

NC-1 Offline Minutes

Meeting No.NC/1/MEET/Feb./202324/23 Dated 18.03.2024

Sl. No.1

M. No.: NC/1/MEET/Feb./202324/23 (Offline Cases) dated 18.03.2024	M/s. Xomox Sanmar Ltd., Chennai	Status of case
Lic. No : 0410120070 dated 23.12.2010		
HQ. F. No.: 01/80/50/00670/AM11/NC-I (part file)	Subject: Order dated 06.06.23 of Madras High Court in W.P.No.26422 of 2015 in M/s. Xomox Sanmar Ltd. Vs. The DGFT & Anr. - reg.	Deferred.
RLA No.:		

Case History: This is regarding Order dated 06.06.23 of Madras High Court in W.P.No.26422 of 2015 in M/s. Xomox Sanmar Ltd. Vs. The DGFT & Anr., received vide mail dated 23.06.23.

2. In the said petition, the petitioner has challenged DES-I's letter No.01/80/050/00670/AM11/DES.I/1162 dated 12.08.14 whereby the request of the petitioner for ratification of norms in respect of Advance License No.0410120070 dated 23.12.2010 was rejected by NC-I in its meeting No.07/15 dated 24.06.14 on the grounds that the items of export as well as items of imports are valves and there is no manufacturing activity involved because upon manufacturing a new product with distinctive named should come into existence.

3. Vide Order dated 06.06.23 (copy enclosed), the court has set aside the impugned order and remanded the matter to the file of Respondent 1, to be decided afresh and in line with the discussion in the said order after ascertaining if the petitioner has in fact, made any additions to the imported valves by procurement of indigenous products.

4. Consequent upon this order, RA, Chennai asked the petitioner to file a representation afresh. In compliance, the petitioner has forwarded their letter dated 20.12.23 vide mail dated 20.12.23, wherein the details of their earlier representation dated 07.04.11 and supporting documents are mentioned. The petitioner has requested that it may be given an opportunity of being heard before any orders are passed in this matter.

5. The matter has been referred to DPIIT for examination and comments.

6. Subsequently, the case was considered by NC-1 in its meeting dated 03.01.24 and the Committee decided to call the applicant in PH in the forthcoming meeting to explain the case in detail. Accordingly, the firm was called for PH before NC-1 on 19.02.24.

7. The representative of the firm, Shri V. Guruprasath, AVP, M/s XomoXSanmar Ltd appeared for the PH on 19.02.2024 and briefed the case before the committee. He informed that they had supplied items after fitment of various indigenous items like gear boxes, actuators, limit swishes etc. and testing. After deliberations, the Committee decided to call the applicant in the next meeting along with the following information/documents:

- (i) Copy of application made at the time of getting Advance Authorization
- (ii) Copy of Advance Authorization
- (iii) Details of import and export items
- (iv) Details of indigenous inputs used
- (v) Copies of Bill of export showing items supplied to SEZ against the AA.
- (vi) Details of deemed export
- (vii) Any other documents relevant to the case.

8. Accordingly, the firm has been called in PH before NC-1 on 18.03.24.

Decision: The Committee heard the representatives of the firm in PH again on 18.03.2024. It was requested by them that some more time (40 days) may be given to collect the requisite documents as sought in earlier meeting. The Committee, therefore, decided to call the firm on PH after 45 days along-with the requisite information/documents.

Case stands deferred.


सांतोष कुमार दुबे / Santosh Kumar Dube,
उप महा निदेशक विदेश व्यापार
Deputy Director General of Foreign Trade
विदेश व्यापार महा निदेशकालय
Directorate General of Foreign Trade
वाणिज्य विभाग / Deptt. of Commerce
वाणिज्य एवं उद्योग मंत्रालय
Ministry of Commerce & Industry
नए दिल्ली
New Delhi

S.No.2

Case No. 19/19/80-ALC2/2016	M/s L & T-MHPS TURBINE GENERATORS PRIVATE LIMITED	Status of case
M. No.: NC/1/MEET/Feb./202324/23 (Offline Cases) dated 18.03.2024		
Lic. No. 0310807493 dated 31.08.2016		Approved.
HQ. No.: 01/80/050/00414/AM17		
RLA No.: 03/95/040/00292/AM17	Subject: Request for re-fixation of ad-hoc norms	
Case history: The Committee considered the case as per agenda and noted that the case was approved in M. No. 15/80-ALC2/2018 dated 06.03.2019 as per the written comments of DHI vide their U.O. No. 3/96/2016/TSW(B) dated 24.12.2018. However, the applicant had requested for review of already fixed ad-hoc norms. The Committee reconsidered the case and noted that a deficiency letter seeking following information as raised by DHI was sent to the applicant on 24.02.2020 followed by reminders on 06.11.2020 & 06.08.2021: 1. The final list of import items after all amendments. (there appears to be at least four amendments) 2. To submit calculation correlating the same with Dimensional Engineering Drawing with relevant dimensions highlighted. The applicant's reply was sent to DHI on 13.08.2021 & 11.11.2021 followed by a reminder on 09.03.2022 for expediting the comments. DHI vide email dated 30.03.2022 informed that the applicant has not given calculation correlating it with the dimensional Engineering drawing. As per comments of DHI, a DL was issued to the applicant on 25.05.2022 followed by a reminder on 24.06.2022. However, no reply has been received as yet. The case was last considered by NC-1 in its meeting dt.28.04.23 and the Committee decided to refer this case to MHI. Accordingly, the case was referred to MHI vide mail dt.14.06.23. Subsequently, the comments of MHI received vide OM dt.30.10.23. Decision: The Committee considered the case as per agenda and noted the comments given by MHI. After due deliberation, the Committee decided to review the case and to modify the ad-hoc norms as per comments of MHI dated 30.10.2023 (copy enclosed). RA concerned to take suitable consequential action accordingly.		

Sl. No.3

M. No.: NC/1/MEET/Feb./202324/23 (Offline Cases) dated 18.03.2024	M/S BEML LIMITED	Status of case
Lic. No : 0710105280 dated 20.06.2014		
HQ. No.: 01/80/050/00361/AM15	Subject: Request for fixation of ad-hoc norms	Approved.
RLA No.: 07/24/040/00084/AM15		

Case History: The case was rejected by NC in its M. No. 15/80 dated 25.10.2016 due to non-submission of reply of deficiency (raised by DHI). The firm vide email dated 19.02.2021, 06.03.2021 & 10.08.2021 has furnished the technical documents containing Manufacturing Process and Nesting Diagram indicating scrap/wastage for Raw Materials and requested to fix the ad-hoc norms.

The firm's representation was forwarded to DHI on 23.08.2021 for examination of the case. The Committee decided to ask from the applicant to furnish following information as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a DL was issued to the applicant for furnishing the above information. The applicant's reply was sent to DHI on 19.01.2022 for examination & comments. DHI vide letter dated 08.02.2022 had requested to send point-wise reply of the deficiency letter separately to each AA Number. Therefore, the Committee decided to ask from the applicant to furnish the point-wise reply of following deficiencies as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a deficiency letter was issued to the applicant on 10.03.2022. The applicant's reply was sent to **DHI 30.05.2022** for examination & comments. Further, DHI vide email dated 26.07.2022 has raised some queries and the same was asked from the applicant to furnish. The applicant's reply received vide email dated 30.07.2022 was forwarded to DHI on 01.08.2022. As per NC decision, a reminder was also issued to DHI on 27.09.2022 for expediting the comments. However, no comments have been received as yet.

The firm has submitted the requisite information/documents as per email dt.23.08.2023 and the same has been forwarded to MHI for examination and comments. The comments of MHI are awaited.

The case was considered by NC-I in its meeting held on 22.11.23 and the minutes of the said case is as under:-

"The Committee considered the case as per agenda and observed the above AA has list of only indigenous items in ANF 4B of the application and do not have any imported items required for manufacturing of 12 DT cars. Therefore, the Committee decided to **call the applicant on PH** in the forthcoming meeting to explain the case in detail.

Case stands deferred."

Subsequently, the firm appeared before NC-1 for PH on 03.01.24. The Committee heard the representatives of the firm in PH. S/Shri Praveen Kumar Mathpal, CGM (O), Prabhakar S, Dy. GM, Manish Kumar, AGM(F & A) & Nagendra Mishra, Manager attended the PH and briefed the committee in detail. MHI has pointed out that data provided by BEML is inconsistent and not complete. It has been assured by the representatives of firm that rectified & authenticated data in respect of referred items would be provided within a week. After due deliberation, the committee decided to wait for the rectified data and the complete information from the firm and on receipt of the same, MHI would examine the case expeditiously.

Thereafter, vide mail dt.11.01.24, the detailed information/data received from the firm was forwarded to MHI for examination and comments. Comments of MHI has been received vide OM dt.05.03.24.

Decision: The Committee considered the case as per agenda and noted the comments furnished by MHI dated 05.03.2024. After due deliberation, the Committee decided **to review the case and to fix the ad-hoc norms** as per comments of MHI OM No. DES1/0710105280, 0710105283, 0710105285/2022-TSW dated 05.03.2024, as under:

Note: The written recommendation as given by MHI will be communicated to the applicant as well as concerned RA through email.

RA concerned may take suitable consequential action accordingly.

Before redemption, RA should ensure that neither any court case nor any ECA case is pending against the subject Advance Authorization.

Sl. No.4

M. No.: NC/1/MEET/Feb./202324/23 (Offline Cases) dated 18.03.2024	M/S BEML LIMITED	Status of case Approved.
Lic. No : 0710105285 dated 20.06.2014		
HQ. No.: 01/80/050/00363/AM15		
RLA No.: 07/24/040/00079/AM15		

Case History: The case was rejected by NC in its M. No. 15/80dated 25.10.2016 due to non-submission of reply of deficiency(raised by DHI). The firm vide email dated 19.02.2021, 06.03.2021 & 10.08.2021has furnished the technical documents containing Manufacturing Process and Nesting Diagram indicating scrap/wastage for Raw Materials and requested to fix the ad-hoc norms.

The firm's representation was forwarded to DHI on 23.08.2021 for examination of the case. Therefore, the Committee decided to ask from the applicant to furnish following information as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a DL was issued to the applicant for furnishing the above information. The applicant's reply was sent to DHI on 19.01.2022 for examination & comments. DHI vide letter dated 08.02.2022 had requested to send point-wise reply of the deficiency letter separately to each AA Number. Therefore, the Committee decided to ask from the applicant to furnish the point-wise reply of following deficiencies as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a deficiency letter was issued to the applicant. The applicant's reply was sent to DHI 30.05.2022 for examination & comments. Further, DHI vide email dated 20.07.2022 has raised some queries and the same was asked from the applicant to furnish. The applicant's reply received vide email dated 30.07.2022 was forwarded to DHI on 01.08.2022. As per NC decision, a reminder was also issued to DHI on 27.09.2022 for expediting the comments. However, no comments have been received as yet.

The firm has submitted the requisite information/documents as per email dt.23.08.2023 and the same has been forwarded to MHI for examination and comments. The comments of MHI is awaited.

The case was considered by NC-I in its meeting held on 22.11.23 and the minutes of the said case is as under:-

"The Committee considered the case as per agenda and noted that the firm has submitted the reply. However, the TE, MHI has stated that data furnished by the firm are highly inconsistent and hence, they are not able to offer the comments. Therefore, the Committee **decided to call the applicant on PH** in the forthcoming meeting to explain the case in detail.

Case stands deferred."

Subsequently, the firm appeared before NC-1 for PH on 03.01.24. The Committee heard the representatives of the firm in PH. S/Shri Praveen Kumar Mathpal, CGM (O), Prabhakar S, Dy. GM, Manish Kumar, AGM(F & A) & Nagendra Mishra, Manager attended the PH and briefed the committee in detail. MHI has pointed out that data provided by BEML is inconsistent and not complete. It has been assured by the representatives of firm that rectified & authenticated data in respect of referred items would be provided within a week. After due deliberation, the committee decided to wait for the rectified data and the complete information from the firm and on receipt of the same, MHI would examine the case expeditiously.

Thereafter, vide mail dt.11.01.24, the detailed information/data received from the firm was forwarded to MHI for examination and comments. Comments of MHI has been received vide OM dt.05.03.24.

Decision: The Committee considered the case as per agenda and noted the comments furnished by MHI dated 05.03.2024. After due deliberation, the Committee decided to **review the case and to fix the ad-hoc norms** as per comments of MHI OM No. DES1/0710105280, 0710105283, 0710105285/2022-TSW dated 05.03.2024, as under:

Note: The written recommendation as given by MHI will be communicated to the applicant as well as concerned RA through email.

RA concerned may take suitable consequential action accordingly.

Before redemption, RA should ensure that neither any court case nor any ECA case is pending against the subject Advance Authorization.

Sl. No.5

Sl. No.9		
M. No.: NC/1/MEET/Feb./202324/23 (Offline Cases) dated 18.03.2024	M/S BEML LIMITED	Status of case
Lic. No : 0710105283 dated 20.06.2014		Approved.
HQ. No.: 01/80/050/00366/AM15		
RLA No.: 07/24/040/00103/AM15		
Subject: Request for fixation of ad-hoc norms		

Case History: The case was rejected by NC in its M. No. 15/80dated 25.10.2016 due to non-submission of reply of deficiency (raised by DHI). The firm vide email dated 19.02.2021, 06.03.2021 & 10.08.2021 has furnished the technical documents containing Manufacturing Process and Nesting Diagram indicating scrap/wastage for Raw Materials and requested to fix the ad-hoc norms.

The firm's representation was forwarded to DHI on 23.08.2021 for examination of the case. Therefore, the Committee decided to ask from the applicant to furnish following information as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a DL was issued to the applicant for furnishing the above information. The applicant's reply was sent to DHI on 19.01.2022 for examination & comments. DHI vide letter dated 08.02.2022 had requested to send point-wise reply of the deficiency letter separately to each AA Number. Therefore, the Committee decided to ask from the applicant to furnish the point-wise reply of following deficiencies as per comments of DHI:

1. A copy of complete application as per ANF-4B.
2. Complete information as per Appendix-4E, Appendix-4K & Appendix-4H.
3. Background note of the case along with NC decision/deficiency letter along with the corresponding reply in a chronological order.
4. Complete application, NC deficiency letter along with its reply and decision of NC for the approved AA No. 0710104231.

As per NC decision, a deficiency letter was issued to the applicant. The applicant's reply was sent to DHI 30.05.2022 for examination & comments. Further, DHI vide email dated 18.07.2022 has raised some queries and the same was asked from the applicant to furnish. The applicant's reply received vide email dated 30.07.2022 was forwarded to DHI on 01.08.2022. As per NC decision, a reminder was also issued to DHI on 27.09.2022 for expediting the comments. However, no comments have been received as yet.

The firm has submitted the requisite information/documents as per email dt.23.08.2023 and the same has been forwarded to MHI for examination and comments. The comments of MHI is awaited.

The case was considered by NC-I in its meeting held on 22.11.23 and the minutes of the said case is as under:-

"The Committee considered the case as per agenda and noted that the firm has submitted the reply. However, the TE, MHI has stated that data furnished by the firm are highly inconsistent and hence, they are not able to offer the comments. Therefore, the Committee **decided to call the applicant on PH** in the forthcoming meeting to explain the case in detail.
Case stands deferred."

Subsequently, the firm appeared before NC-1 for PH on 03.01.24. The Committee heard the representatives of the firm in PH. S/Shri Praveen Kumar Mathpal, CGM (O), Prabhakar S, Dy. GM, Manish Kumar, AGM(F & A) & Nagendra Mishra, Manager attended the PH and briefed the committee in detail. MHI has pointed out that data provided by BEML is inconsistent and not complete. It has been assured by the representatives of firm that rectified & authenticated data in respect of referred items would be provided within a week. After due deliberation, the committee decided to wait for the rectified data and the complete information from the firm and on receipt of the same, MHI would examine the case expeditiously.

Thereafter, vide mail dt.11.01.24, the detailed information/data received from the firm was forwarded to MHI for examination and comments. Comments of MHI has been received vide OM dt.05.03.24.

Decision: The Committee considered the case as per agenda and noted the comments furnished by MHI dated 05.03.2024. After due deliberation, the Committee decided **to review the case and to fix the ad-hoc norms** as per comments of MHI OM No. DES1/0710105280, 0710105283, 0710105285/2022-TSW dated 05.03.2024, as under:

Note: The written recommendation as given by MHI will be communicated to the applicant as well as concerned RA through email.

RA concerned may take suitable consequential action accordingly.

Before redemption, RA should ensure that neither any court case nor any ECA case is pending against the subject Advance Authorization.


Santosh Kumar Dube,
उप महानिदेशक विदेश व्यापार
Deputy Director General of Foreign Trade
विदेश व्यापार महानिदेशालय
Director General of Foreign Trade
Deptt. of Commerce
संवालय

Government of India
Ministry of Heavy Industries
TSW Division

Udyog Bhawan, New Delhi

Dated: 30 Oct, 2023

Office Memorandum

Subject: - M/s. L&T – MHI POWER TURBINE GENERATORS PRIVATE LIMITED - AA No. 0310807493 Date: 31.08.2016

Please refer to your email dated 13 & 14 Jan 2023 regarding the request of L&T - MHI POWER TURBINE GENERATORS PRIVATE LIMITED on the subject mentioned above. The request has been examined.

2. It is observed that the firm has sought to import 305 items as mentioned in the import list of the application for manufacture and supply of 2 units of 660 MW Steam Turbine and Generator with auxiliaries.

3. The above mentioned Advance Authorization had been ratified earlier for items placed at S. No. 1 to 276 in import list of application in NC Meeting No. 15/80-ALC/2018 dated 6.3.2019.

4. The firm's present request is for review the earlier approved norms for items at S. No. 1 to 276 and also norms fixation for additional items at S. No. 277 to 305.

5. MHI inputs:

S. No. (Item Detail)	Ratified Norms	Firm's Review Request	MHI input
59 (Alloy Steel Bar)	8936 Kgs	Re-instatement as Raw Material with Quantity & Wastage on net weight basis.	497.44% to be allowed as against 603% claimed
62 (Alloy Steel Rod)	SION C-738		No change (as per SION C-738)
302 (Aluminium Alloy Plate)	Not mentioned in earlier ratification		12% to be allowed as against 18% claimed
277 to 305	Additional items requested for ratification	Components on net to net basis GN4	277 to 280, 282 to 286, 289, 291 to 296, 298 to 304 to be allowed as components under GN-4 on net to net basis with accountability clause 281, 287, 288, 290, 297 to be allowed as consumables within 2% of FOB value of Generator 305 to be allowed as mandatory spare as per policy for spares.
27, 37 to 43, 80, 109 & 110	No mention in ratification	For consideration and ratification as components	27, 37 to 43 to be allowed as components under GN-4 on net to net basis with accountability clause 80, 109 & 110 to be allowed as consumables within 2% of FOB value of Generator
67 to 71, 74 to 78, 86 to 101, 108, 123, 130, 132 to 137, 150 to 154, 165 to 187, 192 to 194, 217 to 221, 223 to 242, 246 to 259, 263 & 265	Insulation / consumable (2% of FOB value of Generator)	Insulation / Consumable (2% of value of Set Exported)	No change, i.e. Insulation / consumable (upto 2% of FOB value of Generator)
72, 73, 81, 82, 112, 115 to 117, 161, 195	Insulation / consumable (2% of FOB value of Generator)	For ratification as component GN4 net to net	To be allowed as components under GN-4 on net to net basis with accountability clause

R K Jaiswal

(R. K. Jaiswal)

Development Officer

To,

DGFT (DES-1), Directorate General of Foreign Trade, Udyog Bhawan, New Delhi - 110011.
Email: "DES-1, DGFT" <ncl.dgft@nic.in>;

F. No. DES-1/0710105280, 0710105283, 0710105285/2022-TSW

Government of India
Ministry of Heavy Industries
TSW Division

Udyog Bhawan, New Delhi
Dated: 05 March, 2024

Office Memorandum

Subject:- BEML Limited - AA No. 0710105280 dtd. 20.06.2014, 0710105283 dtd. 20.06.2014 and 0710105285 dtd. 20.06.2014

Pursuant to the discussion held during personal hearing before NC-1 on 03.01.24, BEML Limited Bangalore has furnished final revised list of imported items vide their mail dated 15 Feb 2024.

The above mentioned three licenses relate to execution of a deemed export order for supply of 12 DT Cars supplied to DMRC and the import items mentioned in the list are required for manufacturing of these DT cars .

Export Product: 12 DT Cars

Driving Trailer (EARTH MOVING EQPTS, RAIL COACHES AND ROLLING STOCK)

MHI Input:

AA – 0710105280 (S. No. as per Annexure-A (MHI Input 0710105280))

Import Items at S. No. 1 to 126, may be allowed as component under GN-4 on net-to-net basis with accountability clause.

Import Items at S. No. 127 to 129, may be allowed as consumables.

AA – 0710105283 (S. No. as per Annexure-B (MHI Input 0710105283))

Import Items at S. No. 1 to 134, may be allowed as component under GN-4 on net-to-net basis with accountability clause.

Import Items at S. No. 135 to 142, may be allowed as spares as per spares policy.

Import Items at S. No. 143 to 146, may be allowed with % wastage on net content basis as mentioned in the Annexure-B.

AA – 0710105285 (S. No. as per Annexure-C (MHI Input 0710105285))

Import Items at S. No. 1 to 388, may be allowed as component under GN-4 on net-to-net basis with accountability clause.

Import Items at S. No. 389 to 419, may be allowed as consumable.

Import Items (as raw material) at S. No. 420 to 491, may be allowed with % wastage on net content basis as mentioned in the Annexure-C.

* Total CIF value of consumables of all the three AAs taken together may be allowed upto 2% of FOB value of export or as applied for, whichever is lower.

R. K. Jaiswal
(R. K. Jaiswal)
Development Officer

To,
DGFT (DES-1), Directorate General of Foreign Trade, Udyog Bhawan, New Delhi –
110011. Email: "DES-1, DGFT" <nc1.dgft@nic.in>;