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(23-8509)

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Committee on Import Licensing

Original: English

IMPORT LICENSING SYSTEM OF INDIA

REPLIES BY INDIA TO THE QUESTIONS FROM THE UNITED STATES¹

The following submission, dated 11 December 2023, is being circulated at the request of the delegation of India.

Question (a)

What objective is India hoping to achieve through these import licensing requirements?

Reply:

The present system has been put in place to manage and monitor import of specified IT Hardware goods to ensure supply chain resilience and address national security concerns.

Question (b)

Does India intend to expand the use of import licensing beyond the listed products?

Reply:

As of date, India has no plans to expand the use of import management system beyond the listed products.

Question (c)

Did India carry out a public notice and comment period ahead of publication of this measure? If so, please describe your process.

Reply:

Industry consultations were undertaken prior to the notification No. 23/2023 dated 3 August 2023. A transition period of three months was provided till 31 October 2023, wherein, further comments were sought from Trade & Industry. Additional Notification No. 38/2023 dated 19 October 2023 was issued thereafter.

Question (d)

Please explain when India will notify this measure to the Committee on Import Licensing.

¹ Circulated on 18 October 2023 in document [G/LIC/Q/IND/29](#).

Reply:

The measure has already been notified to the WTO Committee on Import Licensing and it was published on 29 November 2023. The document reference is [G/LIC/N/2/IND/23](#).

Question (e)

How will the licenses be issued? Will the products be subject to automatic or non-automatic licensing.

Reply:

The process is subject to Automatic Licensing.

Question (f)

If non-automatic, please explain:

- 1. What criteria will India use to approve or deny a license? Will India prioritize specific industries, sectors, or products? On what basis are these priorities determined?**
- 2. What is the timeframe for issuing a license for listed products? How will India avoid long or unpredictable delays?**
- 3. Please describe the process for importer to apply for a license. How can importers seek information about the status of their request for a license or make corrections to license applications? What recourse will importers have if a license is denied?**

Reply:

Not Applicable.

Question (g)

We understand that India is considering carrying out an initial monitoring phase for this measure. Please explain:

- 1. What is the timeframe for the monitoring phase? Will India delay full implementation of the measure during this time?**
- 2. Which data will importers be required to provide and how does India plan to use this information? Will the information impact the process for granting licenses? Is India considering the use of quantitative restrictions based on the information supplied?**

Reply:

1. There is no such proposal as on date.
2. As mentioned, this is an automatic licensing process.

Question (h)

The measure specifies that "exemption is also provided where the item is an essential part of a capital good." How does India intend to administer this exemption?

Reply:

A clarification has been provided vide Para (iii) of DGFT Policy circular No. 06/2023-24 dated 19 October 2023, which addresses this question.
