Govt working on strategy on import regulation of non-essential items

New Delhi

The government is working to formulate technical regulations, which includes safety and quality standards, for over 350 products with a view to cut imports of those non-essential items, an official said.

The issue was widely discussed during an inter-ministerial meeting this month. The Department for Promotion of Industry and Internal Trade, Department of Telecommunication, Department of Chemicals, IT and electronics ministry and steel ministry was consulted for imposition of import regulations.

The target is to formulate these regulations for about 5,000 products but the current focus is on 371 items which accounts for USD 127 billion worth of imports, the official said.

The 371 items include chemicals, steel, consumer electronics, heavy machinery, telecom goods, paper, rubber articles, glass, industrial machinery, metal articles, furniture, pharma, fertiliser, food, textiles.

The Bureau of Indian Standards (BIS) has been tasked to prepare these regulations, the official added. India imports about 11,500 goods per year.

BIS has also been asked to set up market surveillance mechanism on technical regulations for imported goods.

"The main aim is to cut the country's import bill of non-essential items, promoting Make in India and promote sale of quality and standard goods in the market," the official added.

India's imports have increased 9 per cent to USD 507.5 billion in 2018-19 from USD 465.6 billion in 2017-18.

The country's top import commodities include crude oil, gold, electronic goods, pulses, fertilisers, machine tools, and pharmaceutical products.

High import bill pushes trade deficit which in turn impacts current account deficit. High imports also affect the country's foreign currency exchange rates.

Further, the official said the commerce ministry is also looking at non-tariff barriers being imposed by India's trading partners. Countries which impose one of the highest number of technical barriers to restrict imports include China, South Korea and Thailand.