Government of India

Department of Commerce

Directorate General of Foreign Trade

VanijyaBhawan, New Delhi-110011

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01/89/180/38/PSIA/AM-24/PC(A)

Date of Order:	10.07.2026
Date of Issue:	10.07.2026

Name of the Agency: M/s Global Mines and Minerals FZE,
B01-G27, Service Block,
Al Hulaila Industrial Zone FZ,
Ras Al Khaimah,
United Arab Emirates

Order passed by: Shri. Rakesh Kumar
Additional 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 Global Mines and Minerals FZE, having its registered office at B01-G27, Service Block, Al Hulaila Industrial Zone FZ, Ras Al Khaimah, United Arab Emirates (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. 56/2015-2020 dated 14.02.2023. 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 of records for the period 1st January 2024 to 31st August 2024, it was observed that the Agency had reported an unusually high volume of inspections within short and overlapping time windows, including 171 inspections spanning 18 countries on a single day (23.05.2024) and 166 inspections spanning 20 countries on another single day (28.05.2024), conducted across multiple geographically distant locations. With specific reference to 23.05.2024, identical inspection instrument numbers, namely Instrument Nos. 20822, 20827 and 20819, 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 Inspection Certificates (PSICs) were issued on the same date, i.e. 23.05.2024, against single registered inspection instruments by different inspectors of the Agency operating from geographically distant locations. The specific instances included Instrument No. 20822, against which 14 Pre-Shipment Inspections were conducted by Mr. Satya Jeet operating from Japan and 3 Pre-Shipment Inspections were conducted by Mr. Huang Yingming operating from Taiwan; Instrument No. 20827, against which 20 Pre-Shipment Inspections were conducted by Mr. Kliman Boris operating from Cyprus and 10 Pre-Shipment Inspections were conducted from Switzerland; and Instrument No. 20819, against which 10 Pre-Shipment Inspections were conducted by Mr. Ewa Renata Urbanska operating from Poland and 2 Pre-Shipment Inspections were conducted by Mr. Mukesh Kumar Munjal operating from Canada.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 2.51 of the HBP, the import of any form of metallic waste/scrap is subject to the condition that it shall not contain hazardous or toxic waste, radioactive contaminated waste/scrap containing radioactive material, or any type of arms, ammunition, mines, shells, live or used cartridge, or any other explosive material in any form, either used or otherwise. 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 No. 01/89/180/38/PSIA/AM-24/PC(A) dated 20.09.2024 was issued to the Noticee, setting out the specific discrepancies, the relied-upon evidence, and the grounds on which action, including suspension or cancellation of recognition, was proposed, while calling upon the Noticee to submit its representation within the prescribed time before the Adjudicating Authority. The Agency submitted its reply to the Show Cause Notice, and, in accordance with the principles of natural justice, a personal hearing was afforded on 31.12.2024. Subsequently, an Addendum to the Show Cause Notice bearing No. 01/89/180/38/PSIA/AM-24/PC(A) dated 18.03.2026 was issued consequent upon a change in the Adjudicating Authority, necessitating the grant of a fresh opportunity of personal hearing. Accordingly, a personal hearing was conductedin person on 30.04.2026, which was attended by Shri Sandeep Garg (Manager) and Shri Amit Munjal (Advocate) on behalf of the Agency. During the course of the proceedings, details relating to the PSICs relied upon in the Addendum were shown to the representatives of the Agency during the personal hearing and were subsequently shared with the Agency for its reference and response.

Thereafter, a further personal hearing was scheduled for 15.05.2026 to enable the Agency to make additional submissions. However, at the request of the Agency, the hearing was rescheduled to 19.05.2026. Despite having sought the adjournment, the Agency did not avail itself of the opportunity and remained unrepresented on the rescheduled date. During the pendency of the proceedings, the Noticee also submitted a representation dated 18.05.2026 seeking the recusal of the Adjudicating Authority. The said representation was duly examined by the competent authority and was rejected. Thereafter, the adjudication proceedings continued before the Adjudicating Authority in accordance with law. Subsequently, the Agency filed an additional written submission dated 09.06.2026, furnishing instrument-wise responses to the observations contained in the Addendum to the Show Cause Notice.

5. SUBMISSIONS OF THE AGENCY

The Agency, vide its additional reply dated 9th June 2026 filed in response to the Addendum to Show Cause Notice dated 18.03.2026, submitted the following before the Adjudicating Authority:

5.1 With respect to Instrument No. 20822, the Agency denied the allegation of 14 PSICs having been issued by Mr. Satya Jeet in Japan and 3 PSICs by Mr. Huang Yingming in Taiwan, and submitted that only 2 PSICs were in fact issued against the said instrument. The Agency contended that Taiwan is geographically proximate to Japan, that the actual number of inspections conducted is well within physical feasibility, and that no impossibility arises. It was submitted that PSIC No. PSICGMMFZE338308AM25 (Japan) was issued against 4 containers, with inspection stated to have commenced on 20.05.2024 and continued till 23.05.2024 as per tracking records annexed; and PSIC No. PSICGMMFZE343049AM25 (Japan) against 10 containers, with inspection stated to have commenced on 21.05.2024 and continued till 24.05.2024. The Agency submitted that since the DGFT portal does not permit entry of more than one inspection date, the date 23.05.2024 was mentioned in good faith for all containers covered by these PSICs. With respect to the Taiwan entries, the Agency submitted that PSIC No. PSICGMM338771AM25 was issued for 2 containers and PSIC No. PSICGMMFZE344530AM25 for 1 container, the empty container for the latter having been received on 23.05.2024 and the laden container received by the shipping line up to 27.05.2024, such that the date 23.05.2024 was, in the Agency's submission, practically possible given a stated 2-hour distance between the two places. No tracking record for PSIC No. PSICGMM338771AM25 was available, which the Agency attributed to the shipping line's data retention policy.

5.2 With respect to Instrument No. 20827, the Agency denied the allegation of 20 PSICs having been issued by Mr. Kliman Boris in Cyprus and 10 PSICs in Switzerland, and submitted that only 1 PSIC was in fact issued against the said instrument in Cyprus. Without prejudice to this denial, the Agency further submitted that Cyprus and Switzerland fall within, or are otherwise treated as aligned with, the European Union and are covered under the DGFT notification designating certain countries/regions as 'safe countries', such that consignments originating therefrom do not require mandatory Pre-Shipment Inspection. The Agency additionally submitted, in the further alternative, that PSIC No. PSICGMMFZE351673AM25 was issued in

Cyprus against 20 containers, with inspection stated to have commenced on 21.05.2024 and continued till 25.05.2024, such that the date 23.05.2024 was selected as the DGFT system permits entry of only one date; and that four further PSICs reflected against Switzerland (PSICGMMFZE321721AM25, 321244AM25, 321750AM25 and 327666AM25) were issued using Instrument No. 20827, stated to have been deployed in Cyprus, on the footing that Switzerland and Cyprus, both treated by the Agency as falling under the European Union/safe-country framework, made it feasible to share the instrument between inspections conducted, according to the Agency, on different dates.

5.3 With respect to Instrument No. 20819, the Agency denied the allegation of 10 PSICs having been issued by Mr. Ewa Renata Urbanska in Poland and 2 PSICs by Mr. Mukesh Kumar Munjal in Canada, and submitted that only 1 PSIC was issued against the said instrument in Poland. The Agency submitted that the recording of Instrument No. 20819 against the Canada entries was a clerical/data-entry error on the DGFT portal, and that since the portal does not permit post-issuance correction of PSICs, any error made at the time of data entry stands permanently recorded. The Agency further submitted that Canada and Poland both fall within the category of 'safe countries' under the DGFT notification, such that mandatory PSIC was in any event not required. The Agency stated that PSIC No. PSICGMMFZE327339AM25 was issued from Canada using Instrument No. 20819, for which no tracking record was available, and that PSIC No. PSICGMMFZE362370AM25 (Poland) was issued against 10 containers, with inspection tracking stated to show commencement on 21.05.2024 and continuation till 27.05.2024, such that the date 23.05.2024 was entered in the certificate as the system does not permit mentioning of multiple dates.

5.4 The Agency, vide its representation dated 18.05.2026 referred to at Para 4.9 above, sought recusal of the Adjudicating Authority, alleging bias and conflict of interest without specifying further particulars, and contended that the matter ought to be assigned to another authority for adjudication.

6. DISCUSSIONS AND FINDINGS

6.1 At the outset, the principal issue for determination is whether the Pre-Shipment Inspection Certificates (PSICs) issued by the Agency represent inspections actually conducted in accordance with the provisions of the Foreign Trade policy and Handbook of Procedures, 2023, or whether the Agency's own records disclose such operational impossibilities and inconsistencies as to render the certifications unreliable. The said issue falls for determination upon a consideration of the Show Cause Notice, the Addendum thereto, the replies and additional reply filed by the Agency, the oral submissions made during the personal hearings, and the documents and other materials placed on record. The proceedings are founded not on assumptions but on analysis of the PSIC data available on record, the inspection particulars furnished by the Agency, and the deployment details of inspectors and inspection instruments.

6.2 Upon examination of the records, it is observed that the inspection particulars declared by the Agency reveal repeated deployment of identical DGFT-approved inspection instruments across geographically distant locations on the same date, rendering such deployment physically and operationally implausible. Further, the volume of inspections reflected in the records namely, 171 Pre-Shipment Inspections across 18 countries on 23.05.2024, and 166 Pre-Shipment Inspections across 20 countries on 28.05.2024 is wholly disproportionate to any reasonable construct of the Agency's operational capacity

6.3 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:

Sl. No.	PSIC Number	Inspector Name	Inspection Country	Inspection Date	Instrument Serial No.
1	PSICGMM338771AM25	Kliman Boris	Cyprus	23.05.2024	20827
2	PSICGMMFZE321721AM25	Kliman Boris	Switzerland	23.05.2024	20827

6.4 The Agency has denied the number of PSICs attributed to Instrument Nos. 20822, 20827 and 20819 and has contended that only a limited number of PSICs were actually issued against the respective instruments. The contention is misconceived. It is pertinent to note that vide email dated 15.04.2026, the Agency was expressly informed that, in the tabular data contained in Para 4 of the Addendum to the Show Cause Notice, the term "PSICs" shall be read as "PSIs (Pre-Shipment Inspections)", while all other contents of the Addendum remained unchanged. The Agency was thus fully apprised that the proceedings are not founded upon the numerical count of PSICs reflected against a particular inspection instrument but upon the Pre-

Shipment Inspections undertaken using the concerned DGFT-approved inspection instruments. Accordingly, whether a single PSIC covered multiple containers or whether only a limited number of PSICs were issued is immaterial to the issues under consideration. The discrepancy under examination arises from the records, which reflect the deployment of the same registered inspection instrument for inspections conducted at geographically distant locations on the same date, thereby rendering the inspection records inherently unreliable.

6.5 The Agency has relied upon container tracking records and has contended that inspections were conducted over multiple dates and that the DGFT portal permits entry of only a single inspection date, resulting in all inspections being reflected against one date. The said explanation is not acceptable. The container tracking records merely indicate the movement of containers and shipping logistics and do not establish the date and place of physical inspection or demonstrate the actual deployment of the DGFT-approved inspection instruments. Further, the explanation does not reconcile the repeated declaration of identical inspection instruments against inspections conducted at geographically distinct locations. The proceedings are therefore not founded upon the inspection date reflected in the DGFT portal but upon the inspection particulars declared by the Agency itself.

6.6 The Agency has further submitted that Japan and Taiwan are geographically proximate and that movement between the two locations is operationally feasible. This explanation is unsupported by any contemporaneous documentary evidence. No inspector deployment records, equipment movement registers, travel records or any other independent evidence has been produced establishing the actual deployment of the inspection instrument in the manner claimed. Mere assertions regarding geographical proximity cannot explain the discrepancies reflected in the inspection records nor rebut the material inconsistencies identified during examination.

6.7 The Agency has further contended that several consignments originated from jurisdictions classified as "safe countries" under the relevant DGFT notification and, therefore, issuance of a Pre-Shipment Inspection Certificate (PSIC) was not mandatory. The contention is misconceived and cannot be accepted. The exemption from mandatory production of a PSIC merely dispenses with the statutory requirement of furnishing such a certificate for imports originating from notified jurisdictions; it does not exempt a recognised Pre-Shipment Inspection Agency from complying with the prescribed inspection procedure once it voluntarily undertakes to conduct an inspection and issue a PSIC. Every PSIC issued under the recognition granted by DGFT carries an assurance that a physical inspection has been conducted using DGFT-approved inspection instruments in accordance with the provisions of the Handbook of Procedures, 2023. The voluntary or commercial nature of the certification does not dilute the Agency's statutory obligations, nor does it justify inaccurate recording of inspection particulars or the deployment of the same inspection instrument in geographically incompatible locations. Accordingly, the reliance placed by the Agency on the "safe country" framework is misplaced and does not explain or rebut the discrepancies identified in the present proceedings.

6.8 The Agency has further contended that Instrument No. 20819 came to be reflected against certain inspections due to a clerical or data-entry error and that the DGFT portal does not permit subsequent correction. The explanation is not acceptable. It is pertinent to note that the instances referred to in the

Show Cause Notice and the Addendum are only a few illustrative examples of the numerous discrepancies noticed upon examination of the Agency's inspection records and do not represent an exhaustive compilation of all such instances. The plea of clerical or data-entry error is unsupported by any contemporaneous inspection worksheets, original inspection records, corrected records, internal correspondence or any other documentary evidence establishing that such an error had in fact occurred. A bald assertion of data-entry error cannot displace the evidentiary value of the inspection particulars declared by the Agency itself. Accordingly, the contention remains unsubstantiated and is rejected.

6.9 It is further observed that the Agency has relied upon general explanations relating to portal limitations, commercial practices and operational logistics without producing any contemporaneous evidence capable of substantiating its defence. The Agency has failed to produce any contemporaneous instrument deployment registers, equipment movement records, calibration logs, inspector deployment records, GPS records or any other independent documentary evidence demonstrating that the concerned DGFT-approved inspection instruments were actually deployed in the manner claimed. Accordingly, the general explanations advanced by the Agency remain unsubstantiated and are insufficient to rebut the documentary evidence forming the basis of the present proceedings

6.10 The submission that incorrect recording or repetition of inspection instrument numbers constitutes only a clerical irregularity and not a material mis-declaration is wholly untenable. The instrument serial number forms an integral and substantive part of every Pre-Shipment Inspection Certificate and represents a declaration regarding the DGFT-approved equipment actually utilised for conducting the inspection. Recording an instrument which was not actually deployed, or reflecting the same instrument against inspections conducted at geographically incompatible locations, directly affects the integrity, traceability and credibility of the inspection process and therefore constitutes a material mis-declaration within the meaning of Para 2.53(a) of the Handbook of Procedures, 2023.

6.11 As regards the representation seeking recusal of the Adjudicating Authority, the same was duly placed before the competent authority for consideration. Upon examination of the representation and the records of the proceedings, no factual or legal basis warranting recusal or reassignment of the matter was found. The representation merely contained general allegations of bias without any supporting material capable of giving rise to a reasonable apprehension of prejudice. Accordingly, the request for recusal was rejected.

6.12 It is observed that the principles of natural justice have been fully complied with throughout the adjudication proceedings. The Agency was duly served with the Show Cause Notice as well as the Addendum thereto and was fully apprised of the allegations and the material forming the basis of the present proceedings. The Agency submitted its written replies and was afforded multiple opportunities of personal hearing before the Adjudicating Authority. A personal hearing was initially held on 31.12.2024. Consequent upon the issuance of the Addendum and the change in the Adjudicating Authority, a fresh personal hearing was conducted in person on 30.04.2026. During the course of the said hearing, the detailed PSIC data and other particulars relied upon in the Addendum were shown to the representatives of the Agency and were subsequently shared with it to enable an effective response. Thereafter, a further personal hearing was scheduled for

15.05.2026 and, at the request of the Agency, was rescheduled to 19.05.2026 to afford it an additional opportunity to make further submissions. The Agency, however, did not avail itself of the opportunity on the rescheduled date. The Agency was also permitted to file additional written submissions, including its instrument-wise response dated 09.06.2026, all of which have been duly taken on record and carefully considered. The Agency was thus afforded a full, fair and effective opportunity to present its defence. However, despite the ample opportunities so extended and the disclosure of the material relied upon, the Agency has failed to produce any cogent or contemporaneous evidence capable of satisfactorily explaining the discrepancies identified in its inspection records or of displacing the findings recorded herein.

6.13 The issuance of Pre-Shipment Inspection Certificates unsupported by reliable inspection records constitutes a serious failure in the discharge of statutory obligations. The PSIC mechanism is intended to ensure that imported metallic scrap entering India is free from radioactive contamination, arms, ammunition, explosives and other hazardous materials. The integrity of the inspection process is therefore fundamental to public safety, environmental protection and national security. Regulatory action under the Foreign Trade (Development & Regulation) Act, 1992 does not depend upon proof of an actual hazardous import or customs objection; serious deficiencies affecting the credibility and reliability of the inspection process are themselves sufficient to attract regulatory action.

6.14 As per para 2.53 (a) of Handbook of Procedure 2023 mis-declaration of inspection made by the Pre-Shipment Inspection Agency, Para 2.53 (a) of 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."*

6.15 In the absence of any satisfactory explanation or supporting documentary evidence demonstrating the physical movement and deployment of the inspector and inspection device across such locations, the contention of the Agency cannot be accepted. The discrepancies observed clearly indicate serious lapses in compliance with the obligations governing issuance of PSICs.

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

01/89/180/38/PSIA/AM-24/PC(A) **Dated: 10.07.2026**

i. The recognition granted to M/s Global Mines and Minerals FZE as a Pre-Shipment Inspection Agency is hereby cancelled with immediate effect.

ii. The Bank Guarantee furnished by M/s Global Mines and Minerals FZE 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 upon M/s Global Mines and Minerals FZE 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 Global Mines and Minerals FZE, B01-G27, Service Block, Al Hulaila Industrial Zone FZ, Ras Al Khaimah, United Arab Emirates

Copy to:

1. Joint Secretary, Customs, 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