

DGFT relaxes norms for import of used IT assets (Laptops, desktops, monitors, printers) from SEZ to DTA

The Directorate General of Foreign Trade (DGFT) has restricted the import of used IT assets (Laptops, desktops, monitors, printers) from Special Economic Zones (SEZ) to Domestic Tariff Area (DTA) vide Notification No. 56/2023 dated 1 January 2024. However, relaxation from the requirement of obtaining a license for the import of the used IT assets from SEZ to DTA has been granted on satisfaction of the following conditions:

- Minimum usage of two years in the SEZ area, and the goods are not older than five years from the date of manufacturing.
- In case if the SEZ unit is closing its operations and re-locating to the DTA, the goods should not be older than five years from the date of manufacturing. However, IT assets that have entered the SEZ area in secondhand condition and used in the SEZ area for less than two years will not get this benefit.
- The above relaxation shall be available only when no exemption was availed from any regulatory requirements (i.e., Compulsory Registration Order (CRO), Restriction of Hazardous Substances (RoHS), and Wireless Planning and Coordination (WPC) import license) at the time of the import of used IT assets into the SEZ.

Our Comments

Earlier, the government had restricted the import of laptops, tablets, all-in-one personal computers, ultra small computers, etc., effective from 1 November 2023. However, later it was clarified that SEZ/EOUs/EHTP/STPI/BTP are not required to obtain a 'restricted import authorisation' for the import of IT hardware restricted for captive consumption. In addition, an import management system was introduced effective from 1 November 2023 to ensure that the importers provide the necessary data and information to closely monitor the inflow of such hardware without disrupting the market's supply chain.

In continuation to the above, the government has relaxed the norms for the import of used IT assets from SEZs to DTA. This will help in the seamless transfer of secondhand goods from SEZ to DTA and also reduce the procedural challenges on satisfaction of the specified conditions.