

Please refer Noting at page-123 & 124 on 09.04.2019 and remarks of DDL Madam on 09.04.2019.

It is submitted that the repeated unit request for set right damages on DTA sale for the period 2013-14, 2014-15 & 2015-16 against unit letter dt 31.07.2018, 17.10.2018 and 06.12.2018 has been referred to Deputy Legal Advisor - Dept of Legal Affairs Chennai vide our office letter dt A/2008/OIS/EDU-TN dt 29.3.2019 (Fly 'A'). In turn reply received from Asst Legal Adviser vide their IO No. 254/19/52d/adv/chn. dated 29.08.2019. (Fly 'B')

The said issue has again been referred to Deputy Legal Advisor on admissibility of compensation and eligibility of DTA sale in view of a letter dt 04.04.2019 received from unit and as instructed by DDL madam vide our letter dt A6-A(2008) OIS/EDU-TN dt 28.05.2019. (Fly 'C') The matter has been discussed with DLA, Dept of Legal Affairs on 07.06.2019 with ADL as called books Smt Jeyalakshmi, ILS - DLF vide their letter dated 28.05.2019.

Necessary legal opinion on admissibility of compensation and eligibility of the unit for DTA sale received from M/s R. Jeyalakshmi, ILS - Deputy Legal Advisor of Dept of Legal Affairs on the said issue vide their letter no. 440/19/RSJ/Adv/chn. dated 07.06.2019 is placed below for perusal for your information please.

DLA
12/6
JPL
DL

[Signature]
10.06.2019

2 JUN 2019



DEVELOPMENT COMMISSIONER
MEPZ SPECIAL
13 JUN 2019
ECONOMIC ZONE
COMMERCE GOVT. OF INDIA

... suitable reply to the Unit.
For approval pl.

Agreed to.
As proposed.
ST/920
13/06/19

Chuday
13/6

~~JDK~~

To n/a pl.

DEVELOPMENT COMMISSIONER
MEPZ SPECIAL
13 JUN 2019
ECONOMIC ZONE
COMMERCE GOVT. OF INDIA

Chuday
13/6

~~JDK~~

A
13/6

~~JDK~~

Above writing may please be seen.

A draft letter addressed to Unit is placed below for approval plow.

Chuday
17.06.2019

DDL (OL)
~~JDK~~

Chuday

DEVELOPMENT COMMISSIONER
MEPZ SPECIAL
2019
ECONOMIC ZONE
COMMERCE GOVT. OF INDIA

DC

Revised draft as corrected, is put up for appl. pl. Request number for copy of the draft and put up pl to personal of DC.

26/6/19

Draft letter approved for issuing etc
ST/920
26/06/19

Chuday
26/6/2019

Ref: Ltr no. JS/0200/2019 dt. 03.07.2019
From M/S. Jeevam Diesels & Electricals
Ltd., Puducherry.

Pl. see the ref. cited.

In response to this office ltr. dt.
23.05.2019 and ltr. dt. 26.06.2019, M/S.
Jeevam Diesels & Electricals Ltd, have
furnished details viz yearwise DTA
sales made from 2008-09 to 2017-18
and particulars of products sold. Also,
they have furnished the statement of
DTA sales entitlement, DTA sales utilized,
Items sold in DTA, Concessional Duty
utilized from 2009-10 to 2015-16 and
as per the same, they have not availed
the concessional duty on DTA sale.
Put up for perusal & orders, pl.

18/7/19

ADIC

Above noting may please be seen.

It is submitted that the unit has
furnished reply to Para 3(a) to (g) of
our letter No. A/2008/015/EOL-EN dt
23.05.2019. The unit has also furnished
copies relevant invoices for Export made
and copies of APR for the year 2008-9 to
2014-15.

The unit has stated vide their ibid
letter that they are expecting this office to
compensate them without approaching the court
for Justice.

Above are submitted to perusal of
unit Ltr and further orders pl.

DPL As discuss

JOC

18/7/2019

ADIC



The matter has been discussed with DDC madam on 01.08.2019 and asked to compile unit reply furnished vide their Letter No.J5//0200/2019 dated 03.07.2019. The following are observed:-

1. **{Reply to point no.3(a)(1)}**. The unit has stated the DTA sale permission letters issued by this office for the periods 2008-09 dated 8.3.2010 which was valid upto 31.3.2012 and 2009-10 dated 1.4.2011 which is valid upto 31.3.2013. As stated by the unit the unit has not availed the DTA sale permission within the stipulated time limit whereas the unit have made DTA sale for the periods from 2010-11 to 2012-13 to the tune of Rs.947.74 without permission of DC.
2. **{Reply to point no.3(b)}**. The unit has submitted the details of the DTA sale done by the unit since inception upto 2018-19
3. **{Reply to point no.3(c)}**. The unit has submitted the items sold by them in DTA.
(Item no.1 is correct and item 2 & 3, are not mentioned in the Green Card).
4. **{Reply to point no.3(d)}**. The unit has stated that DTA sale done by them for the period 2009-10 was Rs.16,11,284 with payment of full duty is correct and they have accepted that Rs.11284 lakhs earlier mentioned is incorrect. And the unit has requested to correct in our records. We may call for proof of documents for corrective action.
5. **{Reply to point no.3(e)}**. With regard to the clarification called for the exports done during the absence of valid Green Card and renewal of LOP to the tune of Rs.193.48 lakhs, 9.53 lakhs and Rs.11.65 lakhs . The unit has confirmed that they had done the exports and stated that since there was no direction from MEPZ for not to make exports from their inventory they had.
6. **{Reply to point no.3(f)}**. The unit has stated that they had submitted the QPR's under which the DTA sale details were furnished. It is pertinent to mention here that that Condition No. d of the DTA sale permission Letter stipulates that the unit should furnish a report on quarterly basis through the bond officer with the details sales effected, showing the details of assessable value, duty paid thereon to be communicated to this office. The reply furnished by the unit is in correct.
7. **{Reply to point no.3(g)}**. The unit has furnished the DTA sale done by them as requested by this office in the prescribed format.

From the above it is observed that the following are intentionally done by the unit and violated the provisions of the FTP/HBP. Therefore the unit is liable to explain the same by issuing SCN from our office, if approved please.

- (a) Unit has done DTA Sale without prior permission of DC-MEPZ as elaborated in ibid para 1.
- (b) When there is no valid LOP, the unit has made Exports during the year 2014-2015 as elaborated in ibid para 5.
- (c) NO intimation regarding DTA Sales has been given by unit in accordance with para "d" of DTA Sales permission issued by MEPZ as elaborated in ibid para 6.

A

With reference to M/s. Jeevan Diesel and Electricals Ltd letter dated 15.07.2019. Chronological events in respect of M/s. Jeevan Diesel and Electricals Ltd is placed below as directed by DC.

In this regard legal Opinion has been obtained on 08.06.2019 from Deputy Legal Advisor, Department of Legal Affairs, Chennai on admissibility of compensation and eligibility DTA Sales in view of said unit letter dated 04.04.2019, Deputy Legal Advisor advised that our Department may give suitable reply based on the provisions and relevant Acts and Rules and Still if the unit approaches the court, not satisfied with the reply given by the Department, the same may be defended at the point of time. Accordingly, reply has been sent to unit on 26.06.2019.

Now, the unit has again referred the subject issue vide their letter dated 15.07.2019 under information to DGFT and Union Commerce Minister, New Delhi. (B)

We may give same reply to unit as advised by Deputy Legal Advisor vide their letter dated 08.06.2019, if approved please.

(A) and (B) are submitted for further orders please.

V. Jeyaraj

01.08.2019

DPC
Chronological order of events placed for DC's perusal.
has been read through. Pls see if they took advance
DTA sale? Recheck pt 1.

Pls see if the items sold in DTA (213) are
related to their approved items of manufacture.

What is the provision as per FTP for exporting
beyond license period.

As
2/3

agk

Request check above and put up
file/reply to above queries please.

(N. N. Prasad)

V. Jeyaraj

From prepage

Pl. see DDC's queries at prepage.

① The unit was issued LOP on 17.07.2008. The unit's DCP was 23.03.2009. In the interim period, the unit has not awaited any advance DTA sale, which may pl. be seen at P.13/NF.

② The items approved in LOP are Diesel Generator Sets with control Panel, Switch Gears, Enclosure & Accessories. The items sold in DTA as per unit's br. dt. 03.07.2019 are Diesel Generator Sets with control panel, Engines with base frame and Alternators with Base Frame.

③ As per ^{para} 6.01 (b)(ii) of HBP 2015-20, once unit commences Production, LOP/LOI issued shall be valid for a period of 5 years for its activities. This period may be extended further by DC for a period of 5 years at a time'. In terms of Para 6.01 (T) of HBP, on completion of approval period, where unit opts to continue, DC will extend approval period. If no intimation is recd. from unit within a period of six months of expiry of appl. period, DC will take action suo moto to cancel the approval under EO Schor where units give their option to continue after expiry of six months as stipulated above, DC will grant extension after obtaining approval of BOA.

Submitted, pl.

27/8/19

ADT

Above reply may please be seen (P-128-P-130)

The copies to DDC as above.

① & ② of Page No. 128 & 129 are submitted for perusal and further orders please.

P. Sharma
28.08.2019

DDC (OL) JCL

Pl. examine & put up

DC

Sharma
29/8



DDP

Discussed with AOC (SE). The response from the unit is not clear on the details sought.

However, AOC may p/po draft letter to unit seeking the clarifications.

Further, we may reiterate our position regarding legal opinion sought to the unit.

[Signature]
3/9

AOC (SE)

Above noting may please be seen/Remarks of DDC madam on 04.9.2019

Draft letter addressed to unit seeking the clarification from them is placed for perusal and approval please.

[Signature]
63.09.2019

DPL
JDL

- ① The draft has been corrected for errors.
- ② Pls specify the LOP condition that authorized export and manufacture with the validity period. LOP-Condition!
- ③ Put up immediately after correction.

[Signature]
3/9

Remarks of DDC madam on 03.9.2019 AOC may please be seen.

Revised draft letter addressed to unit duly incorporating the LOP details & validity period LOP is placed below for perusal and further orders please.

[Signature]
06.09.2019

DPL *[Signature]* 5/9
JDL *[Signature]* 6/9

AOC (SE)



Fair letter is approved addressed to unit 30
Placed for signature please.

[Signature]
6-9-2019

DDP / 9/9

ADP

