



भारतसरकारGovernment of India

वाणिज्यएवंउद्योगमंत्रालयMinistry of Commerce and Industry

आंचलिकअपरमहानिदेशकविदेशव्यापारकाकार्यालय

Office of the Zonal Additional Director General of Foreign Trade

26, हैडोसरोड26, Haddows Road

चौथी मंज़िल, शास्त्रीभवनअनेक्स4<sup>th</sup> Floor, Shastri Bhavan Annexe

चेन्नै-600006 Chennai - 600006

Phone:044-28283404/08

E-mail:chennai-dgft@nic.in

F.NO. A(98)/(99)/Addl.DGFT/Che/AM 20

Date of Order: 05/06/2020

Name of the Appellant

M/s K.T.Spinning Mills (P) Ltd.  
43, Vaiyapuri Mudali Street,  
Ammamet, Salem 636003  
IEC 3201008087

Order appealed against

Orders –in-Original Nos.  
(as tabulated)  
passed by Jt..DGFT, Coimbatore

Order-in-Appeal  
Passed by

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

### Order-in-Appeal

M/s K.T.Spinning Mills (P) Ltd. Salem 636003 has filed this Appeal under Section 15 of the Foreign Trade (Development & Regulation) Act, 1992 against Orders-in-Original Nos. as tabulated below, passed by Jt.DGFT, Coimbatore.

S. No.	Appeal File No./ date of appeal	Order in Original No. and date	EPCG Authn.. No. And date	Penalty imposed( Rs.)
1.	A(98)/ECA/Che/AM20/ Appeal dated 23.03.2020	32/21/021/01350/AM 07 Dated 31.10.2019	3230007928 dt. 21.09.2006	1,00,000/-
2.	A(99)/ECA/Che/AM20/ Appeal dated 23.03.2020	32/21/021/00653/AM06 dt. 18.10.2019	3530005046 dt. 12.08.2005	1,00,000/-

2. M/s K.T.Spinning Mills(P) Ltd., Salem 636003 had obtained the above EPCG Authorisations from the Office of Jt.DGFT Coimbatore for import of Capital Goods, with obligation to export Cotton Yarn within a period of 8 years from the date of issue of authorization. As no documents were submitted after expiry of the export obligation period, Show Cause Notices were issued to the firm in respect of the above authorizations. Later the firm was issued Orders in Original dated as tabulated above against the respective authorizations and penalty as above were imposed and the firm was placed in DEL.

3. Aggrieved by the Order in Original the firm has filed appeals in respect of the above two authorizations on 23.03.2020. The firm has requested to waive the condition of predeposit of penalty as they are facing financial hardship as they have already paid the duty for one of the authorisations.. The request of the appellant is allowed.

4. The appellant has in the appeal stated that they could not fulfil the export obligation due to poor export orders for cotton yarn and they had made partial exports against one authorization (No. 3230007928) and had utilized only part of the duty saved allowed for which the entire duty saved amount utilized has been paid to Customs. In the other authorization (No. 3230005046) it is stated that they were unable to export due to poor export market and have requested for 3 years time to complete the export obligation. It is also stated that there were no malafide intentions of cheating the Government. It is stated that the appellant is unable to pay the interest and penalty as there was severe funds crunch. Therefore the appellant has requested to set aside the order of penalty.

5. I have gone through the appeal and the submissions made therein. It is seen that the date of issue of Orders in Original are 31.10.2019 and 18.10.2019 and the appeals have been filed on 23.03.2020. Even if the date of receipt of the Orders in Original are taken into account, it is beyond the time limit prescribed for condonation of delay in filing of appeal.

6. Section 15 (1)(b) of the Foreign Trade (Development & Regulation) Act, 1992, as amended reads as follows:

(b) ' Where the decision or order has been made by an officer subordinate to the Director General, to the Director General or to any officer superior to the adjudicating authority authorized by the Director General to hear the appeal, within a period of forty-five days from the date on which the decision or order is served on such person; Provided that the appellate authority, may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the aforesaid period, allow such appeal to be preferred within a further period of thirty days'.

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:

**ORDER**

F.NO. A(98)/(99)/Addl.DGFT/Che/AM 20

Date of Order: 05 /06/2020

Appeals of the firm are dismissed, as the same are time barred.



**(D.K.SEKAR)**

**Zonal Additional Director General of Foreign Trade  
and Appellate Authority**

M/s K.T. Spinning Mills (P) Ltd.  
43, Vaiyapuri Mudali Street,  
Ammamet, Salem 636003