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Shri Ravi Shankar Prasad  
Hon'ble Minister for Communications, Electronics & IT and Law & Justice  
Government of India.

**Subject: Long-pending ETA certificates at WPC undermining the business & economy of India**

Hon'ble Sir,

Greetings from **MAIT**, the apex body of the Electronics Hardware Sector in India!

We are grateful that under your leadership, mobile phone and electronics industry has grown exponentially. Given the Government of India's focus on this sector, we are confident that this sector shall continue to scale new heights.

We draw your attention to Department of Telecom's OM No. WPC/ Policy/2018-19/ dated February 26, 2019. Vide this letter, WPC had permitted Equipment Type Approval (ETA) through self-declaration for certain wireless equipment operating in license exempt bands with low power transmission, which were exempted from import licensing requirement as per the import policy of DGFT.

Wireless technologies such as Bluetooth & Wi-Fi operate in the license exempt bands and have low power transmission. WI-FI and Bluetooth have become standard and can be found in almost all electronic products today. Even the humble LED bulb supports Wi-Fi.

The volume of such products is extremely heavy. Given this background, to facilitate clearance at customs and increase the ease of doing business, WPC had taken the welcome step of permitting ETA through self-declaration.

Among others, the self-declaration mode was applicable to mobile handsets, smartphones, electronic notepads, laptops, smart watches, short range devices including accessories. Microphones, Speakers, headphones, earphones printers, scanners, cameras, etc.

Suddenly vide letter no.ETA-WPC/Policy/2018-19 dated 4/12/19 ETA self-declaration was withdrawn and it became mandatory to get an ETA for the products operating in license exempt band with low power transmission. This change has thrown the industry out of gear and there is extremely long delay in getting ETA approvals.

ETA applications are pending for mobile phones, Laptops, Bluetooth speakers, smartwatches, earphones, headphones, etc. Some of the applications are pending since November 2020

You would appreciate this delay hampers new product launches, upsets the business plans of the companies, undermines the business ecosystem and deprives the benefit of new technology to consumers.

We understand and appreciate that the Ministry is concerned about the imports of these products, especially so when there are several factories manufacturing products such as mobile phones, laptops, etc. in India.

We invite your attention to the following: -

- 1) Demand for mobile phone models is not uniform and the price points of the models vary considerably. At the higher end of the price band, domestic demand drops off significantly. As the volume of such phones is low, the investment required in manufacturing them in India is not viable and import is the only choice available.

- 2) The important point is that imports of mobile phones have come down from nearly 80% to about 3% in the last 5 years. In addition, the exports of mobile phones have grown rapidly in the last 2 years. The exports shall further grow exponentially, once the manufacturing units set up under the Production Linked Scheme attain their manufacturing capacities. Thus, the quantity of phones being imported into India would be negligible and are of little concern.
- 3) If the demand of an imported model becomes significant, given the investments already deployed in factories & supply chains in India, companies would automatically move to the Make in India route. This would be a business and economic necessity for the manufacturing companies.
- 4) If the import of high-end models is stifled, using non-tariff barriers such as ETA, BIS approvals etc., then, it will only encourage the grey market. Retail and business ecosystem shall be undermined; consumers will be deprived of new technology. The grey market shall deprive the GOI of revenue generated through customs duty and GST. We sincerely believe that such a measure would be counterproductive for the economy of India and the mobile phone manufacturing industry.
- 5) For products such as Laptops, notebooks etc., GOI has already announced the Production Linked Incentive schemes. It is only a matter of time, and this significant product category shall be manufactured in India and imports shall fall steeply.
- 6) For products such as smartwatches, Bluetooth headphones, earphones, fitness band, Ministry of Electronics and Information Technology is making efforts to come up with a suitable incentive scheme so that these products can be manufactured in India. Once the manufacturing starts, imports of these product categories too shall fall dramatically.

In view of the above, we request the following: -

- a) Please approve the pending ETA applications so that the companies can start making plans for business expansion and contribute to the economy of India. In the grim pandemic situation, this would bring some cheer to the industry battling the adverse conditions.
- b) We request you to restore the self-declaration mode for Bluetooth & Wi-Fi technologies operating in the license exempt bands with low power transmission. These technologies are available in all kinds of products/devices and regulation of such mega volume is not practical.

With regards,



George Paul  
Chief Executive Officer

CC: Shri Anshu Prakash, Chairman-DCC & Secretary, Department of Telecommunications  
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