



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(15)/Addl.DGFT/ECA/Chen/AM 18/Cbe.

Dated 10 /05/2018

Name of the Appellant

M/s M.S.Karthikeyan Garments
SF No. 753, Poombukar Nagar,
Thennampalayam Extn.
Tirupur 641 604

Order appealed against

Order –in-Original No.
35/21/039/00002/AM 10 dated
27.10.2017
passed by Dy.DGFT, Coimbatore

Order-in-Appeal
Passed by

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

Order-in-Appeal

M/s M.S.Karthikeyan Garments, Tirupur has filed this Appeal under Section-15 of the Foreign Trade (Development & Regulation) Act, 1992, against Order-in-Original No. 35/21/039/00002/AM 10 passed by Dy.DGFT, Coimbatore.

2. M/s M.S.Karthikeyan Garments, Tirupur had obtained an Annual Advance Authorisation No. 3210040369 dated 18.05.2009, for a cif value of Rs. 1,50,00,000/- from the Office of JDGFT, Coimbatore, with export obligation for a FOB value of US\$ 332326.28 within a period of 36 months from the date of issue of authorization. The Firm had not submitted documents evidencing fulfillment of export obligation after the completion of export obligation period. Therefore, Order-in-Original dated 27.10.2017 imposing penalty of Rs. 1,50,00,000/- was passed and the firm was also placed in Denied Entity List by the Adjudicating authority.

3. Aggrieved by the above said Order-in-Original, the firm has preferred the present appeal on 11.12.2017. In the Appeal the firm has requested for waiver of pre-deposit of penalty as the firm is not financially sound to make a deposit of Rs. 1,50,00,000/- After considering the circumstances enumerated in the appeal, the condition of pre-deposit of penalty is hereby waived.

4. The firm in their appeal have stated that they have fulfilled the export obligation, but, could not submit the export obligation fulfillment documents and vide letter dated 16.08.2017 had sought 90 days time to submit the same, in response to the SCN issued to them. However the Order in Original was issued on 27.10.2017, i.e . before expiry of the period of 90 days sought for by the firm. The firm in their appeal had requested for an opportunity of Personal Hearing. Accordingly Personal Hearing was granted on 9.4.2018. Shri M.Saravana Kumar, Logistics Manager, authorized by the firm appeared for the personal hearing. He submitted copies of documents evidencing fulfillment of export obligation and stated that due to some unforeseen reasons redemption application could not be filed in time. He also stated that in reply to Show Cause Notice they had submitted copies of shipping bills, BRC etc. and asked for 90 days time to submit complete redemption documents and that before expiry of 90 days the adjudication orders had been issued. In view of the above facts the appellant has requested to set aside the penalty and remove them from DEL.
5. It appears from the appeal and the documents submitted during the personal hearing that the firm may have fulfilled the export obligation. However, it is a fact that the firm has not submitted the application for redemption even after expiry of the obligation period and after several reminders from the office of Jt.DGFT Coimbatore.

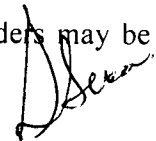
I, therefore, in exercise of the powers vested in me under Section 15 of the Foreign Trade (Development & Regulation) Act, 1992, as amended, pass the following Order:

ORDER

F.No. A(15)/Addl.DGFT/ECA/Chen/AM 18/Cbr.

Dated 10 /05/2018

1. The penalty imposed is reduced to Rs.50,000/- which shall be paid within 30 days from the date of this Order.
2. The case is Remanded back to the Office of Jt.DGFT, Coimbatore for denovo examination. The firm shall submit all the requisite original documents to RA Coimbatore within 15 days from the date of receipt of this Order. RA, Coimbatore to examine the documents submitted by the firm.
3. After examination of the documents submitted by the firm appropriate orders may be passed by RA Coimbatore.


(D.K.SEKAR)

Zonal Additional Director General of Foreign Trade

M/s M.S.Karthikeyan Garments
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