

# S.MURUGAPPAN

ADVOCATE, HIGH COURT

**ASSISTED BY:**

J. RAGINI, B.A., B.L.,  
K.NANCY, B.COM., B.L. (HONS.),  
M.S.HARSHA PRABHU, L.L.M.  
K.VIGNESHKUMAR, B.Sc., L.L.B.

**CONSULTANTS:**

GST,  
CUSTOMS,  
FOREIGN TRADE LAWS,  
FOREIGN EXCHANGE MANAGEMENT ACT.

## OPINION

**1. QUERIST:**

M/s. Turbo Energy Private Limited,  
No.100, Old Mahabalipuram Road,  
Paiyanur – 603 104.  
Kancheepuram District.

**2. FACTS:**

- 2.1 Querist proposes to import the following raw materials for developing and supplying bullet proof doors for armoured vehicles. It is indicated that these will be supplied to the defence forces in India.

Sl. No.	Raw Material	HSN Code
1	Prepreg Kevlar textile Style 101, 460g/m2, PCK TP resin 11% rc	7019
2	Prepreg S2 glass textile, 815 g/m2, E9 TS epoxy resin 33% rc	7019
3	Prepreg E glass textile, 320 g/m2, E9TS epoxy resin 33% rc	7019
4	Prepreg S2 glass textile, 830 g/m2, PF700 TS phenolic resin 18% rc	7019
1	Ceramic tiles, 96% purity, AK96	6903 2090
2	Ceramic tiles, 98% purity, AK98	6903 2090
3	Ceramic tiles, 98% purity, Alotech 98SB	6903 2090
4	Ceramic tiles, 99.5% purity, Cumituff 995	6903 2090
1	Steel ArmoX 500	7225
2	BHN 500 Plate / MARS 500	7225

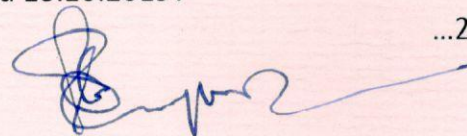
- 2.2 The querist has made available datasheets for glass fabrics and ceramic tiles.

**3. QUERY:**

In this connection, the querist would like to know the following clarifications.

- 3.1 Are these products in the negative list and whether any DGFT clearance / import licenses are required to be taken?
- 3.2 Whether any specific authorization / license is to be taken from the Ministry of Defence as per the Standard Operating Procedure published under reference F.No.19(2)/2018/D(EPC) dated 18.10.2019?

...2





- 3.3 Whether the goods sought to be imported are covered under mandatory BIS requirements?
- 3.4 Whether the goods are eligible for any concessional duty as these are meant to be supplied to Defence?
- 3.5 Whether any anti-dumping duty will be payable for these goods?

**4. OPINION:**

**4.1 Import Licence:**

**4.1.1** It is noticed that basically the following goods are sought to be imported by the querist.

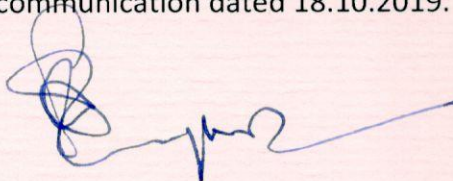
- (a) Various types of Woven Glass Fabrics falling under Heading 7019 of the First Schedule to the Customs Tariff Act 1975.
- (b) Various grades of Ceramic Tiles - mentioned as falling under Chapter Heading 6903. It may be noted that depending upon their nature (glazed, unglazed etc.) and composition as well as general usage, they may be equally classifiable under Heading 6907.
- (c) Different brands of Toughened / Ballistic grade steel plates falling under Chapter Heading 7225 of the First Schedule to the Customs Tariff Act.

4.1.2 In respect of items figuring against Sl.Nos.(a) and (b) mentioned above, as per the current Import Export Policy and classification of items for import/export, there are no restrictions provided for. Or in other words, items figuring against Sl.Nos.(a) and (b) above can be imported freely without any import licence. However, in respect of steel plates, it may be noted that import of any item falling under Chapter 72 can be imported only after compulsory registration under 'Steel Import Monitoring Systems' (SIMS) as notified by DGFT in Notification No.33/15-20 dated 28.09.2020. Hence the querist needs to register themselves in this regard. A copy of the above notification and DGFT instructions in this regard are attached as **Annexures - 1 and 2** to this opinion.

**4.2 Authorization from Defence:**

4.2.1 It may be noted that as per the publication of Ministry of Defence and the Standard Operating Procedure, permission to import will not apply to these materials as these products do not specifically figure in the list attached to the Ministry of Defence communication dated 18.10.2019.

...3





#### **4.3 Mandatory Specification Requirements:**

4.3.1 As far as steel items are concerned (steel plates) it may be noted that as per Ministry of Steel's Order S.O.2379(E) dated 17.07.2020, various categories of steel products are specified in that order with the requirement that they should meet the relevant Indian Standards referred to in the same order. It is noticed that steel products falling under Heading 7225 are covered in various places in the above order and depending upon the composition and characteristics, different IS specifications may be applicable to these goods. Once as per this order when the relevant IS specification is applicable then it becomes necessary that import of the subject steel product can be made only after complying with the mandatory registration requirements with BIS. A copy of the above order issued by the Ministry of Steel is attached as **Annexure-3** to this opinion. As far as ceramic tiles and glass fabrics are concerned, there does not appear to be any applicable mandatory standard.

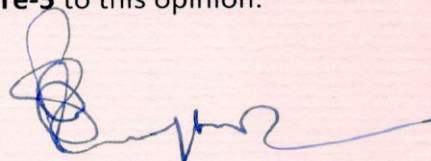
#### **4.4 Concessional Duty:**

4.4.1 There seems to be no specific notification which will provide concessional duty for these materials when imported for manufacture of goods meant for supply to Defence. In fact, various types of Aramid yarns, Ballistic grade ceramic plates, Aramid fabrics etc. when imported for production of bullet proof jackets and bullet proof helmets are eligible for exemption from payment of duty. As the materials now sought to be imported are meant for production of car doors for armoured vehicles there does not appear to be any specific exemption available. However, to examine the scope, a copy of the Notification No.39/96-Customs dated 23.07.1996, as amended, is attached as **Annexure-4** to this opinion. The querist can go through the notification to see whether there is any possibility for coverage of these products in terms of the above notification.

#### **4.5 Anti-Dumping Duty:**

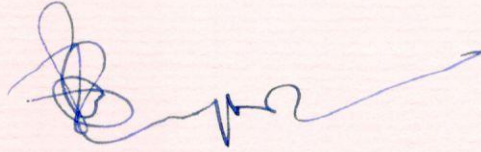
4.5.1 Depending upon the country of origin of the goods sought to be imported anti-dumping duty will be applicable. It may be noted that in terms of Notification No.9/2022-Cus. (ADD) dated 24.02.2022, as amended, ADD will be leviable on glazed / unglazed tiles falling under Chapter 69 when they are originating in or exported from People's Republic of China. A copy of this notification is attached as **Annexure-5** to this opinion.

...4





4.5.2 For steel plates and glass fabrics it is seen that there is no notification imposing ADD that is effective as on date.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

**S. MURUGAPPAN**

sm/ss

**Disclaimer:-** The above opinion is provided based on the information and documents made available to us by the querist and further based on the laws and rules prevalent as on date and the understanding of such provisions by the author and is meant for the private use of the person to whom it is provided without assuming any liability for any consequential action taken based on the views expressed here.