

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.35/21/21/860/AM08

Date: 28.9.2016

ORDER-IN-ORIGINAL

PASSED BY: **R. MUTHURAJ**
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 SWAMY IYYAPPA SPINNING MILLS, NO.5, WEST GOVINDAPURAM,ASHOK NAGAR,DINDIGUL 624001 had obtained an EPCG licence no. 3530002634 dt. 23.5.2007 for duty saved amount of Rs. 16,95,942 for import of capital goods with an export obligation to export cotton yarn worth US\$ 323421.59 within a period of 8 years from the date of issue of authorization. IEC allotted to the firm is 3507000393.
6. M/s. SWAMY IYYAPPA SPINNING MILLS, DINDIGUL 624001 had not submitted statement of exports evidencing fulfillment of export obligation in spite of this office letter dt. 2.6.2015.
7. Show cause notice dt. 23.3.2016 with personal hearing on 8.4.2016 from 11.00 a.m. to 1 p.m. was issued to the company and it's Partners. In reply vide their letter dt. 31.3.2016 they had informed that they have approached HQRS for EOP extension. But approval from DGFT for EOP extension was not submitted.
8. Demand notice dt. 10.6.2016 was issued to the company and it's Partners with direction to pay duty saved amount along with applicable interest to Customs authorities and furnish challan to this Office. There was no response from the firm. This office has not received documentary evidence for having paid duty with interest till date. M/s. SWAMY IYYAPPA SPINNING MILLS, DINDIGUL 624001 was placed under Denied Entities List vide order dt. 10.6.2016

In the circumstances, the undersigned is now fully convinced that the Licensee and its Partners 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.65,00,000** (Sixty Five Lakhs) 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 Partners 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.


(R. MUTHURAJ)

JOINT DIRECTOR GENERAL OF FOREIGN TRADE

To

M/s. SWAMY IYAPPA SPINNING MILLS, NO.5, WEST GOVINDAPURAM, ASHOK NAGAR, DINDIGUL 624001

Copy to:-

T.SURESH KUMAR NO.34, DURAIRAJ NAGAR WEST GOVINDAPURAM DINDIGUL	S.RAJAMEENAKSHI W/O T.SURESH KUMAR NO.34, DURAIRAJ NAGAR WEST GOVINDAPURAM DINDIGUL	T.SUBRAMANIAN NO.8/17-A, KARNAMKATTU STREET, KOTTUR MALAIYANDIPATTINAM POST POLLACHI TALUK COIMBATORE TK
S.KAVITHADEVI NO.8/17-A, KARNAMKATTU STREET, KOTTUR MALAIYANDIPATTINAM POST POLLACHI TALUK COIMBATORE TK	M.AATHISAKTHI NO.25, ACMA MILL ROAD POLLACHI	

- 1) The Additional Director General of Foreign Trade, Chennai
- 2) The Commissioner of Customs, Sea Port, Tuticorin - 628004