

# Govt looks at steel import monitoring system for template

May mandate prior registration of India-bound items

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**T**he government is considering replicating the steel import monitoring system (SIMS) as one of its options to keep a tab on the import of laptops and other IT hardware and get advance information about such activity, said people in the know.

With the government's decision to restrict the import of laptops, tablets, other personal computers, related items, and servers without a licence nearing the implementation date of November 1, the Ministry of Electronics and Information Technology (MeitY) has been holding hectic consultations with stakeholders to discuss the modalities.

"MeitY will take a final call. It is now finalising the modalities (on how the licensing mandate should be implemented) and will have a meeting with the DGFT (Directorate General of Foreign Trade) by the end of this month," a person aware of the matter told *Business Standard*.

The government last month cited "security risks to citizens" as the primary reason for the decision to allow sourcing of such items through a licensing regime. Apart from that, curbing Chinese imports and pushing local manufacturing are seen as other motives behind the decision that was announced in August. The SIMS is an online platform on which all steel products that are entering India require prior "registration". Under the system, importers submit advance information to the online system to obtain a registration number through a web portal at least 60 days before the actual date of import. The system has been in place for four years now.

"Under that system, there will be an online process where the importer will have to register before submitting it to the bill of entry with the Customs," the person said.

India's decision drew strong opposition from the IT hardware industry, as well as its

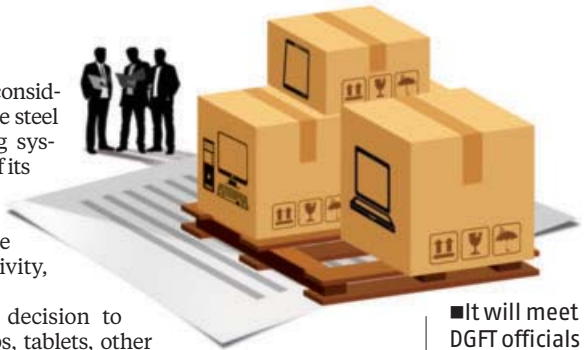


ILLUSTRATION: ALAY MOHANTY

## THE PIECES ARE FALLING INTO PLACE

■MeitY has been holding consultations with stakeholders to discuss modalities of the licensing mandate for IT hardware imports

■It will meet DGFT officials by the end of the month for finalising the new system

■The government has assured the industry of a smooth transition to the new import policy

■The steel import monitoring system mandates online registration of India-bound products 60 days before the date of import

leading trading partners, such as the United States and the European Union (EU). Industry representatives have been urging the government to take a relook at the new import policy. They have also sought an extension beyond November 1, so that there is enough time for the industry for such a transition. The concerns of major American PC and server makers, such as Apple, Dell, HP, and Cisco, are driven by the fact that they serve the Indian market via a large manufacturing base in China and Southeast Asian countries. Turn to Page 11, 4 ▶

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# Steel import...

Over the past few decades, technology firms have developed complex and interwoven global supply chains. While the US remains the leader in the design and innovation for the ICT (information and communications technology) sector, manufacturing is largely outsourced to manufacturing services companies operating from China.