

DGFT notifies additional changes in import policy for import of computers, laptops, tablets covered under HSN 8471 of the ITC(HS) 2022

With effect from 3 August 2023, the Directorate General of Foreign Trade (DGFT) has amended the import policy relating to Chapter 84 of the Schedule I (Import Policy) of ITC (HS) 2022 by restricting the import of laptops, tablets, all-in-one personal computers, ultra small computers, etc., covered under the specified sub-headings of HSN 8471, i.e., their imports will henceforth require a license. However, based on representation from trade, the applicability of such restriction was extended till 31 October 2023. Accordingly, with effect from **1 November 2023**, a valid licence for restricted imports shall be required.

In this regard, the DGFT has now notified additional changes in the import policy conditions for these goods and clarified the implementation of import management system for IT hardware.

Additional changes and clarifications:

- **Import by DTA from SEZ:** IT hardware restricted for import manufactured in a special economic zone (SEZ) can be cleared to a domestic tariff area (DTA) without an authorisation on the payment of applicable duties, if any. However, if these goods are subject to activities such as re-packing, labelling, refurbishing, testing and calibration alone in the SEZ, the same will not be considered as manufacturing and will not be exempted from the authorisation requirement for domestic clearance.
- **Exemption in certain cases:** Private entities are exempted from authorisation requirement on the import of the said IT hardware for supply to the central government or agencies, undertakings owned and controlled by the central government, for defence or security purposes, or the state government for security purposes. However, to avail exemption, these entities must furnish an end-use certificate to the customs authorities issued by the concerned

government entity placing the order.

- **Exemption to imports for repair, return or replacement:** Import for repair and/or return and/or replacement of IT hardware sold earlier as well as re-import of such items repaired on a self-certification basis shall be exempt from authorisation requirement.
- **Exemption to SEZ/EOUs/EHTP/STPI/BTP:** SEZ units and EOUs/EHTP/STPI/BTP are not required to obtain a 'restricted import authorisation' for the import of IT hardware restricted for captive consumption.
- **No restriction on spares and parts:** No import restrictions on spares, parts, assemblies, sub-assemblies, components, and other inputs necessary for the IT hardware devices.
- **Exemption for capital goods:** Notified IT hardware items essential for capital goods are exempt from import licensing requirements. For instance, laptops/tablets accompanying machinery such as MRI machines, CNC machines, unmanned aerial vehicles (UAVs), etc., are examples of allowed exemptions. However, if servers or laptops, etc., themselves are the primary capital goods, this exemption does not apply.

The importers can apply for multiple authorisations and such authorisations issued shall be valid **up to 30 September 2024**. The quantity mentioned on a valid import authorisation may also be amended at any point, subject to the overall value of the import authorisation remaining unchanged. The application for amendment may be filed online on the DGFT website (<https://dgft.gov.in>).