



WEB COPY

WP No. 3679 of 2024



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06-11-2025

CORAM

THE HONOURABLE MR JUSTICE M.DHANDAPANI

**WP No. 3679 of 2024
&WMP.Nos.3969, 3970 & 3971 of 2024**

1. M/s.Primex Clothings Pvt. Ltd.,
Rep. by its Director
Shri.A.Nithyanandam, No.37,
Bridgeway Colony Extension,
Tiruppur - 641 607.

2.Shri.A.Nithyanandam
S/o.Shri.Arumuga Raj, No.37,
Bridgeway Colony Extension,
Tiruppur - 641 607.

Petitioner(s)

Vs

1.The Director-General of Foreign
Trade
Ministry of Commerce and Industry
Directorate General of Foreign Trade,
Udyog Bhavan, H Wing,
Gate No.2, Maulana Azad Road
New Delhi - 110 011.

2.The Joint Director General of Foreign
Trade,
India Life Building, Trichy Road,
Highways Colony, Ramanathapuram
Coimbatore - 641 018.

3.The District Collector
Collectorate, Cotton Market Building
Palladam Road, Tiruppur - 641 604.



4.The Thasildar
Uthukulli, Tiruppur - 641 604.

Respondent(s)

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PRAYER

This Writ Petition is filed under Article 226 of the Constitution of India, seeking for a writ of Certiorarified Mandamus, calling for the records of the 2nd respondent in F.No.32/21/088/163/AM-14 dated 20.10.2023, quash the same and direct the 1st respondent herein to grant hearing on the review application dated 15.05.2023 and take a decision thereon with respect to the same by deleting the penalty imposed and quantified at Rs.75,43,043/- made under proceedings dated 29.10.2021 attributable to the 2nd respondent herein.

For Petitioner(s): Mr.B.Satish Sundar

For Respondent(s): Mr.A.Kumaraguru,
Special Panel Counsel
for R1 & R2
Mr.M.Rajendiran,
Additional Government Pleader
for R3 & R4

ORDER

This writ petitioner is filed to call for the records of the 2nd respondent in F.No.32/21/088/163/AM-14 dated 20.10.2023, quash the same and direct the 1st respondent herein to grant hearing on the review application dated 15.05.2023 and take a decision thereon with respect to the same by deleting the penalty imposed and quantified at Rs.75,43,043/- made under proceedings dated 29.10.2021 attributable to the 2nd respondent herein.

2. The case of the petitioner is that the petitioner is a garment manufacturing unit engaged in the simport of raw materials and export of finished products. They obtained an IE Code and were registered with the GST



authorities. In 2013, they applied for Status Holder Incentive Scrip (SHIS) benefits based on their incremental exports during 2009-2010. The Script was issued to them but later the authorities raised objections stating that the application was filed after the cut-off date for issuing the scrip. Despite issuing the scrip initially, the authorities sought to withdraw it and demanded its value along with a penalty.

3. Following which, the petitioner made a notional surrender of the scrip and paid a sum of Rs.19,10,763/-, which included the profit from the transfer of the scrip and notional interest. The petitioner then approached the Policy Relaxation Committee (PRC) for regularization, but their claim was rejected. A demand cum show cause notice was subsequently issued by the authorities, directing the petitioner to pay the remaining amount along with interest.

4. The petitioner thereafter sought for withdrawal of the show cause notice highlighting the department's fault in issuing the script late. However, the authorities scheduled a personal hearing. Thereafter, the petitioner sought for rescheduling the personal hearing. Despite this, the authorities proceeded with the hearing and disposed of the petitioner's objections. The authorities thereafter, communicated to the petitioner and the revenue department, directing them to initiate recovery action for the outstanding amount. Challenging the same the present writ petition is filed with the above said prayer.



5. The learned counsel for the petitioner would submit that as against the impugned order passed by the second respondent, the petitioner has preferred an review application under Section 16 of the Foreign Trade (Development and Regulation) Act, 1992 before the first respondent on 15.05.2023. He thereafter, seeks for a direction to the first respondent to dispose of the review application of the petitioner, after providing an opportunity of hearing to the petitioner, within a stipulated period as prescribed by this Court.

6. Heard both sides and perused the materials available on record.

7. In view of the submission made by the learned counsel for the petitioner, the first respondent is now directed to consider the review application of the petitioner dated 15.05.2023 and pass appropriate orders, after providing an opportunity of hearing to the petitioner, within a period of twelve (12) weeks from the date of receipt of a copy of this order.

8. The writ petition is accordingly disposed of. No costs. Consequently, the connected miscellaneous petitions are closed.

06-11-2025

Tsg
Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No



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Trade
Ministry Of Commerce And Industry
Directorate General Of Foreign Trade,
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