कार्यालय: प्रधान आयुक्त सीमाशुल्क, मुन्द्रा,सीमाशुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421

OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS: CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421. Phone No.02838-271423/271426

E-mail: exportasses-mundra@gov.in

Name of the Exporter	M/s AJZ Geschaft Traders, Hyderabad
Order-in- Original No.	MCH/ADC/AKM/382/2026-27
Passed by	Additional Commissioner of Customs, Custom House, Mundra
Date of order/Date of issue	12.10.2026 / As e-signed
IEC	AILPA9091J
Show Cause Notice No. & Date	SCN and PH Waived on Request
Issue involved	Illegal export of hypothecated Hydraulic Excavator (JCB JS 215), SL No. PUNJD21ACT3531662, Engine No. 95006496, Year of Manufacture 2026, CTH 84295200; 1 Pkg, Gross Wt. 21,500 Kgs.
Noticee(s)/Party/ Exporter	Shri Khaja Mohammed Ateeq Ahmed, 2-6-22/10/SS/302, S S Residency, Inner Ring Road, Upparpally, Rajendranagar Mandal, Hyderabad, Rangareddy, Telangana – 500030
DIN	**20261071MO0000CEBCF9**

1. यह अपील आदेश संबन्धित को नि: शुल्क प्रदान किया जाता है।

This Order-in-Original is granted to the concerned free of Charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1- में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-

Any person aggrieved by this Order - in - Original may file an appeal under Section 128A of the Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

"सीमा शुल्क आयुक्त (अपील), 7 वीं मंजिल, मृदुल टावर, टाइम्स ऑफ इंडिया के पीछे, आश्रम रोड़, अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS), Having his office at 7th Floor, Mridul Tower, Behind Times of India,

Ashram Road, Ahmedabad-380 009."

3. उक्त अपील यह आदेश भेजने की दिनांक से 60 दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must be accompanied by –

(i) उक्त अपील की एक प्रति और A copy of the appeal, and

(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं°-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए ।

This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. अपील ज्ञापन के साथ ड्यूटि/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये ।

Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.

6 . अपील प्रस्तुत करते समय, सीमा शुल्क)अपील (नियम, 1982और सीमा शुल्क अधिनियम, के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए ।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.

7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

ORDER-IN-ORIGINAL

1. Brief Facts of the Case:

This office received a complaint vide letters dated 17.06.2026 and 24.06.2026 from HDB Financial Services Limited, followed by e-mails dated 19.06.2026, 25.06.2026 and 29.06.2026, informing that they had financed a yellow JCB excavator for Rs. 50,35,000/- (approx.) under Loan ID: 81087110 to their customer, Mr. Amit Tamraj Bopche of Gondia, Maharashtra, who had, vide a signed affidavit dated 25.05.2026, undertaken to use the financed machine only within India. The bank tracked the machine near Mundra Port and suspected an attempt to illegally export it, and submitted, inter alia, a copy of Invoice dated 25.05.2026 issued by M/s G.K. Autowheels Pvt. Ltd. in favour of Mr. Amit Tamraj Bopche bearing a hypothecation endorsement in favour of the bank, and a copy of the affidavit dated 25.05.2026. On verification through the ICEGATE system, it was found that Shipping Bill No. 4344255 dated 20.06.2026 had been filed for the said machinery through M/s Jyoti Customs Broker Services Pvt. Ltd., and the cargo was lying at Ashutosh CFS, Mundra, for export to M/s SK Equipment Solutions Limited, Dar es Salaam, Tanzania, against Invoice No. 20/26-27 dated 11.06.2026 for USD 56,000/- (Rs. 52,41,600/-), with a RoDTEP claim of Rs. 36,691/-. On scrutiny of the invoices submitted by the CHA, the trail of sale of the machinery was found to be as under:

(a) 25.05.2026 – Sold by M/s G K Autowheels Pvt. Ltd. (Nagpur), an authorised JCB dealer, to Mr. Amit Tamraj Bopche vide Invoice No. 26150059 dated 25.05.2026 for Rs. 68,00,000/-.

(b) 10.06.2026 – Sold by Mr. Amit Tamraj Bopche's trading concern to M/s SBR Lifters Traders, Nagpur, for Rs. 50,50,000/-.

(c) 10.06.2026 – Sold by M/s SBR Lifters Traders to M/s AJZ Geschaft Traders, Hyderabad, vide Invoice No. SBR/26-27/5 dated 10.06.2026 for Rs. 51,50,000/-.

(d) 11.06.2026 – M/s AJZ Geschaft Traders generated Commercial Invoice No. 20/26-27 dated 11.06.2026 to export the machine to M/s SK Equipment Solutions Limited, Tanzania, for USD 56,000/- (Rs. 52,41,600/-).

2. Examination of the Goods:

Physical examination of the machinery covered under Shipping Bill No. 4344255 dated 20.06.2026 was conducted on 03.07.2026 at the premises of Ashutosh CFS, Mundra, in the presence of independent Panch witnesses. The examination and Panchnama dated 03.07.2026 confirmed that the machinery attempted to be exported bore Engine No. 95006496 and Chassis No. PUNJD21ACT3531662, matching the specifications intimated by HDB Financial Services Ltd. as being the machine hypothecated to it under Loan ID: 81087110, and also matching the particulars appearing on the invoices of M/s G K Autowheels Pvt. Ltd., M/s SBR Lifters Traders and M/s AJZ Geschaft Traders, and on the export Commercial Invoice, Packing List and Shipping Bill.

3. Statements Recorded:

Further, statement of Shri Kantibhai Narayanbhai Joshi, Manager & G-Card Holder, M/s Jyoti Customs Broker Services Pvt. Ltd. was recorded on 09.07.2026 u/s 108 of the Customs Act, 1962. Shri Kantibhai N. Joshi stated that M/s Jyoti Customs Broker Services Pvt. Ltd. handled the export covered under Shipping Bill No. 4344255 dated 20.06.2026 as CHA; that all export documents, including the commercial invoice, packing list and the purchase invoice of the excavator, were supplied to them by exporter through e-mail; that he was not aware that the excavator was financed by HDB Financial Services Limited or under hypothecation, and that the shipper did not disclose any loan, hypothecation or financial encumbrance on the cargo; that this was the first shipment handled by the firm for M/s AJZ Geschaft Traders. It is observed that the statement of Shri Kantibhai N. Joshi does not indicate active involvement in the concealment. Further, summons were issued to Shri Khaja Mohammed Ateeq Ahmed. However, Shri Khaja did not appear in person citing unavoidable circumstances and deputed Shri Mohammed Razzak Ali as his authorized representative, whose statement was recorded on 13.07.2026. Shri Razzak Ali stated that the firm came into contact with M/s SBR Lifters Traders for the purchase of the subject excavator; that M/s AJZ Geschaft Traders had no prior knowledge of any hypothecation, lease or financial interest of HDB Financial Services Ltd. in the said excavator before filing of the Shipping Bill; that the forged/altered invoice, without hypothecation endorsement, was supplied to them by M/s SBR Lifters Traders (their supplier); that received the invoice in the altered form from M/s SBR Lifters Traders without the hypothecation endorsement.

4. Discrepancy in Invoice – Suppression of Hypothecation:

On comparison of the two copies of Invoice No. 26150059 dated 25.05.2026 issued by M/s G.K. Autowheels Pvt. Ltd., Nagpur, it is seen that the copy furnished by HDB Financial Services Ltd. bears the endorsement "Hypo./Lease/H.P.A. – HDB

Financial Services Ltd." below the invoice value. However, the identical copy furnished by the CHA, as received from M/s AJZ Geschaft Traders through M/s SBR Lifters Traders, does not bear the said endorsement. Further, M/s. G.K. Autowheels Pvt. Ltd., vide e-mail dated 11.07.2026, furnished the original Invoice No. 26150059 dated 25.05.2026, bearing the endorsement "Hypo./Lease/H.P.A. – HDB Financial Services Ltd." This corroborates the claim of HDB Financial Services Ltd. that the machine was hypothecated to it at the time of original sale. Thus, the copy of the same invoice furnished by the CHA, without the said endorsement, appears to have been altered by removal of the hypothecation endorsement before being used for the export transaction. Since the Engine No., Chassis No., invoice number, date, buyer's name and other details are identical in both copies, the only difference is that the hypothecation endorsement is missing from the copy provided to the CHA for export documentation. This indicates that the endorsement may have been deliberately removed to conceal the hypothecation from the CHA and Customs authorities.

4.1 In the present case, the machinery proposed to be exported was hypothecated to HDB Financial Services Ltd. under Loan ID 81087110. The original invoice dated 25.05.2026 issued by M/s G.K. Autowheels Pvt. Ltd. clearly mentioned the endorsement "Hypo./Lease/H.P.A. – HDB Financial Services Ltd." However, the copy of the same invoice submitted to the Customs Broker by the exporter for export did not contain this endorsement. Thus, the fact that the machinery was hypothecated to HDB Financial Services Ltd. was not disclosed in the documents submitted for export. Under Section 50(2) of the Customs Act, 1962, the exporter is required to declare that the contents of the Shipping Bill are true. Further, under Section 50(3), the exporter is required to ensure that the information given in the Shipping Bill is complete and accurate and that the documents submitted in support of the Shipping Bill are genuine and valid. Therefore, submission of an invoice without the hypothecation endorsement, which was present on the original invoice, prima facie indicates that the exporter did not comply with the requirements of Section 50(2) and Section 50(3)(a) and (b) of the Customs Act, 1962.

4.2 Further, during the course of investigation, it was noticed that M/s AJZ Geschaft Traders had furnished a separate declaration dated **11.06.2026** in respect of the subject machinery bearing Chassis No. **PUNJD21ACT3531662**, wherein it was specifically declared that the said machinery had **"No Bank Loan"** and the exporter requested permission for export of the said machinery. The said declaration was furnished by the exporter in respect of the very same machinery which was subsequently found to have been financed by HDB Financial Services Ltd. under Loan ID **81087110** and hypothecated in favour of the said financier.

4.3 The aforesaid declaration is material in the facts of the present case, particularly in view of the original Invoice No. **26150059 dated 25.05.2026** issued by M/s G.K. Autowheels Pvt. Ltd., which contained the endorsement **"Hypo./Lease/H.P.A. – HDB Financial Services Ltd."**, as discussed hereinabove. Thus, apart from submission of a copy of the purchase invoice from which the hypothecation endorsement was absent, the exporter had separately made a specific declaration that the subject machinery had **no bank loan**.

5. Legal Provisions:

5.1. As per Section 2(33) of the Customs Act, 1962, 'prohibited goods' means any goods the import or export of which is subject to any prohibition under the Act or any other law for the time being in force.

5.2. As per Section 2(39) of the Act, 'smuggling', in relation to any goods, means any

act or omission which renders such goods liable to confiscation under Section 111 or Section 113.

5.3. Section 50(2) of the Customs Act, 1962 provides that the exporter, while presenting a Shipping Bill, shall make and subscribe to a declaration as to the truth of the contents thereof.

5.4. Section 50(3) of the Act provides that the exporter presenting a Shipping Bill is required to ensure (a) the accuracy and completeness of the information given therein; (b) the authenticity and validity of any document supporting the Shipping Bill; and (c) compliance with any restriction or prohibition relating to the goods under the Customs Act, 1962 or any other law for the time being in force.

5.5. Section 108 of the Act empowers a Gazetted Officer of Customs to summon any person to give evidence or produce documents in any inquiry which such officer is making under the Act.

5.6. Section 110 of the Act empowers the proper officer to seize goods which he has reason to believe are liable to confiscation under the Act.

5.7. Section 113(d) of the Act provides for confiscation of any goods attempted to be exported contrary to any prohibition imposed by the Customs Act or any other law for the time being in force.

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

5.8. Section 114 of the Act provides for penalty on any person who, in relation to any goods, does or omits to do any act which renders such goods liable to confiscation under Section 113, or who abets the doing or omission of such act.

5.9. Section 114AA of the Act provides for penalty, not exceeding five times the value of the goods, on any person who knowingly or intentionally makes, signs or uses any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of the Act.

5.10. Section 123 of the Act is attracted Where any goods are seized under this Act in the reasonable belief that they are smuggled goods, the burden of proving that they are not smuggled goods is on the owner of the said goods.

5.11. Section 124 of the Act prescribes the mandatory issuance of a Show Cause Notice in writing and an opportunity of personal hearing before confiscation of goods or imposition of penalty.

5.12. Section 122 & 122A of the Act provides for adjudication, i.e., the power to determine confiscation and penalties.

5.13. Section 125 of the Act where an Option to pay fine in lieu of confiscation.

6. Waiver of SCN and Personal Hearing and Request for Back-to-Town:

The exporter vide their letter dated 19.08.2026 has requested that the requirement of issuance of Show Cause Notice (SCN) and grant of Personal Hearing in the matter may kindly be waived. The exporter has further expressed its willingness to pay the applicable fine and penalty, as may be determined by the competent authority, in accordance with the provisions of the Customs Act, 1962. The exporter has also requested that permission may kindly be granted for Back-to-Town (BTT) movement of the subject machinery. In this regard, the exporter has requested issuance of t h e necessary NOC/permission to enable the subject JCB excavator, presently under Customs control in connection with the attempted export, to be moved back to town.

7. Outcome of the Investigation:

7.1. The machinery covered under Shipping Bill No. 4344255 dated 20.06.2026, bearing Engine No. 95006496 and Chassis No. PUNJD21ACT3531662, is established, on the basis of the Panchnama dated 03.07.2026 and the documents on record, to be the very same machinery financed by HDB Financial Services Ltd. to Mr. Amit Tamraj Bopche under Loan ID: 81087110, which the said borrower had, vide affidavit dated 25.05.2026, undertaken to use only within India.

7.2. The invoice dated 25.05.2026 submitted to the CHA/Customs for export did not contain the hypothecation endorsement that was present on the original invoice held by the financier. This shows that a different version of the invoice was used for the export transaction, thereby prima facie concealing the hypothecation of the machinery from the Customs authorities.

7.3. The exporter, while filing Shipping Bill No. 4344255 dated 20.06.2026, was required under Section 50(2) of the Customs Act, 1962 to subscribe to a declaration as to the truth of the contents of the Shipping Bill and, under Section 50(3), to ensure the accuracy and completeness of the information furnished therein and the authenticity and validity of the documents supporting the Shipping Bill. In the present case, the original purchase invoice dated 25.05.2026 contained the hypothecation endorsement in favour of HDB Financial Services Ltd., whereas the copy of the same invoice submitted for the export transaction did not contain such endorsement. Therefore, the use of the invoice without the material hypothecation endorsement prima facie indicates non-compliance with the requirements of Section 50(2) and Section 50(3)(a) and (b) of the Customs Act, 1962.

7.4. The machinery having passed through a chain of sale from the original financed buyer to the exporter within about 17 days, without any NOC from the financier on record, appears liable to confiscation under Section 113(d)/(i) of the Customs Act, 1962, and the exporter appears liable for penalty under Sections 114 and 114AA of the Customs Act, 1962.

7.5. Further, it is observed that M/s AJZ Geschaft Traders had furnished a specific declaration dated 11.06.2026 stating that the subject machinery bearing Chassis No. PUNJD21ACT3531662 had "No Bank Loan". However, the investigation has established that the same machinery was financed by HDB Financial Services Ltd. under Loan ID 81087110 and that the original invoice dated 25.05.2026 issued by M/s G.K. Autowheels Pvt. Ltd. carried the endorsement "Hypo./Lease/H.P.A. – HDB Financial Services Ltd.". The said declaration of"No Bank Loan", therefore, constitutes an additional material circumstance which is required to be considered along with the suppression/removal of the hypothecation endorsement from the invoice used for the export transaction.

7.6. The aforesaid declaration dated 11.06.2026 assumes further significance as it was made by M/s AJZ Geschaft Traders in respect of the same machinery prior to the filing of Shipping Bill No. **4344255 dated 20.06.2026**. Accordingly, the declaration furnished by the exporter regarding absence of any bank loan/financial encumbrance appears to be inconsistent with the documentary evidence available on record regarding financing and hypothecation of the machinery in favour of HDB Financial Services Ltd. The said fact is also relevant for examination of the applicability of the provisions of **Section 114AA of the Customs Act, 1962**, which has already been referred to in Para 5.9 above.

8. **Discussion and Findings:-**

8.1 I have carefully gone through the records of the case, the investigation report,

documents available on record and the request/submissions made by the Noticee. The Noticee has expressly requested waiver of issuance of Show Cause Notice and Personal Hearing and has requested adjudication of the matter on the basis of the records available on file. The said request is taken on record and the matter is accordingly decided on the basis of the documentary evidence and material available on record. I find that the following main issues are required to be decided:

(i) Whether the goods covered under Shipping Bill No. 4344255 dated 20.06.2026, i.e. JCB JS 215 Hydraulic Excavator bearing Engine No. 95006496 and Chassis No. PUNJD21ACT3531662, are liable to confiscation under Section 113(d)/(i) of the Customs Act, 1962, and whether the Noticee, by the acts or omissions leading to such liability, is liable to penalty under Section 114 of the Customs Act, 1962;

(ii) Whether the Noticee is liable for penalty under the provisions of Section 114AA of the Customs Act, 1962;

(iii) Whether Noticee's request for Back-to-Town (BTT) movement of the subject machinery, is required to be considered or not;

8.2. Regarding the first issue I find that the goods covered under Shipping Bill No. 4344255 dated 20.06.2026, declared as JCB JS 215 Hydraulic Excavator, bearing Engine No. 95006496 and Chassis No. PUNJD21ACT3531662, were attempted to be exported from Mundra to M/s SK Equipment Solutions Limited, Tanzania. The physical examination conducted on 03.07.2026 and the Panchnama confirmed the identity of the machinery, including the engine and chassis particulars, which corresponded with the documents available on record. I further find from the records that the said machinery was originally sold by M/s G.K. Autowheels Pvt. Ltd. to Shri Amit Tamraj Bopche vide Invoice No. 26150059 dated 25.05.2026 for Rs.68,00,000/-. The original invoice carried the specific endorsement "Hypo./Lease/H.P.A. – HDB Financial Services Ltd.". The machinery thereafter passed through successive transactions to M/s SBR Lifters Traders and subsequently to the Noticee, M/s AJZ Geschaft Traders, within a short period of about 17 days. It is also established from the investigation that HDB Financial Services Ltd. had financed the subject machinery to Shri Amit Tamraj Bopche under Loan ID 81087110, and that the borrower had furnished an affidavit dated 25.05.2026 undertaking to use the financed machinery only within India. The same machinery was subsequently traced at Mundra Port in connection with the attempted export.

8.3. Further, on comparison of the two copies of Invoice No. 26150059 dated 25.05.2026, the copy furnished by HDB Financial Services Ltd. and subsequently the original invoice furnished by M/s G.K. Autowheels Pvt. Ltd. contained the aforesaid hypothecation endorsement, whereas the copy of the same invoice furnished to the Customs Broker for the export transaction did not contain the endorsement. The material particulars of the machinery and invoice remained identical. Thus, the document used in support of the export transaction did not disclose the hypothecation recorded on the original invoice. In this regard, I find that the issue before me is not merely the existence of a private financing arrangement between HDB Financial Services Ltd. and the original purchaser. The relevant consideration is that the very same financed and hypothecated machinery was subsequently presented for export, despite the original financier having asserted its financial interest and the borrower having undertaken to use the machinery within India. The export transaction was therefore attempted in circumstances where the material financial interest in the machinery was not disclosed in the document submitted for export. In view of the foregoing, I find that

the subject machinery was attempted to be exported contrary to the restrictions/circumstances applicable to the said goods, and the use of the document without disclosure of the hypothecation materially contributed to such attempted export. Accordingly, I find that the goods covered under Shipping Bill No. 4344255 dated 20.06.2026 are liable to confiscation under Section 113(d) of the Customs Act, 1962, as the subject machinery, which was financed and hypothecated in favour of HDB Financial Services Ltd. and was subject to the borrower's undertaking for use within India, was attempted to be exported contrary to the restriction applicable to its export. I further find that the provisions of Section 113(i) of the Customs Act, 1962 are attracted, as the goods entered for exportation did not correspond in a material particular with the documents/declaration supporting the export entry, inasmuch as the invoice copy submitted for export did not contain the hypothecation endorsement appearing on the original invoice. In view of the above findings, the subject goods are liable to confiscation under Sections 113(d) and 113(i) of the Customs Act, 1962. Consequently, the act/omission of the Noticee in relation to the attempted export of the said goods renders it liable to penalty under Section 114 of the Customs Act, 1962.

8.4. Regarding the second issue I find that Section 50(2) of the Customs Act, 1962 requires the exporter, while presenting a Shipping Bill, to make a declaration as to the truth of the contents thereof, and Section 50(3) casts responsibility upon the exporter to ensure the accuracy and completeness of the information furnished therein and the authenticity and validity of the supporting documents. In the present case, the export documents submitted by the Noticee included a copy of Invoice No. 26150059 dated 25.05.2026 issued by M/s G.K. Autowheels, which did not contain the endorsement "Hypo./Lease/H.P.A. – HDB Financial Services Ltd.", whereas the original invoice subsequently produced by M/s G.K. Autowheels contained the said endorsement. I further find that the Noticee had furnished a separate declaration dated 11.06.2026 in respect of the same excavator, bearing Chassis No. PUNJD21ACT3531662, specifically declaring that there was "No Bank Loan" against the said machinery and requesting permission for its export. This declaration assumes significance in view of the documentary evidence on record showing that the same machinery had been financed by HDB Financial Services Ltd. under Loan ID 81087110 and was subject to hypothecation in favour of the financier. Thus, the issue is not confined merely to the absence of the hypothecation endorsement from the copy of the purchase invoice. The Noticee had also made a specific declaration that there was "No Bank Loan", which is inconsistent with the contemporaneous financing documents and the original invoice bearing the hypothecation endorsement. I therefore find that the declaration furnished by the Noticee was not correct in a material particular and that the Noticee failed to ensure the correctness, completeness and authenticity of the documents and declarations furnished in connection with the export. In these circumstances, I find that the aforesaid declaration and supporting document were material to the export transaction and were used in connection with the export of the goods. The furnishing of an incorrect material declaration/document, with knowledge or intention as contemplated under Section 114AA, attracts the penal consequences prescribed thereunder. Accordingly, the Noticee is liable to penalty under Section 114AA of the Customs Act, 1962.

8.5. Having arrived at the findings on the preceding issues, I now proceed to determine the consequential action warranted under the provisions of the Customs Act, 1962. I have found that the subject machinery covered under Shipping Bill No. 4344255 dated 20.06.2026 is liable to confiscation under Sections 113(d) and 113(i) of the Customs Act, 1962, and that the Noticee is liable to penal action under Sections 114 and 114AA of the Act. As regards confiscation, the subject

machinery, namely JCB JS 215 Hydraulic Excavator, Engine No. 95006496 and Chassis No. PUNJD21ACT3531662, has been identified and correlated with the documents on record. The physical examination conducted during investigation also established that the engine and chassis particulars of the machinery corresponded with the documents available on record. The liability to confiscation therefore arises from the circumstances and manner in which the machinery was entered for exportation, as discussed and held hereinabove, and not from any dispute regarding the identity of the goods. I further note that the Noticee, vide letter dated 19.08.2026, requested waiver of issuance of Show Cause Notice and Personal Hearing and expressed willingness to pay the fine and penalty, while also requesting permission for Back-to-Town (BTT) movement of the machinery. The said request has been taken on record and considered in the light of the findings recorded in this order.

8.6. Once the goods are held liable to confiscation under Section 113, the option of redemption is governed by Section 125 of the Customs Act, 1962. Accordingly, having regard to the nature of the goods, the circumstances leading to their attempted export, the documentary discrepancies discussed hereinabove and the request of the Noticee for BTT movement, the question of allowing redemption of the goods on payment of appropriate redemption fine requires determination. In this regard, I find that the subject machinery is an identifiable capital/equipment item and has been physically identified during investigation. The request for BTT is therefore considered in the context of redemption under Section 125 and subject to compliance with the conditions imposed under this order. The machinery has also been physically identified during investigation. Therefore, subject to compliance with the conditions prescribed under the Customs Act, 1962 and payment of the redemption fine and penalty determined herein, the request for Back-to-Town movement may be considered in accordance with law. As regards penalty, the findings recorded in the preceding paragraphs establish the Noticee's liability under Section 114 for the act/omission which rendered the goods liable to confiscation and under Section 114AA in respect of the incorrect material declaration/document furnished in connection with the export. The quantum of penalty is required to be determined having regard to the nature and gravity of the contraventions, the material available on record and the circumstances of the case. In view of the foregoing discussion and findings, I hold that the subject machinery is liable to confiscation under Sections 113(d) and 113(i) of the Customs Act, 1962; the Noticee is liable to penalty under Sections 114 and 114AA of the said Act; and the subject machinery may be allowed to be redeemed under Section 125, subject to payment of the redemption fine and penalties determined and subject to such conditions as may be applicable for permitting its Back-to-Town (BTT) movement.

9. In view of the foregoing discussion and findings recorded herein above I pass the following order:

ORDER

(i) I order that the JCB JS 215 Hydraulic Excavator, Engine No. 95006496, Chassis No. PUNJD21ACT3531662, covered under Shipping Bill No. 4344255 dated 20.06.2026 having FOB value of Rs.52,41,600/-, is liable to confiscation under Sections 113(d) and 113(i) of the Customs Act, 1962. However, in terms of Section 125(1) of the Customs Act, 1962, I give the Noticee an option to redeem the same for back to town on payment of Redemption Fine of Rs. 4,00,000 /- (Rupees Four Lakh only).

(ii) I impose a penalty of Rs. 1,00,000 /- (Rupees One Lakh only) upon M/s AJZ Geschaft Traders, Hyderabad, under Section 114 of the Customs Act, 1962.

(iii) I further impose a penalty of Rs. 50,000_/- (Rupees Fifty thousand only) upon M/s AJZ Geschaft Traders, Hyderabad, under Section 114AA of the Customs Act, 1962.

(iv) The request of the Noticee for Back-to-Town (BTT) movement of the subject machinery is allowed, subject to payment of the redemption fine and penalties ordered herein and completion of all requisite Customs formalities and compliance with applicable conditions.

10. This Order is issued without prejudice to any other action that may be taken against the Noticee under the Customs Act, 1962 or any other law for the time being in force.

Digitally signed by
AMIT KUMAR MISHRA
Date: 14-10-2026
12:51:44

Additional Commissioner of Customs
Custom House, Mundra

F.No.CUS/ASS/MISC/1168/2026-EA

BY SPEED POST

To,

1. M/s AJZ Geschaft Traders, Hyderabad,
2-6-22/10/SS/302, S S Residency, Inner Ring Road,
Upparpally, Rajendranagar Mandal, Hyderabad, Rangareddy,
Telangana – 500030.

2. M/s Jyoti Customs Broker Services Pvt. Ltd. (Licence No. J-41 dated 20.10.2017, Mundra CB Code 2429, PAN AADCJ4115D), represented by Shri Kantibhai N. Joshi,
Manager & G-Card Holder

Copy to:

1. The Additional Commissioner of Customs (Export Assessment), Custom House, Mundra.
2. The Deputy Commissioner of Customs (Export Assessment), Custom House, Mundra.
3. The RRA Section, Custom House, Mundra.
4. Notice Board.