

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
OFFICE OF THE JOINT DIRECTOR GENERAL OF FOREIGN TRADE
117, K.K.NAGAR, MADURAI – 625020

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Email : madurai-dgft@nic.in

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F.No.35/36/21/213/AM06

Date: 27.10.2014

ORDER-IN-ORIGINAL

PASSED BY: **S. SASIKUMAR**

JOINT DIRECTOR GENERAL OF FOREIGN TRADE, MADURAI.

1. Any person/party aggrieved by this order may, under Section 15 of the Foreign Trade (Development and Regulation) Act, 1992 & notification no. 21(RE-2013)/2009-2014 dt. 13.6.2013 file and appeal against the same to the appropriate authority viz. The Additional Director General of Foreign Trade, Office of the Additional Director General of Foreign Trade, 4th Floor, Shastri Bhavan Annex, 26, Haddows Road, Nungambakkam, Chennai – 600006 within a period of forty five days (45 days) from the date of service of this adjudication order together with a copy of this order and a complete set of evidence in the form of Annexure to the appeal relied upon in support of the appeal.

2. Any person/party desirous of filing an appeal against this order shall deposit the penalty amount and produce proof of payment of penalty amount along with the appeal to the Appellate Authority failing which the appeal is liable to be rejected for non-compliance of the provisions of Section 15 of the Foreign Trade (Development and Regulation) Act, 1992.

3. The penalty amount is to be deposited in an authorized bank of Central Bank of India under the Head of Account "1453 Foreign Trade & Export Promotion Minor Head 102 other receipts fines, penalties etc.". The bank receipt must show the name of Dept. viz. Directorate General of Foreign Trade. The bank receipt drawn in favour of Pay & Accounts Officer (Foreign Trade), Chennai.

4. Evidence of payment of penalty is required to be furnished to the Adjudicating Authority within forty five days (45 days) from the date of service of this Adjudication Order, failing which the Importer-Exporter Code Number of the persons/companies/ other entities concerned is liable to be suspended under the provisions of Section 11(4) of the foreign Trade (Development & Regulation) Act, 1992 without making any further reference to them.

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5. M/s. Ambika Woods Private Limited, 1/952, Tenkasi Road, Piranoor Border, Shencottah - 627809 had obtained an EPCG licence no. 3530001363 dt. 23.11.2005 for duty saved amount of Rs. 18,29,023/- for import of capital goods with an export obligation to export wooden furniture, finger joint boards, wooden articles, RSKD sizes worth US\$ 3,25,521/- within a period of 8 years from the date of issue of authorization. IEC no allotted to the company is 3598002246 dt. 16.9.1998
6. M/s. Ambika Woods Private Limited had not submitted statement of exports evidencing fulfillment of export obligation in spite of this office letters dt. 09.03.2007, 14.6.2010, 19.11.2012, 27.11.2013 and 10.1.2014 calling for statement of exports.
7. Show cause notice dt. 29.05.2014 with personal hearing on 12.06.2014 at 3.00 p.m. was issued to the Company and its directors. Vide Interview slip no. 282 dated 12.06.2014, Shri N.U.M.Gomathinayagam, representative of the Company appeared before JDGFT and had requested for extension in time for fulfillment of export obligation. The export obligation period had already expired 22.11.2013. Since 50% of export obligation was not fulfilled in 1st block as per licensing condition and request for export obligation period extension was submitted after 30 days from the date of expiry of original export obligation period, request for EOP extension was rejected as time barred in terms of para 5.11(d) of Hand Book of Procedures, Vol.1. and the applicant was requested to regularize the case by way of payment of duty with applicable interest. There was no response from the Company.
8. Demand notice dt. 14.08.2014 was issued with direction to pay duty saved amount along with applicable interest to the Customs authorities and furnish challan to this Office. There is no response from the Company or its directors. Hence the Company and directors were placed under Denied Entitles List(DEL) vide order dt. 22.9.2014.

In the circumstances, the undersigned is now fully convinced that the Licensee and its directors are guilty of violating the conditions of the Licence in question thereby liable to a penalty under Section 11 (2) of Chapter IV of Foreign Trade(Development and Regulation) Act, 1992. In exercise of powers vested in me vide Notification No. SO(E) dt. 17.4.2009 issued by DGFT, New Delhi in F.No. 18/27/HQ/06-07/ECA-II, I hereby impose a penalty of **Rs. 58,40,268/-** (Rupees fifty eight lakhs forty thousand two hundred and sixty eight only) being one time CIF value on the licensee and its directors towards non-fulfillment of export obligation in full against the subject licence.

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I further order that no further authorization shall be issued to the firm/Company or to any other firm/Company in which the directors of this firm/Company are directly or indirectly involved in the day-to-day activities of that firm/Company as per Provisions of Handbook read with Rule 7(1) of the Foreign Trade (Regulation) Rules, 1993.

This order is issued without prejudice to any other action that may be taken under any other Act, Rules or Regulations in force.


(S. Sasikumar)

JOINT DIRECTOR GENERAL OF FOREIGN TRADE

To

M/s. AMBIKA WOODS PRIVATE LIMITED, 1/952, TENKASI ROAD, PIRANOOR BORDER, SHENCOTTAH, TAMILNADU, PIN-627809

SHRI DEVSI NARAYAN PATEL DIRECTOR 1/954, TENKASI ROAD PIRANOOR BORDER SHENCOTTAH, TAMILNADU PIN-627809	SHRI PRAVEEN KUMAR D. PATEL DIRECTOR 1/954, TENKASI ROAD PIRANOOR BORDER SHENCOTTAH, TAMILNADU PIN-627809
SHRI VISHANJI D. PATEL DIRECATOR 1/954, TENKASI ROAD PIRANOOR BORDER SHENCOTTAH, TAMILNADU PIN-627809	

Copy to:

The Commissioner of Customs, Customs House, Bangalore with reference to their Bill of entry No. 115478 dt. 13.02.2006

- ✓ The Additional Director General of Foreign Trade (**ECA Section**), Office of the Additional Director General of Foreign Trade, 4th Floor, Shastri Bhavan Annex, 26, Haddows Road, Nungambakkam, Chennai – 600006