



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE
OFFICE OF THE JOINT DIRECTOR GENERAL OF FOREIGN TRADE
PLOT NO.117, 1ST MAIN ROAD, K.K. NAGAR, MADURAI

Phone: 0452-2586485

E-mail: madurai-dgft@nic.in

File no. 35/21/040/00005/AM09 } 1311-16

Date: 19.05.2017

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.

23/5/17

5. M/s. Shree Murugan Enterprises, Plot No.3, First Floor, First East Street, K.K. Nagar, Madurai – 625 020 had obtained an Advance Authorization no. 3510023346 dated 15.04.2008 for a CIF value of Rs. 27,51,000(USD 68775) for import of Drill Road with an export obligation to export Dimensional Dressed Granite Blocks worth Rs.11,00,40,000(USD 2751000) within a period of 24 months from the date of issue of authorization. IEC allotted to the firm is 0499004132. Export obligation period expired on 14.4.2010.
6. M/s. Shree Murugan Enterprises, Madurai had not furnished the documents towards fulfillment of export obligation after expiry of Export obligation period. Hence, this Office have issued a letter on 30.3.2012 and reminder on 24.5.2012 & 27.11.2012 calling for documents. But, you have submitted partial documents clubbed with other three authorizations on 17.4.2013 i.e. Copy of S/bills, computer generated Invoices without Bond Officers authentication(for Deemed Exports) and without BRC, some Original EP copy of S/bill, BRC covering some Xerox copy of S/bills and *four original Adv. authorizations. Hence, this Office had issued a letter to the firm on 10.1.2014 asking for* 1) Bond Officer attested Invoices if the exports made to 100% EOU with their Green Card copy 2) Original EP copy of S/bills and 3) Bank Realization Certificates. But the firm have not responded and not furnished any documents as called for in the above letter.
7. Notice dt: 08.12.2016 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 firm and its three Partners with personal hearing on 21.12.2016 at 11 AM to 1PM. In response to Show Cause nobody has appeared Personal Hearing on behalf of the firm and also on behalf of its Partners. In response to PH, the firm have simply sent a letter informing that they have already submitted the documents on 17.4.2013. Again this Office have sent a letter with final warning enclosing the letter dated 10.1.2014 which called for balance documents and asked the firm to submit the documents immediately within 10 days. But the firm have not furnished the documents. Instead, the firm have furnished a letter on 9.5.2017 informing that since the required particulars are with their Consultant and they could not trace the person, they are unable to furnish the documents and asked for one more month time. This authorization was issued on 15.4.2008 and the export obligation period was already expired on 14.4.2010 and further, enough opportunity and time have already been given to the firm. Hence, M/s. Shree Murugan Enterprises was placed Under Denied Entities List vide order dt: 18.5.2017.

8. In the circumstances, the undersigned is now fully convinced that the authorization and its partners 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 **27,00,000/-** on the Licensee and its partners towards non-fulfillment of export obligation in full against the subject licence.

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.

g/c
R.M.J

(R. MUTHURAJ)

JOINT DIRECTOR GENERAL OF FOREIGN TRADE

To

1) M/s. Shree Murugan Enterprises
Plot No.3, First Floor
First East Street
K.K. Nagar
Madurai - 625 020

2) Shri.P.K.Selvaraj 427, 9th East Main Street, K.K.Nagar, Madurai - 625020	3) Smt.S.Shanthi Selvaraj 427, 9th East Main Street, K.K.Nagar, Madurai - 625020	4) Shri.P.K.S.Surya Prakash 427, 9th East Main Street, K.K.Nagar, Madurai - 625020
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Copy to:

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