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Ref.No.MAIT/PY/2599

November 29, 2022

Shri Anil Agrawal, IPS Additional Secretary Department for Promotion of Industry and Internal Trade

Subject: MAIT's Request Letter to DPIIT to exclude Air Freighted Items for PIMS Registration under Paper and incorporation of policy condition

Respected Sir,

## **Greetings from MAIT!**

At the outset, MAIT takes this opportunity to compliment DPIIT for its valuable support and guidance to the electronic industry.

As per notification No.11/2015-2020 Dated 25-05-2022<sup>1</sup>, the DGFT amended the import policy from "Free" to "Free subject to compulsory registration under Paper Import Monitoring System (PIMS)" under Chapter 48 of ITS (HS), 2022, Schedule-I (Import Policy) and inserted a new policy condition under this chapter for 201 tariff lines

As per amendment in the Import policy for import of Papers from "Free" to "Free subject to compulsory registration under Paper Import Monitoring System (PIMS)", the importers shall require to submit advance information in an online system for import and obtain an automatic Registration Number by paying a registration fee of Rs.500. Also, the importer can apply for registration not earlier than 75th day and not later than 5th day before the expected date of arrival of import consignment.

In this regard, we would like to draw your kind attention to the challenges faced by the industry while Importing Papers via Air mode. Sir, as you would appreciate that usually urgent orders are imported via air mode with very quick turnaround time, which takes 1 or 2 days to reach India from the rest of the world, thus, it is difficult for an importer to register under PIMS during the stipulated timeline.

Providing details under PIMS for import shipment by air mode may create further delay of clearance in Import shipment via air mode and heavy detention cost to importers and not to mention the delay in delivery of product on time as committed to Vendors.

We would also like to mention here that a similar clarification was issued by CBIC in case of Amendment in Import policy of Iron & Steel vide Circular No. 38/2019-Customs<sup>2</sup>, dated 21<sup>st</sup> November 2019, where it was clarified that "SIMS registration will not be applicable on airfreighted goods as this mode is used for emergency/small volume-high value goods required at short notice."

<sup>&</sup>lt;sup>1</sup> https://dpiit.gov.in/sites/default/files/Notification\_11\_-\_IMPORT\_PAPER\_POLICY\_2022\_06June2022.pdf

<sup>&</sup>lt;sup>2</sup> https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2019/Circular-No-38-2019.pdf

## **Industry Ask:**

- In view of the above, we request your good office to exempt the clause for compulsory registration under Paper Import Monitoring System (PIMS) for import of shipment "intended for non-commercial aspects" by Air mode to enable ease of doing business for the industry.
- Also, the intended purpose of PIMS is to monitor and curb the 'Others' category of HSN. However, the time limit to register has been fixed as not earlier than the 75th day and not later than the 5th day before the expected date of arrival of import consignment, which increases the burden to the importer if the registration is missed out. As it is only to monitor the import of paper and other related goods, therefore, we request to allow registration at any time before the clearance of the consignment in case of import via "sea mode".

Look forward to your positive consideration of our request.

Warm regards,

Col. AA Jafri, Retd. Director General

CC: Shri Santosh Kumar Sarangi, IAS, Director General, DGFT CC: Shri Hardeep Singh, ITS, Addl. Director General, DGFT CC: Shri Sanjay Kumar Tiwari, Dy. Director General, DGFT