

Government of India (भारत सरकार)
Department of Commerce (वाणिज्य विभाग)
Directorate General of Foreign Trade (विदेश व्यापार महानिदेशालय)
Vanijya Bhawan, New Delhi-110011 वाणिज्य भवन, नई दिल्ली

No. 01/89/180/39/PSIA/AM-24/PC(A) / 410

Date of Order: 16.07.2026
Date of Issue: 16.07.2026

Name of the Agency:

Melt Enterprise Ltd.
20-22 Wenlock Road,
London, United Kingdom

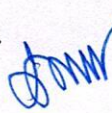
Order in Original passed by:

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 and a complete set of evidence in the form of Annexure to the appeal relied upon in support of 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.



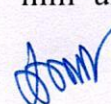
inspectors across Spain and Poland), and Instrument No. 315166 (94 Pre-Shipment Inspection conducted by 5 inspectors in UK) are set out in detail at Para 4 of the Addendum referred to hereunder, the simultaneous use of each such single instrument across such disparate geographies on the same date being physically and logistically unattainable.

4.4 As per Para 2.51 of the Handbook of Procedures (hereinafter referred to as 'HBP'), the import of any form of metallic waste or scrap is subject to the condition that it will not contain hazardous, toxic waste, radioactive contaminated waste/scrap containing radioactive material, any type of arms, ammunition, mines, shells, live or used cartridge or any other explosive material in any form either used or otherwise. Hence, the import of metallic waste or scrap is a matter of national security interest and recognition of the agencies and subsequent issuance of PSICs is subject to strict scrutiny.

4.5 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.'

4.6 Further, as per Section 11(2) of the Foreign Trade (Development & Regulation) Act, 1992 (hereinafter referred as '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.'

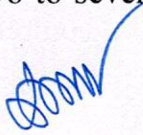
4.7 Additionally, as per Section 11(3) of the FTDR Act, 'Where any person signs or uses, or causes to be made, signed or used, any declaration, statement or document submitted to the Director General or any officer authorised by him under this Act,



5.2 The Agency submitted that it is a Pre-Shipment Inspection Agency duly recognised vide Public Notice No. 11/2024-2025 dated 12.06.2024, authorised for 6 countries and approved to use 22 radiation scanners and 1 Spectrometer. It was further submitted that 4 of the 6 authorised countries, including the United Kingdom, the United States of America and European countries, are “Safe Countries” as per Public Notice No. 43/2023 dated 14.02.2024, in respect of which no PSIC is mandatorily required.

5.3 On the question of the high volume of inspections reflected on a single date, the Agency offered three explanations: (i) that the DGFT portal does not permit recall, cancellation, editing or modification of a PSIC once submitted, so that whenever importers/exporters sought corrections (such as split Bills of Lading, change of buyer, high-sea sale, or discrepant seal numbers), the Agency was constrained to issue a fresh (duplicate) PSIC, while the data of the original, superseded PSIC continued to remain on the DGFT database, thereby creating an inflated and misleading impression of the number of containers inspected on a given date; (ii) that the DGFT portal permits entry of only a single loading date per certificate, even where multiple containers under one Ocean Bill of Lading were physically loaded over several days, resulting in containers loaded on different dates being reflected under one inspection date; and (iii) that the loading of metallic scrap containers in developed countries is highly mechanised, such that several containers can be loaded within minutes of each other, contributing to a legitimately high count of containers on a single date.

5.4 The Agency placed on record certificate-wise tracking data and shipping line records (Maersk and MSC) in respect of various PSICs issued for the United Kingdom, the United States, Poland and Spain bearing inspection date 19.06.2024, asserting that the underlying loading activity for those very certificates in fact extended over periods ranging from two to seven days, and contended that this corroborated its explanation at Para 5.3 above.



or incentive to mis-declare any instrument number. In the alternative, the Agency submitted that it was “entirely possible” that a typographical error occurred during data entry in a high-volume operational environment, which could not be construed as mis-declaration where the underlying inspection was admittedly and physically carried out.

5.8 With reference to Para 5(c) of the Addendum (mandatory intimation under Para 2.52(e) of the HBP, 2023), the Agency acknowledged the requirement of prior intimation to DGFT, with complete visit/inspection particulars, where inspections are undertaken through deputed inspectors in a country in which the Agency does not maintain a full-time equipped branch office. The Agency submitted that its operations were, at all times, confined to jurisdictions in which it was authorised and where an approved instrument was deployed, and stated that it was “presently undertaking a detailed review” of its historical records to retrieve and compile such intimation particulars and corroborative material (loading photographs, inspection reports and allied documentation), and that it would furnish such material “to the extent they are available”, while conceding that “certain archival records may require additional effort to trace”.

5.9 With reference to Para 5(d) and 5(e) of the Addendum (compromised reliability and systemic irregularities), the Agency submitted that the inferences drawn by DGFT stemmed solely from the primary allegation, which stood categorically denied, and that the pattern identified was attributable to the legitimate, high-volume deployment of multiple physical units of the same DGFT-approved instrument type and model, and not to any irregularity.

5.10 The Agency stated that it has been enlisted as a PSIA since 2016 and reaffirmed its commitment to transparency and regulatory compliance, and additionally submitted that it has since implemented enhanced internal protocols, including strengthened internal checks.



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	Sr. No. of Instrument
1	PSICMELXXX331988AM25	Muhammad	United Kingdom	19.06.2024	315161
2	PSICMELXXX339243AM25	Seth Johnson	United Kingdom	19.06.2024	315161
3	PSICMELXXX340489AM25	D. Caney	United Kingdom	19.06.2024	315161
4	PSICMELXXX344311AM25	JAIR	United States of America	19.06.2024	315161
5	PSICMELXXX345013AM25	Rajat	United Kingdom	19.06.2024	315161

6.4 The Agency has principally attempted to explain the discrepancies by contending that (i) duplicate PSICs were generated owing to limitations of the DGFT portal, (ii) a single loading date was captured despite loading extending over multiple days, (iii) container loading in developed countries is highly mechanised and therefore large numbers of inspections could legitimately occur within a short period, (iv) multiple physical scanners of the same approved model existed, (v) typographical errors may have occurred during data entry, and (vi) all inspections were nevertheless physically conducted. These explanations have been carefully examined but are found to be mutually inconsistent, unsupported by contemporaneous documentary evidence and incapable of satisfactorily explaining the serious irregularities established from the official records.

6.5 At the outset, the volume and pattern of inspections reflected in the official records are themselves wholly inconsistent with any reasonable operational possibility. The records reveal that on 19.06.2024 the Agency conducted 253 Pre Shipment Inspections across six countries and on 21.06.2024 conducted 224 Pre Shipment Inspections across



6.8 The Agency has sought to attribute the discrepancies to alleged limitations of the DGFT portal, issuance of duplicate PSICs, inability to edit previously issued certificates, and recording of a common loading date. These contentions are devoid of merit, as none address the principal allegation that the same registered inspection instrument was repeatedly declared for inspections purportedly carried out simultaneously by different inspectors at geographically distant locations, and in several instances, in different countries. No system limitation can explain, much less justify, the repeated use of a single registered instrument across multiple locations on the same date, the instrument number being a unique identifier meant to reflect the specific equipment actually deployed during each inspection. Similarly, a common loading date or the inability to modify an issued certificate has no bearing on the identity of the instrument used during physical inspection. The Agency has failed to produce any credible material establishing a nexus between the alleged portal limitations and the discrepancies observed. Accordingly, its explanations do not rebut the findings in the Addendum to the Show Cause Notice and fail to dispel the serious doubts regarding the authenticity and reliability of the inspections and the PSICs issued by it.

6.9 The Agency has relied upon certain shipping line records and certificate tracking details to contend that loading activities extended over several days. Such documents merely indicate subsequent logistics or shipment movement and do not establish the date, place or manner in which the pre-shipment inspection was actually conducted. More importantly, none of these documents demonstrates that different registered inspection instruments were used or that the same registered instrument was not simultaneously shown as deployed at geographically distant locations. The documents, therefore, do not rebut the findings recorded in the Show Cause Notice and addendum to Show Cause Notice.

6.10 Equally unpersuasive is the Agency's plea that typographical or clerical errors may have occurred due to transition to the upgraded DGFT portal. The discrepancies noticed



compliance with a mandatory regulatory requirement. The failure to produce the prescribed records further weakens the Agency's defence.

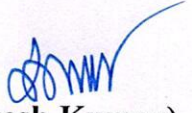
6.13 It is also significant that despite repeated opportunities, the Agency has failed to produce contemporaneous inspection records, inspection reports, photographs, videos, instrument deployment registers, calibration records, inspector movement records or other primary evidence capable of establishing that the inspections were in fact carried out in the manner declared in the PSICs. In proceedings relating to regulatory compliance, such records constitute the best evidence available to the Agency. The absence of such evidence assumes greater significance particularly when the Agency itself has admitted issuance of multiple PSICs against the same registered instrument.

6.14 The admission made by the Agency during the personal hearing carries considerable evidentiary value. The Agency did not dispute that multiple PSICs had been issued against the same registered inspection instrument on the dates specified in the Addendum to the Show Cause Notice. Rather, it sought only to explain the circumstances under which such issuance occurred. Such explanation, for the reasons recorded above, has not been found acceptable. The admission, read together with the documentary material forming part of the proceedings, conclusively establishes the factual allegations contained in the Show Cause Notice and the Addendum thereto.

6.15 The issuance of PSICs without actual physical inspection at the declared location, using the specific instrument declared therein, constitutes a serious lapse in the discharge of statutory obligations. Pre-Shipment Inspection Certificates serve as a critical regulatory safeguard to ensure that metallic scrap imports are free from radioactive contamination and hazardous material before entry into Indian ports. Any compromise in the integrity of such inspections transcends a mere procedural lapse and carries direct implications for public safety, port infrastructure, and national security.



- iii. A penalty of ₹10,00,000/-(Rupees Ten Lakhs Only) is hereby imposed upon Melt Enterprise Ltd under Section 11 of the FT (D&R) Act, 1992, for the violations established herein.


(Rakesh Kumar)

Additional Director General of Foreign Trade

To:

Melt Enterprise Ltd
20-22 Wenlock Road,
London N17GU,
United Kingdom

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 / Adani Gangavaram
3. DGFT Website
4. EGTF Section, DGFT Hqrs