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Analysing developments impacting business

CBIC INSTRUCTIONS | IMPORT OF WIRELESS EQUIPMENT

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CBIC Issues Instructions for relaxing import of wireless equipment by Telecom Service Providers as an Ease of doing business initiative to overcome the long-standing Customs issues regarding imports

Introduction

Department of Revenue had restricted bringing into Indian Territory apparatus for wireless Telegraph to only the persons who have been licensed to import such apparatus, issued by the Ministry of Telecommunications (MoT). Now, with effect from 15 November 2021 the CBIC has relaxed the manner for import of wireless equipment by Telecom Service Providers (TSPs) on the basis of self-declaration.

Background

Department of Revenue vide [Notification No 71 dated 25 September 1953](#) restricted bringing into Indian territory apparatus for [wireless telegraph]¹. The Notification only allowed *import of transmitting apparatus and receiving apparatus incorporated in a single unit with [transmitting apparatus]*², only by the persons who have been licensed to import such apparatus, issued by the MoT.

The Department of Telecommunication (DoT) sought to ease the above-mentioned manner for import of wireless Equipment by the TSPs in the light of Government's Ease of Doing Business initiative. The amendment has introduced a *self-declaratory mechanism* for the Applicants, which is discussed in the table follows:

SL NO	CATEGORY	MECHANISM AS PER OLD NOTIFICATIONS	MECHANISM AS PER NEW NOTIFICATIONS
1.	Forms	FORM I - In case of transmitting apparatus and receiving apparatus incorporated in a single unit with transmitting apparatus, only	Applicant are required to submit all the relevant details on MoT designated portal

¹ Under the Wireless Telegraphy Act, 1933 a wireless telegraphy apparatus means any apparatus, appliance, instrument or material used or capable of use in wireless communication but does not include any such apparatus, appliance, instrument or material commonly used for other electrical purposes, unless it has been specially designed or adapted for wireless communication or forms part of some apparatus, appliance, instrument or material specially so designed or adapted.

² Under the Wireless Telegraphy Act, 1933 a wireless transmitter means any apparatus, appliance, instrument or material used or capable of use for transmission or omission of wireless communication.

		<p>by the persons who have been licensed to import such apparatus, issued by the MoT.</p> <p>FORM - II - In other cases, to persons who apply to a customs Officer.</p> <p>In case of import of wireless receiving apparatus by post, application may be dispensed per Form - II.</p>	<p><i>Saralsanchar</i> minimum 30 days in advance from the date of destination port entry.</p> <p>The Applicant shall have to submit an online fee of INR 500 (Indian Rupees Five Hundred) and a self-declaration - post which the Applicant shall obtain a system generated certificate.</p> <p>For applications made within 30 days of the date of destination port entry, online fees of INR 5000 (Indian Rupees Five Thousand) shall be payable. In such cases the completed application shall be authenticated by the MoT. The Applicant can download system generated certificate after 48 hours of application.</p>
2.	Tangible/digital	The Forms under the Old provisions were required to be filed manually.	The portal provides system generated Certificated and Licenses. The whole process is digitized and paperless.
3.	Authorization	License to be signed by the Customs Officer and forwarded to the Ministry of Communications.	The Customs have the suitable access to the <i>Saralsanchar</i> portal for cross-verification.
4.	Renewal	The License must be returned to the Ministry of Communications for renewal at least one month before the expiry date along with fee of INR. 10/- by money order + application stating the registered number and date of License	Not prescribed

Customs Updates

The CBIC vide [Instruction No 23/2021 - Customs dated 23 November 2021](#) (Instruction) has instructed that the Certificate/licence which is automatically generated based on the self-declaration basis by the importer through the *Saralsanchar* will be accepted by the Customs at the time of import clearance.

The Self-declaratory facility under *Saralsanchar* is made available with effect from 15 November 2021 and though integration with ICEGATE for transmission of WPC licences and approvals is underway, Customs Officers are now instructed to verify the authenticity of the certificate by scanning the QR code in the certificate to get an appropriate link to verify details of such certificate on *Saralsanchar* Portal.

However, in case of violation of any conditions mentioned in the self-declaration, the certificate generated will be cancelled and may entail appropriate action under applicable law including action by the Customs.

Comments

The Central Board of Indirect Taxes and Customs (CBIC) has time and again stressed on imposition of restrictions on the import of unauthorized wireless equipment. During this period, it was observed that illegal mobile signal repeaters and boosters were readily available in the grey market and e-commerce platforms as well. Such unauthorized use gave rise to distress for the cellular Telecom Service Providers (TSPs or Applicants) who were licensed; they were struggling to maintain the desired quality of service (QoS) due to the interference caused by these unauthorized repeaters. Thus, in order to straighten out the issue, a restriction was imposed under the said Notification.

Being amongst the largest telecommunication market, India has made rapid strides in telecommunication development over last 10 (ten) years. Taking note of the current situation of the telecom industry and as an initiative under Ease of Doing Business, the aforesaid facilitation measure announced by the CBIC should go a long way to overcome the long-standing Customs issues regarding imports. The CBIC instruction also puts in place a verification system to ensure that this measure does not encourage the import of unauthorized wireless equipment and stringent action remains prescribed against imports that are restricted.

For telecom operators, the CBIC instruction will provide much needed uniformity and clarity and aid in streamlining the positive impact of the ease of doing business measures on the supply chain.

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