

Government of India
Ministry of Commerce & Industry
Directorate General of Foreign Trade
Udyog Bhawan, New Delhi -110011

F.No. 18/78/2018-19/ECA-I/179

Date of Order: 07.08.2019

Date of Dispatch: 09.08.2019

Name of the Applicant:

G. Plast Pvt. Ltd., Gopal Bagh, 1065, Avinashi Road
Coimbatore – 641 018.

IEC No. :

0795013302

Order reviewed against:

Order-in-Appeal
No.A(11)/Addl.DGFT/ECA/Che/AM18/Cbe. dated
17.12.2018 passed by Addl. DGFT, Chennai.

Order-in-Review passed by:

Shri Alok Vardhan Chaturvedi, DGFT

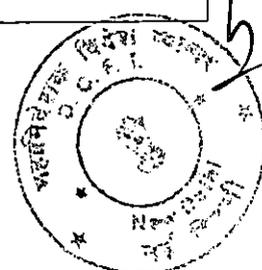
Order-in-Review

G. Plast Pvt. Ltd., Coimbatore filed a Review Petition dated 18.01.2019 under section 16 of the Foreign Trade (Development & Regulation) Act, 1992 against Order-in-Appeal No. A(11)/Addl.DGFT/ECA/Che/AM18/Cbe. dated 17.12.2018 passed by the Addl. DGFT, Chennai dismissing the appeal.

Brief Facts of the Case

2. G. Plast Pvt. Ltd., Coimbatore obtained the following six EPCG authorizations from RA Coimbatore as per provisions of the Foreign Trade Policy prevalent on the date of issuance of such authorisations.

S.No.	Authorization No. & date	Duty Saved (Rs.)	FOB(US\$) of export obligation	Export Obligation Period
1.	3230005047 dated 12.08.2005	6,93,406	1,26,939	8 years
2.	3230005907 dated 26.12.2005	1,89,491	34,335	8 years
3.	3230006301 dated 03.03.2006	4,52,122	81,371	8 years
4.	3230006326 dated 08.03.2006	1,51,699	27,180	8 years



5.	3230006556 dated 29.03.2006	1,52,000	27,113	8 years
6.	3230004555 dated 19.05.2005	3,16,939	57,757	8 years

The capital goods imported against these authorizations were free of customs duty with the obligation to make specific exports for the value as shown in the above given table. This export obligation was over and above the annual average level of exports being made by the petitioner. As per conditions of these Authorisations, the petitioner was required to submit the prescribed export documents towards fulfillment of export obligation (EO) within the time frame as mentioned in the relevant FTP.

2.2 The petitioner did not submit documents evidencing fulfillment of export obligation. Six Demand cum Show Cause Notices dated 17.04.2013, 27.01.2014, 17.02.2014, 17.02.2014; 26.02.2015 and 31.12.2013 under section 14 for action under section 11(2) of Foreign Trade (Development & Regulation) Act, 1992 were issued to the petitioner since it did not fulfill the export obligation. The petitioner neither replied to the Show Cause Notices nor appeared in personal hearing granted to it. The Adjudication Authority passed six orders i.e. Order-in-Original No. 32/21/021/00627/AM06 dated 21.07.2016 imposing a penalty of Rs. 13,86,812/-, Order-in-Original No. 32/21/021/01051/AM06 dated 21.07.2016 imposing a penalty of Rs. 3,78,982/-, Order-in-Original No. 32/21/021/01497/AM06 dated 21.07.2016 imposing a penalty of Rs. 9,04,244/-, Order-in-original No. 32/21/021/01547/AM06 dated 21.07.2016 imposing a penalty of Rs. 3,03,398/-, Order-in-Original No. 32/21/021/01776/AM06 dated 21.07.2016 imposing a penalty of Rs. 3,04,000/- and Order-in-Original No. 32/21/021/00188/AM06 dt.02.08.2016 imposing a penalty of Rs. 6,33,878/-. The petitioner was also placed in Denied Entity List by the Adjudication Authority.

2.3 The petitioner filed an appeal on 26.10.2017 before the Appellate Authority against aforesaid six Orders-in-Original under section 15 of Foreign Trade (Development & Regulation) Act, 1992. The Appellate Authority, vide the Order-in-Appeal dated 17.12.2018 rejected the appeal as time barred.

3. The petitioner has now submitted a review petition dated 18.01.2019 before DGFT requesting quashing all six Orders-in-Original the penalty. The petitioner has submitted the following:

- (i) It has fulfilled entire export obligation within half of the stipulated EO period. But, it failed to submit the documents due to resignation of staff in its documentation department.
- (ii) Only on receipt of Orders-in-Original, it came to know that authorizations have not been closed.
- (iii) It submitted the entire documents on 05.01.2017.

4. The petitioner was afforded an opportunity of personal hearing on 14.02.2019 wherein it reiterated the written submissions. A status report was called from the R.A. Coimbatore. It



was reported that the petitioner has failed to fulfill specific export obligation against all the six EPCG authorizations. The export documents i.e. the shipping bills submitted by the petitioner claiming fulfillment of the specific export obligation pertain to some other EPCG authorizations and hence inadmissible. I have gone through the facts and records carefully and submissions of firms during personal hearing. It is observed that the petitioner did not fulfill the specific export obligation in respect of all the above mentioned six authorizations.

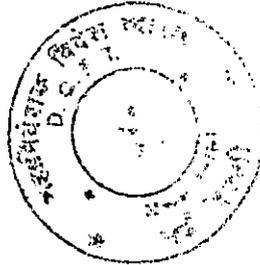
5. I, therefore, in exercise of powers vested in me under section 16 of Foreign Trade (Development & Regulation) Act, 1992 as amended pass the following order:

Order

F.No. 18/78/2018-19/ECA-I

Dated: .08.2019

The Order-in-Appeal dated 18.01.2019 and the Orders-in-original dated 21.07.2016, 21.07.2016, 21.07.2016, 21.07.2016, 02.08.2016 are upheld. Review appeal is dismissed.




(Alok Vardhan Chaturvedi)
Director General of Foreign Trade

Copy To:

- ✓ (1) G. Plast Pvt. Ltd., Gopal Bagh, 1065, Avinashi Road Coimbatore – 641 018.
- (2) Addl. DGFT, 26 Haddows Raod, Shashtri Bhawan Annexe, Chennai -600006.
- (3) Joint DGFT, 1544, India Life Building (annexe), I Floor, Trichy Road, Coimbtore – 641018 with a direction to make recoveries.
- (4) DGFT website



(Dilip Kumar)

Dy. Director General of Foreign Trade