



भारत सरकार Govt. of India

वाणिज्य एवं उद्योग मंत्रालय M/o Commerce and Industry

ऑचलिक अपर महानिदेशक विदेश व्यापार का कार्यालय

Office of the Zonal Additional Director General of Foreign Trade

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F.No. A(14)/Addl.DGFT/ECA/Che/AM 18/Madurai

Dated 25.7.2018

Name of the Appellant

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

Order appealed against

Order-in-Original No.  
35/21/040/00068/AM 09 dated 19.05.17  
passed by Jt.DGFT Madurai

Order-in- Appeal  
passed by

Shri D.K.Sekar  
Appellate Authority & Zonal Additional  
Director General of Foreign Trade, Chennai

### Order-in-Appeal

1. M/s Shree Murugan Enterprises, Plot No.3, First Floor, First East Street, K.K.Nagar, Madurai 625020 has filed this Appeal under Section-15 of the Foreign Trade (Development & Regulation) Act, 1992 against Order-in-Original No. 35/21/040/00068/AM 09 dated 19.05.17 passed by Office of Jt. Director General of Foreign Trade, Madurai.
2. M/s Shree Murugan Enterprises Madurai had obtained an advance authorisation no. 3510024500 dated 26.08.2008, for a c.i.f. value of Rs. 38,05,550/- from the Office of Jt.DGFT, Madurai for export of dimensional dressed granite blocks for a FOB value of US\$ 38,05,550/- within a period of 24 months from the date of issue of authorisation. The firm had not submitted the required documents evidencing fulfilment of export obligation, after expiry of the export obligation period. Therefore, after following due process, Order in Original dated 19.05.2017 imposing penalty of Rs. 38,00,000/- was imposed on the firm and was also placed under Denied Entity List by the Adjudicating authority.
3. Aggrieved by the above said Order in Original, the firm has preferred the present appeal on 12.06.2017. The firm has requested to waive the condition of pre-deposit of penalty, as the export obligation had been fulfilled. The request of the firm has been considered and the condition of pre-deposit of penalty is hereby waived.

4. The firm has stated in the appeal that due to state government conducting investigation into all granite businesses in Madurai in the middle of the year 2012, police had taken most of their documents. Also as most of their staff had left the organisation, they could not submit the required documents and only partial documents were furnished. It is further stated in the appeal that they have appointed fresh staff who are on the task of submitting all the required documents to the department early. As they have completed the export obligation in full and only procedural formalities were pending, the firm has requested to set aside the order dated 19.05.2017.
5. The firm was called for personal hearings on various dates from 26.09.2017. Shri P.K.S.Surya Prakash, partner of the firm appeared for the personal hearing on 11.12.2017 and stated that all the required documents are ready to be submitted. The firm was given a final hearing on 16.01.2018. Subsequently the firm submitted copy of documents vide letter dated 25.06.2018, which prima facie seem to show that the export obligation had been fulfilled.
6. The contention of the firm that they were not able to submit the required documents as the same were seized by government in view of the investigation into granite businesses, seem to be true. It appears that there was no intention on the part of the firm to defraud the government.
7. I, therefore, in exercise of the powers vested in me under Section 15 of the Foreign Trade (Development & Regulation) Act, 1992 as amended, pass the following Order:

F.No. A(14)/Addl.DGFT/ECA/Che/AM 18/Madurai

Dated 25.7.2018

**ORDER**

1. The Order of the adjudicating authority is set aside
2. The case is remanded back to the Office of Jt.DGFT, Madurai for denovo examination. The firm shall produce all required documents to RA Madurai within 15 days of receipt of Order.
3. RA Madurai to examine the documents submitted by the firm. After examination of the documents, appropriate orders may be passed.

  
(D.K.SEKAR)

**Zonal Additional Director General of Foreign Trade**

**M/s Shree Murugan Enterprises**  
Plot No.3, First Floor,  
First East Street, K.K.Nagar,  
Madurai 625020