

2

BY SPEED POST

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
OFFICE OF THE ADDL. DIRECTOR GENERAL OF FOREIGN TRADE
4, ESPLANADE EAST : KOLKATA : 700 069.
e-mail : dgft@wb.nic.in, Tel.: 2248-6831-34

No.18/423/13-14/ECA/CAL/279/

Dated:- 28.07.2014.

ORDER-IN-ORIGINAL.

Passed by:-

K.M.Harilal, Deputy Director General of Foreign Trade.,

1. Any person/party aggrieved by the order may, under section 15 of the Foreign Trade (Development and Regulation) Act, 1992 file an appeal against the same to the appropriate authority, i.e, the Additional Director General of Foreign Trade, 4, Esplanade East, Kolkata-700069 within a period of 45 days from the date of serving of this Adjudication Order together with a copy of this order and a complete set of evidence to be relied upon in support of the appeal in the form of an annexure.
2. Any person/party desirous of filing an appeal against this order shall deposit the penalty amount along with the appeal to the Appellate Authority failing which, the appeal is liable to be rejected for non-compliance of the provisions of section 15 (1) of the Foreign Trade (Development and Regulation) Act, 1992.
3. The penalty amount is to be deposited within a period of 15 days from the date of issue of this order under the head of account "1453 Foreign Trade & Export Promotion, Minor Head-102 other receipts, fines and penalties etc." failing which, the Importer Exporter Code Number No.0288000021 allotted to the party may be suspended without any further notice, till payment of the full fiscal penalty amount.
4. I have gone through the facts and records of the case carefully. I find that M/s. GAYSON & Co.Pvt. Ltd., 6G, Everest, 46-C, Jawahr Lal Nehru Road, Kolkata-700071 obtained DEPB(60 Nos.) and FMS(07 Nos.) fraudulently from this office by exporting Ferro-Silicon declaring the same as Indian origin whereas those were of Bhutanese Origin. Total value of the DEPB & FMS availed by them was Rs.32,59,214.00 & Rs.4,37,731.00 respectively. Grand total was Rs.36,96,945.00.
5. And whereas the party in their deposition during the course of investigation before the DRI, Kolkata Zonal Unit has admitted their claiming of DEPB & FMS benefits on Ferro-Silicon of third-country origin and voluntarily deposited the entire amount alongwith the applicable interest to the Directorate of Revenue & Intelligence, Kolkata Zonal Unit.

PTO

6. Therefore, it is established that the firm availed the export benefit fraudulently suppressing the fact that the goods (Fesi) exported were of Bhutanese Origin from where the same were imported to India and then re-exported without making any value addition as observed by the DRI, Kolkata Zonal Unit.
7. And whereas a Show Cause Notice was issued to the firm & their Directors under Section 13 of the Foreign Trade (Development & Regulation) Act, 1992 on 02.07.2014 calling upon to **Show Cause** under section 11.3 of the Act as to why fiscal penalty should not be imposed against them for mis-declaration & violation of provisions of the above mentioned Act.
8. And whereas an authorised representative appeared before the undersigned on behalf of the firm and he claimed that they did not know the origin of the material. Representative informed that the firm had already paid entire amount of DEPB/FMS alongwith interest to DRI and this has been confirmed by the DRI also.
9. However, no prudent exporter can be unaware of the origin of material when he purchases from open market/Traders and it can not be considered as a bonafide mistake which can be overlooked.
10. Therefore, in exercise of the powers vested upon me under Section 13 of the Foreign Trade (Development & Regulation) Act, 1992 and Section 11 of the said Act., I hereby impose fiscal penalty of Rs.3,00,000/- (Rupees Three lakhs) only.
11. This action is without prejudice to any other actions that may be taken against the noticee firm under the Foreign Trade (Development and Regulation) Act, 1992 and the rules and order made there under or any other act or law in force.



(K.M.Harilal

DEPUTY DIRECTOR GENERAL OF FOREIGN TRADE

E.mail ID : km.harilal@nic.in

Tel.No.033-2248-5892

1. M/s.GAYSON & CO.(P) Ltd.,18-D, Everest, 46C,Chowringhee Road, Kolkata - 700071.
2. Shri Bakhshis Singh, 3/1, Mandeville Garden, Kolkata-700019.
3. Shri Bhupinder Singh, 3/1, Mandeville Garden, Kolkata-700019.
4. Shri Amardeep Singh, 3/1, Mandeville Garden, Kolkata-700019.
5. Shri Chetan Aggarwala, 1/D-1, Aasha Co-op. Housing Society Ltd., 93, Deshpran Sasmal Road, Kolkata-700033.
6. FTDO (B.L.Cell)
7. Shri K.V.S.Singh, Addl.DG, DRI, Kol.Zonal Unit, Kolkata - 700071