



PHD House, 4th Floor, Ramakrishna Dalmia Wing
4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016,
Tel# 9599665859 E-mail: dg@mait.com □ Website: <http://www.mait.com>

Ref.No.MAIT/PY/2282

July 25, 2023

Shri Alkesh Kumar Sharma, IAS
Secretary
Ministry of Electronics & IT

Subject: Request reg BCD exemption w.r.t. Customs Notification No. 25/2005

Respected Sir,

Greetings from MAIT!

At the outset, MAIT would like to take this opportunity to thank MeitY for its continued support to the Indian industry. We deeply appreciate the multiple initiatives undertaken by Gol to promote electronics H/w manufacturing in the country including laptops, tablets and other ICT products.

While industry is committed to setting up local ecosystem and promote manufacturing of IT H/w products in the country, some essential components are being imported which constitute the final product. One such component is laptop adapter, i.e, power adapter which falls under the heading of S. No.4 of Customs Notification No.25/2005 – (Static converters for automatic data processing machines and units thereof, and telecommunication apparatus), which is an ITA-1 item, that attracts 0% BCD. Power adapters also known as Smart AC Adapters are basically static converters used to convert electrical energy in order to adapt it for further use. Power Adapter is used to recharge the battery of a notebook computer and provide dependable power for operating notebook computer for a long period of time. Adapter consists of a transformer, a rectifier and an electronic filter. The transformer converts a relatively high-voltage alternating current that is supplied by the electrical outlet to a lower subtle voltage for the device that is being powered. AC stands for alternating current. The said power adapters meet the description of electrical static converters laid down in WCO Explanatory Notes, Note II C to Heading 8504.

However, there is an ambiguity in tariff interpretation as the field officers are stating that the adapter does not fall under the S.No.4 of Customs Notification No.25/2005 and thus, the benefit of Notification No.25/2005-Customs is not available to the industry. As per Field Officer, adapter is "Accessories of Laptop" not parts, hence the industry needs to pay the 20% BCD on subject shipment.

We seek your kind intervention in recommending CBIC to resolve this long-standing issue pertaining to BCD exemption on Notification No.25/2005 to enable smooth import process for such products and strengthen the Atma Nirbhar Bharat in manufacturing.

We look forward to your active support.

Warm regards,


Col Suhail Zaidi (Retd)
Director General