

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

Tel : 0452-2586485

Email : madurai-dgft@nic.in

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F.No.35/36/21/55/AM06

Date: 14.1.2015

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 an 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. Sudarsanam Industries, 337, Alagai Nagar, Rajapalayam – 626117 had obtained an EPCG licence no. 3530001029 dt. 31.5.2005 for duty saved amount of Rs. 11,42,956/- for import of capital goods with an export obligation to export cotton yarn, cotton grey cloth worth US\$ 2,09,958 in addition to maintaining annual average of Rs. 35,83,333.33/- within a period of 8 years from the date of issue of authorization. IEC no allotted to the company is 3599002959
6. M/s. Sudarsanam Industries had not submitted statement of exports evidencing fulfillment of export obligation as called for in spite of this office letters dt. 4.8.2010, 19.11.2012 & 11.7.2013 .
7. Show cause notice dt. 24.7.2014 dt. 18.8.2014 with personal hearing on 26.8.2014 at 11.00 am was issued to the firm and it's Proprietrix. In response to show cause notice, Shri S. Nagarajan, Office Assistant attended personal hearing with Jt. DGFT vide interview slip no. 558 dt. 26.8.2014. As requested by him, forty days time was granted vide letter dt. 26.8.2014 for submission of complete documents for redemption. Though thirty days time is over, you have failed to submit documentary evidence for having fulfilled export obligation.
8. Demand notice was issued on 27.10.2014 to pay duty saved amount along with applicable interest to the customs authorities and furnish challan to this Office. There was no response from the firm. Hence the firm and Proprietrix were placed under Denied Entitles List(DEL) vide order dt. 5.12.2014.

In the circumstances, the undersigned is now fully convinced that the Licensee and its Proprietrix 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. 41,44,655/- (Rupees forty one lakhs forty four thousand six hundred and fifty five only)** (being one time CIF value) on the licensee and its Proprietrix 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 Proprietrix 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

(S. Sasikumar)

JOINT DIRECTOR GENERAL OF FOREIGN TRADE

To

M/s. Sudarsanam Industries, 337, Alagai Nagar, Rajapalayam – 626117

Copy to:-

SMT R.LATHA
PROPRIETRIX,
337, ALAGAI NAGAR
RAJAPALAYAM PIN-626117

The Commissioner of Customs,
EPCG Scheme,
Customs House,
Sea Port, Tuticorin - 628004

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