

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

F. No. 18/26/2023-24/ECA-I/P-38686/253 Date of Order : 28th.02.2024
Date of Despatch: 29th.02.2024

Name of the Petitioner: M/s J.P Silk Mills, Unit II, Village Balkalan,
Majitha Road, Amritsar 143001.

IEC No. IEC-1299001025

Order Reviewed against: Order-in-Appeal
F.No.05/16/140/0052/AM23/Appeal/CLA/1453157
dated 07.08.2023 passed by Additional DGFT, CLA
New Delhi.

Order-in-Review passed by: Santosh Kumar Sarangi, DGFT

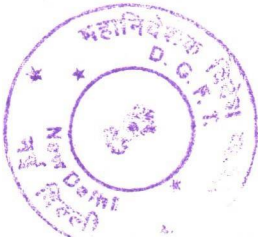
Order-in-Review

M/s J.P.Silk Mills (here-in-after referred to as 'the petitioner') having IEC-1299001025 filed Review Petition dated 27.09.2023 under Section 16 of the Foreign Trade (Development & Regulation) Act, 1992, as amended (here-in-after referred to as 'the Act') against Order-in-Appeal (OIA) F.No.05/16/140/0052/AM23/Appeal/CLA/1453157 dated 07.08.2023 passed by Additional DGFT, CLA New Delhi dismissing the appeal being time barred and Order-in-Original (OIO) No.LDAECAAPPLY00000025AM23 dated 20.06.2022 passed by Dy. DGFT, RA, Ludhiana.

Brief of the Case

2. M/s J.P.Silk Mills, Amritsar had obtained EPCG authorization No.1230000550 dated 06.08.2009 for duty saved value of Rs.3,24,869/- with condition that they shall fulfill export obligation in free foreign exchange.

3. After expiry of export obligation period, a show cause notice dated 27.05.2022 was issued and since there was no response from the firm, RA, Ludhiana passed Order-in-Original (OIO) No.LDAECAAPPLY00000025AM23 dated 20.06.2022 and imposed a



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fiscal penalty of Rs.10,000/- in addition to Customs duty and interest calculated from the date of issuance of the authorization.

4. Aggrieved by the above Order-in-Original, the Petitioner filed an appeal dated 02.01.2023 (i.e after 125 days) and it was rejected by CLA, New Delhi vide Order-in-Appeal F.No.05/16/140/0052/AM23/Appeal/CLA/1453157 dated 07.08.2023, being time barred.

5. Now, the petitioner has filed Review Petition dated 27.09.2023 and stated that they have fulfilled all the conditions of EPCG authorization issued by the licensing authority and documents submitted to RA, Ludhiana. A Deficiency letter was issued by RA, Ludhiana and due to covid and unavoidable circumstances the reply of deficiency letter could not be submitted to DGFT office by the firm. The petitioner has also prayed to set aside OIA and grant a personal hearing.

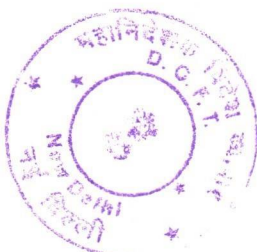
6. The Reviewing Authority had granted PH to the petitioner on 06.02.2024 at 02.00 pm. Shri Vikash Khanna and Mr. Kulbhushan, representatives of M/s J.P Silk Mills attended the meeting on behalf of the firm.

7. Shri Utpal Kumar Acharya, Joint DGFT, Ludhiana and Shri Saurab Goyal, Dy. DGFT, Addl. DGFT Office (CLA), New Delhi attended the meeting.

8. I have gone through the facts and records of the case carefully. The Petitioner obtained an EPCG authorization No.1230000550 dated 06.08.2009 for a duty saved value of Rs.3,24,869/- with the condition that they shall fulfill export obligation in free foreign exchange. After expiry of export obligation period, a show cause notice dated 27.05.2022 was issued to the applicant. Since, there was no response from the firm, RA, Ludhiana passed Order-in-Original (OIO) No.LDAECAAPPLY00000025AM23 dated 20.06.2022 and imposed a fiscal penalty of Rs.10,000/- in addition to Customs duty and interest calculated from the date of issuance of the authorization. The firm has submitted that due to Covid and ^{un}avoidable circumstance, the reply of deficiency letter could not be submitted to DGFT office. However, the firm has fulfilled the EO and the required documents submitted to RA office. Aggrieved by the said Order-in-Original, they filed Appeal and Zonal office DGFT, CLA New Delhi rejected the appeal being time barred.

9. I therefore, in exercise of powers vested in me under Section 16 of the Act pass the following order:-





ORDER

F. No. 18/26/2023-24/ECA-I/P-38686/253

Dated : 28 .02.2024

The Review Petition dated 27.09.2023 filed by the petitioner is admitted. The Order-in-Original No. LDAECAAPPLY00000025AM23 dated 20.06.2022 passed by Dy. DGFT, RA, Ludhiana and Order-in-Appeal No. 05/16/140/0052/AM23/Appeal/CLA/1433157 dated 7.8.2023 passed by Addl. DGFT(CLA), New Delhi are set aside. The case is remanded back to RA, Ludhiana for de-novo consideration.



(Signature)
28.2.2024

(Santosh Kumar Sarangi)

Director General of Foreign Trade

Copy to:-

1. M/s M/s J.P Silk Mills, Unit II, Village Balkalan, Majitha Road, Amritsar 143001
2. The Addl. Director General of Foreign Trade, CLA, New Delhi.
3. The Joint Director General of Foreign Trade, Ludhiana.
4. Central Economic Intelligence Bureau, 1st, 6th & 8th Floor, 'B' Wing, Janpath Bhawan, Janpath, New Delhi – 110001.
5. DGFT Website.

(Signature)

(Manoj Kumar Meena)

Dy. Director General of Foreign Trade