

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

File no. 35/21/021/00038/AM10

Date: 27.10.2017

ORDER-IN-ORIGINAL

PASSED BY: **J.M. BISHNOI**

Deputy 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. Kalaiyar Koil Milk Processing Pvt Ltd. had obtained an EPCG authorization No. 3530003691 dated: 19.06.2009 for a duty saved value of Rs. 11,14,721 for import of Capital goods with export obligation to export Dairy Products for FOB value US\$ 1,76,414.79 within a period 8 years from the date of issue of authorization. IEC allotted to the company is 357007207.
6. The Export Obligation period expired on 18.06.2017. Letter dt: 19.06.2017 was issued calling for E.O. documents. There is no response from M/s. Kalaiyar Koil Milk Processing Pvt Ltd. Hence M/s. Kalaiyar Koil Milk Processing Pvt Ltd. have violated the licensing condition.
7. Notice dt: 08.08.2017 under section 14 for action under section 11 – (2) (3) (5) (6) & (7) of FT (DR) Act 1992 as amended in 2010 and for action Under Para 5.17 of HBP & action under Rule 7(k) of the Foreign Trade Regulation Rules, 1993 was issued to the company and its directors with personal hearing on 06.09.2017 at 11.30 p.m. The show cause notice addressed to the company has been returned undelivered by postal authorities with remarks "The Company closed since last two years". The SCN addressed to Shri. Karthick P Sivaram, Director and Shri. N. Subramanian, Director has also been returned undelivered by postal authorities. No one has appeared for personal hearing and not submitted documentary evidence for having fulfilled export obligation.
8. Hence, M/s. Kalaiyar Koil Milk Processing Pvt Ltd. and its directors were placed under Denied Entities List vide DEL order dt: 04.08.2017 in terms of Rule 7 (k) of the Foreign Trade (Development & Regulation) Rules 1993. DEL order addressed to Shri. Karthick P Sivaram, Director has been returned undelivered by postal authorities with remarks "left" and Shri. N. Subramanian, Director has been returned undelivered by postal authorities with remarks no such person.
9. As a final opportunity, show cause notice was issued on 25.09.2017 with personal hearing on 25.10.2017 at 2.30 p.m. to Show Cause within 15 days as to why action should not be initiated under section 11 of chapter IV of Foreign Trade (Development & Regulation) Act 1992 for adjudication. The Show Cause Notice addressed to Shri. Karthick P Sivaram, Director has been returned undelivered by postal authorities with remarks "left " and Shri. N. Subramanian, Director has been returned undelivered by postal authorities with remarks no such person.
10. In the circumstances, the undersigned is now fully convinced that the licensee and its directors are guilty of violating the conditions of the License 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. 22,29,442/- (Twenty Two Lakhs Twenty Nine Thousand Four Hundred and Forty Two only)** on the Licensee and its directors towards non-fulfillment of export obligation in full against the subject authorization.

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.

(J.M. Bishnoi)

Deputy Director General of Foreign Trade

To

M/s. Kalaiyar Koil Milk Processing Pvt Ltd,
Vetriyur Village,
Kallal Panchayat Union,
Via Natarajapuram,
Karaikudi – 630321.

Shri. Kartick P.Sivaram No.12, Harrington Road 14th Avenue Chennai -600031	Shri. N.Subramanian No.145,Sterling Road Chennai -600034	Shri. Vikas Makhariya 62-A,I Apartments No.270,Walkeshwar Road Mumbai -400006
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Copy to:

- 1) The Additional Director General of Foreign Trade, Chennai.
- 2) The Commissioner of Customs, Sea Port Chennai – 600 001 for information.