Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan, New Delhi-110011
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01/89/180/31/PSIA/AM-24/PC(A)

Date of Order: 10.07.2026
Date of Issue: 10.07.2026

Name of the Agency: **M/s Tubby Impex Private Limited**
C-54, 3rd Floor,
South Extension Part-2,
New Delhi – 110048

Order passed by: **Shri. Rakesh Kumar**
Addl. Director General of Foreign Trade

ORDER-IN-ORIGINAL

Any person/party aggrieved by this order may prefer an appeal under Section 15 of the Foreign Trade (Development and Regulation) Act, 1992 before the Competent Authority. The appeal may be filed within 45 days from the date of receipt of this Adjudication Order, together with a copy of this Order and a complete set of the evidence relied upon, as Annexure to the appeal.

2. Any person/party desirous of filing an appeal against this order shall deposit the penalty amount and produce proof of payment of 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 of the Foreign Trade (Development and Regulation) Act, 1992.

3. The penalty amount is to be deposited under the Head of Account "1453 Foreign Trade and Export Promotion Minor Head 102 other receipts fines and penalties etc. Imports and Exports Control Organization". Evidence of payment of penalty is required to be furnished to the Adjudicating Authority within 45 days from the date of service of this Adjudication Order.

4. FACTS OF THE CASE

4.1 M/s Tubby Impex Private Limited, having its registered office at C-54, 3rd Floor, South Extension Part-2, New Delhi – 110048 (hereinafter referred to as the 'Agency' or the 'Noticee'), is a Pre-Shipment Inspection Agency (PSIA) recognized by the Directorate General of Foreign Trade (DGFT) vide Public Notice No. 48/2015-2020 dated 05.01.2023. The Agency was granted recognition as per Para 2.52 of the Handbook of Procedures (hereinafter referred to as 'HBP'), as amended from time to time, for conducting pre-shipment inspections of metallic scrap consignments intended for import into India and issuing Pre-Shipment Inspection Certificates (hereinafter referred to as 'PSICs') in connection therewith.

4.2 During the review, it was observed that the Agency had reported an unusually high volume of inspections within short and overlapping time windows, including 563 inspections on a single day (10.05.2024), 545 inspections on 15.05.2024, 509 inspections on 16.05.2024 and 471 inspections on 20.05.2024, amongst other high-volume days, conducted across multiple geographically distant locations against only 7 authorised equipment/instruments and 7 authorised countries, at an average daily inspection rate of 199 during the period 1st January, 2024 to 31st August, 2024. With specific reference to 10.05.2024, identical inspection instrument numbers, namely Instrument Nos. 100625, 100626, 100627, 100628, 100629, 100630, 200132 and 200134, were found reflected against PSICs issued for inspections purportedly carried out simultaneously in geographically distant countries using the same instrument.

4.3 On further examination of records, it was observed that multiple Pre-Shipment Inspectionswere conducted on the same date against single registered inspection instruments by different inspectors of the Agency operating from geographically distant locations. The specific instances included Instrument No. 100625, against which 26 Pre-Shipment Inspections were conducted on 10.05.2024 by eight inspectors, namely Mr. Baryal Jean Marie Baleekdar, Mr. Himanshu Shah, Mr. Jason Edward Zorzust, Mr. Jason Edwardzorzust, Mr. Karthik Amrish Kumar Patel, Mr. Marcos, Mr. Ram Khanna and Mr. Salama Shai, operating across Australia, Hong Kong, Malaysia, Mauritius, Nepal, Puerto Rico, Sweden and Venezuela; Instrument No. 100626, against which 96 Pre-Shipment Inspections were conducted on 10.05.2024 by six inspectors, namely Mr. Arold Olibiris, Mr. Fabricio Do Nascimento Pimentel, Mr. Jack Daniel, Mr. Luu Hine Duc, Mr. Salama Shai and Mr. Surjit Das, operating from Chile, Latvia, Mexico, Saudi Arabia, Spain, UK, USA and Vietnam; Instrument No. 100627, against which 118 Pre-Shipment Inspections were conducted on 10.05.2024 by five inspectors, namely Mr. Jason Edward, Mr. M. Shakeel, Mr. Ram Khanna, Mr. Surjit Das and Mr. Viral Kumar, operating from Australia, Germany, Sri Lanka, UAE, USA and Yemen; Instrument No. 100628, against which 63 Pre-Shipment Inspections were conducted on 10.05.2024 by nine inspectors, namely Mr. Antonio Banderas, Mr. Edgardo, Mr. Himanshu Shah, Mr. Jack Daniel, Mr. Luis Rico, Mr. Luu Hen Duc, Mr. Ram Khanna, Mr. Stang Hee and Mr. Youngjun Kevin Lee, operating from Bangladesh, Colombia, Germany, Panama, Puerto Rico, Republic of Korea, USA and Vietnam; Instrument No. 100629, against which 58 Pre-Shipment Inspections were conducted on 10.05.2024 by seven inspectors, namely Mr. Isaac Angking, Mr. Jason Edwardzorzust, Mr. Nars Miller, Mr. Tetevi Amah, Mr. Trision Reece, Mr. Triston Reece Pillay and Mr. Wali Pasha Abdul Salam Shaikh, operating from Belgium, Ghana, Gambia, Greece, Singapore and South Africa; Instrument No. 100630, against which 114 Pre-Shipment Inspections were conducted on 10.05.2024 by eight inspectors, namely Mr. Abdul Salam Shaikh, Mr. Aquenaton Teotonio Remaih, Mr. Jean-Louis Mussard, Mr. Mazhar Ulla Khan, Mr. Muhammed Hassan, Mr. Ravikant Parashar, Mr. Salama Shai and Mr. Surjit Das, operating from Germany, Ghana, Kuwait, Peru, Poland, Reunion, Saudi Arabia, UK and Yemen; Instrument No. 200132, against which 08 Pre-Shipment Inspections were conducted on 10.05.2024 by three inspectors, namely Mr. Girishkumar Patel, Mr. Luu Hien Duc and Mr. Zacky Anwar, operating from Indonesia, Italy and Vietnam; and Instrument No. 200134, against which 73 Pre-Shipment Inspections were conducted on 10.05.2024 by four inspectors, namely Mr. Glynn Judd, Mr. Jason Edward, Mr. Krishnan and Mr. P. K. Raju, operating from Australia, Malaysia and Singapore. The simultaneous deployment and use of each such single inspection instrument across multiple countries and geographically distant locations on the same date appears physically and logistically impracticable and raises serious concerns regarding the integrity, authenticity, traceability and actual utilisation of the inspection instruments purportedly used for carrying out the said inspections, creating a reasonable apprehension that the PSICs may have been issued in a routine or 'table-based' manner, without the conduct of the requisite physical inspections.

4.4 The facts and circumstances available on record, particularly the issuance of multiple Pre-Shipment Inspection Certificates within a stipulated duration using a single instrument and involving inspections at geographically distant locations, give rise to a reasonable apprehension regarding the reliability, transparency, and consistency of the inspection process adopted by the Agency. These circumstances cast a reasonable doubt on the fairness and certainty of the operations carried out by the Agency and undermine the credibility of the certifications issued thereunder.

4.5 As per Para 2.54 of the Handbook of Procedures, a Pre-Shipment Inspection Agency is obligated to inspect metal scrap consignments physically at the site of inspection to ensure compliance with Indian standards and laws, and to ensure that no radioactive contaminated material or other hazardous waste is imported into India under the guise of metal scrap. The import of metallic waste or scrap is accordingly a matter of national security interest, and the recognition of agencies and subsequent issuance of PSICs is subject to strict scrutiny.

4.6 In view of the above, Para 2.53(a) of the HBP provides, 'In case of any mis-declaration in PSIC or mis-declaration in the online application form for recognition as PSIA, the PSIA would be liable for penal action under Foreign Trade

(Development & Regulation) Act, 1992, as amended, in addition to suspension/ cancellation of recognition.'

4.7 Further, as per Section 11(2) of the Foreign Trade (Development & Regulation) Act, 1992 (hereinafter referred to as the 'FTDR Act'), where any person makes or abets or attempts to make any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy, he shall be liable to a penalty as prescribed thereunder.

4.8 Additionally, as per Section 11(3) of the FTDR Act, where any person signs or uses, or causes to be made, signed or used, any declaration, statement or document submitted to the Director General or any officer authorised by him under this Act, knowing or having reason to believe that such declaration, statement or document is forged or tampered with or false in any material particular, he shall be liable to a penalty as prescribed thereunder.

4.9 In compliance with Section 14 of the FTDR Act, a Show Cause Notice bearing File No. 01/89/180/31/PSIA/AM24-PC(A) dated 19.09.2024 was issued to the Noticee, setting out the specific discrepancies and relied-upon evidence and informing it of the grounds on which it was proposed to impose a penalty, including suspension or cancellation of recognition, and calling upon it to make a representation within a reasonable time before the Adjudicating Authority. A personal hearing was accordingly provided on 30.12.2024. Subsequently, an Addendum to the Show Cause Notice bearing No. 01/89/180/31/PSIA/AM-24/PC(A) dated 07.04.2026 was issued on account of a change in the Adjudicating Authority, thereby necessitating a fresh personal hearing, which was scheduled on 04.05.2026, with liberty to the Noticee to file additional written submissions within 15 days from the date of the Addendum. Pursuant thereto, the Noticee filed an interim reply dated 23.04.2026, followed by its Final Reply to the Addendum dated 22.05.2026.

5. SUBMISSIONS OF THE AGENCY

The Agency submitted the following before the Adjudicating Authority:

5.1 The Agency submitted that the issuance of a Pre-Shipment Inspection Certificate is a multi-stage process involving (a) physical inspection of the goods at site, (b) drafting and internal processing of the inspection report including corrections/amendments, and (c) commercial and documentary reconciliation with Letter of Credit conditions and shipping documents. It was contended that the DGFT portal captures only the final PSIC issuance date and not the date/time of physical inspection, and that treating the two as identical is factually incorrect and technically unsound.

5.2 The Agency submitted that its inspection operations span multiple countries and time zones, and that consequent time-zone differentials — ranging, by way of illustration, from approximately 9 hours 30 minutes behind IST for Puerto Rico/Venezuela to approximately 4 hours 30 minutes ahead of IST for Australia — naturally result in differing recorded calendar dates across jurisdictions, which cannot be treated as evidence of irregularity.

5.3 The Agency submitted that the 556 questioned PSICs constitute a statistically insignificant proportion of the 48,434 inspections reported by it during the period 1st January 2024 to 31st August 2024, and that an adverse inference of systemic irregularity cannot be drawn from such a minor subset, particularly when the overwhelming majority of its PSICs remain unquestioned and unimpeached.

5.4 The Agency submitted that the burden to prove non-inspection, with positive, direct and reliable evidence, rests exclusively on the Authority, and that no specific PSIC has been identified for which the Authority possesses irrefutable, field-level evidence of non-inspection. It was contended that there exists a legal presumption of regularity in the performance of official acts, which the Authority has failed to rebut.

5.5 The Agency submitted that it has consistently complied with the requirements of Para 2.52(e) of the HBP regarding prior intimation to DGFT for inspections carried out through deputed Inspectors in countries where it does not maintain a full-time branch office, and that the Addendum fails to particularise any specific instance of non-compliance with the said intimation requirement.

5.6 The Agency submitted that several of the questioned PSICs pertain to countries falling within the 'safe country/region' framework recognised under Public Notice No. 46 (2015-2020) dated 14.01.2022, which amended Para 2.54(d)(v)(iv) of the HBP to exempt imports of metallic scrap from countries such as the USA, UK, Canada, Australia, New Zealand and EU member States from the mandatory requirement of a PSIC. It was submitted that PSICs for such consignments are, in practice, issued only as an additional commercial safeguard at the instance of importers, exporters or shipping lines, and cannot be treated as evidence of irregularity.

5.7 The Agency submitted that the DGFT portal does not permit editing or cancellation of uploaded PSICs, so that fresh PSICs issued on account of split consignments, high seas sales or corrections in shipping/importer particulars continue to co-exist with the superseded entries, thereby creating an artificial impression of inflated PSIC volume on any given day.

5.8 The Agency submitted that no complaint, dispute or adverse report has been received from any importer, exporter or other stakeholder regarding the genuineness or quality of the inspections underlying the questioned PSICs, and that this absence of grievance from the direct beneficiaries further undermines the allegations levelled in the Addendum.

5.9 The Agency further submitted that it had not been furnished with the complete set of relied-upon documents, data and system-generated logs — including inspection date and time records, device-linked or GPS-linked data, draft version histories, and the complete methodology adopted by the Authority — and that such non-disclosure violated the principles of natural justice enshrined under Articles 14 and 21 of the Constitution of India and materially prejudiced its ability to file a comprehensive reply.

5.10 The Agency, while denying any unethical or fraudulent conduct, acknowledged the ongoing efforts of DGFT to strengthen the inspection ecosystem, and prayed that the Addendum to the Show Cause Notice be dropped in entirety, that no adverse action including suspension, cancellation or blacklisting be taken against it, that the complete relied-upon documents and datasets be supplied, and that an effective opportunity of hearing be granted prior to passing of any order.

6. DISCUSSIONS AND FINDINGS

6.1 At the outset, the principal issue for determination is whether the Pre-Shipment Inspection Certificates issued by the Agency represent inspections actually carried out in accordance with the provisions of the Handbook of Procedures, or whether the Agency's own records disclose such operational impossibilities and inconsistencies as to render the certifications unreliable. The proceedings are founded not on assumption but on analysis of instrument-wise, inspector-wise, country-wise and date-wise PSIC data available on the DGFT portal, being data generated and uploaded by the Agency itself in the ordinary course of issuing PSICs.

6.2 The Agency has contended that the PSIC issuance date reflected on the portal is not co-terminus with the date of physical inspection, on account of the multi-stage nature of the certification process and the portal's inherent limitation in capturing only the final issuance event. This contention does not assist the Agency. The Addendum does not proceed on the issuance date alone; it proceeds on the date of inspection recorded by the Agency itself against each instrument uniformly 10.05.2024 in each of the eight tabulated instances- as reflected in its own PSIC records. Where the Agency's own record shows a single instrument as having been used for inspection on the same date by different inspectors operating from countries separated by thousands of kilometres, the explanation that the issuance date differs from the inspection date has no application, since it is the recorded inspection date, and not the issuance date, that is impugned.

6.3 The Agency has similarly sought to explain the discrepancy on account of multi-time-zone operations, contending that time differences between India and the destination countries account for the divergence in recorded dates. This explanation is not accepted. Even allowing for the maximum time-zone differential cited by the Agency itself, of the order of 9 hours 30 minutes, such a differential cannot explain the presence of a single physical instrument in up to nine geographically distant countries spanning several continents and time zones in opposite directions on one and the same calendar date. The time-zone explanation, at best, could account for a variance of a single calendar day between two adjoining zones; it cannot account for simultaneous physical deployment of one instrument across multiple continents.

6.4 One of the several illustrative instances of such operational infeasibility, setting out the PSIC Number, Inspector's Name, Country/Place of Inspection, Date of Inspection and Instrument Serial Number, is reproduced below:

PSIC Number	**Inspector Name**	**Inspection Country**	**Inspection Date**	**Instrument Sr. No.(s)**
PSICTIPLXX314898AM25	Ram khanna	United States Of America	05/10/2024	100627
PSICTIPLXX316274AM25	Ram khanna	United States Of America	05/10/2024	100627
PSICTIPLXX316524AM25	SURJIT DAS	Germany	05/10/2024	100627
PSICTIPLXX317585AM25	M.SHAKEEL	Sri Lanka	05/10/2024	100627
PSICTIPLXX319002AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX320623AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX320696AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX320699AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX324529AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX325158AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX325227AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX325273AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX326176AM25	VIRAL KUMAR	Yemen	05/10/2024	100627

PSICTIPLXX326501AM25	VIRAL KUMAR	Yemen	05/10/2024	100627
PSICTIPLXX326539AM25	VIRAL KUMAR	Yemen	05/10/2024	100627

6.5 The Agency has contended that the burden of proof lies exclusively on the Authority and that no specific PSIC has been identified with irrefutable evidence of non-inspection. This contention proceeds on a mischaracterisation of the record. The Addendum does not rest on an inference drawn from incomplete data; it rests on the Agency's own recorded particulars - instrument number, inspector name, inspection country and inspection date for each of the PSICs issued, which particulars, taken at face value, disclose an operational impossibility. Once such specific, documented impossibility is placed on record, the evidentiary burden shifts to the Agency to explain the discrepancy with contemporaneous inspection logs, movement records, equipment deployment registers, photographic/video evidence as mandated under Para 2.53(d) of the HBP, or other independent material. Despite specific opportunity, and despite itself seeking such records from the Authority, the Agency has failed to produce any such evidence of its own inspections, instrument movement or inspector deployment.

6.6 The plea of presumption of regularity of official acts is equally misconceived. Such presumption, even if available to a private recognised agency performing a statutory certification function, stands rebutted the moment specific, documented material disclosing physical impossibility is placed on record. It was thereafter incumbent upon the Agency to displace that material with positive evidence of actual inspection; mere invocation of the presumption, without production of any corroborative record, cannot revive it.

6.7 The Agency's reliance on Para 2.52(e) of the HBP, regarding prior intimation for inspections conducted through deputed Inspectors, does not answer the charge. The present proceedings do not concern the territorial jurisdiction of inspections or the adequacy of prior intimation, but the genuineness and physical feasibility of the inspections claimed to have been conducted. Compliance, if any, with the intimation requirement does not explain or cure the impossibility of a single instrument being simultaneously deployed across multiple countries.

6.8 The Agency's submission regarding the 'safe country/region' exemption under Public Notice No. 46 (2015-2020) is not accepted. The exemption relied upon merely dispenses with the mandatory requirement of a PSIC for scrap imported from the specified countries; it does not, and cannot, dilute the statutory obligation of an Agency that voluntarily chooses to certify such consignments. Where the Agency undertakes to issue a PSIC, whether at the instance of an importer, exporter or shipping line and irrespective of whether such certification is statutorily mandated, it assumes full responsibility for conducting an actual physical inspection in accordance with the prescribed standards. The voluntary and commercial character of such certification furnishes no justification for the physical infeasibilities disclosed by the Agency's own records, more so since several of the questioned instances including inspections shown in Germany, Sri Lanka, UAE, Yemen, Vietnam, Kuwait, Peru and several other jurisdictions do not fall within the exempted safe-country framework at all.

6.9 The submission regarding portal limitations, namely that the DGFT system does not permit editing or cancellation of uploaded PSICs and that superseded entries therefore persist on record, is a general and unparticularised explanation. No specific instance has been demonstrated by the Agency, by reference to split consignments, corrected shipping particulars or high-seas sale transactions, correlating any of the 556 questioned PSICs to a genuine superseded or duplicate entry. A general assertion of portal limitation, unsupported by any instance-wise reconciliation, cannot displace the specific findings recorded in the Addendum.

6.10 The absence of any complaint from an importer, exporter or other stakeholder does not establish the genuineness of the questioned inspections. The present proceedings arise not from a stakeholder grievance but from an examination of the Agency's own system-generated records, which independently disclose the impossibility of the inspections as claimed. The absence of external complaint is accordingly of no assistance to the Agency.

6.11 As regards the plea of non-supply of relied-upon documents, it is noted that the Show Cause Notice dated 19.09.2024 and the Addendum dated 07.04.2026, both of which form part of the record, themselves contain the complete instrument-wise, inspector-wise, country-wise and date-wise particulars relied upon by the Authority, being particulars drawn entirely from the Agency's own PSIC filings on the DGFT portal. Further, during the course of the personal hearing, the relevant PSICs forming the basis of the allegations were also shown to the Agency, and the Agency was afforded an opportunity to examine the same and respond thereto. No material extraneous to the Agency's own records has been relied upon. The Agency, being the author and custodian of the underlying inspection logs, photographs, video evidence and instrument deployment records referable to its own PSICs, was at all times in a position to produce such material in support of its defence, and its failure to do so cannot be attributed to any denial of natural justice by the Authority.

6.12 The record shows that the Agency was afforded adequate and repeated opportunity to substantiate its defence. It was granted a personal hearing on 30.12.2024 pursuant to the original Show Cause Notice, and a fresh opportunity of personal hearing on 04.05.2026 pursuant to the Addendum, apart from a period of 15 days to file additional written submissions. The Agency filed an interim reply dated 23.04.2026 and its Final Reply dated 22.05.2026. Both replies have been duly considered; however, neither reply is accompanied by any inspection log, movement record, equipment deployment register, or photographic or video evidence of the kind mandated under Para 2.53(d) of the HBP, capable of corroborating that physical inspections were in fact carried out for the questioned PSICs.

6.13 As per Para 2.53(a) of the Handbook of Procedures, 2023, mis-declaration of inspection made by a Pre-Shipment Inspection Agency attracts penal action. Para 2.53(a) of the HBP reads as:

"In case of any mis-declaration in PSIC or mis-declaration in the online application form for recognition as PSIA, the PSIA would be liable for penal action under Foreign Trade (Development & Regulation) Act, 1992, as amended, in addition to suspension/ cancellation of recognition."

6.14 The instrument number recorded in a PSIC forms part of the mandatory inspection particulars and constitutes a declaration as to the equipment actually used for inspecting the consignment. The recording of a single instrument number against inspections purportedly and simultaneously carried out in multiple, geographically distant countries on the same date is a material mis-declaration within the meaning of Para 2.53(a) of the HBP, and, in the absence of any satisfactory explanation or corroborative documentary evidence, establishes that the requisite physical inspections were not, in fact, carried out in the manner declared by the Agency.

6.15 In the absence of any satisfactory explanation or supporting documentary evidence demonstrating the actual physical movement and deployment of the inspectors and the inspection instruments across the locations in question, the contentions of the Agency cannot be accepted. The discrepancies noticed in the Addendum, and left unrebutted by the Agency despite adequate opportunity, clearly indicate serious and systemic lapses in compliance with the obligations governing the issuance of PSICs, warranting action under Sections 9, 11 and 13 of the FTDR Act, 1992.

I, therefore, in exercise of the powers vested in me under Section 13 read with Section 11 of the Foreign Trade (Development & Regulation) Act, 1992, as amended, and Para 2.53(a) of the Handbook of Procedures, pass the following order,

ORDER

01/89/180/31/PSIA/AM-24/PC(A) Dated: 10.07.2026

i. The recognition granted to M/s Tubby Impex Private Limited as a Pre-Shipment Inspection Agency is hereby cancelled with immediate effect.

ii. The Bank Guarantee furnished by M/s Tubby Impex Private Limited at the time of recognition/renewal as a Pre-Shipment Inspection Agency, is hereby forfeited in full, in view of the established violations of the conditions of recognition and the obligations prescribed under the Handbook of Procedures.

iii. A penalty of ₹10,00,000/- (Rupees Ten Lakhs only) is hereby imposed uponM/s Tubby Impex Private Limited under Section 11 of the FT (D&R) Act, 1992, for the violations established herein.

(Rakesh Kumar)
Additional Director General of Foreign Trade

To:

M/s Tubby Impex Private Limited, C-54, 3rd Floor, South Extension Part-II, New Delhi – 110048

Copy to:

1. Central Board of Indirect Taxes and Customs (CBIC)
2. Commissioners of Customs, Chennai / Cochin / Ennore / JNPT / Kandla / Mormugao / Mumbai / New Mangalore / Paradip / Tuticorin / Visakhapatnam / Pipavav / Mundra / Kolkata / Krishnapatnam / Kattupalli / Hazira / Kamarajar
3. DGFT Website
4. EGTF Section, DGFT Hqrs