

It's official: Govt won't curb PC, laptop imports

Puts in place 'contactless' authorisation system

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In a stepdown from its earlier move, the government on Thursday announced that India will not restrict import of laptops and other IT hardware products, while unveiling a new contactless import authorisation system. The industry has been in a tizzy for over three months after the Centre had said it was planning to bring several IT hardware products under the 'restricted' label as part of the country's attempt to ensure a trusted supply chain and also in its effort to reduce import dependence on China.

This was the first time that the two key departments, the Ministry of Information Technology (Meity) and the Director General of Foreign Trade (DGFT), which have been part of the move, came together at a joint press conference to assuage the apprehensions of the industry that the country may be going back to the licence raj. According to an official document, the import permit will be issued in an end-to-end

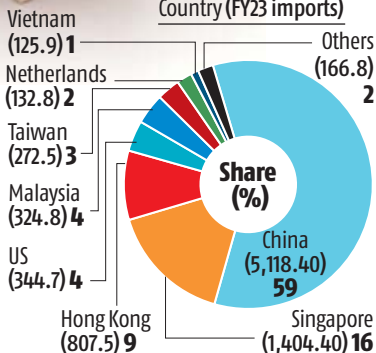


TARIFF LINES

Imports under the seven tariff lines of Import Authorisation System (in \$ million)

TOTAL IMPORTS
8,697.9

Country (FY23 imports)



Source: Government

online format and the government claims this process will require less than 10 minutes to complete. Turn to Page 6 ▶

gradual, which is exactly what we are seeing now,” Jawa said.

During the quarter, market volumes grew in high single digits Y-o-Y. “We need to be mindful that this came on a base period where volumes declined to mid-single digit. Hence, cumulatively, market volumes remain largely flat over a two-year period,” Ritesh Tiwari, chief financial officer of HUL, said in a press conference after its results.

Citing NIQ's data (formerly known as NielsenIQ), the management said the FMCG market witnessed 7-8 per cent volume growth during the quarter compared to 5 per cent a year ago.

HUL's rural volumes continued to remain under pressure in Q2, and the management noted that rural demand remained subdued.

Jawa pointed out that the market was recovering, with the urban market recovering faster than rural.

PC, laptop...

The importers are allowed to apply for multiple authorisations, after which they will receive a Custom clearance.

The import authorisation will remain valid till September 2024. After the expiry of the authorisation, the government will study the data, continue to interact with the stakeholders, and will figure out how to take it forward, which will provide certainty to the industry.

The new system will be in place

from November 1.

Director General of Foreign Trade (DGFT) Santosh Kumar Saranagi said the government would not reject any import requests, except for companies in the “denied entity list”.

Such a list includes firms that have not fulfilled or defaulted export obligations by availing of benefits of schemes, such as advance authorisation and Export Promotion Capital Goods (EPCG), or having Directorate of Revenue Intelligence cases against them.

Sarang, however, said that though an online system had been put in place, these IT hardware products were still “under the restricted” category and “there is no change in that”.

With the import management system in place, the government will collect clear data about specific products, coming in from different sources and monitoring it in consultation with stakeholders.

This is to ensure a ‘trusted supply chain’ for electronics in the country amid increasing cybersecurity threats for hardware products.

On August 3, the Centre had announced it was planning to bring several products in the IT hardware segment under the ‘restricted’ label. The Centre, however, deferred the implementation till October 30 after the industry raised serious concerns over the decision.

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