



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
OFFICE OF THE ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE
4th & 5th Floor, SHASTRI BHAWAN, ANNEXE BUILDING,
26, HADDOWS ROAD, CHENNAI 600 006

File No.I(49)/ECA/Addl.DGFT/Che/AM 14

Dated: 28.02.2014

Name of the Appellant: M/s.CRP (India) Pvt.Ltd., .
14-A(SP), Industrial Estate,
Guindy, Chennai – 600 032

Order Appealed Against: Order-in-Original
No.04/24/040/00170/AM07 dated 08.07.2013
Passed by Jt..DGFT., Chennai-6.

ORDER IN APPEAL

Passed by: Shri A.K. Choudhary,
Addl.Director General of Foreign Trade,
Chennai

Present on behalf of
the Appellant: Shri N. Selvarajan, Sr.Manager &
Shri G. Balasubramanian, Dy.Manager

M/s.CRP (India) Pvt.Ltd., Chennai – 600 032 filed an appeal against the Adjudication Order No.04/24/040/00170/AM07 dated 08.07.2013 passed by Jt..DGFT., Chennai-6 in terms of which a fiscal penalty was imposed on the firm for violation the conditions of **Advance Aurhorisation No.0410083279 dated 01.08.2006** for not submitting the export documents for fulfillment of export obligation within the time and also after seeking extended time limit.

2. M/s.CRP (India) Pvt.Ltd., Chennai – 600 032 obtained the subject **Advance Aurhorisation No.0410083279 dated 01.08.2006** for a c.i.f. value of **Rs.39,21,841/-** for import of items duty free as specified in the licence with an obligation to export the resultant product for **f.o.b. value of Rs.1,42,94,631/-** as per conditions of subject authorisation. The c.i.f. value of

licence was amended/reduced to **Rs.30,56,891.62/-** as per ALC decision. The export obligation expired on **31.08.2008**. The firm submitted certain documents for redemption on **14.09.2009**. On a scrutiny of the documents, deficiencies were pointed out vide letter dated **07.12.2009** asking the firm to submit the documents viz: **ANF-4F, Appendix 23, CA Certificate, Statement of Exports, 1 original Shipping Bill and BRCs for 5 shipping bills**. The firm replied on **13.5.2010** informing that they have regularised excess import as advised by this office and submitted ANF-4F, Appendix 23, Statement of Exports and BRC for shipping bill. Since the documents submitted were incomplete, they were asked to submit S/Bill No.3291388 and BRC for 4 shipping bills vide letter dated **11.10.2010**. The firm in reply dated **22.03.2011** forwarded BRCs for 2 shipping bills and stated that the BRCs for the remaining 2 shipping bills are untraceable. In response, this office vide letter dated **23.5.2012**, advised the firm to produce documents as per **Para 4.30A of HBP** or exclude the exports of these S/Bills and treat the import as excess import and regularise the same as per Para 4.28 of HBP. The firm did not reply. Thereafter, the firm's name/IEC was placed in Denied Entitles List (DEL) on **26.06.2012**. Since the firm did not submit the complete export documents towards fulfillment of export obligation, a Show Cause Notice under Section 13 & 14 for action under Section 8, 9 & 11 and Rule 7 of the Foreign Trade (Development & Regulation) Act, 1992 was issued on **27.11.2012** to the firm with opportunity of Personal Hearing on **10.12.2012**. Thereafter, the case was adjudicated and penalty of Rs.5,00,000/- was imposed on the firm on **08.07.2013**.

3. Aggrieved by the above mentioned Adjudication Order dated **08.07.2013**, the appellant firm filed an appeal on **23.08.2013**. In the appeal, the firm has stated that they had imported the goods with good intention and to export all the goods imported duty free towards discharge of export obligation fixed. They have informed that due to lull in the global economic situation, the export obligation could not be fulfilled fully as undertaken in the said licence and also stated that the global economic slow down is totally out of their control. Nevertheless, the Appellant agree to pay the full customs duty applicable together with interest from the date of import till the date of payment of duty. After filing of the appeal, the firm have produced proof of having remitted Customs Duty +interest for Rs.1,48,499/- to the Customs vide TR 6 Challan No.0400681 dated **04.04.2010**.

4. On **10.01.2014**, the firm represented by Shri N. Selvarajan, Sr.Manager and Shri G. Balasubrmanian, Dy.Manager appeared before the Appellate Authority for Personal Hearing vide Interview Slip No.14. They furnished proof of having remitted the customs duty + interest.

5. I have gone through the facts of the case available on record and the written submissions made by the firm.

“ The firm is yet to submit the documents called for vide this office letter dated 23.05.2012 as per Para 4.30A of HBP for S/Bill Nos.2450882, 3291388, 3296170 and regularise excess import of items as mentioned therein. The firm have not realized the export proceeds against S/Bill No.2483114 and 3300023, though they have regularised the excess import by payment of Customs Duty plus interest”

6. I, therefore, in exercise of the powers vested in me under Section 15 read with Section 13 of the Foreign Trade (Development & Regulation) Act, 1992, as amended, pass the following order:

ORDER

File No.I(49)/ECA/Addl.DGFT/Che/AM 14

Dated: 28.02.2014

1. The Adjudication No.04/24/040/00170/AM07 dated 08.07.2013 passed by the Jt.DGFT., Chennai is set aside and the case remanded back for de-novo consideration subject to submission of documents as called for by RA, Chennai.



(A.K. CHOUDHARY)

ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE

To

M/s.CRP (India) Pvt.Ltd.,
14-A(SP), Industrial Estate,
Guindy, Chennai – 600 032

Copy to: Jt.DGFT., Chennai for information.