

Government of India
Ministry of Commerce & Industry
Office of the Joint Director General of Foreign Trade
117, K.K.Nagar, Madurai – 625020

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File no. 35/21/040/0025/AM15

Date: 28.11.2018

ORDER-IN-ORIGINAL

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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. SAI FLEXI BAG PVT.LTD MUTHUSWAMY PURAM VILLAGE S.NO.167/1, RAMANACHIYARPURAM TUTICORIN TAMILNADU PIN-628101 had obtained an advance authorization no. 3510044468 dt: 19.06.2014 for a cif value of Rs. 1,10,38,349/- for import of Polypropylene granules UV Stabiliser Master Batch and LDPE granules with an export obligation to export Flexible Intermediate Bulk containers with UV Stabiliser worth US\$ 2,87,500/within a period of 18 months from the date of issue of authorization. IEC allotted to the firm is 3507007304.
6. The Export Obligation period expired on 18.12.2015. The firm has not furnished the requisite export obligation documents against the advance authorization. Hence M/s. SAI FLEXI BAG PVT.LTD have violated the licensing condition.
7. Notice dt: 20.06.2018 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 directors with opportunity to heard in person, if required, on fixing prior appointment. The SCN addressed to the firm and all directors were returned undelivered by postal authorities with the remarks "Left and door closed. Hence, M/s. SAI FLEXI BAG PVT.LTD and its directors were placed under Denied Entities List vide DEL order dt: 20.06.2018 in terms of Rule 7 (k) of the Foreign Trade (Development & Regulation) Rules 1993. DEL order addressed to M/s. SAI FLEXI BAG PVT.LTD and all directors.
5. 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.55,19,174 (Rupees fifty five lakhs nineteen thousand one hundred and seventy four only** on the Licensee and its directors towards non-fulfillment of export obligation in full against the subject authorization.

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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 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. M/S. SAI FLEXI BAG PVT.LTD MUTHUSWAMPURAM VILLAGE S.NO.167/1,
RAMANACHIYARPURAM TUTICORIN TAMILNADU PIN-628101

SHRI SUBASH G. DIRECTOR M/S. SAI FLEXI BAG PVT.LTD 183A,KALAIVANAR NAGAR PUTHERI NAGERCOIL KANYAKUMARI DISTRICT PIN-629001
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SHRI K.R.MATHANA KUMARI DIRECTOR M/S. SAI FLEXI BAG PVT.LTD 183A,KALAIVANAR NAGAR PUTHERI NAGERCOIL,KANYAKUMARI DISTRICT PIN-629001

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