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Shri Amit Yadav  
Director General  
Directorate General of Foreign Trade

**Sub: Steel Parts Imports by ICT Companies**

Respected Sir,

***Greetings from MAIT, the apex body representing the Electronic Hardware manufacturing Sector in India!***

The Electronic Hardware companies are actively participating in various initiatives of the Government of India in making Digital India and Super Computing Missions successful. Consequently, electronic hardware companies are creating very high employment opportunities both directly and indirectly.

We would like to bring to kind attention that the recent DGFT Notification No.17/2015-2020 dated 5<sup>th</sup> September 2019 and the subsequent Policy Circular No.29/2015-20 dated 4<sup>th</sup> October 2019 (copies attached for reference) insisting on registration of steel parts falling under certain tariff codes is compulsory for all importers. This notification requires the importers to do a registration on the DGFT portal and collect a "Registration number" for each shipment (in the case of electronic product steel accessories, the import quantity is limited to a specific machine order). The registration has to be taken a minimum 15 days in advance of the shipment landing. The details to be filled are elaborate including type of steel and specifications, projected future quantity, etc.

We would like to share with you that the volume of such steel parts is very negligible – hardly 2% of electronic hardware companies' business. Further, these steel parts are essential to safeguard ICT products like Server, Storage and other ICT solutions and are not being sold in isolation. It is pertinent to note that the steel parts used by these ICT companies are accessories to the main product in the ICT business.

We suggest that ICT companies should be considered as non-core steel parts importers. Further, the ICT companies can submit any data if and when required by the authorities. DGFT/Customs authorities at entry point can recognise ICT companies based on IEC which is specific to every importer and thereby extend the relaxation to the ICT Sector. In fact, the unit of measurement for the imports by ICT industry goes by numbers and not by weight unlike the core steel industry.

Moreover, this procedure will add to the complexity to "Ease of doing business" in our country.

In light of the above, we recommend that the ICT industry be exempt from this notification.

If that is not possible,

- a) then issue for this sector a one-time registration using which they can seamlessly import these items.
- b) Registration can be done on the annual registration volume.

We look forward to your positive response.

With regards,

A handwritten signature in black ink, appearing to read "George Paul". The signature is written in a cursive style with a large initial "G" and a long horizontal stroke at the end.

George Paul  
Chief Executive Officer