



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(27)/Addl.DGFT/ECA/Che/AM 18/Cbe

Dated 27 /02/2019

Name of the Appellant

M/s PVS Textiles Pvt.Ltd.  
SF No. 181/2, New 178/B2,  
Pethanaickenpalayam,  
Pongalore Post, Avinashi Taluk,  
P.Puliampatti,  
Coimbatore 638 459

Order appealed against

Order –in-Original No.  
32/21/040/00169/AM 09 dated  
14.02.2017 issued by Office of  
Jt.DGFT Coimbatore

Order-in-Appeal  
Passed by

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

### **Order-in-Appeal**

M/s PVS Textiles Pvt. Ltd., Coimbatore 638459 has filed this Appeal under Section-15 of the Foreign Trade (Development & Regulation) Act, 1992, against Order-in-Original No. 32/21/040/00169/AM 09 dated 14.02.2017 passed by Office of Jt.DGFT Coimbatore.

2. M/s PVS Textiles Pvt. Ltd. Coimbatore, had obtained and Advance Authorisation No. 3210039975 dated 12.03.2009 for a cif value of Rs. 44,37,545/- from the Office of Jt.DGFT, Coimbatore, with export obligation to export for a FOB value of US\$ 1,62,623, within a period of 24 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 no. 32/21/040/00169/AM 09 dated 14.02.2017 imposing penalty of Rs. 44,37,545/- 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 10.01.2018. The appellant has requested to waive the condition of pre-deposit of penalty imposed since they had fulfilled the export obligation. The request of the firm for waiver of condition of pre-deposit of penalty is allowed.

4. The firm has stated in the appeal that they had fulfilled the export obligation in September 2009 itself, but failed to submit the papers in time since the relevant papers were missed and could not be traced. On knowing that the firm had been put under DEL they approached the office and obtained the Order in Original on 28.11.2017. The appellant claims that they had submitted the redemption documents on 25.07.2017. Hence they have requested to set aside the Order-in-Original.

5.The appellant was granted personal hearing on 29.10.,2018. Shri N.Balaji, authorized representative attended the Personal Hearing. He stated that they did not receive the Order-in-Original and only in October 2017 did they come to know about the adjudication and received the Order on 28.11.2017. Hence they requested that the appeal be considered to have been filed on time. He also stated that the export obligation had been fulfilled and the documents had been filed in July 2017.He further stated that the firm was willing to regularize any shortfall, if advised by the office.

6.The Regional Authority was asked to intimate the date of receipt of Order-in-Original by the firm. While the Regional Authority (RA) did not specify the date of delivering the Order-in-Original to the firm, RA has only given the date of dispatch of the Order. RA has also confirmed that the redemption documents were submitted by the firm in July 2017.

7.I have gone through the submissions made in the appeal and during the personal hearing. The appellant claims to have come to know about the adjudication order only on 28.11.2017 after which they had filed the appeal on 10.1.2018, which means that they have filed within the time limit. It also appears that the appellant had fulfilled the export obligation in time but submission of redemption documents had been delayed. The appellant has stated they were willing to regularize if there was any shortfall in fulfillment. Even though the appellant states that the export obligation had been fulfilled early, it is seen that that the appellant had submitted the documents evidencing fulfillment of export obligation only after the Order in Original had been issued even though they claim to have received the order only much later. But the exporter had the intent of fulfilling the export obligation which they claim to have fulfilled and there does not seem to be any intent of causing loss the Government exchequer.

8. 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(27)/Addl.DGFT/ECA/Che/AM 18/Cbe

Dated 27/02/2019

1. The Order that no further authorization shall be issued to the firm or any other firm in which the Proprietor/Partners/Directors of the firm are directly involved, is set aside.
2. The penalty imposed by the adjudicating authority is reduced to Rupees One lakh which shall be paid within 30 days of the delivery of Order.
3. The case is remanded back to the Office of Jt.DGFT, Coimbatore for denovo examination. Documents submitted by the firm may be examined and appropriate orders be issued.

Sd/-

**(D.K.SEKAR)**

Zonal Additional Director General of Foreign Trade

**M/s PVS Textiles Pvt.Ltd.**  
SF No. 181/2, New 178/B2,  
Pethanaickenpalayam,  
Pongalore Post, Avinashi Taluk,  
P.Puliampatti,  
Coimbatore 638 459

Copy to: **Jt.DGFT, Coimbatore, for necessary action.**

  
**(D.K.SEKAR)**