute of India, SEZ Unit, seeking Basic Customs Duty Exemption for supply of vaccines to Central and State Governments.

3 messages

Director General EPCES <dg@epces.in> 24 June 2025 at 16:41
To: secyhfw@nic.in
Cc: csoffice@nic.in, ss.lss-doc@gov.in, VIMAL ANAND <vimal.anand@nic.in>, asmd-mohfw@nic.in, RSECY@nic.in, js tru01 <js.tru01@gov.in>

Dear Madam

Please refer to the email below from M/s Serum Institute of India Pvt Ltd, a Special Economic Zone unit in Pune, attaching a representation seeking exemption from payment of Basic Customs Duty in respect of supply of vaccines manufactured by them in SEZ to the Central Government , State Government and their agencies.

SEZ units are governed under the Special Economic Zones Act and Rules and accordingly, they get the benefit of duty free inputs from abroad and they have to pay normal customs duties on supplies of finished goods to the domestic market in India.

They have stated that the share of imported inputs in their manufacturing process is very meagre. They provide major value addition by way of domestic inputs and labor. However, they have to pay full Customs Duties when they supply finished goods (vaccines) to the domestic market in India. The BCD component (10% on the value of the finished goods) is very high as compared to the benefits availed by way of duty exemption on imported inputs.

They have, therefore, requested that their request for waiver of the Basic Customs duty component on the vaccines manufactured in the SEZ unit and supplied to the Government of India and the various State Governments and related agencies , including supplies made in India at the best of UNICEF against money received in Foreign Currency be recommended to the D/o Revenue , Ministry of Finance. This will be a great support for supply of affordable vaccines under the Universal Immunisation Programme (UIP).

The Commerce Ministry has already recommended it to the Revenue Secretary. (copy attached).

A committee under DGHS has also recommended the case. (minutes attached)

It is requested that their request may kindly be examined and recommended to the D/o Revenue at the earliest.

With regards,