

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. 35/21/051/01975/AM12

Date: 09.08.2017

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. Deva Chitra Exports, 4/222-C, Viraganoor, Madurai – 625009 obtained DEPB authorization No. 3510036282 dated: 22.11.2011 for a duty Credit value of Rs. 68,013 under DEPB – Post export scheme.
6. Controller of Aid Accounts and Audit, Ministry of Finance raised an audit objection for Rs. 9,126 plus applicable interest for excess DEPB credit obtained by M/s. Deva Chitra Exports in authorization No. 3510036282 dated: 22.11.2011. As per the audit objection M/s. Deva Chitra Exports have obtained DEPB credit over and above the actual realized value as per BRC.
7. This Office vide letter dt: 02.09.2015 and email dt: 19.09.2015 requested M/s. Deva Chitra Exports to pay Rs. 9,126 plus applicable interest to settle the audit objection. M/s. Deva Chitra Exports had not paid excess duty credit with interest.
8. As per Rule 7(3) of Foreign Trade (Development and Regulation) Rules 1993 as amended vide Foreign Trade (Regulation) (Amendment) Rules, 2015, in case of any benefits erroneously obtained from Central Government, the same can be recovered as arrears of land revenue or by adjustment against future claims.
9. Notice dt: 20.07.2017 under Section 14 for action under section 11 – (2) (3) (5) (6) & 11- (7) of FT (DR) Act 1992 as amended in 2010 and as per Rule 7 (i)(k) and (3) , of the Foreign Trade Regulation Rules, 1993 as amended, was issued to the firm and proprietrix with personal hearing on 09.08.2017 at 3.00 p.m. The notice addressed to the firm and proprietrix were returned undelivered by postal authorities with remarks "left".
10. In the circumstances, the undersigned is now fully convinced that the authorization holder and its proprietrix are guilty of violating the conditions of the authorization and liable to pay 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. 25,000/- (Rupees Twenty Five Thousand only)** on the Licensee and its proprietrix towards non-refund of excess duty credit obtained 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 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.

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(J. M. Bishnoi)

Deputy Director General of Foreign Trade

To

M/s. Deva Chitra Exports,
4/222-C, Viraganoor,
Madurai - 625009

Smt. S.Chitra,
Proprietrix,
4/222C, Viraganoor ,
Madurai -625009

Copy to:

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