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Ministry of Finance
Office of Commissioner of Customs NS-II
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F.No: SG/INV-72/2022-23/SIIB(X), JNCH

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SCN No: 1718|2025-24|ADC|CEAC|NS-II|CAC|JNCH

SHOW CAUSE NOTICE ISSUED UNDER SECTION 124 OF THE CUSTOMS ACT, 1962

M/s. Globe Impex (IEC-CVLPP0833J) (hereinafter referred as "Exporter") holding IEC: CVLPP0833J having address at SA / 176-3B, RAMERPUR, PAHRIYA, Varanasi, Uttar Pradesh, 221007 had filed various Shipping Bills in past through the Customs Broker M/s. Dinsha Shipping Agency (11/2234) (CB Code- AAMFD0294RCH002) for the export of the goods declared as 'Industrial Grit Product' (hereinafter to referred as 'subject goods') under RITC 71059000. Details of the 05 Shipping Bills filed by exporter **M/s. Globe Impex (IEC-CVLPP0833J)** which were retrieved from 1.5 ICES system and analysed are as below:

Table-I

Sr. No.	Sb No.	Sb Dt.	RITC	Item no.	Qty	Unit	FOB.	Price Rs/ Kg	Remittance Realised	Item Description.
1	1723 817	12/05/ 2021	71059 000	1	84	MT S		19.5 1638146 .25	163530 9.71	INDUSTRIAL GRIT PRODUCT CODE TMC21/306 0/1 LOT NO.TMC/20 21/04- 02 1MT

										PACKING
2	1988 001	25/05/ 2021	71059 000	1	84	MT S		19.3 1	158733 1.50	INDUSTRIAL GRIT PRODUCT CODE – GI21/3060/ 004 LOT NO.GI/2021 /04-004 1MT BAG
3	2168 957	02/06/ 2021	71059 000	1	84	MT S		18.9 5	158925 4.57	INDUSTRIAL GRIT PRODUCT CODE – GI21/3060/ 003 LOT NO.GI/2021 /03-003 1MT BAG
4	2329 580	10/06/ 2021	71059 000	1	84	MT S		18.9 3	158705 7.95	INDUSTRIAL GRIT PRODUCT CODE GI21/3060/ 004 LOT NO.GI/2021 /04-004 1MT BAG
5	2676 344	25/06/ 2021	71059 000	1	84	MT S		19.0 8	160023 7.67	INDUSTRIAL GRIT PRODUCT CODE GI21/3060/ 005 LOT NO.GI/2021 /05-005 1MT BAG
6	1435 330	28/04/ 2021	26219 000				20473.7 5	0		Copper Slag

7	1961 777	24/05/ 2021	26219 000			524537. 5	0		Copper Slag
8	3168 972	29/07/ 2022	84389 090			1201939	0		Spiral Mixer Machine
	Total				42 0	97,92,5 32.5	19. 15	79,99,1 91	

The BRC/foreign remittance or sales proceeds in respect of the goods was received/submitted having FOB value of Rs 80,45,582.25/- thus, the goods exported vide these past 05 shipping bills wherein foreign remittance received as detailed at **Table-I** having FOB of **Rs 79,99,191**. However, remittance in 03 shipping bill as mentioned above, total declared FOB Value to **Rs.17,46,950/-** was not received by the exporter till date. in which the drawback amount claimed of **Rs 19,231/-** appears to be recoverable under

Rule 17 of Customs and Central Excise Duties Drawback Rules, 2017 read with section 75 of the Customs Act, 1962 along with applicable interest under the second proviso of section 75A of the Customs Act, 1962 and corresponding claimed RoDTEP/RoSCTL duty scrips amounting to **Rs12,019.39 /-** appears recoverable in terms of Para 5 of Notification no- 76/2021-Cus(N.T) dated 23.09.2021 & 25/2023-Cus(N.T) dated 01.04.2023 alongwith applicable interest under Section 28AAA of Customs act 1962 and thus, the goods exported vide these past 03 shipping bills wherein foreign remittance has not been received as detailed at having FOB of **Rs 17,46,950/-**, though not available for confiscation, appears liable to be confiscated under Section 113(ia) & 113(ja) of the Customs Act 1962.

2. Based on specific intelligence, a case was registered against exporter M/s AB'S Industries (IEC- JPWPS0957E) for fraudulently exporting Natural Garnet by mis-declaring as "Industrial Grit Product" under the Chapter Tariff Items (CTI) 71059000 vide shipping bill no. No.4924390 dated 28.09.2021. The garnets are correctly classified under CTI 25132030 and its export is restricted under DGFT notification No. 26/2015-20 dated 21.08.2018. The said notification mandates that the export of the said goods shall be canalized through Indian Rare Earth Ltd. (IREL) only. After completion of investigation an SCN vide

no.372/202223/JC/CEAC/CAC/JNCH dated 24.06.2022 was issued by Joint Commissioner of Customs, CEAC, NS-II, JNCH (**RUD-I**)

3. During course of investigation, past data was retrieved from 1.5 ICES system for export of the declared goods as "Industrial Grit". Further data analysis revealed that a huge quantity of the suspect garnet has been exported by three exporters namely **M/s. Mineral World (IEC-LMZPS7297D)**, **M/s. R.N. Minerals (IEC-AGVPP8081H)** and **M/s. Globe Impex (IEC-CVLPP0833J)**. Accordingly, after approval of the competent authority, separate files were opened for all these three exporters for further investigation. It is also pertinent to mentioned here that, in all these three exporters, the CHA M/s. Dinsha Shipping Agency (11/2234) was common through whom goods were cleared. Investigation in the case of **M/s. Globe Impex (IEC-CVLPP0833J)** was initiated which are as below:

4. The DGFT, New Delhi vide Notification No. 26/2015-20 dated 21.08.2018 has made amendment in export Policy in export of "Beach Sand Minerals" falling under Chapter 26 of Schedule 2 of the ITC CHS classification of Export and Import items. The relevant paras are reproduced as under:

"2: The existing entries in the note of Chapter 26 of the Schedule 2 of ITC (HS) classification of Export & Import items, 2018, are substituted as under: -

"Note:

1. Export of Rare Earth compounds classified as Beach Sand Minerals (BSM), [ilmenite, Rutile, Leucoxene (Titanium bearing mineral)], Zircon, **Garnet**, Sillimanite and Mona zite (Uranium and Thorium)], shall be regulated in terms of S1. No 98A of Chapter 26 Schedule 2 of ITC(HS) Classification.
2. Other Minerals under code 2617 are freely exportable, except those which have been notified as prescribed substance and controlled under Atomic Energy Act, 1962".
3. A new Entry at S1 No 98A is inserted in Chapter 26 of Schedule 2 of ITC(HS) Classification of Export & Import Items 2018 as follows:

S.No	Tariff Item HS Code	Unit	Item Description	Export Policy	Policy Condition
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98A	25085051 25085032 25085039 26121000 26122000 26140010 26140020 26140031 26140039 26140090 25151000 25132030	Kg	Beach Sand Minerals [Ilmenite, Rutile, Leucoxene (Titanium bearing mineral), Zircon, Garnet , Sillimanite and Monazite (Uranium and Thorium)]	STE (State Trading Enterprises	Export through Indian Rare Earths Limited (IREL)
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4. Effect of this Notification:

Export of Beach Sand Minerals have been brought under STE and shall be canalized through Indian Rare Earths Limited (IREL). Beach sand Minerals, permitted anywhere in the export policy, will now be regulated in terms of policy under Sl. No.98A of Chapter 26 of Schedule 2 Export Policy.

5. SUMMONS AND STATEMENT

5.1 Summons was issued to Shri Aditya Pandey Proprietor of M/s Globe Impex (IEC-CVLPP0833J) vide summons dated 02.05.2022, 11.05.2022 and 07.06.2022 for recording of his statement under Section 108 of Customs Act, 1962. The statement of Shri Aditya Pandey, Proprietor M/s. Globe Impex was recorded on 08.08.2022 (RUD-II**) wherein he inter-alia stated that:**

- He has filed 05 shipping bills having number 1723817/12.05.2021, 1988001/25.05.2021, 2168957/02.06.2021, 2329580/10.06.2021 and 2676344/25.06.2021 through CB M/s. Dinsha Shipping Agency.
- The product covered under 05 shipping bills were Industrial Grit. He has purchased the same from Taurus Multi trade Company, Mumbai.

- It was stone powder which is used in the inside cleaning of the industrial oil tank. And it is used in cleaning of the rust in industrial machinery.
- He mentioned that no lab test had been done in the past export under the said 5 shipping bills.
- He submitted duly signed copy of the invoice.
- CHA decides the HS code and description of the shipping bills. Before filing final shipping, bill CHA used to send him checklist and after approval they file the final shipping bill.
- He was not sure about his product of being Garnet. He was not aware of the DGFT notification 26/2015-20 date 21.08.2018.
- He was not sure if the product exported was “Garnet”. Product description was identical as shown to him in Shipping Bill 4724390 dt. 28.09.2021, but he was not sure about that his product was same restricted “Garnet”. At that time, he was not aware of the “Garnet” and its exportability. He was under impression that his product was “Industrial Grit” and it is free to export.
- The price fixed after negotiation between his firm and overseas buyer. The price per unit was agreed by the overseas buyer and the same has been credited in their Bank Account.
- On being asked that on comparing with the shipping bill 4924390 dt. 28.09.2021 on the parameter of CTH/HS code, description and per unit price, his product appears “Garnet”, do he agree, he stated may be. But at the time of export he was not aware about ‘Garnet’ and the restriction impose on it. He had shown the product to the CB M/s. Dinsha Shipping Agency and told them to export the same. As he had not much knowledge of the Rule & regulation of the customs so he told CB M/s. Dinsha Shipping Agency to file SB in such a manner that his product could be exported. The CTH/HS code and description of the goods have been decided by Customs Broker M/s. Dinsha Shipping Agency and assured him that product will be exported.

- He had paid between Rs. 25,000/- to Rs. 30,000/- per container for clearance of the same to Customs Broker. He had received Invoice from M/s. A.P Cargo Enterprises. He had personally contacted to Mr. Ulhas gate on his mobile number 9867069998.
- He stated that he has the e-way bill but not available at that moment. He assured that he will submit on 10.08.2022.

5.2 Statement of Shri Ulhas Ramdas Gate, Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234) having address at B48½ Himalaya Co-Op HSG SOC, Anandgadh, Parksite, Vikhroli, west Mumbai-400079 was recorded under section 108 of the Custom Act, 1962 in the office of SIIB (X), JNCH, Nhava Sheva situated at C-604, Jawaharlal Nehru Custom House, Nhava Sheva, District - Raigad, Maharashtra-400707 on 25.05.2023 (**RUD-III**) wherein he inter-alia stated that:

- They have filed shipping bills of three exporters M/s. Globe Impex (IEC-CVIPP0833J), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World (IEC-LMZPS7297D).
- They have done the KYC verification i.e. IEC Copy, GST registration copy, Aadhar Card, Electricity bill were duly verified for the three exporters.
- They have filed five Shipping Bills of M/s Globe Impex (CVLPP0833J), three Shipping Bills of M/s. R N Minerals (IEC-AGVPP8081H) & twenty-one Shipping Bills of M/s. Mineral World (IEC-LMZPS7297D) from Nhava Sheva Port.
- Details of the shipping bills of M/s. Globe Impex (IEC- CVIPP0833J) are 1.
1723817 dtd. 12.05.2021, 2. 1988001 dtd. 25.05.2021, 3. 2168957 dtd. 02.06.2021, 4 2329580 dtd. 10.06.2021 & 5. 2676344 dtd. 25.06.2021.
- His friend Mr. Jagdish knew these three exporters M/s. Globe Impex (IECCVLPP0833), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World (IEC-LMZPS7297D). His friend had given reference. Thereafter these exporters contacted him.

- As far as he can remember the exporters M/s. Globe Impex (IEC-CVLPP0833),
M/s. R. N. Minerals (IEC- AGVPP8081H) & M/s. Mineral World (IEC-LMZPS7297D) used to provide export invoice declaring the description of goods as "Industrial Grit". The exporter never provided physical sample of the goods and therefore the onward submission of documents for export was based on the invoice of the exporter mentioning goods to be "Industrial Grit".
- Classification was done based on the description of goods declared in the Export Invoice, i.e. Industrial Grit. Further, he also wishes to inform that no specific entry was found in tariff but CTH 7105 generally covered the goods so classification was decided in residual category as "others" - 71059000.
- They did not see these goods exported by the said three exporters before entering for exportation or ever.
- No, they are not aware that the exported goods were Garnet. As per the Export Invoices the goods were "Industrial Grit".
- Their agency files approx. 250-300 Shipping bills per year. The average charge is 5000-5500/- per shipping bill.
- Their company charges **35000/-** per container for clearance. Their agency charges are 5000/- for filing shipping bill.
- He assured that he will submit similar invoice issued by his agency which includes charges of Docs stuffing, clearance, gate in and documentation.

6. FINDINGS OF INVESTIGATION

6.1 It is evident from the test results in the case of M/s AB'S Industries, the subject goods declared as "Industrial Grit" covered under S/B No.4924390 dated 28.09.2021 were "Garnet" and export of which is

restricted and can only be allowed through IREL in terms of Notification No. 26/2015-20 dated 21.08.2018 issued by DGFT.

6.2 Since the goods covered under 05 shipping bills filed by exporter M/s

Globe Impex (IEC-CVLPP0833J) were declared as Industrial Grit appears to be "Garnet" as in the live shipment of M/s AB'S Industries test result confirm that the declared goods "Industrial Grit" are Garnet. Therefore, the goods covered under 05 shipping bills were exported in violation of the provisions of restriction imposed under DGFT Notification 26/2015-20 dated 21.08.2018.

6.3 The statement of the proprietor Shri Aditya Pandey, Proprietor of M/s.

Globe Impex (IEC-CVLPP0833) recorded on 08.08.2022, wherein he stated that "

He has filed 05 shipping bills having number 1723817/12.05.2021, 1988001/25.05.2021, 2168957/02.06.2021, 2329580/10.06.2021 and 2676344/25.06.2021 through CB M/s. Dinsha Shipping Agency". Further on comparing with the shipping bill 4924390 dt. 28.09.2021 on the parameter of CTH/HS code, description and per unit price, his product appears "Garnet", do he agree he stated "may be. But at the time of export he was not aware about 'Garnet' and the restriction impose on it. He had shown the product to the CB M/s. Dinsha Shipping Agency and told them to export the same. As he had not much knowledge of the Rule & regulation of the customs so he told CB M/s. Dinsha Shipping Agency to file SB in such a manner that his product could be exported. The CTH/HS code and description of the goods have been decided by Customs Broker M/s. Dinsha Shipping Agency and assured him that product will be exported." Shri Aditya Pandey Proprietor of M/s. Globe Impex was asked to submit the e-way bill for the goods exported. He promised to submit the documents within 10 days. However, the exporter failed to revert back to this office.

6.4 A letter dated 26.06.2023 (**RUD IV**) was sent to Shri Aditya Pandey, Proprietor of M/s. Globe Impex to submit copies of purchase invoice of the product industrial grit, copies of banking statement, Copy of BRC of the 05 shipping bills. In absence of any reply from the exporter, further summons dated 29.08.2023 and 03.11.2023 were sent to the exporter. However, neither, the exporter appeared nor he submitted a reply to this office regarding the same.

6.5 The goods exported vide 05 past shipping bills mentioned in Table-I by exporter M/s. Globe Impex (IEC-CVLPP0833J) were exported "Garnet"

which are in the identical in the manner of 'item description, RITC, FOB' with the instance shipping bill of M/s. AB'S Industries and are also liable to be held confiscated under section 113(d) and 113(i) of the Customs Act, 1962.

6.6 In the live Shipping Bill No.4924390 dated 28.09.2021 filed by M/s AB'S Industries the declared goods were "Industrial Grit", the RSS was sent to IREL(India) Ltd and in test report it was found "95.2% Garnet". Therefore, it appears that goods exported by M/s. Globe Impex (IEC-CVLPP0833J) covered under 05 shipping bills were also 'Garnet' and were exported in violation of the provisions of restriction imposed under DGFT Notification 26/2015-20 dated

21.08.2018.

Classification

6.7 Shri Aditya Pandey Proprietor of M/s. Globe Impex (IEC-CVLPP0833J) in his statement dated 08.08.2022 stated that he had shown the product to the CB M/s. Dinsha Shipping Agency and told them to export the same. As he had not much knowledge of the Rule & regulation of the customs so he told CB M/s. Dinsha Shipping Agency to file SB in such a manner that his product could be exported. The CTH/HS code and description of the goods have been decided by Customs Broker M/s. Dinsha Shipping Agency and assured him that product will be exported.

It is pertinent to mention here the chapter 71 of Customs Tariff Act 1975 deals with "NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL, AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN"

7103 10 -Unworked or simply sown or roughly shaped:

---Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:

7103 10 51 ----Garnet.

As Customs Tariff 1975, the garnet to be classified under CTH 71031051 should fulfil the two below mentioned mandatory character

I, The Garnet should be in "unworked or simply sown or roughly shaped

II. Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:

Another classification of garnet falls under CTH 71039931 under sub head of 7103 chapter 71 of Customs Tariff 1975 and shall fulfil two mandatory characteristics

I. - Otherwise worked:

II. ---Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:"

There is no other classification for the "Garnet" other than 71039931 & 7103 10

51 under chapter 71 of Customs Tariff Act 1975. Therefore, all other form of 'Garnet' should be classifiable under '**RITC 25132030**' and should be canalized through IREL in terms of Notification No. 26/2015-20 dated 21.08.2018 issued by DGFT.

However, the exporter has classified under RITC (7105 90 00 Other) in 5 shipping bills under sub head "7105 DUST AND POWDER OF NATURAL OR SYNTHETIC PRECIOUS OR SEMI-PRECIOUS STONES".

6.8 It is pertinent to mention here the OM dated 25.02.2020 vide file No PSU-3010/44/2019-PSU/2798 issued by the Department of Atomic Energy, PSU Section, On the subject "Export of abrasive (Rock Garnet) from Rajasthan is not abide by DGFT Notification No 26/2015-2020 dated 21.08.2018 canalizing the export of Beach Sand Minerals (BSM) through IREL (India) Ltd." is given below. (**RUD-V**)

*Government of India
Department of Atomic Energy
PSU Section*

*Anushakti Bhavan,
C. S. M. Marg,
Mumbai-400 001*

No PSU-3010/44/2019-PSU/2798

February 25, 2020

OFFICE MEMORANDUM

Subject. Export of Abrasive (Rock Garnet) from Rajasthan is not abide by DGFT Notification No. 26/2015-2020 dated 21.08.2018 canalizing the export of Beach Sand Minerals (BSM) through IREL (India) Ltd.

Directorate General of Foreign Trade (DGFT) may please refer to their OM No. 01/91/171/22/AM19/EC/468 dated 28.11.2019 on the above subject.

2. The matter has been examined in the Department in consultation with Atomic

Minerals Directorate for Exportation & Research (AMD) and IREL (India) Limited (IREL) and it is intimated that the material i.e. Rock Garnet, proposed to be exported falls under HS Code 25132030 and the material is covered under canalization through IREL (India) Limited vide DGFT Notification No. 26/20152020 dated 21.08.2018. M/s Tirupati Enterprises has been exporting Garnet from Rajasthan Rock source under the correct HS Code 2513 2030. However, to circumvent the provisions of canalization, the Firm wants to change the HSN Code to 2513 20 90 and reclassify the material as Natural Abrasive. This is not appropriate as the material that the Firm are exporting is Garnet which is specifically categorized under the head 2513 20 30 while the HSN Code 2513 20 90 is for residual entries. It is stated here that IREL has already received complaints of Garnet being exported from various ports in Gujarat by unscrupulous exports by changing the HSN Code to 2513 20 90 "Natural Abrasive/ Natural Abrasive Grains". While Mundra Port has acted on IREL's advice, we are yet to hear from other ports on the same. This issue has been taken up with DGFT and Customs to stop the practice as it is apprehended that the same would become conduit for export of BSM.

3. As per records, there is no information available with AMD about the grant of mining lease for garnet in hard rock terrains of Rajasthan. If any garnet consignments are allowed for export without any checks by the canalizing agency notified by the DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM Garnet as Rock Garnet and the port authorities may not be able to differentiate it. It is also stated that garnet can be recovered from placers as well as from pegmatic alluvium in the hinterland away from the coast i.e. within the hard rock terrain. If source rock contains monazite, chances of association of monazite in varied quantity with garnet recovered from inland placers/ pegmatite/ schist/ gneiss cannot be ruled out. Further, it would be difficult for the port authorities to differentiate between detrital beach garnet and crushed rock garnet megascopically. **If the garnet consignments are allowed for export without any checks by the canalizing agency notified by the DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM garnet as rock garnet and the port authorities may not be able to differentiate them.**

4. Therefore the export of **garnet sand which is closely associated with monazite shall not be allowed without MTC**. M/s Tirupati Enterprise may be asked to approach IREL for canalizing their exports through IREL.
5. In view of the above, as the product under reference is Garnet and there is apprehension of the route being adopted by unscrupulous exporters to export BSMS under this revised heading, the request of the party should not be acceded to.
6. This has the approval of the Competent Authority in the Department.

Yours faithfully,

(Shekhar V Chavan)
Under Secretary (PSU)

- 6.9 The Notification No. 26/2015-2020 dated 21.08.2018 adds entry Sr. no.98A in Schedule 2 of ITC (HS). The specific entry under Customs Tariff item 25132030 refers to Garnet. The said notification adds the condition in export policy that goods with item description Beach Sand Minerals as listed viz. ilmenite, Rutile, Garnet, Monazite, Zircon etc. will be exported by State Trading Enterprises only and the policy condition mentions the export will be through Indian Rare Earth Ltd. (IREL) only. Thus, the goods tested by the IREL, Kerala have been found to be "Garnet", hence, the same are correctly classifiable under CTH 2513 2030 specifically. The specific mineral "Garnet" is also mentioned under column "Item description" in the said DGFT Notification no. 26/20152020 dated 21.08.2018. Therefore, word Beach Sand Mineral has to be taken as generic term and not specifically only those minerals mined on beach. The natural garnet is found both on beach and inland. It cannot be the aim of the policy makers to have the policy prohibition only for ilmenite, Rutile, Garnet. Zircon etc. which is found on beach sand and not inland. The Custom Tariff Heading item 2513 2030 is specifically mentioned in the said DGFT Notification and this tariff item also does not differentiate between Garnet found on Beach Sand and Mineral inland.
- 6.10 The most prominence fact in the MO No 3010/44/2019-PSU/2798 dated 25.02.2020 that "If any garnet consignments are allowed for the export....and the port authorities may not be able to differentiate it.""If source rock contains monazite, chances of association of monazite in varied

quantity with garnet recovered from inland placers/ pegmatite/ schist/ gneiss cannot be ruled out".

In the broader terms Customs Officers performing duties in the field are "port authority" and may not be able to differentiate between BSM and Garnet megascopically. A specialized authority is needed to differentiate between BSM and "Garnet". The association of monazite with garnet recovered from inland placer/Pegmatite/schist/gneiss has not been ruled out. Monazite is an important source of thorium, cerium, and other rare elements and closely associated with the 'Garnet'. Therefore, any consignment containing "Garnet" shall be canalized through IREL as per DGFT notification No. 26/2015-20 dated 21.08.2018. The IREL (India) Limited (Formerly India Rare Earths Limited) is the specialize agency to regulate the export of "Garnet" in terms of the DGFT notification No. 26/2015-20 dated 21.08.2018.

6.11 It is also pertinent to mention a letter No 3010/44/2019-PSU/6392 date 02.06.2021(**RUD-VI**) written to Commissioner of Customs (P), Jamnagar by the "Department of Atomic Energy" on the subject Export of Natural Abrasive Grain/Abrasive by M/s Tirupati Enterprises, Mumbai' and which is also mentioned in the Para 23.1 of order-in- original no 05/Additional Commissioner/2021-22 dated 22.11.2021 (available in public domain). This letter was having the reference of the export by M/s Tirupati Enterprises and identical in nature.

The said letter states that, The HS Code of Garnet is independent of its source of origin/made of occurrence (i.e whether obtained from beach sand or hard rock terrain) and therefore, export of Garnet comes under the purview of the above DGFT, Notification date 21.08.2018.'

In 05 shipping bills filed by exporter M/s. Globe Impex, the exporter has attempted to export "Garnet" without having any permission authorization from IREL (India) Ltd and violated the condition imposed vide DGFT Notification No. 26/2015-20 dated 21.08.2018.

6.12 In the self-assessment regime, it is the responsibility of the exporter to correctly declare value, classification, description of the goods. In view of discussions in foregoing paras, it appears that exporter has filed false and erroneous declaration in respect of description and classification of the export goods before Customs and the attempt to export the impugned goods is considered as violation of restriction imposed by DGFT under Notification 26/2015-20 dated 21.08.2018, appears to fall under the ambit of 'smuggling' as

defined under section 2(39) of the Customs Act, 1962. Further in terms of **Section 11H(a) of Customs Act, 1962**, the act again amounts to 'illegal export' by them in as much as they attempted to export the goods in contravention to Section 50(2) and 50(3) of Customs Act, 1962 read with section 11 of Foreign

Trade (Development and Regulation) Act, 1992 and Rule 11 & 14 of Foreign Trade (Regulation) Rules, 1993. Whereas from above facts, it appears that by adopting modus operandi of mis-declaration of goods, the said exporter attempted to export the subject goods. They appear to have deliberately mis declared the goods in terms of description and classification. Mis-declaration of true and correct description by wilful mis-statement and suppression of facts by the exporter is in contravention of provisions of Customs Act, 1962 as discussed herein above. Therefore, the subject goods covered under 05 Shipping Bills as detailed at Table -I by **M/s. Globe Impex (IEC-CVLPP0833J)** appears to be treated as prohibited goods as defined under Section 2(33) of Customs Act, 1962 and smuggled goods as defined under section 2(39) of Customs Act, 1962.

Therefore, it appears that the exporter **M/s. Globe Impex (IEC-CVLPP0833J)** exported under 05 Shipping Bills had tried to export the prohibited goods in contravention of provisions of Customs Act 1962 & DGFT notification No 26/2015-20 dated 21.08.2018.

6.13 Any prohibition referred to in the Section 113(d) of the Customs Act, 1962 apply to any type of prohibition. That prohibition may be complete or partial. It is well settled law that any restriction on import or export is to an extent a 'prohibition' and therefore, expression 'any prohibition' in section 113(d) of Customs Act, 1962 includes restrictions. Restriction is one type of prohibition if policy condition is not fulfilled or complied with. In the instant case, goods do not fulfil the condition for their export as they violate the provisions of DGFT Notification, provisions of Foreign Trade (Development and Regulation) Act, 1992, Foreign Trade (Regulation) Rules, 1993 and provisions of Customs Act, 1962 as discussed above, they are to be deemed prohibited.

In view of the above, goods covered under 05 shipping bills cleared in past as detailed at Table-I, though not available for confiscation, are also liable to be held confiscated under section 113(d) and 113(i) of the Customs Act, 1962. Therefore, the exporter M/s R. N. Minerals (IEC-AGVPP8081H) is liable for Penalty under section 114(i) and Section 114AA of the Customs Act, 1962.

6.14 For the past 03 shipping bills as mentioned in Table-I wherein foreign remittance have not been received by the exporter as per ICES 1.5 and thereby in a manner which rendered the said goods liable for confiscation in terms of provisions of Section 113(ia) & 113(ja) of the Customs Act, 1962. The export incentive claimed by the exporter in these Shipping Bills are also liable to be recovered from them in terms of Section 75 and 75A of the Customs Act 1962 read with Rule 18 of the drawback Rules, 2017 & Section 28AAA and Notification No. 76/2021-Cus(N.T) dated 23.09.2021, 77/2021-Cus (N.T) dated 24.09.2021 & 25/2023-Cus (N.T) dated 01.04.2023 along with applicable interest under section 28AA of the Customs Act, 1962.

6.15 As above discussion, it appears that the **M/s. Globe Impex (IEC-CVLPP0833J)** has rendered himself liable to penalty in terms of section 114AB of the Customs Act, 1962 on account of claiming and receiving the export benefit/incentives without receipt of the foreign remittance in Shipping Bills filed by the exporter as mentioned at Table-I above.

Role of CB M/s Dinsha Shipping Agency (11/2234)

6.16 The goods covered under 05 shipping bills were filed by M/s Dinsha Shipping Agency (11/2234). It appears that the CB had the knowledge of the consignment being exported under instant shipping bill. The past export data for the RITC 71059000 has been retrieved from EDI and it has found that apart from this shipping bill, 26 more shipping Bills item description "**Industrial Grit Product**" pertains to the three different exporters has been filed by the CB and has been cleared from Nhava Sheva Port (INNSA1). It was the obligation of the CB under 10(d) Customs Broker License Regulation 2018, in which he fails to perform. It is also be considerable fact that the CB has filed 31 Shipping bills on behalf of four exporter which is identical in the manner of 'item description', 'RITC', 'FOB value per metric ton' to the instance shipping bills of M/s AB'S industries Ltd.

7. RELEVANT LEGAL PROVISIONS

A. Customs Act, 1962

Section 2(22): "goods" includes (a) vessels, aircrafts and vehicles; (b) stores; (c) baggage; (d) currency and negotiable instruments; and (e) any other kind of movable property;

Section 2(33): "prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with;

Section 2(39) "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;

Section 11H(a) "illegal export" means the export of any goods in contravention of the provisions of this Act or any other law for the time being in force;

Section 50: Entry of goods for exportation. -

(1) The exporter of any goods shall make entry thereof by presenting [electronically] (on the customs automated system) to the proper officer in the case of goods to be exported in a vessel or aircraft, a shipping bill, and in the case of goods to be exported by land, a bill of export [in such form and manner as maybe prescribed]:

Provided that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to make entry by presenting electronically [on the customs automated system], allow an entry to be presented in any other manner.]

(2) The exporter of any goods, while presenting a shipping bill or bill of export, shall make and subscribe to a declaration as to the truth of its contents.

(3) The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely: -

- (a) the accuracy and completeness of the information given therein;
- (b) the authenticity and validity of any document supporting it; and
- (c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

SECTION 113(d): any goods attempted to be exported or brought within the limits of any customs area for the purpose of being exported, contrary

to any prohibition imposed by or under this Act or any other law for the time being in force, shall be liable to confiscation;

SECTION 113(i): any goods entered for exportation which do not correspond in respect of value or in any material particular with the entry made under this Act or in the case of baggage with the declaration made under section 77, shall be liable to confiscation;

Section 114(i): Any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 113, or abets the doing or omission of such an act, shall be liable, in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding three times the value of the goods as declared by the exporter or the value as determined under this Act, whichever is the greater;

Section 114AA: If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.

Section 114AC: Penalty for fraudulent utilization of input tax credit for claiming refund.— Where any person has obtained any invoice by fraud, collusion, wilful misstatement or suppression of facts to utilise input tax credit on basis of such invoice for discharging any duty or tax on goods that are entered for exportation under claim of refund of such duty or tax on goods that are entered for exportation under claim of the refund of such duty or tax, such person shall be liable for penalty not exceeding five times the refund claimed. For the purposes of this section, the expression "input tax credit" shall have the same meaning as assigned to it in clause (63) of section 2 of the Central Goods and services Tax Act, 2017 (120 of 2017).

Customs Broker Licensing Rule 2018.

A. Customs Brokers Licensing Regulations, 2018:

10. Obligations of Customs Broker.— A Customs Broker shall —

(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage

(n) verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;

B. Foreign Trade (Development and Regulation) Act, 1992

Section 11:(1) No export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made there under and the foreign trade policy for the time being in force.

C. Foreign Trade (Regulation) Rules, 1993

Rule 11: On the importation into, or exportation out of, any customs ports of any goods, whether liable to duty or not, the owner of such goods shall in the Bill of Entry or the Shipping Bill or any other documents prescribed under the Customs Act, 1962 (52 of 1962), state the value, quality and description of such goods to the best of his knowledge and belief and in case of exportation of goods, certify that the quality and specification of the goods as stated in those documents, are in accordance with the terms of the export contract entered into with the buyer or consignee in pursuance of which the goods are being exported and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or Shipping Bill or any other documents.

Rule 14: Prohibition regarding making, signing of any declaration, statement or documents. -

(1) No person shall make, sign or use or cause to be made, signed or used any declaration, statement or document for the purposes of obtaining a licence or

: importing any goods knowing or having reason to believe that such declaration, statement or document is false in any material particular.

(2) No person shall employ any corrupt or fraudulent practice for the purposes of obtaining any licence or importing or exporting any goods. **D. DGFT Notification No. 26/2015-20 dated 21.08.2018:**

provides that export of Beach Sand Minerals (Ilmenite, Rutile, Leucoxene (Titanium bearing minerals), Zircon, Garnet, Sillimanite, Monazite (Uranium and Thorium)] is regulated in terms of Sl. No. 98A of chapter 26 of Schedule 2 of ITC (HS) classification (Schedule 2 of Export policy) and regulated through Indian Rare Earths Limited (IREL).

8. Now, Therefore, **M/s. Globe Impex (IEC-CVLPP0833)** having address at SA /176-3B, RAMERPUR, PAHRIYA, Varanasi, Uttar Pradesh, 221007 are hereby called upon to Show Cause to the Addl./Joint Commissioner of Customs (Export), CEAC, NS-II having office at Jawaharlal Nehru Customs House, Nhava Sheva, Tal.-Uran, Dist. Raigad (Maharashtra) within 30 days of receipt of this notice as to **why**:

- I. Declared description 'Industrial Grit' and declared classification under
Customs Tariff Item "71059000" should not be rejected and description 'Natural Garnet' and CTH 25132030 should not be considered/taken as correct description and classification of the goods covered under 05 shipping bills as mentioned at Table-I.
- II. The goods covered under 05 shipping bills as mentioned at Table-I having FOB value of Rs. 80,45,582/- (Rupees: Eighty Lakh forty-five Thousand five hundred Eighty-Two) Only) should not be confiscated under section 113(d) and 113(i) of the Customs Act, 1962. though, the goods are not available for confiscation.
- III. Penalty under section 114(i) of the Customs Act, 1962 should not be imposed upon M/s. Globe Impex (IEC-CVLPP0833) for their acts of omissions and commissions, in rendering the said goods liable for confiscation.
- IV. Penalty under section 114AA of the Customs Act, 1962 should not be imposed upon M/s. Globe Impex (IEC-CVLPP0833) for their acts of omissions and commissions, in rendering the said goods liable for confiscation.
- V. Penalty should not be imposed upon the exporter M/s. Globe Impex (IEC-CVLPP0833) under Sections 114AC for fraudulent utilization of Input Tax Credit for claiming refund which have rendered the export goods liable for confiscation under the aforesaid provisions of the Customs Act, 1962.
- VI. Drawback amounting to **Rs.19,231/-** claimed against 03 past shipping bills mentioned at **(Table-I)** wherein foreign remittance has not been realized, for the goods covered under past shipments should not be recovered under Rule 17 of Customs and Central Excise Duties Drawback Rules, 2017 read with section 75 of the Customs Act, 1962 along with applicable interest under the second proviso of section 75A of the Customs Act, 1962 and corresponding claimed RoSCTL duty scrips amounting to Rs **12,019.39/-** should not be recovered in terms of Para 5 of Notification no76/2021-Cus(N.T) dated 23.09.2021 & 25/2023-Cus(N.T) dated 01.04.2023 and Section 28AAA of the Customs Act,1962 along with applicable interest under Section 28AA of Customs act 1962.

VII. Penalty should not be imposed upon the exporter M/s. Globe Impex (IECCVLPP0833) under Section 114AB of the Customs Act, 1962 on account of obtaining instrument by fraud etc in past shipping bills.

9. M/s. Dinsha Shipping Agency (11/2234) having address at B48 1/2, Himalaya Co-op HSC Society, Anandgadh, Parksite, Vikhroli West, Mumbai 400707 is also hereby called upon to show cause to the Joint/Additional Commissioner of Customs, CEAC, JNCH, having office at Jawaharlal Nehru Customs House, Nhava Sheva, Tal. Uran, Dist. Raigad (Maharashtra) within 30 days from the receipt of this notice, as to why:

(i) Penalty should not be imposed on them under Section 114 (iii) & 114 AA of the Customs Act, 1962 and Regulation 10 (d), 10(e) & 10(n) of CBLR, 2018.

10. The aforesaid noticee is to submit their written reply within 30 days before the adjudicating authority. In their reply, they should clearly state whether they wish to be heard in person or not. In case no such request is made or they do not appear before the adjudicating authority on the date and time fixed, the case will be decided ex-parte on the basis of available records without any further reference to them.

11. In case the noticee is eligible to avail the facility of settlement of the case as per the Chapter XIVA of the Customs Act, 1962, and interested in the same, he may apply to the Settlement Commission as per prescribed procedure and also inform the same to the Adjudicating Authority.

12. This show cause notice is issued only in respect of issues discussed in the show cause notice and the goods mentioned against the shipping bill discussed hereinabove.

13. This show cause notice is issued without prejudice to any other action that may be taken in respect of the impugned goods and/or the persons/company mentioned in the notice, under the provisions of the Customs Act, 1962 and/or any other law for the time being in force.

14. The Department reserves its right to add, amend, modify, etc. this notice based on any fresh facts or evidence which may come to the notice of the Department after issue of this notice but prior to adjudication thereof.

15. List of the documents relied upon in this notice (RUDs) are as per Annexure-A attached with this notice. It may be noted that all the relied

upon documents and annexure enclosed with this show cause notice are an integral part of this show cause notice.

R.K.B.
23/12/25
(RAGHU KIRAN B.)

ADDITIONAL COMMISSIONER OF CUSTOMS
CEAC/NS-II, JNCH

To,
Noticee:

1. M/s. Globe Impex (IEC-CVLPP0833) having address at SA /176-3B, AMERPUR, PAHRIYA, Varanasi, Uttar Pradesh, 221007
2. M/s. Dinsha Shipping Agency (11/2234) having address at B48 1/2, Himalya Co-op HSC Society, Anandgadh, Parksite, Vikhroli West, Mumbai-400707 Copy to:

Copy to:

1. The Dy. Commissioner of Customs, CRAC(X), JNCH, Nhava Sheva.
2. The Dy. Commissioner of Customs, IRMC, JNCH, Nhava Sheva.
3. The Dy. Commissioner of Customs, SIIB (X), JNCH, Nhava Sheva.
4. The Dy. Commissioner of Customs, CAC, NS-II, JNCH, Nhava Sheva.
5. The Superintendent of Customs, EDI/JNCH
6. The Dy. Commissioner of GST Belapur, Division I.
7. The Notice Board.
8. Office Copy.

ANNEXURE-A

Sr. No.	Particulars
I	Copy of SCN vide no.372/2022-23/JC/CEAC/CAC/JNCH dated 24.06.2022
II	Copy of statement of Shri Aditya Pandey Proprietor of M/s

	Globe Impex (IEC-CVLPP0833J) recorded on 08.08.2022.
III	Copy of Statement of Shri Ulhas Ramdas Gate, Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234)
IV	letter dated 26.06.2023 sent to Shri Aditya Pandey, Proprietor of M/s. Globe Impex
V	Copy of OM dated 25.02.2020 vide file No PSU-3010/44/2019-PSU/2798 issued by the Department of Atomic Energy, PSU Section.
VI	Copy of letter No 3010/44/2019-PSU/6392 date 02.06.2021 written to Commissioner of Customs (P), Jamnagar

Annexure-A attached with this notice. It may be noted that all the relied upon documents and annexure enclosed with this show cause notice are an integral part of this show cause notice.

Addl. Commissioner of Customs
CEAC, NS-II

To,
Noticee:

1. M/s. Globe Impex (IEC-CVLPP0833) having address at SA / 176-3B, AMERPUR, PAHRIYA, Varanasi, Uttar Pradesh, 221007
2. M/s. Dinsha Shipping Agency (11/2234) having address at B48 1/2, Himalya Co-op HSC Society, Anandgadh, Parksite, Vikhroli West, Mumbai-400707

Copy to:

- i. DC/ SIIB(X), JNCH
- ii. DC/DRC, for information & past recovery please.
- iii. Supdt./CHS for display on Notice Board

ANNEXURE-A

Sr. No.	Particulars
I	Copy of SCN vide no.372/2022-23/JC/CEAC/CAC/JNCH dated 24.06.2022
II	Copy of statement of Shri Aditya Pandey Proprietor of M/s Globe Impex (IEC-CVLPP0833J) recorded on 08.08.2022.
III	Copy of Statement of Shri Ulhas Ramdas Gate, Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234)
IV	letter dated 26.06.2023 sent to Shri Aditya Pandey, Proprietor of M/s. Globe Impex
V	Copy of OM dated 25.02.2020 vide file No PSU-3010/44/2019-PSU/2798 issued by the Department of Atomic Energy, PSU Section.
VI	Copy of letter No 3010/44/2019-PSU/6392 date 02.06.2021 written to Commissioner of Customs (P), Jamnagar

 सत्यमेव जयते	<p style="text-align: center;">OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II SPECIAL INVESTIGATION AND INTELLIGENCE BRANCH (X), Jawaharlal Nehru Custom House, Nhava Sheva, Dist- Raigad, Maharashtra – 400 707. Tel No: 27244983: Fax: 27241828, 27241825. Email Id – siibx.jnch@gov.in</p>	
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I/2692129/2025

23-02-2025

To,
 The Assistant Commissioner of Customs,
 IRMC Section, NS-II, JNCH,
 Nhava Sheva, Mumbai Zone II.

Sir,

Sub.: Forwarding of Draft Show Cause Notice in respect of **M/s Globe Impex (IEC-CVLPP0833J)** - reg.

This office-initiated investigation against **M/s Globe Impex (IEC-CVLPP0833J)** for fraudulently export of Natural Garnet by mis-declaration as "Industrial Grit Product" under the Chapter Tariff Items (CTI) 71059000. The garnets are correctly classifiable under CTI 25132030 and its export is restricted under DGFT notification No. 26/2015-20 dated 21.08.2018.

2. The investigation has since been completed and the DSCN along with RUDs is being forwarded for necessary forwarding to the respective section at the earliest.
3. The issue with the approval of Additional Commissioner, SIIB(X), JNCH, Nhava Sheva.

Yours faithfully,

sd/-
 (Itha Ramlingeshwara Rao)
 Assistant Commissioner of Customs,
 SIIB(X), JNCH, Nhava Sheva, Mumbai.

Copy to ADC, CEAC, NS-II, JNCH for information and further necessary action.

The investigation has since been completed and the DSCN along with RUDs is being forwarded through IRMC Section for issuance at your end after due diligence at the earliest.

Further, it is to inform that this office functions in the light of Section 110AA of Customs Act, 1962. The DSCN is forwarded for issuance, in which decision may be taken after exercise of due diligence by the proper officer. Duty/Export Incentive and other calculations may be verified and suitable changes, if any, may be carried out in the DSCN before issuance of the SCN.

The issue with the approval of Addl. Commissioner, SIIB(X), JNCH, Nhava Sheva.

Yours faithfully,

Signed by Itha

Ramalingeswara Rao

Date: 23-02-2025 18:35:26

(Itha Ramalingeshwara Rao)

Assistant Commissioner of Customs,
SIIB(X), JNCH, Nhava Sheva, Mumbai.



सीमाशुल्क आयुक्त (न्हावा शेवा -II) का कार्यालय,
OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II,
जवाहरलाल नेहरू सीमाशुल्क भवन, न्हावा शेवा,
JAWAHAR LAL NEHRU CUSTOM HOUSE, NAVA-SHEVA,
ता. उरण, जिला- रायगड, महाराष्ट्र-400707.
TAL. URAN DIST- RAIGAD, MH - 400 707.

F.No.S/6-GEN-01/Misc-61/2022-23/CEAC

Date: 24.06.2022

SG/INV/30/2021-22/SIIB(X)JNCH

DIN- 20220678NT000061616B

Show Cause Notice No: 372/2022-23/JC/CEAC/CAC/H/

ISSUED UNDER SECTION 124 OF THE CUSTOMS ACT, 1962

Based on specific intelligence, the consignment of M/s AB'S Industries (IEC-JPWPS0957E) was put on hold, who was fraudulently exporting Natural Garnet by mis-declaring as "Industrial Grit Product" under the Chapter Tariff Items (CTI) 71059000. The garnets are correctly classified under CTI 25132030 and its export is restricted under DGFT notification No. 26/2015-20 dated 21.08.2018. The said notification mandates that the export of the said goods shall be canalized through Indian Rare Earth Ltd. (IREL) only.

2. M/s. AB'S Industries (IEC-JPWPS0957E) (hereinafter referred as "Exporter") holding IEC: JPWPS0957E having address at First Floor, Near Devendra Takig, Pratapgarh Road, Chhoti Sadri, Rajasthan-312604 had filed Shipping Bill No.4924390 dated 28.09.2021(**RUD-1**) through the Customs Broker M/s. Dinsha Shipping Agency (11/2234) (CB Code- AAMFD0294RCH002) for the export of the goods declared as 'Industrial Grit Product' (hereinafter to referred as 'subject goods') under RITC 71059000 stuffed in Container Numbers MRSU0112970, MSKU3085687, MSKU3363983 having FOB value of Rs.15,61,596/- and declared weight 84 Metric Ton under Scheme Code 00 to destination Country "Kuwait". The details of shipping bills are tabulated as below: -

Table-I

Sr. No.	S/B No.& Date	Description of goods	Declared CTH	Declared FOB(INR)	Quantity
1	4924390 date: 28.09.2021	Industrial Grit	71059000	15,61,596/-	84 MTs

3. The DGFT, New Delhi vide Notification No. 26/2015-20 dated 21.08.2018 has made amendment in export Policy in export of "Beach Sand Minerals" falling under Chapter 26 of Schedule 2 of the ITC CHS classification of Export and Import items. The relevant paras are reproduced as under:

"2: The existing entries in the note of Chapter 26 of the Schedule 2 of ITC (HS) classification of Export & Import items, 2018, are substituted as under:-

"Note:

1. Export of Rare Earth compounds classified as Beach Sand Minerals (BSM), namely [Ilmenite, Rutile, Leucoxene(Titanium bearing mineral), Zircon, Garnet, Sillimanite and Monazite(Uranium and Thorium)], shall be regulated in terms of Sl. No 98A of Chapter 26 Schedule 2 of ITC(HS) Classification.

2. Other Minerals under code 2617 are freely exportable, except those which have been notified as prescribed substance and controlled under Atomic Energy Act, 1962".

3. A new Entry at Sl No 98A is inserted in Chapter 26 of Schedule 2 of ITC(HS) Classification of Export & Import Items 2018 as follows:

S. No.	Tariff Item HS Code	Unit	Item Description	Export Policy	Policy Condition
98A	25085051	kg	Beach Sand	STE(State	Export
	25085032		Minerals/ Ilmenite,	Trading	through
	25085039		Rutile,	Enterprise)	Indian
	26121000		Leucoxene(Titanium		Rare
	26122000		bearing		Earths
	26140010		mineral), Zircon,		Limited
	26140020		Garnet, Sillimanite		(IREL)
	26140031		and		
	26140039		Monazite(Uranium		
	26140090		and Thorium)]		
	25151000				
	25132030				

4. Effect of this Notification:

Export of Beach Sand Minerals have been brought under STE and shall be canalized through Indian Rare Earths Limited (IREL). Beach sand Minerals, permitted anywhere in the export policy, will now be regulated in terms of policy under Sl. No.98A of Chapter 26 of Schedule 2 Export Policy.

4. EXAMINATION OF GOODS

The consignment covered under S/B 4924390 dated 28.09.2021 was put on hold vide Hold Letter dated 04.10.2021 of this office for detailed examination and it was intimated to the Exporter and CB on the same date i.e 04.10.2021. The Exporter acknowledged this fact through his email correspondence dated 09.10.2021 (RUD-2) that the Hold Letter dated 04.10.2021 was received by him by the evening of 04.10.2021. After receiving the Hold Letter dated 04.10.2021 in due time, the Exporter

and the Customs Broker were expected to proactively facilitate the detailed examination of the goods covered under subject shipping bill by the SIIB, Export. But the fact of the matter is that the goods covered under subject shipping bill sailed on the designated vessel on 06.10.2021.

However, despite being held by the SIIB, Export, JNCH, the consignment covered under Shipping Bill No. 4924390 dated 28.09.2021 boarded on the vessel and sailed on 06.10.2021 for its destination port. The absence of any reasonable and conceivable effort in stopping the goods covered under subject shipping bill on the part of the Exporter and Customs Broker from sailing the goods on 06.10.2021 reflects the mala fide intention of the Exporter and CB in avoiding the investigation. The deliberate failure of the Exporter and CB from stopping the subject goods from sailing and the credibility of the intelligence gathered, compelled the department to 'Call Back' the Container Nos. MRSU0112970, MSKU3085687, MSKU3363983 covered under subject shipping bill vide the letter dated 11.10.2021 to the concerned shipping line i.e. Maersk Shipping Line (**RUD-3**). The Called back containers were taken from Gateway Port to CFS under Customs Escort on 25.10.2021. Moreover, vide the email communication dated 27.10.2021 from Maersk Line (APM Terminals), it was intimated that the Container No. MRSU0112970 had been marked for Drive Through Scanning Machine. Accordingly, the Container No. MRSU0112970 was scanned at Container Scanning Division, JNCH on 03.11.2021(**RUD-4**). After that, the said container was escorted back to New Maersk CFS on 03.11.2021.

Therefore, in effect the Container Nos. MRSU0112970, MSKU3085687, MSKU3363983 covered under subject shipping bill were made available after 03.11.2021 to SIIB, Export for physical examination in furtherance of investigation. Accordingly, the goods covered under Shipping Bill No.4924390 dated 28.09.2021 was examined by the officer of SIIB(X) under Panchnama dated 09.11.2021(**RUD-5**). The goods were examined in the presence of Shri Ulhas Ghate, authorized representative of Exporter, Shri Kiran M. Phapale (Cardex no-P-4250) of Customs Broker firm M/s Dinsha Shipping Agency and in presence of independent Panchas Shri Rajesh R Adelkar, & Shri Prashant Shivaji Salunkhe,.

During the course of examination, the weighment of the Container Numbers MRSU0112970, MSKU3363983 & MSKU3085687 were conducted on the weighing scale available in the New Maersk CFS, Nhava Sheva. The declared quantity of the goods was 84.03 Metric Tons. However, the weight of the subject goods found during examination under Panchanama dated 09.11.2021 was less than the declared weight. The observation made in the weighment for each container are as tabulated below:

Table -II

Container No	Description of Goods as per S/B	Declared weight (in KG)	Gross weight including Container (in KG)	Gross Weight of the Goods found during examination under Panchanama dated 09.11.2021 (in KG)
4924390	dt 28.09.2021			
MRSU0112970	Industrial Grit	28000	29300	27120
MSKU3363983	Industrial Grit	28000	30030	27750
MSKU3085687	Industrial Grit	28000	29990	27690

The intact Customs seal and Agent Seal on the containers were cut and one by one jumbo bags were taken out from the containers. On opening the jumbo bags, they were found to contain pink colored granular sand like material. The composite Samples were drawn from such goods under said Panchanama dated 09.11.2021 and were forwarded to IREL for testing and ascertaining the true identity of the subject goods.

5. SEIZURE

It is pertinent to mention here that the credible intelligence had been gathered, as per which the goods covered under subject Shipping Bill were suspected to be 'Garnet' and were deliberately mis-declared and mis-classified to smuggle the same. Adding to this, Shri Vijay Sahu (Authorised Representative of M/s. AB's Industries), in his statement dated 11.10.2021 submitted that they used to purchase the lump stones of **Gem Garnet** from the local market of Rajasthan as per the requirements of overseas buyer.

In view of the above two preliminary findings, it appeared that the goods covered under subject shipping bill contained items restricted for export and for which the Exporter did not have any authorization as such, therefore, the goods covered under Shipping Bill No. 4924390 dated 28.09.2021 were seized under Seizure Memo dated 09.11.2021(**RUD-6**) on the reasonable belief that the same were liable for confiscation under provisions of Customs Act, 1962 and were being attempted to be exported in contravention of the provision of restriction imposed vide DGFT Notification No. 26/2015-20 dated 21.08.2018.

6. TEST RESULTS

The representative sample drawn from the goods covered under Shipping Bill No. 4924390 dated 28.09.2021 under Panchanama dated 09.11.2021 were sent to IREL (India) Limited (formerly known as Indian Rare Earths Limited) vide letter dated 11.11.2021 for ascertaining the nature; composition and description of goods. Accordingly, the Mineralogical Analysis Report/Test Reports dated 02.12.2021(**RUD-7**) in respect of the goods covered under subject shipping bill were received from IREL.

Vide the Detailed composition of the subject goods as per Test Report No. ML-1329 dated 29.11.2021 (ULR-TC597421000000593F) is as below: -

Table-I

Minerals	Weight %
ILMENITE	0.1
GARNET	95.2
Other Heavy Minerals	4.6
Quartz	0.1
Total	100

It is clear from the above test reports that goods covered under said shipping bill predominately were found to contain '**Garnet**'.

The size analysis report is also test by IREL (India) Limited Research Centre vide Report No ML-1330 dt 29/11/2021(ULR-TC 597421000000594P) is as below.

Table-II

MICRON	Sieve Fractions GMS	Weight %
1000	6.361	8.0
850	17.296	21.7
600	27.426	34.4
425	13.643	17.1
300	10.536	13.2
250	2.975	3.7
--	1.488	1.9
Total	79.725	100

It is evident from the above report that the size of goods covered under said shipping bill from the range of 300- 850 Microns in size.

7. STATEMENT RECORDED UNDER SECTION 108 OF CUSTOMS ACT, 1962

7.1 The summons dated 11.10.2021 were issued to the proprietor of M/s AB'S Industries for the record of his statement. The statement of Shri Vijay Sahu, Manager in M/s AB'S Industries, recorded under section 108 of the Customs Act, 1962 on 11.10.2021(**RUD-8**) wherein he inter-alia stated that:

- He holds the managerial position in M/s AB'S Industries.
- Before working in M/s AB'S Industries, he never handled any export/import work.
- They are manufacturer exporters and used to purchase the raw materials (Lump stones of Gem Garnet) from local market of Rajasthan as per requirement of overseas buyers.

- They got hold letter on 04.10.2021 in afternoon but did not make any effort to bring back container from port to CFS till 06.10.2021 and on the 06.10.2021 sailed preponed before its scheduled sailing 07.10.2021.

7.2 The summons dated 07.12.2021 and 07.02.2022 were issued to the proprietor of M/s AB'S Industries for the record of his statement. The statement of Shri Ajay Bihari Sahu recorded under section 108 of the Customs Act, 1962 on 24.02.2022 (**RUD-9**) wherein inter-alia he stated that:

- His product is wastage of semiprecious stone. He used to export the product to the Qatar and Kuwait.
- His firm is exporting the said goods since last two years and earlier they had exported under shipping bill 5369832 dated 23. 09.2020 from ICD Sonipat.
- He has seen the test report of IREL and establishes the veracity of the same.
- The goods are being exported by his firm is byproduct of the semiprecious stone of **“Gem Garnet”**
- The goods exported by his firm is origin from Rajasthan, therefore it does not fall under category of Beach Sand Minerals (BSM) as restricted by DGFT Circular no 26/2015-2020 dated 21.08.2018. He is registered as Trader with the Rajasthan Government having Dealer ID No 6001. It is a gem quality garnet having separate classification as under chapter 71.
- His firm is not registered with the **“Gem & Jewellery Export Promotion Council” (GJEPC)**.
- He contacted M/s Dinsa shipping through Mr. Ulhas Gate of M/s A.P Cargo. He provides all documents related to goods and it was decided to pay Rs 35000/- per container (this includes docs stuffing, clearance, gate in and documentation) to M/s Dinsa Shipping for the service.
- He declared it as “Industrial Grit” because this is the trade name for subject goods and the shortage of weight 6760 Kgs happens due to loss of goods during the transportation or during stuffing.
- He received hold letter no 04.10.2021 evening by SIIB(X), he immediately informed to CHA and on next morning he came to JNCH to meet the SIIB(X) official and explain about subject goods. The scheduled sailing was on 07.10.2021 but it sailed proponed on 06.10.2021.

7.3 Statement of Shri Ulhas Ramdas Gate, Export Operation manager, Authorized Representative of M/s Dinsa Shipping Agency (11/2234), recorded under section 108 of the Custom Act, 1962 on 28.02.2022 (**RUD-10**) wherein he inter-alia stated that:

- He is Export Operation Manager in M/s Dinsa Shipping Agency (11/2234).
- The said S/B no 4924390dt 28.09.2021 has been filed by his firm M/s Dinsa Shipping Agency.
- The KYC verification of the exporter was done on the basis of IEC Copy, GST Registration. Aadhaar Card, Electricity bill of the exporter. The company premise was not verified physically.

- In the past his firm filed three shipping bills 4479587 dt 09.09.2021, 4713330 dt 20.09.2021 & 4924390 dt 28.09.2021 with having goods description as "Industrial Grit". It is the same description as of Sipping Bill no 4924390 dt 28.09.2021.
- The IRTC was decided by the exporter and it was mentioned in exporter's invoice. CHA doesn't decide the classification.
- When they come to know container was kept 'On Hold' by the SIIB(X), They immediately contacted to the Exporter and advised him to contact to the forwarder/shipping Liner to call back container from Port.
- They Charge Rs.35000/- per container under shipping bill 4924390 dt 28.09.2021, this includes Docs Stuffing, Clearance, Gate in and Documentation Charge.
- They did not see the goods before filing bill of entry and they were not aware of the impugned goods being exported are 'Garnet'.

8. Past Export of Exporter from Nhava Sheva Port (INNSA1)

Table-III

Sr. No.	S/B No. & Date	Description of goods	Declared CTH	Declared FOB(INR)	Quantity (MTS)
1	2	3	4	5	6
1	4479587 dt 09.09.2021	Industrial Grit Product Code- ABS21/2040/1 Lot No ABS/2021/09-01 1 MT Packing	71059000	20,30,381	112
2	4713330 dt 20/09/2021	Industrial Grit Product Code- ABS21/2040/1 Lot No ABS/2021/09-01 1 MT Packing	71059000	15,61,596	84
Total				35,91,977/-	196

Prior to instance shipping bill Exporter M/s AB's Industries had exported the "Industrial Grit" vide S.B no 4479587 dt 09.09.2021 & 4713330 dt 20/09/2021 of aggregate FOB Value Rs 35, 91,977/- & aggregate Weight 196 MTS from Nhava Sheva Port.

On RSS testing by the IREL in the instance shipping bill no S/B no 4924390dt 28.09.2021, the declared goods as "Industrial Grit" found as "**95.2 % Garnet**". Therefore, it appears that Exporter in the past shipment vide above mentioned shipping bill exported the "**Garnet**".

9. The investigation of the data of retrieved from EDI was voluminous work, Therefore with approval of the com at authority the issuance of the Show Cause

AB'S Industries vide letter dated 13.04.2022 (**RUD-11**) and a copy of the same delivered by hand to the representative Mr. Ulhas Gate (M/s Dinsha Shipping Agency) on the same day.

10. It is pertinent to mention here that the statement of the proprietor Shri **Vijay Sahu** of M/s mineral World (IEC-LMZPS7297D) had been appeared before SIIB(X) on 11.10.2021 in the capacity of the Manager of M/s AB'S Industries with respect of the export of suspected "Garnet" under instance shipping bill 4924390 dt 28.09.2021 . Wherein he stated that "**he has never before handled the import/export work.**" At that time of record of statement i.e on 11.10.2021 the details of the export made by his firm M/s Mineral World was not known to the investigating unit. Later the data retrieved from EDI shows that, before the date of statement, the proprietor Mr Vijay Sahu of M/s mineral World (IEC-LMZPS7297D) had already exported 1652 Metric tons of FOB value Rs. 322 Lakhs of suspected '**Garnet**' under declaration of "Industrial Grit" from Nhava Sheva port. It is evident that the proprietor Mr. Vijay Sahu of the M/s mineral World (IEC-LMZPS7297D) had tried to misguide the investigation by way of make false statement under 108 of Customs Act 1962. At the time of the export of the instance shipping bill 4924390 dated 28.09.2021, Mr Vijay Sahu was working as manager in the firm M/s AB'S Industries. Thus Mr Vijay Sahu emerge as close associate of Mr Ajay Bihari Sahu of M/s AB'S Industries in the export of the "**Garnet**". For the investigation of export made by the M/s Mineral World (IEC-LMZPS7297D) a separate investigation is under progress.

As it is mentioned above, the summons 05.04.2022, 02.05.2022 & 11.05.2022 were issued to the M/s Vijay Sahu but he did not appear for the further statement. Thus the exporter M/s Vijay Sahu not only misguided the investigation but also not cooperated in further investigation.

11. FINDINGS OF INVETSIGATION

11.1 It is evident from the test results that subject goods declared as "Industrial Grit" covered under S/B No.4924390 dated 28.09.2021 were "**Garnet**" and export of which is restricted and can only be allowed through IREL in terms of Notification No. 26/2015-20 dated 21.08.2018 issued by DGFT. The goods covered under S/B- 4924390 dated 28.09.2021 were exported in violation of the provisions of restriction imposed under DGFT Notification 26/2015-20 dated 21.08.2018.

11.2 Shri Ajay Bihari Sahu, Proprietor of M/s AB'S Industries in his statement dated 24.02.2022 stated that his firm has exported the same goods i.e "Garnet" from ICD Sonipat (INBDM6) vide Shipping Bill 5369832 dt 23.09.2020 and the instance shipping bill 4924390 dtd 28.09.2021, But exporter cleverly skip to mentioned the Shipping bills filed from Nhava Sheva Port for the export of same goods.

The data retrieved from ICES shows that the shipping bills no 4479587 dt 09.09.2021 & 4713330 dt 20/09/2021 for FOB Value Rs 20.32 Lakhs & Rs 15.61 Lakhs respectively filed & exported from Nhava Sheva Port (INNSA1) by M/s AB'S Industries with having description 'INDUSTRIAL GRIT'.

In the instance Shipping Bill No4924390 dated 28.09.2021 the declared goods was "Industrial Grit", the RSS was sent to IREL(India) Ltd and in test report it was found "**95.2% Garnet**". Therefore, it appears that goods exported in past detailed at Table-III were also 'Garnet' and were exported in violation of the provisions of restriction imposed under DGFT Notification 26/2015-20 dated 21.08.2018.

Classification

11.3 Shri Ajay Bihari Sahu, Proprietor of M/s AB'S Industries in his statement dated 24.02.2022 stated, the classification of goods under RITC 71059000 is free for export and the restriction doesn't apply.

It is pertinent to mention here the chapter 71 of Customs Tariff Act 1975 deals with "**NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL, AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN**"

7103 10 - Unworked or simply sown or roughly shaped:
 --- Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:

7103 10 51 ---- Garnet.

As Customs Tariff 1975, the garnet to be classified under CTH 71031051 should fulfill the two below mentioned mandatory character

- I. The Garnet should be in "unworked or simply sown or roughly shaped
- II. Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:

The another classification of garnet falls under CTH 71039931 under sub head of 7103 chapter 71 of Customs Tariff 1975 and shall fulfill two mandatory characteristics

- I. - Otherwise worked:
- II. ---Precious or semi-precious stones of "Garnet" and "Lazurite" mineralogical species:"

There is no other classification for the "Garnet" other than 71039931 & 7103 10 51 under chapter 71 of Customs Tariff Act 1975. Therefore all other form of 'Garnet' should be classifiable under '**RITC 25132030**' and should be canalized through IREL in terms of Notification No. 26/2015-20 dated 21.08.2018 issued by DGFT.

However, the exporter has classified under RITC (7105 90 00 - Other) in the instance shipping bill 4924390 dated 28.09.2021 under sub head "7105 DUST AND POWDER OF NATURAL OR SYNTHETIC PRECIOUS OR SEMI-PRECIOUS STONES".

11.4 It is pertinent to mention here the OM dated 25.02.2020 vide file No PSU-3010/44/2019-PSU/2798 issued by the Department of Atomic Energy, PSU Section, On the subject "Export of abrasive (Rock Garnet) from Rajasthan is not abide by DGFT Notification No 26/2015-2020 dated 21.08.2018 canalizing the export of Beach Sand Minerals (BSM) through IREL (India) Ltd." is given below. **(RUD-12)**

Government of India
Department of Atomic Energy
PSU Section

Anushakti Bhavan,
C. S. M. Marg,
Mumbai — 400 001

No PSU-3010/44/2019-PSU/2798
February 25. 2020

OFFICE MEMORANDUM

Subject: Export of Abrasive (Rock Garnet) from Rajasthan is not abide by DGFT Notification No. 26/2015-2020 dated 21.08.2018 canalizing the export of Beach Sand Minerals (BSM) through IREL (India) Ltd.

Directorate General of Foreign Trade (DGFT) may please refer to their OM No. 01/91/171/22/AM19/EC/468 dated 28.11.2019 on the above subject.

2. The matter has been examined in the Department in consultation with Atomic Minerals Directorate for Exportation & Research (AMD) and IREL (India) Limited (IREL) and it is intimated that the material i.e. Rock Garnet, proposed to be exported falls under HS Code 25132030 and the material is covered under canalization through IREL (India) Limited vide DGFT Notification No. 26/2015-2020 dated 21.08.2018. M/s Tirupati Enterprises has been exporting Garnet from Rajasthan Rock source under the correct HS Code 2513 2030. However, to circumvent the provisions of canalization, the Firm wants to change the HSN Code to 2513 20 90 and reclassify the material as Natural Abrasive. This is not appropriate as the material that the Firm are exporting is Garnet which is specifically categorized under the head 2513 20 30 while the HSN Code 2513 20 90 is for residual entries. It is stated here that IREL has already received complaints of Garnet being exported from various ports in Gujarat by unscrupulous exports by changing the HSN Code to 2513 20 90 "Natural Abrasive/ Natural Abrasive Grains". While Mundra Port has acted on IREL's advice, we are yet to hear from other ports on the same. This issue has been taken up with DGFT and Customs to stop the practice as it is apprehended that the same would become conduit for export of BSM.

3. As per records, there is no information available with AMD about the grant of mining lease for garnet in hard rock terrains of Rajasthan. If any garnet consignments are allowed for export without any checks by the canalizing agency notified by the DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM Garnet as Rock Garnet and the port authorities may not be able to differentiate it. It is also stated that garnet can be

recovered from placers as well as from pegmatic alluvium in the hinterland away from the coast i.e. within the hard rock terrain. If source rock contains monazite, chances of association of monazite in varied quantity with garnet recovered from inland placers/ pegmatite/ schist/ gneiss cannot be ruled out. Further, it would be difficult for the port authorities to differentiate between detrital beach garnet and crushed rock garnet megascopically. **If the garnet consignments are allowed for export without any checks by the canalizing agency notified by the DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM garnet as rock garnet and the port authorities may not be able to differentiate them.**

4. Therefore the export of **garnet sand which is closely associated with monazite shall not be allowed without MTC**. M/s Tirupati Enterprise may be asked to approach IREL for canalizing their exports through IREL.

5. In view of the above, as the product under reference is Garnet and there is apprehension of the route being adopted by unscrupulous exporters to export BSMs under this revised heading, the request of the party should not be acceded to.

6. This has the approval of the Competent Authority in the Department.

Yours faithfully,

(Shekhar V. Chavan)
Under Secretary (PSU)

11.5 The Notification No. 26/2015-2020 dated 21.08.2018 adds entry Sr. no. 98A in Schedule 2 of ITC (HS). The specific entry under Customs Tariff item 25132030 refers to Garnet. The said notification adds the condition in export policy that goods with item description Beach Sand Minerals as listed viz. ilmenite, Rutile, Garnet, Monazite, Zircon etc. will be exported by State Trading Enterprises only and the policy condition mentions the export will be through Indian Rare Earth Ltd. (IREL) only. Thus, the goods tested by the IREL, Kerala have been found to be "Garnet", hence, the same are correctly classifiable under CTH 2513 2030 specifically. The specific mineral "Garnet" is also mentioned under column "Item description" in the said DGFT Notification no. 26/2015-2020 dated 21.08.2018. Therefore, word Beach Sand Mineral has to be taken as generic term and not specifically only those minerals mined on beach. The natural garnet is found both on beach and inland. It cannot be the aim of the policy makers to have the policy prohibition only for ilmenite, Rutile, Garnet, Zircon etc. which is found on beach sand and not inland. The Custom Tariff Heading item 2513 2030 is specifically mentioned in the said DGFT Notification and this tariff item also does not differentiate between Garnet found on Beach Sand and Mineral inland.

11.6 Exporter in his statement dated 24.02.2022 and by document submitted emphasis that the BSM (Beach Sand Minerals, Monazite, Ilmenite, Rutile, Zircon, Titanium bearing mineral), Zircon, Garnet, Sillimanite and Monazite (Uranium and Thorium). And his product contains 'Garnet' (95.2 % as per test report), therefore the

instant export consignment does not come under the preview of the DGFT notification 26/2015-2020 dt 21.08.2018.

In his statement, exporter stated that his product is the "Gem Quality Garnet". However, they have failed to provide any valid document of being indulge in the business of the 'Gem Stone' "Precious Stone" and 'Semi-precious Stone'. Let us consider the price aspect of the impugned goods which is claimed as 'precious or semiprecious stone' by the exporter. The FOB Value of the said goods filed under shipping bill 4924390 date 28.09.2021 Rs 15,61,596/- for the 84 Metric tons. Thus the price of the impugned goods come to 1564596/84000 Rs/Kg i.e. Rs 18.59/KG. The goods having price Rs 18.59/Kg cannot be considered as precious/semi-precious stone. Thus on the aspect of price the product does not qualify to be a precious and semi-precious stone. It appears the exporter himself proclaimed his product as the 'Gemstone' without valid documents.

11.7 The most prominence fact in the MO No 3010/44/2019-PSU/2798 dated 25.02.2020 that "**If any garnet consignments are allowed for the export.....and the port authorities may not be able to differentiate it.**" "**If source rock contains monazite, chances of association of monazite in varied quantity with garnet recovered from inland placers/ pegmatite/ schist/ gneiss cannot be ruled out**".

In the broader terms Customs Officers performing duties in the field are "port authority" and may not be able to differentiate between BSM and Garnet megascopically. A specialized authority is needed to differentiate between BSM and "Garnet". The association of monazite with garnet recovered from inland placer/Pegmatite/schist/gneiss has not been ruled out. **Monazite is an important source of thorium, cerium, and other rare elements and closely associated with the 'Garnet'.** Therefore, any consignment containing "Garnet" shall be canalized through IREL as per DGFT notification No. 26/2015-20 dated 21.08.2018. The IREL (India) Limited (Formerly India Rare Earths Limited) is the specialize agency to regulate the export of "Garnet" in terms of the DGFT notification No. 26/2015-20 dated 21.08.2018.

11.8 It is also pertinent to mention a letter No 3010/44/2019-PSU/6392 date 02.06.2021(**RUD-13**) written to Commissioner of Customs (P), Jamnagar by the "**Department of Atomic Energy**" on the subject 'Export of Natural Abrasive Grain/Abrasive by M/s Tirupati Enterprises, Mumbai' and which is also mentioned in the Para 23.1 of order-in- original no 05/Additional Commissioner/2021-22 dated 22.11.2021 (available in public domain). This letter was having the reference of the export by M/s Tirupati Enterprises and identical in nature.

The said letter states that, '**The HS Code of Garnet is independent of its source of origin/made of occurrence (i.e whether obtained from beach sand or hard rock terrain) and therefore, export of Garnet comes under the purview of the above DGFT, Notification date 21.08.2018.**'

In the instance case, the exporter has attempted to export "Garnet" under shipping Bill under S/B 4924390 dated 28.09.2021 without having any permission authorization from IREL (India) Ltd and violated the condition imposed vide DGFT Notification No. 26/2015-20 dated 21.08.2018.

11.9 In his statement dated 24.02.2022; exporter stated that shipping bill 5369832 dated 23. 09.2020 filed from ICD Sonipat (INBDM6) and had exported the same goods. The copy of s/b no 5369832 dated 23. 09.2020 submitted by exporter examined carefully and it was found that the goods of exported under said shipping bill declared as 'STONE POWDER PRODUCT CODE' and has been classified under the RITC 25171090. Where as in instance shipping bill, exporter has declared the goods 'Industrial Grit' under 710590000 for the same goods. There are two different classification adopted by the exporter for the same goods in two different shipping bills. It is therefore, it appears that the exporter has mis-classified the goods to be exported for the skipping the assessment parameters by the ICES as well as assessment groups.

11.10 In the self-assessment regime, it is the responsibility of the exporter to correctly declare value, classification, description of the goods. In view of discussions in foregoing paras, it appears that exporter has filed false and erroneous declaration in respect of description and classification of the export goods before Customs and the attempt to export the impugned goods is considered as violation of restriction imposed by DGFT under Notification 26/2015-20 dated 21.08.2018, appears to fall under the ambit of 'smuggling' as defined under section 2(39) of the Customs Act, 1962. Further in terms of section 11H(a) of Customs Act, 1962, the act again amounts to 'illegal export' by them in as much as they attempted to export the goods in contravention to section 50(2) and 50(3) of Customs Act, 1962 read with section 11 of Foreign Trade (Development and Regulation) Act, 1992 and Rule 11& 14 of Foreign Trade (Regulation) Rules, 1993. Whereas from above facts, it appears that by adopting modus operandi of mis-declaration of goods, the said exporter attempted to export the subject goods. They appear to have deliberately mis-declared the goods in terms of description and classification. Mis-declaration of true and correct description by willful mis-statement and suppression of facts by the exporter is in contravention of provisions of Customs Act, 1962 as discussed herein above. Therefore, the subject goods covered under Shipping Bill 4924390 date 28.09.2021 as well as goods cleared in past vide Shipping bill as detailed at column 2 of Table -III by **M/s. AB'S Industries (IEC- JPWPS0957E)** appear to be treated as prohibited goods as defined under section 2(33) of Customs Act, 1962 and smuggled goods as defined under section 2(39) of Customs Act, 1962.

Therefore, it appears that the exporter **M/s. AB'S Industries (IEC- JPWPS0957E)** under shipping bill no 4924390 dtd 28.09.2021 had tried to export the prohibited goods in contravention of provisions of Customs Act 1962 & DGFT notification No 26/2015-20 dated 21.08.2018.

11.11 Any prohibition referred to in the section 113(d) of the Customs Act, 1962 apply to any type of prohibition. That prohibition may be complete or partial. It is well settled law that any restriction on import or export is to an extent a 'prohibition' and therefore, expression 'any prohibition' in section 113(d) of Customs Act, 1962 includes restrictions. Restriction is one type of prohibition if policy condition is not fulfilled or complied with. In the instant case, goods do not fulfil the condition for their export as they violate the provisions of DGFT Notification, provisions of Foreign Trade (Development and Regulation) Act, 1992, Foreign Trade (Regulation) Rules, 1993 and provisions of Customs Act, 1962 as discussed above, they are to be deemed prohibited.

In view of the above, goods covered under **Shipping Bill no 4924390 dtd 28.09.2021 by M/s. AB'S Industries (IEC- JPWPS0957E)** are therefore liable to be confiscated under section 113(d) and 113(i) of the Customs Act, 1962. The goods cleared in past as detailed at Table-III, though not available for confiscation, are also liable to be held confiscated under section 113(d) and 113(i) of the Customs Act, 1962.

Role of CB M/s Dinsa Shipping Agency (11/2234)

11.12 The instant shipping bill 4924390 dtd 28.09.2021 was filed by M/s Dinsa Shipping Agency (11/2234). It appears that the CB had the knowledge of the consignment being exported under instant shipping bill. The past export data for the RITC 71059000 has been retrieved from EDI and it has found that apart from this shipping bill, 31 more shipping Bills of FOB Value Rs 436.6(Lakh) and weight of 2408 MT(Metric Tons) and item description "**Industrial Grit Product**" pertains to the three different exporters has been filed by the CB and has been cleared from Nhava Sheva Port (INNSA1). The separate investigation is being carried out w.r.t the other three exporters in respect of 31 Shipping Bills filed by M/s Dinsa Shipping Agency (11/2234) in the past. It was the obligation of the CB under 10(a) Customs Broker License Regulation 2019, in which he fails to perform. It is also pertinent to mention here that Mr. Ulhas Gate (the employee of the Dinsa Shipping) was present in the capacity of the authorized representative of the Exporter at the time of Examination Panchnama dated 09.11.2021 of the said goods. However on the summons of CB, Mr Ulhas Gate again appear before SIIB(X) for record of statement as capacity of Export Operation Manager of Dinsa Shipping Agency on 25.02.2022. Wherein he stated that, The RITC was decided by the exporter after approval of the exporter they filed shipping bills. They charge Rs 20,000-30,000/- per container for the clearance of the same. It is also be considerable fact that the CB has filed 31 Shipping bill on behalf on three more exporter which is identical in the manner of 'item description', 'RITC', 'FOB value per metric ton' to the instance shipping bills of M/s AB'S industries Ltd.

12. RELEVANT LEGAL PROVISIONS

A. Customs Act, 1962

Section 2(22): "goods" includes (a) vessels, aircrafts and vehicles ;(b) stores;(c) baggage;(d) currency and negotiable instruments; and(e) any other kind of movable property;

Section 2(33): "prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with;

Section 2(39): "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;

Section 11H(a)"illegal export" means the export of any goods in contravention of the provisions of this Act or any other law for the time being in force;

Section 50: Entry of goods for exportation. -

(1) The exporter of any goods shall make entry thereof by presenting [electronically] [on the customs automated system] to the proper officer in the case of goods to be exported in a vessel or aircraft, a shipping bill, and in the case of goods to be exported by land, a bill of export [in such form and manner as maybe prescribed]:

Provided that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to make entry by presenting electronically [on the customs automated system], allow an entry to be presented in any other manner.]

(2) The exporter of any goods, while presenting a shipping bill or bill of export, shall make and subscribe to a declaration as to the truth of its contents.

(3) The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely: -

- (a) the accuracy and completeness of the information given therein;
- (b) the authenticity and validity of any document supporting it; and
- (c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

SECTION 113(d): any goods attempted to be exported or brought within the limits of any customs area for the purpose of being exported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force, shall be liable to confiscation;

SECTION 113(i): any goods entered for exportation which do not correspond in respect of value or in any material particular with the entry made under this Act or in

the case of baggage with the declaration made under section 77, shall be liable to confiscation;

Section 114(i): Any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 113, or abets the doing or omission of such an act, shall be liable, in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding three times the value of the goods as declared by the exporter or the value as determined under this Act, whichever is the greater;

Section 114AA: If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.

Customs Broker Licensing Rule 2019.

10. Obligations of Customs Broker. —A Customs Broker shall —

(d) Advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

B. Foreign Trade (Development and Regulation) Act, 1992

Section 11:(1) No export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made there under and the foreign trade policy for the time being in force.

C. Foreign Trade (Regulation) Rules, 1993

Rule 11:*On the importation into, or exportation out of, any customs ports of any goods, whether liable to duty or not, the owner of such goods shall in the Bill of Entry or the Shipping Bill or any other documents prescribed under the Customs Act, 1962 (52 of 1962), state the value, quality and description of such goods to the best of his knowledge and belief and in case of exportation of goods, certify that the quality and specification of the goods as stated in those documents, are in accordance with the terms of the export contract entered into with the buyer or consignee in pursuance of which the goods are being exported and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or Shipping Bill or any other documents.*

Rule 14: Prohibition regarding making, signing of any declaration, statement or documents. -

(1) No person shall make, sign or use or cause to be made, signed or used any declaration, statement or document for the purposes of obtaining a licence or

importing any goods knowing or having reason to believe that such declaration, statement or document is false in any material particular.

(2) No person shall employ any corrupt or fraudulent practice for the purposes of obtaining any licence or importing or exporting any goods.

D. DGFT Notification No. 26/2015-20 dated 21.08.2018:

provides that export of Beach Sand Minerals [Ilmenite, Rutile, Leucoxene (Titanium bearing minerals), Zircon, **Garnet**, Sillimanite, Monazite (Uranium and Thorium)] is regulated in terms of SI. No. 98A of chapter 26 of Schedule 2 of ITC (HS) classification (Schedule 2 of Export policy) and regulated through Indian Rare Earths Limited (IREL).

13.1 Now, Therefore, M/s. AB'S Industries (IEC:JPWPS0957E) having address at First Floor, Near Devendra Taking, Pratapgarh Road, Chhoti Sadri, Rajasthan-312604 are hereby called upon to Show Cause to the Addl./Joint Commissioner of Customs (Export), CEAC, NS-II having office at Jawaharlal Nehru Customs House, Nhava Sheva, Tal.-Uran, Dist. Raigad (Maharashtra) within 30 days of receipt of this notice as to why:

- i. Declared description 'Industrial Grit' and declared classification under Customs Tariff Item "71059000" should not be rejected and description 'Natural Garnet' and CTH 25132030 should not be considered/taken as correct description and classification of the goods covered under S/B No. 4924390 dated 28.09.2021.
- ii. The goods covered under S/B No. 4924390 dated 28.09.2021 having FOB value of **Rs. 15,61,596/-** (Rupees: Fifteen Lakh Sixty-One Thousand Five Hundred Sixty-One Only) should not be confiscated under section 113(d) and 113(i) of the Customs Act, 1962. and redemption fine in lieu of confiscation should not be imposed under section 125 of the Customs Act, 1962.
- iii. The goods covered under 4479587 dt 09.09.2021 & 4713330 dt 20/09/2021 having aggregate FOB value of **Rs. 35,91,977/-** (Rupees: Thirty-Five Lakh Ninety-One Thousand Nine Hundred Seventy-Seven Only) should not be confiscated under section 113(d) and 113(i) of the Customs Act, 1962. However, the goods not available for confiscation.
- iv. Penalty under section 114(i) of the Customs Act, 1962 should not be imposed upon **M/s. AB'S Industries (IEC- JPWPS0957E)** for their acts of omissions and commissions, in rendering the said goods liable for confiscation.
- v. Penalty under section 114AA of the Customs Act, 1962 should not be imposed upon Shri Ajay Bihari Sahu, Proprietor of **M/s. AB'S Industries (IEC- JPWPS0957E)** for their acts of omissions and commissions, in rendering the said goods liable for confiscation.

14. M/s. Dinsha Shipping Agency (11/2234) is also hereby called upon to show cause to the Joint/Additional Commissioner of Customs, CEAC, JNCH, having office

at Jawaharlal Nehru Customs House, Nhava Sheva, Tal. Uran, Dist. Raigad (Maharashtra) within 30 days from the receipt of this notice, as to why:

(i) Penalty should not be imposed on them under Section 114 (iii) of the Customs Act, 1962.

(ii) Penalty should not be imposed on Shri Mohammad Hanif Shaikh, partner, License holder and responsible person of CB firm M/s. Dinsa Shipping Agency (11/2234) under Section 114 (iii) and Section 114AA of the Customs Act, 1962.

(iii) Necessary action under provisions of Customs Broker Licensing Regulations, 2018 should not be taken against them.

15. If no reply is received within 30 days from the receipt of this show cause notice or if the notices fail to appear before the adjudicating authority, whenever the case is posted for personal hearing, the case will be decided ex-parte without any further reference and on its merits.

16. This Show Cause Notice is issued without prejudice to any other action that may be taken in this regard under the Customs Act, 1962 and any other rules and regulations made there under or any other law for the time being in force.

17. The department reserves the right to issue corrigendum, supplement or amendment to this notice on the basis of further evidence found, if any.

18. The documents relied upon for the purpose of this show cause notice, are enlisted at Annexure 'A' enclosed to this notice. Copies of the same are enclosed herewith.


(Ravindra Singh Bhati)
Joint Commissioner of Customs
CEAC, NS-II, JNCH

To,

1. M/s.AB'S Industries (JPWPS0957E)
First Floor, Near Devendra Taking,
Pratapgarh Road, Chhoti Sadri, Rajasthan-312604
2. M/s Dinsa Shipping Agency (11/2234)
118, Asian House, 2nd floor, Modi Street,
Fort , Mumbai-400001.

List of RUDs (Annexure-A)

Sr. No.	Particulars
RUD-1	Copy of Shipping Bill along with Invoice
RUD-2	Copy of email dtd 09.10.2021 by Mr Ajay B. Sahu
RUD-3	Letter issued to M/s Mearsk Line for call back container

RUD-4	Scanning division Image
RUD-5	Examination panchnama dtd 09.11.2021
RUD-6	Seizure Memo dtd 09.11.2021
RUD-7	Copy of test Report by IREL.
RUD-8	Copy of Statement of Mr. Vijay Sahu
RUD-9	Copy of statement of Mr Ajay B. Sahu
RUD-10	Copy of Statement of Mr. Ulhas Gate ,Authorised representative of M/s Dinsha Shipping Agency.
RUD-10A	Copy of S/B-4479587 dt 09.09.2021 & 4713330 dt 20.09.2021
RUD-11	Intimation letter in terms of Sec 110(2) of Customs Act 1962.
RUD-12	OM dated 25.02.2020 vide file No PSU-3010/44/2019-PSU/2798 issued by the Department of Atomic Energy, PSU Section.
RUD-13	letter No 3010/44/2019-PSU/6392 date 02.06.2021 issued by the Department of Atomic Energy

RUD-4	Scanning division Image
RUD-5	Examination panchnama dtd 09.11.2021
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RUD-13	letter No 3010/44/2019-PSU/6392 date 02.06.2021 issued by the Department of Atomic Energy

Copy to :

(1) DC/CAC

(2) DC/SUB (X)

Statement of Shri Aditya Pandey, Properietor in M/s. Globe Impex (IEC:CVLPP0833J) having address at S/O Kaladhar Pandey, SA 5/176-38, Ramrepur,Pahariya, Varanasi, UP-221007. recorded under section 108 of the Custom Act, 1962 in the office of SIIB (X), JNCH, NhavaSheva situated at C-604, Jawaharlal Nehru Custom House, NhavaSheva, District - Raigad, Maharashtra-400707 on 08.08.2022.

In compliance to the Summon No. **CBIC-DIN-202200878NT0000111D88**, issued under seal and signature of Shri Manoj Nath Gautam, SIO, SIIB (X), I, Aditya Pandey present myself as Properietor in M/s. Globe Impex (IEC:CVLPP0833J) to give statement under Section 108 of Custom Act, 1962 on the behalf of M/s. Globe Impex (IEC:CVLPP0833J). I have been explained the provisions of Section 108 of Custom Act, 1962. I have also been explained that giving false evidence under this enquiry is an offence punishable u/s 193 of the Indian Penal Code 1860. I am also informed that this statement of mine can be used as evidence against me or any other person in any court of law, or for any adjudication proceedings. Having been understood the provisions of sections 108 of the Customs Act, 1962. I am giving my true, correct and voluntary statement which goes below:

My full name is **Aditya Pandey**, having age 25 years old (DOB: 03.06.1996). I am the Proprietor of M/s. Globe Impex . My permanent address is S/O Kaladhar Pandey, SA 5/176-38, Ramrepur,Pahariya, Varanasi, UP-221007. I presently am residing at 107, Dimple Arched, Thakur Complex, Kandiwali East, Mumbai -400101. I can read, write, and understand Hindi and English. I have studied up to B Com (Graduation) from MGKVP University, Varanasi. I am requesting officer of SIIB (X) to type my statement on computer as per my say. My mobile No. is 9004098300 which is in use for last 05 years. I am staying at the same address given above. For the proof of my identity, I am submitting self-attested copy of my Aadhar Card bearing no. 391281460658. My Pan Card Number is CVLPP0833J. My bank account number 50200053994392 , HDFC Bank , Think Techno Campus, 4th Floor, Building - Alpha , Next to Kanjurmarg Railway Station (East).

On being asked about my company's office, I state that the company's office address is 107, Dimple Arcade, Thakur Complex, Kandiwali East, Mumbai -400101.

Q.1 Introduce yourself?

Ans; My name is Aditya Pandey. I am the proprietor the company M/s Globe Impex (IEC- CVLPP0833J)

Q.2 Did you filed the Shipping Bills 1723817 date 12/05/2021, 1988001 date 25/05/2021, 2168957 date 02/06/2021, 2329580 date 10/06/2021, 2676344 date 25/06/2021?

Ans- Yes. Through CB M/s Dinsha Shipping Agency.

Q.3 What was the product in above mentioned SBs and from where did you purchased the garnet?

*Aditya Pandey
08-08-2022*

Ans- Industrial Grit and we purchased it from M/s. Taurus Multitrade Company, Mumbai.

Q4. Please elaborate the your product mentioned in the above said shipping bills.

Ans:- I believe that it was stone powder which is used in the inside cleaning of the Industrial oil tank. And it is used in cleaning of the rust in industrial machinery.

Q5. Had any lab test had been done in the past export under the said 5 shipping bills?

Ans:- No.

Q6. Please provide the Tax invoice, Export invoice of the same.

Ans:- I am submitting here the duly signed copy of the invoice.

Q.7 who decides your final HS Code and description in the shipping bills?

Ans- CHA decides the HS Code and description of the shipping Bills. Before filling final shipping bill CHA use to send me checklist and after approval they file the final shipping Bill.

Q.8 Do you accept your product was garnet? And it is restricted export item under DGFT Notification 26/2015-20 dated 21.08.2018.

Ans- I am not sure about my product of being Garnet. I was not aware of the DGFT notification 26/2015-20 date 21.08.2018

Q.9 I am showing you the test report of shipping bill 4924390 dt 28.09.2021 filed by the M/s AB'S Industries, wherein the description of the export goods was identical to the description of said 5 Shipping bills filed by your firm . Later on, the goods to be exported under said shipping bill 4924390 dt 28.09.021 proven as "Garnet" in the test report of IREL. Which is a restricted item for export under DGFT Notification 26/2015-20 date 21.08.2018. So, do you accept your exported product was "Garnet"?

Ans:- Not sure. Product description was identical as you shown to me in shipping Bill 4924390 dt 28.09.2021, but I am not sure about that my product was same restricted "Garnet". At that time of export I was not aware of the "Garnet" and its exportability. I was under impression that my product was "Industrial Grit" and it is free to export.

Q.10 The per unit price of the product under the said 5 shipping bill filed by your firm was similar to the price of the Shipping Bill under 4924390 dt 28.09.2021 filed by the M/s AB'S Industries. What you have to say?

Ans:- The price fixed after negotiation between my firm and overseas buyer. The price per unit was agreed by the overseas buyer and the same has been credited in above mentioned Bank Account.

Arshya
09-08-2022

Q11. On the comparing with the Shipping Bills 4924390 dt 28.09.2021 on the Parameter of CTH/ HS Code, Description and per unit price, your product appears "Garnet". Do you agree?

Ans:- May be. But at the time of export I was not aware about "Garnet" and the restriction impose on the it. I had shown the product to the CB M/s Dinsha Shipping Agency and told them to I have to export the same. As I had not much knowledge of the Rule & Regulation of the Customs so I told CB M/s Dinsha Shipping Agency to file shipping Bill in such a manner that my product could be exported. The CTH/HS Code and description of the goods have been decided by Customs Broker M/s Dinsha shipping Agency and assured my to the product will be exported.

Q12 How Much you have paid to CB Dinsha Shipping Agency and to whom you contacted(In person) ?

Ans:- I had paid between Rs 25000/- to 30000/- for per container for the same. I had received Invoice from M/s A.P Cargo Enterprises. I had personally contacted to Mr. Ulhas Gate on his mobile number 9867069998.

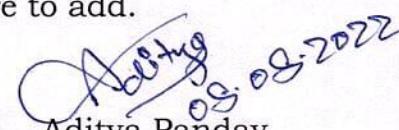
Q13 Do you have the eway bill for the transportation of the same from godown of supplier to CFS?

Ans: I have the eway bill but not available at present moment. I will submit on 10th of August 2022.

Q.14. Any things to say?

Ans- I am law abide citizen of the country and have faith in the rule & regulation of the Government. If any export had taken place in the contrary of the any Rule, it is due to the unawareness. My intention was not to violate any rule & regulation. Therefore I request the authority to linient view in my case the , pray you to close the case.

The above statement of mine running into 03 pages (serially mentioned page 1 to 3) has been recorded as my true, correct and voluntary statement without any force, threat, inducement or coercion. On my request, the said statement has been typed on the office computer of SIIB (X), JNCH, NhavaSheva, Dist. Raigad, Maharashtra-400 707 as per my say and as per my request and I certify that it has been recorded exactly as stated by me in response to questions raised to me during the proceedings. I, therefore, affix my dated signature on every page of the statement in token of having been recorded correctly as stated by me. I have nothing more to add.


Aditya Panday

Propertie of M/s Globe Implex
(IEC:CVLPP0833J)

Typed, retrieved and recorded
before me


mn 08/08/22

(Manoj Nath Gautam)
SIO/SIIB(X)

SUMMONS

[under Section 108 of the Customs Act, 1962(52 of 1962)]

To,

Mr. Aditya Pandey,
 Director/Partner/Proprietor of M/s Globe
 Impex(IEC- CVLPP0833J)

SA/176-3B, RAMERPUR, PAHRIYA , ,
 VARANASI , VARANASI , UTTAR PRADESH,
 221007

WHEREAS, I, Manoj Nath Gautam am making inquiry in connection with
 Investigation of Shipping Bill 1723817 dated 12.05.2021 & others under the Customs Act, 1962.

AND WHEREAS, I consider your attendance to

(a) give evidence and / or
 (b) produce documents or things of the following description in your possession or under your control:

1. Pan Card and Aadhar Card
2. any other details pertaining to S/B-1723817 date 12.05.2021 & others
3. all other relevant documents

NOW, THEREFORE, in exercise of powers vested in me under Section 108 of the Customs Act, 1962, I do hereby summon you to appear before me in person on 2022-08-08 at 4:10:PM at the office
 of
**SIIB X, JNCH, C-604, SIXTH FLOOR, JNCH, NAVA SHEVA, TALUKA URAN, DISTT RAIGAD,
 MAHARASHTRA-400707**

Inquiry as aforesaid is deemed to be a judicial proceeding within the meaning of section 193 and section 228 of the Indian Penal Code, 1860 (45 of 1860) and non-compliance of this summon is an offence punishable under Section 174 & 175 of the Indian Penal Code, 1860.

Given under my hand and seal of office to-day the 8 day of August, 2022 at JNCH, NAVA SHEVA

Name : Manoj Nath Gautam

Signature :

Designation :

Superintendent / Appraiser / Senior Intelligence Officer

Seal of Office.



Received
 08.08.2022
 ADITYA PANDAY
 9004098300

आयकर विभाग

INCOME TAX DEPARTMENT

ADITYA PANDEY

KALADHAR PANDEY

03/06/1996

Permanent Account Number

CVLPP0833J

Aditya Pandey

Signature



भारत सरकार

GOVT. OF INDIA





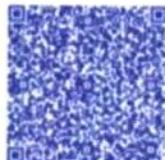
भारतीय विशिष्ट पहचान प्राधिकरण
भारत सरकार
Unique Identification Authority of India
Government of India

नामांकन क्रम/Enrolment No.: 1468/26501/00368

To
आदित्य पाण्डेय
Aditya Pandey
S/O: Kaladhar Pandey
SA 5/176-3B
Ramrepur
Pahriya
Varanasi Sarnath
Uttar Pradesh - 221007
8400812003

Download Date : 12/06/2017
Generation Date : 16/07/2016

Signature Not Verified
Digitally generated
Unique Identification AUTHORITY OF INDIA
Date: 2017-07-16 15:58:04
IST



आपका आधार क्रमांक / Your Aadhaar No. :

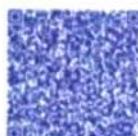
3912 8146 0658

मेरा आधार, मेरी पहचान



भारत सरकार
Government of India

आदित्य पाण्डेय
Aditya Pandey
जन्म तिथि/ DOB: 03/06/1996
पुरुष / MALE



3912 8146 0658

मेरा आधार, मेरी पहचान



Government of India

मूलना

- आधार पहचान का प्रमाण है, नागरिकता का नहीं।
- पहचान का प्रमाण ऑनलाइन ऑथेंटिकेशन द्वारा प्राप्त करें।
- यह एक इलेक्ट्रॉनिक प्रक्रिया द्वारा बना हुआ पत्र है।

INFORMATION

- Aadhaar is a proof of identity, not of citizenship.
- To establish identity, authenticate online.
- This is electronically generated letter.

- आधार देश भर में मान्य है।
- आधार भविष्य में सरकारी और गैर-सरकारी सेवाओं का लाभ उठाने में उपयोगी होगा।
- Aadhaar is valid throughout the country .
- Aadhaar will be helpful in availing Government and Non-Government services in future .



भारतीय विशिष्ट पहचान प्राधिकरण
Unique Identification Authority of India

पता:
आत्मज: कलाधर पाण्डेय, सा
5/176-3बी, रमरेपुर, पहाड़िया,
वाराणसी,
उत्तर प्रदेश - 221007

Address:
S/O: Kaladhar Pandey, SA
5/176-3B, Ramrepur, Pahriya,
Varanasi,
Uttar Pradesh - 221007

3912 8146 0658



1947
help@uidai.gov.in

www
www.uidai.gov.in

Aditya Pandey
08/05/2022

Statement of Shri Ulhas Ramdas Gate, Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234) having address at B48 ½ Himalaya Co-Op HSG SOC, Anandgadh, Parksite, Vikhroli, west Mumbai-400079. recorded under section 108 of the Custom Act, 1962 in the office of SIIB (X), JNCH, NhavaSheva situated at C-604, Jawaharlal Nehru Custom House, NhavaSheva, District - Raigad, Maharashtra-400707 on 25.05.2023.

In compliance to the Summon No CBIC-DIN-20230578NT000000F431 issued under seal and signature of Shri Deepak M. Ingale, SIO, SIIB (X), I, Ulhas Ramdas Gate present myself as Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234) (CB Code - AAMFD0294RCH002) to give statement under Section 108 of Custom Act, 1962 on the behalf of M/s. Dinsha Shipping Agency (11/2234). I have been authorized by the Mr. Hanif Shaikh, Partner in the Dinsha Shipping Agency and I am submitting here the authorization letter. I have been explained the provisions of Section 108 of Custom Act, 1962. I have also been explained that giving false evidence under this enquiry is an offence punishable u/s 193 of the Indian Penal Code 1860. I am also informed that this statement of mine can be used as evidence against me or any other person in any court of law, or for any adjudication proceedings. Having been understood the provisions of sections 108 of the Customs Act, 1962. I am giving my true, correct and voluntary statement which goes below:

My full name is Ulhas Ramdas Gate, having age 48 years old (DOB: 27/05/1973). I am Export Operation Manager in Dinsha Shipping Agency (11/2234). My permanent address is S/O Ramdas Gate, Sanjivani CHS, E-1/3, B-4 Near Manak Hospital, Sector-08, Nerul, Navi Mumbai, Node-III, Thane, Maharashtra. I can read, write, and understand Hindi and English. I have studied up to BA in Economics from Pune University. I am requesting officer of SIIB (X) to type my statement on computer as per my say. My mobile No. is 986706998. I have been using this phone number for more than seven years. I have been staying at the aforesaid residential address in Nerul since about 8-10 years. As my identity and address proof, I am submitting self-attested copy of my Aadhar Card bearing no. 371557843077. I am submitting self-attested copy of my PAN card bearing number AKQPG0851R.

On being asked about my company's office, I state that the company's registered address is B48 ½ Himalaya Co-Op HSG SOC, Anandgadh, Parksite, Vikhroli, west Mumbai-400079.

Q.1 Did your CHA company filed the 1723817 dtd. 12.05.2021, 1988001 dtd. 25.05.2021, 2168957 dtd. 02.06.2021, 2329580 dtd. 10.06.2021 & 2676344 dtd. 25.06.2021 shipping bill ?

Ans. Yes. We filed the said shipping bill.

Q.2 Did you conduct the KYC verification of the exporter with due diligence as per CBLR, 2013& 2018 ?

Ans. Yes. We have done the KYC verification i.e IEC Copy, GST registration copy, Aadhar Card, Electricity bill were duly verified. .

Q.3 How many shipping bills were filed by your CHA firm on behalf of M/s Globe Impex?

Ans. We have filed Five Shipping Bill till date on behalf of M/s Globe Impex (CVLPP0833J) from Nhava Sheva Port.

Q. 4. Please give the details of shipping bills number.

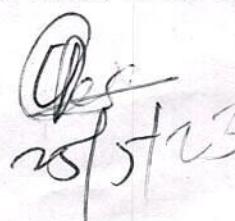
Ans. The shipping bills are 1723817 dtd. 12.05.2021, 1988001 dtd. 25.05.2021, 2168957 dtd. 02.06.2021, 2329580 dtd. 10.06.2021 & 2676344 dtd. 25.06.2021.

Q.5 How did you come in contact with Exporter M/s. Globe Impex (CVLPP0833)?

Ans. My friend Mr Jagdish Knows the Exporter M/s. Globe Impex given my reference to Mr Aditya Pandey. Then exporter Mr. Aditya Pandey contacted me.

Q.6. What were the goods exported by exporter under other two shipping bills 1723817 dtd. 12.05.2021, 1988001 dtd. 25.05.2021, 2168957 dtd. 02.06.2021, 2329580 dtd. 10.06.2021 & 2676344 dtd. 25.06.2021?

Ans. As far as I can remember the exporter M/s Globe Impex used to provide export invoice declaring the description of goods as "Industrial Grit". The exporter never provided physical sample of the goods and therefore the onward submission of documents for export was based on the invoice of the exporter mentioning goods to be "Industrial Grit".



Q.7. Who decided the classification of the impugned goods?

Ans. Classification was done based on the description of goods declared in the Export Invoice, i.e. Industrial Grit. Further, I also wish to inform that no specific entry was found in tariff but CTH 7105 generally covered the goods so classification was decided in residual category as "others" – 71059000.

Q.8 Did you see the impugned goods before filing the shipping bills?

Ans. No. We have not seen the goods before entering for exportation?

Q.9. Did you know that the goods which are being exported are "Garnet"?

Ans. No. We are not aware of it. As per the Export Invoice the goods were "Industrial Grit".

Q.10. How many Shipping bills filed in a year and what is the average agency fee charge of your CB i.e M/s Dinsha Shipping Agency for 20 ft container for the services (Including Docs Stuffing, Clearance, Gate In and Documentation)?

Ans. Our CB Agency files approx 250-300 Shipping Bills per year. The average charge is 5000-5500/ per shipping Bill.

Q.11. Why you charge 35000/- per container for shipping bill 4924390 dt 28.09.2021?

Ans. This 35000/- includes (Including charges for Docks Stuffing, Clearance, Gate In and Documentation). Our Agency chars only 5000/- for filing shipping bill.

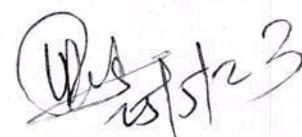
Q.12. Can you produce a similar invoice issued by your agency which includes charges of Docs Stuffing, Clearance, Gate In and Documentation?

Ans. I will submit next working day.

Q.13. Do you have anything else to say in the matter?

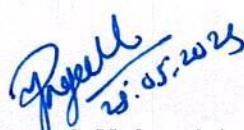
Ans. I humbly request you to take lenient view as we have fulfilled our duty towards customs as per CBLR 2018.

The above statement of mine running into 04 pages (serially mentioned page 1 to 5) has been recorded as my true, correct and voluntary statement without any force, threat, inducement or coercion. On my request, the said statement has been typed on the office computer of SIIB (X), JNCH, NhavaSheva, Dist. Raigad, Maharashtra-400 707 as per my say and as per my request and I certify that it has been recorded exactly as stated by me in response to questions raised to me during the proceedings. I, therefore, affix my dated signature on every page of the statement in token of having been recorded correctly as stated by me. I have nothing more to add.



Mr Ulhas Ramdas Gate
M/s. Dinsha Shipping Agency
(11/2234)

Typed, retrieved and recorded
before me


(Deepak M. Ingale)

SIO/SIIB(X)

Statement of Shri Ulhas Ramdas Gate, Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234) having address at B48 ½ Himalaya Co-Op HSG SOC, Anandgadh, Parksite, Vikhroli, west Mumbai-400079. recorded under section 108 of the Custom Act, 1962 in the office of SIIB (X), JNCH, Nhava Sheva situated at C-604, Jawaharlal Nehru Custom House, Nhava Sheva, District - Raigad, Maharashtra-400707 on 25.05.2023.

In compliance to the Summon No CBIC-DIN-20230578NT000000F431 issued under seal and signature of Shri Deepak M. Ingale, SIO, SIIB (X), I, Ulhas Ramdas Gate present myself as Export Operation Manager of M/s. Dinsha Shipping Agency (11/2234) (CB Code - AAMFD0294RCH002) to give statement under Section 108 of Custom Act, 1962 on the behalf of M/s. Dinsha Shipping Agency (11/2234). I have been authorized by the Mr. Hanif Shaikh, Partner in the Dinsha Shipping Agency and I am submitting here the authorization letter. I have been explained the provisions of Section 108 of Custom Act, 1962. I have also been explained that giving false evidence under this enquiry is an offence punishable u/s 193 of the Indian Penal Code 1860. I am also informed that this statement of mine can be used as evidence against me or any other person in any court of law, or for any adjudication proceedings. Having been understood the provisions of sections 108 of the Customs Act, 1962. I am giving my true, correct and voluntary statement which goes below:

My full name is Ulhas Ramdas Gate, having age 48 years old (DOB: 27/05/1973). I am Export Operation Manager in Dinsha Shipping Agency (11/2234). My permanent address is S/O Ramdas Gate, Sanjivani CHS, E-1/3, B-4 Near Manak Hospital, Sector-08, Nerul, Navi Mumbai, Node-III, Thane, Maharashtra.. I can read, write, and understand Hindi and English. I have studied up to BA in Economics from Pune University. I am requesting officer of SIIB (X) to type my statement on computer as per my say. My mobile No. is 986706998. I have been using this phone number for more than seven years. I have been staying at the aforesaid residential address in Nerul since about 8-10 years. As my identity and address proof, I am submitting self-attested copy of my Aadhar Card bearing no. 371557843077. I am submitting self-attested copy of my PAN card bearing number AKQPG0851R.

On being asked about my company's office, I state that the company's registered address is B48 ½ Himalaya Co-Op HSG SOC, Anandgadh, Parksite, Vikhroli(West), Mumbai-400079.

Q.1 Did your CHA company filed the Shipping Bills of M/s. Globe Impex (IEC- CVIPP0833J), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World(IEC-LMZPS7297D)?

Ans. Yes. We filed Shipping Bills of the said three exporters.

Q.2 Did you conduct the KYC verification of the above three exporters with due diligence as per CBLR, 2013 & 2018 ?

Ans. Yes. We have done the KYC verification i.e. IEC Copy, GST registration copy, Aadhar Card, Electricity bill were duly verified for the three exporters.

Q.3 How many shipping bills were filed by your CHA firm on behalf of M/s Globe Impex (IEC- CVIPP0833J), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World(IEC-LMZPS7297D)?

Ans. We have filed five Shipping Bills of M/s Globe Impex (CVLPP0833J), three Shipping Bills of M/s. R. N. Minerals (IEC-AGVPP8081H) & twentyone Shipping Bills of M/s. Mineral World(IEC-LMZPS7297D) from Nhava Sheva Port.

Q.4. Please give the details of shipping bills number.

Ans. The shipping bills of M/s. Globe Impex (IEC- CVIPP0833J) are **1.** 1723817 dtd. 12.05.2021, **2.** 1988001 dtd. 25.05.2021, **3.** 2168957 dtd. 02.06.2021, **4.** 2329580 dtd. 10.06.2021 & **5.** 2676344 dtd. 25.06.2021.

The shipping bills of M/s. R. N. Minerals (IEC-AGVPP8081H) No. **1.** 3880845 dtd. 16.08.2021, **2.** 4104843 dtd. 25.08.2021 & **3.** 4243105 dtd. 31.08.2021.

The shipping bills of M/s. Mineral World(IEC-LMZPS7297D) No. **1.** 1287015 dtd. 22.04.2021, **2.** 1532585 dtd. 03.05.2021, **3.** 1844586 dtd. 18.05.2021, **4.** 2041844 dtd. 27.05.2021, **5.** 2114050 dtd. 31.05.2021, **6.** 2118952 dtd. 31.05.2021, **7.** 2267416 dtd. 07.06.2021, **8.** 2288935 dtd. 08.06.2021, **9.** 2355775 dtd. 11.06.2021, **10.** 2437233 dtd. 15.06.2021, **11.** 2554849 dtd. 21.06.2021, **12.** 2637391 dtd. 24.06.2021, **13.** 2705684 dtd. 26.06.2021, **14.** 3147102 dtd. 15.07.2021, **15.** 3363569 dtd. 24.07.2021, **16.** 3616016 dtd.

Ulhas
25/5/23

04.08.2021, 17. 8081335 dtd. 22.01.2021, 18. 8763602 dtd. 19.02.2021, 19. 9350674 dtd. 15.03.2021, 20. 9653844 dtd. 25.03.2021, 21. 9945701 dtd. 07.04.2021.

Q.5 How did you come in contact with these three exporters - M/s. Globe Impex (IEC-CVLPP0833), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World(IEC-LMZPS7297D)?

Ans. My friend Mr. Jagdish knew these three exporters M/s. Globe Impex (IEC-CVLPP0833), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World(IEC-LMZPS7297D); he had given my reference. Thereafter these exporters contacted me.

Q.6. What were the goods exported by exporters

Ans. As far as I can remember the exporters M/s. Globe Impex (IEC-CVLPP0833), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World(IEC-LMZPS7297D) used to provide export invoice declaring the description of goods as "Industrial Grit". The exporter never provided physical sample of the goods and therefore the onward submission of documents for export was based on the invoice of the exporter mentioning goods to be "Industrial Grit".

Q.7. Who decided the classification of the impugned goods?

Ans. Classification was done based on the description of goods declared in the Export Invoice, i.e. Industrial Grit. Further, I also wish to inform that no specific entry was found in tariff but CTH 7105 generally covered the goods so classification was decided in residual category as "others" – 71059000.

Q.8 Did you see the impugned goods before filing the shipping bills?

Ans. No. We did not see these goods exported by the said three exporters before entering for exportation or ever.

Q.9. Did you know that the goods which were being exported are "Garnet"?

Ans. No. We are not aware of it. As per the Export Invoices the goods were "Industrial Grit".

Q.10. How many Shipping bills filed in a year and what is the average agency fee charge of your CB i.e. M/s Dinsha Shipping Agency for 20 ft container for the services (Including Docs Stuffing, Clearance, Gate In and Documentation)?

Ans. Our CB Agency files approx 250-300 Shipping Bills per year. The average charge is 5000-5500/ per shipping Bill.

Q.11. Why you charge Rs. 35000/- per container?

Ans. This 35000/- includes (Including charges for Docks Stuffing, Clearance, Gate In and Documentation). Our Agency charges only Rs. 5000/- for filing shipping bill.

Q.12. Can you produce a similar invoice issued by your agency which includes charges of Docs Stuffing, Clearance, Gate In and Documentation?

Ans. I hereby submit self attested copies of invoices raised by M/s. Dinsha Shipping Agency - against 05 export shipments by M/s Globe Impex(IEC-CVLPP0833); 03 export shipments of M/s. R. N. Minerals (IEC-AGVPP8081H); and 21 export shipments of M/s. Mineral World (IEC-LMZPS7297D).

Q.13. Do you have anything else to say in the matter?

Ans. I humbly request you to take lenient view as we have fulfilled our duty towards customs as per CBLR 2018. I further wish to state that one consignment of one of my company's other client i.e. M/s. AB's Industries (IEC-JPWPS0957E) was intercepted (S/B No. 4924390 dtd. 28.09.2021). In this consignment, though the goods were declared as " Industrial Grit" , on testing goods were found to be Garnet which I am given to understand is not freely exportable. As far as the three exporters viz. M/s. Globe Impex (IEC-CVLPP0833), M/s. R. N. Minerals (IEC-AGVPP8081H) & M/s. Mineral World (IEC- LMZPS7297D) are concerned no such discrepancy was found by Customs during the process of export.

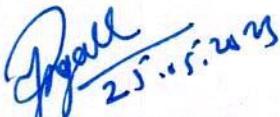


The above statement of mine running into 03 pages (serially mentioned page 1 to 3) has been recorded as my true, correct and voluntary statement without any force, threat, inducement or coercion. On my request, the said statement has been typed on the office computer of SIIB (X), JNCH, Nhava Sheva, Dist. Raigad, Maharashtra-400 707 as per my say and as per my request and I certify that it has been recorded exactly as stated by me in response to questions raised to me during the proceedings. I, therefore, affix my dated signature on every page of the statement in token of having been recorded correctly as stated by me. I have nothing more to add.



Mr Ulhas Ramdas Gate
M/s. Dinsa Shipping Agency
(11/2234)

Typed, retrieved and recorded
before me



(Deepak M. Ingale)
SIO/SIIB(X)



**OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II
SPECIAL INVESTIGATION AND INTELLIGENCE BRANCH (X),
Jawaharlal Nehru Custom House, Nhava Sheva,
Dist- Raigad, Maharashtra – 400 707.
Tel No: 27244983; Fax: 27241828, 27241825.
Email Id – siibx.jnch@gov.in**



F.NO.: SG/INV-72/2022-23/SIIB(X) JNCH

Date: 26.06.2023

To,
Shri Aditya Pandey,
Proprietor of M/s. Globe Impex (IEC- CVLPP0833J),
S/O Kaladhar Pandey, SA 5/176-38,
Ramrepur, Pahariya, Varanasi- 221 007, UP.

Em. 1813858628N

Gentlemen,

**Sub: Investigation of Shipping Bill 1723817 dated 12.05.201,1988001 dtd. 25.05.2021,
2168957 dtd. 02.06.2021, 2329580 dtd. 10.06.2021 & 2676344 dtd. 25.06.2021) - Reg.**

With reference to the above mentioned subject, you are directed to produce copies of purchase invoice of the product Industrial Grit, copies of banking statement which detail payment of the product through banking channel and submit the copy of BRC's of the above S/B's to this office urgently. Also provide any in house lab report/test report and details of the end use product.

Deepak M. Ingale
26.06.2023

(Deepak M. Ingale)
Special Investigation and Intelligence office
SIIB(X), JNCH, NS-II

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Copy to :

Shri Aditya Pandey,
Proprietor of M/s. Globe Impex (IEC- CVLPP0833J),
107, Dimple Arcade,
Thakur Compex, Kandivali(East),
Mumbai – 400 101

Em. 1813858598N

Government of India
Department of Atomic Energy
PSU Section

No. PSU-3010/44/2019-PSU | 2798

Anushakti Bhavan,
C.S.M. Marg,
Mumbai - 400 001

February 25, 2020

OFFICE MEMORANDUM

Subject : Export of ABRISIVE (Rock Garnet) from Rajasthan is not abide by
DGFT Notification no 26/2015-20 dated 21.8.2018 canalizing the
export of Beach Sand Minerals (BSM) through IREL (India) Ltd.

Directorate General of Foreign Trade (DGFT) may please refer to their OM No.
01/91/171/22/AM19/EC/468 dated 28.11.2019 on the above subject.

2. The matter has been examined in this Department in consultation with Atomic Minerals Directorate for Exploration & Research (AMD) and IREL (India) Limited (IREL) and it is intimated that the material i.e. Rock Garnet, proposed to be exported falls under HS Code 2513 20 30 and the material is covered under canalization through IREL (India) Limited vide DGFT notification No. 26/2015-2020 dated 21.08.2018. M/s. Tirupati Enterprises has been exporting Garnet from Rajasthan Rock source under the correct HS Code 2513 2030. However, to circumvent the provisions of canalization, the Firm want to change the HSN Code to 2513 20 90 and reclassify the material as Natural abrasive. This is not appropriate as the material that the Firm are exporting is Garnet which is specifically categorized under the head 2512 20 30, while the HSN code 2513 20 90 is for residual entries. It is stated here that IREL has already received complaints of Garnet being exported from various ports in Gujarat by unscrupulous exports by changing the HSN code to 2513 20 90 "Natural Abrasive/Natural Abrasive Grains". While Mundra port has acted on IREL's advice, we are yet to hear from other ports on the same. This issue has been taken up with DGFT and Customs to stop the practice as it is apprehended that the same would become conduit for export of BSM.

3. As per records, there is no information available with AMD about the grant of mining lease for garnet in hard rock terrains of Rajasthan. If any garnet consignments are allowed for export without any checks by the canalizing agency notified by DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM garnet as rock garnet and the port authorities may not be able to differentiate it. It is also stated that garnet can be recovered from placers as well as from pegmatic alluvium in the hinterland away from the coast i.e. within the hard rock terrain. If source rock contains monazite, chances of association of monazite in varied quantity with garnet recovered from inland placers/pegmatite/schist/gneiss cannot be ruled out. Further, it would be difficult for the port authorities to differentiate between detrital beach garnet and crushed rock garnet megascopically. If any garnet consignments are allowed for export without any checks by the canalizing agency notified by DGFT and without the requirement of MTC as per the SOP published by IREL, there is a possibility that exporters will try to export the BSM garnet as rock garnet and the port authorities may not be able to differentiate them.

contd.

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4. Therefore, the export of garnet sand which is closely associated with monazite shall not be allowed without MTC. M/s. Tirupati Enterprise may be asked to approach IREL for canalizing their exports through IREL.

5. In view of the above, as the product under reference is Garnet and there is apprehension of the route being adopted by unscrupulous exporters to export BSMs under this revised heading, the request of the party should not be acceded to.

6. This has the approval of the Competent Authority in the Department.

11/1/2022
(Krishnakumar V.)
Under Secretary (PSU)
022 2202 7918
E-mail: usim@dae.gov.in

Directorate General of Foreign Trade
(Shri Vinod Kumar Sharma,
Foreign Trade Development Officer)
Ministry of Commerce & Industry,
Export Cell, Room No. 410, H-Wing,
Udyog Bhawan,
New Delhi-110011.
Email : export-dgft@nic.in

Copy to:

1. Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad
2. Chairman & Managing Director, IREL, Mumbai.



दूरभाष : 022-2286 2796
Telephone : 022-2286 2796
फैक्स : 022-2204 8476 /
Fax : 022-2282 4354

भारत सरकार
GOVERNMENT OF INDIA
परमाणु ऊर्जा विभाग
DEPARTMENT OF ATOMIC ENERGY

No. 3010/44/2019-PSU/ 6392

Additional Commissioner,
Office of the Commissioner of Customs (Preventive),
Jamnagar Sarda House,
Bedi Bunder Road,
Opp. Panchwati,
Jamnagar -361 008
GUJARAT
Email : adi-custimr@nic.in

आनुशक्ति भवन
छत्रपति शिवाजी महाराज मार्ग,
मुंबई - 400 001
Anushakti Bhavan
Chhatrapati Shivaji Maharaj Marg
MUMBAI - 400 001

June 02, 2021.

Subject: Export of Natural Abrasive Grain/Abrasive by M/s Tirupati
Enterprises, Mumbai -- regarding.

Sir,

Please refer to your letter No. VIII/48-06/DEA/Misc./2020-2021 dated 27.04.2021 on the above cited subject.

2. In this context, it is once again stated that as per DGFT Notification dated 21.8.2018 about canalization of the export Beach Sand Minerals (BSM), different Tariff Item HS Code including Garnet (HS Code 2513 2030) is covered. The HS Code of Garnet is independent of its source of origin/mode of occurrence (i.e. whether obtained from beach sand or hard rock terrain) and, therefore, export of Garnet comes under the purview of the above DGFT Notification dated 21.8.2018.

3. In view of the above, Monazite Test Certificate (MTC) and canalization through M/s IREL (India) Ltd. in respect of Garnet (HS Code 2513 2030) irrespective of source of origin/mode of occurrence are the pre-requisites for export. Therefore, amendment in Foreign Trade Policy and SOP, as indicated in your above letter dated 27.4.2021, may not be necessary in the matter.

4. This is issued with the approval of Competent Authority in the Department.

Yours faithfully,

(Shekhar V. Chavan)
Under Secretary (PSU)
Tel. No. 022-22027918
Email: usim@dae.gov.in