

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. 35/21/021/00193/AM10

Date: 12.11.2018

ORDER-IN-ORIGINAL

PASSED BY: **N. VAIDYANATHAN**

Assistant 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. Sri Vishnu Annamalaiyar Paper Mills Limited, (Formerly known as M/s. Heritage Paper Mills Ltd.), No.2, Railway Station Road, Mettupalayam, Coimbatore - 641301 had obtained an EPCG authorization No. 3530003825 dated: 29.10.2009 for duty saved value of Rs. 57,00,000 for import of Capital goods with export obligation to export Kraft liner boards and Poster Paper for FOB value US\$ 9,38,271.6 within a period 8 years from the date of issue of authorization in addition to maintaining annual average of Rs. 1,16,31,000. IEC no allotted to the Company is 3503004424.
6. The Export Obligation period expired on 28.10.2017. Letter dt: 30.10.2017 was issued calling for E.O. documents. There was no response from M/s. Sri Vishnu Annamalaiyar Paper Mills Limited. Hence M/s. Sri Vishnu Annamalaiyar Paper Mills Limited have violated the licensing condition.
7. Show cause notice dt: 18.01.2018 for action under Rule 7(k) of the Foreign Trade Regulation Rules, 1993 was issued to the company and its directors with personal hearing on 02.02.2018 at 4.00 p.m. The SCN addressed to directors Shri V. Nataraj, Smt. VNS.Vasanth, Smt. R. Maheshwari, Shri K.R.A.G.Saravanan and Shri N. Kumaresan were returned undelivered by postal authority. Hence M/s. M/s. Sri Vishnu Annamalaiyar Paper Mills Limited was placed under Denied Entities Lit (DEL) vide Order dt. 23.7.2018.
8. Show cause notice dt. 22.10.2018 under Section 14 of Foreign Trade (Development & Regulation) Act, 1992 was issued to the Company and its directors 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. SCN addressed to Show cause notice addressed to Shri N. Kumaresan, Smt. R. Maheshwari and Shri V. Nataraj were returned undelivered by postal authorities.
9. In the circumstances, the undersigned is now fully convinced that the authorization 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. 1,14,00,000/- (Rupees One Crore Fourteen Lakhs 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.



(N. VAIDYANATHAN)

Assistant Director General of Foreign Trade

To

M/s. Sri Vishnu Annamalaiyar Paper Mills Limited,
(Formerly known as M/s. Heritage Paper Mills Ltd.),
No.2,Railway Station Road,
Mettupalayam -1, Coimbatore -641301.

Shri. K. RA. G. Saravanan, 9/4/52, Ramanujar Street, Sriram Nagar, Kottaiyur, Karaikadi - 630106	Smt. VNS. Vasantha, 9/4/52, Ramanujar Street, Sriram Nagar, Kottaiyur, Karaikadi - 630106	shri. N. Kumaresan, 8/2/24a,kailash nagar, sriram nagar kottaiyur, karaikudi - 630106
Smt.R.Maheshwari, 8/2/24A,Kailash Nagar, Sriram Nagar, Kottaiyur, Karaikudi - 630702	Shri.N.Selvarathinam, 170-C,2nd Street, Gandhi Nagar Devaram, Uthamapalayam - 625533	Smt. N. Janaki, 28 / 115 N, Subbavu Pillai Street, Devaram, Uthampalayam - 625533
Shri. V. Nataraj, 28/115N, Subbavu Pillai Street, Devaram, Uthamapalayam - 625533		

M/s. Sri Vishnu Annamalaiyar Paper Mills Ltd.,
(Formerly known as M/s. Heritage Paper Mills Ltd.)
Vediangudi Village, Mithravayal Post, Puduvayal, Karaikudi – 630108

Copy to :

- 1) The Additional Director General of Foreign Trade, Chennai.
- 2) The Commissioner of Customs, Sea Port, Tuticorin for information.
- 3) Central Economic Intelligence Bureau, 1st, 6th and 8th Floor, "B" Wing, Janpath Bhawan, Janpath, New Delhi - 110001