



प्रधान आयुक्त का कार्यालय, सीमा शुल्क ,अहमदाबाद

“सीमा शुल्क भवन ,”पहली मंजिल ,पुरानेहाई-कोर्ट के सामने ,नवरंगपुरा ,अहमदाबाद – 380009.

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PREAMBLE

A	फ़ाइलसंख्या/ File No.	:	VIII/10-67/SVPIA-Prev/O&A/HQ/2025-26
B	कारण बताओ नोटिस संख्या एवं तारीख /Show Cause Notice No. & Date	:	Waiver of SCN by the Noticees
C	मूल आदेश संख्या/ Order-In-Original No.	:	217/ADC/SR/O&A/2025-26
D	आदेश तिथि/Date of Order-In-Original	:	10.03.2026
E	जारी करने की तारीख/ Date of Issue	:	10.03.2026
F	द्वारा पारित/ Passed By	:	Shravan Ram, Additional Commissioner, Customs, Ahmedabad
G	आयातक का नाम और पता / Name and address of Importer / Passenger	:	01. M/s Cliantha Research Limited, Clantha Corporate, TP-86, FP28/1, Off. S P Ring Road, Sarkhej, Ahmedabad-382210 02. Shri Javed Mehmood Desai, Majara, Opp. Love Kush, Ranchhodpura, Ta: Kalol, Gandhinagar-384212
1	यह प्रति व्यक्ति के उपयोग के लिए निःशुल्क प्रदान किया जाता है जिन्हे यह जारी किया जाता है।		
2	कोई भी व्यक्ति इस आदेश से स्वयं को असंतुष्ट पाता है तो वह इस आदेश के विरुद्ध अपील इस आदेश की प्राप्त किया तारीख के ६० दिनों के भीतर आयुक्त कार्यालय, सीमा शुल्क (अपील), ४वि मंजिल, हुडको भवन, ईश्वर भुवन मार्ग, नवरंगपुरा, अहमदाबाद में कर सकता है।		
3	अपील के साथ केवल पांच (५.00) रुपये पे न्यायलय शुल्क टिकिट लगा होना चाहिए और इसके साथ होना चाहिए:		
i	अपील की एक प्रति और;		
i i	इस प्रति या इस आदेश की कोई प्रति के साथ केवल पांच (५.00) रुपये पे न्यायलय शुल्क टिकिट लगा होना चाहिए।		
4	इस आदेश के विरुद्ध अपील करने इच्छुक व्यक्ति को ७.५% अधिकतम १० करोड़ शुल्क जमा करना होगा जहां शुल्क या इयूटी और जुर्माना विवाद में है या जुर्माना जहां इस तरह की दंड विवाद में है और अपील के साथ इस तरह के भुगतान का प्रमाण पेश करने में असफल रहने पर सीमा शुल्क अधिनियम, १९६२ के धरा १२९ के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दिया जायेगा।		

BRIEF FACTS OF THE CASE

An E-mail dated 04.10.2025 was received from Shri Javed Mehmood Desai from E-mail Id: javeddesai@gmail.com, wherein he informed that upon his arrival at SVPI Airport, Ahmedabad on 09.09.2025 from Boston (USA), he had carried an artwork titled "BASALT, 1992" by Richard Serra into India and failed to declare the same at the Red Channel at SVPI Airport, Ahmedabad. He also informed that the lapse was unintentional and expressed willingness to comply with the provisions of the Customs Act, 1962, including payment of applicable Customs duty. Along with the said email, Shri Javed Desai submitted scanned copies of following documents: -

- i. Purchase Invoice No. 0544 dated 12.08.2025 issued by M/s Smart Fine Art Asia Ltd., Hong Kong in favour of M/s Cliantha Research Ltd.
- ii. Details of SWIFT payment dated 20.06.2025 for \$ 440,000 for purchase of the Art Work.
- iii. Copy of Passport No. ZA161654 in respect of Shri Javed Desai.
- iv. Air Tickets and Boarding Passes for International round travel ticket of Shri Javed Desai from Ahmedabad to Boston via Abu Dhabi and Return from Boston to Ahmedabad via Abu Dhabi.
- v. Import Export Code Certificate of M/s Cliantha Research Limited (IEC 0804007781).
- vi. Scanned copy of Letter dated nil from authorized signatory of unknown company with a request to duty assessment of the imported artwork.

2. Upon scrutiny of the documents submitted, it is observed that Purchase Invoice No. 0544 dated 12.08.2025, pertaining to the Artwork, was issued by M/s Smart Fine Art Asia Ltd., 20th Floor, 88 Gloucester Road, Wanchai, Hong Kong, in favour of M/s Cliantha Research Ltd., Ahmedabad, for a total consideration of \$440,000. Payment of \$440,000 towards the said purchase was affected on 20.06.2025 through SWIFT transfer, wherein the sender bank was HDFC Bank, Ahmedabad and the receiver bank was The Bank of New York Mellon, New York, USA. As per the airline ticket details, Shri Javed Mehmood Desai travelled from Ahmedabad to Boston via Abu Dhabi on 31.08.2025 and returned from Boston to Ahmedabad via Abu Dhabi on 09.09.2025. At the time of his arrival on 09.09.2025 at Sardar Vallabhbhai Patel International Airport, Ahmedabad, Shri Javed Desai was carrying the said artwork as part of his baggage. Since the value of the artwork exceeded the permissible duty-free baggage allowance prescribed under the Baggage Rules, 2016, the artwork was required to be mandatorily declared at the Red Channel and subjected to customs assessment and payment of applicable duty at the time of arrival. However, the same was admittedly not declared.

3. PANCHNAMA DATED 17.10.2025:

3.1. A visit was conducted at the premises of M/s Cliantha Research Ltd., Ahmedabad, on 17.10.2025 regarding an investigation into the importation of the artwork "BASALT, 1992" by Richard Serra, which was imported without declaration and without payment of Customs duty. The proceedings were conducted under a Panchnama dated 17.10.2025 in the presence of independent Panchas.

3.2. During the Panchnama proceedings, an artwork titled “BASALT, 1992” by Richard Serra was found lying in the office premises. The photograph of the said artwork is reproduced hereunder:



4. SEIZURE OF THE ARTWORK TITLED “BASALT-1992” BY RICHARD SERRA:

The said artwork titled “BASALT, 1992” by Richard Serra was carried and cleared through Customs without the support of any valid or legitimate import documents and, therefore, the same falls within the ambit of “smuggled goods” and is liable for confiscation under the provisions of the Customs Act, 1962. Therefore, the said Artwork titled “BASALT, 1992” by Richard Serra having a value of \$ 440,000 (as per the Purchase Invoice 0544 dated 12.08.2025) was placed under seizure vide Seizure Order dated 17.10.2025 issued under the provisions of Section 110 of the Customs Act, 1962 under reasonable belief that the subject Artwork titled “BASALT, 1992” by Richard Serra is liable for confiscation under Section 111 of the Customs Act, 1962. Further, due to lack of secure storage and in view of the cooperative approach of the importer, the artwork was handed back to Shri Darshan Mehta, Director (Finance), M/s Cliantha Research Ltd., under Supratnama dated 17.10.2025 for safe custody, with the instruction to produce the said package containing the seized goods intact and in the same conditions as they are at the time of seizure, whenever called upon to do so by the Customs Officers and not to deliver the same to any person or otherwise dispose of or deal with the same without an order in writing from the Customs Officer.

STATEMENTS

5. Statement of Shri Javed Desai, Consultant and personal acquaintance of the Directors of M/s Cliantha Research Ltd. in his statement inter alia submitted that: -

5.1 Shri Javed Desai stated that he is engaged as a consultant with M/s Cliantha Research Limited and maintains a personal relationship with the promoter group of the said company. He further stated that he receives consultancy fees from M/s Cliantha Research Limited upon completion of assigned consultancy work.

5.2 He stated that, during his visit to Boston, USA in September 2025, he was requested by the promoters of M/s Cliantha Research Limited to carry an artwork already purchased by them, which was delivered to his hotel. He carried the said artwork to India and exited through Sardar Vallabhbhai Patel International Airport, Ahmedabad on 09.09.2025 without declaring the same, as he was unaware of its value and had no role in or involvement with its purchase. He further stated that he handed over the said artwork to M/s Cliantha Research Limited on 10.09.2025. He further stated that in the first week of October 2025, upon being informed that the artwork was valued at \$440,000 it was realized that an inadvertent lapse had occurred. Accordingly, the matter was voluntarily

brought to the notice of Customs authorities vide email dated 04.10.2025, along with an undertaking to discharge all applicable statutory duties and dues. M/s Cliantha Research Limited has already paid the applicable Customs duty of Rs.1,37,06,000/- along with interest of Rs.2,02,774/- vide Challan dated 16.10.2025.

5.3 On being asked about the nature of authorization granted to him by M/s Cliantha Research Limited for carrying the aforesaid artwork, he stated that M/s Cliantha Research Limited had issued an authorization letter dated 01.09.2025 in favour of the supplier, M/s Smart Fine Arts Asia Ltd., wherein it was conveyed that he was duly authorized by M/s Cliantha Research Limited to collect the said artwork from the representative of the supplier in Boston. He further stated that, at the time of receipt of the said artwork, he had issued a receipt dated 07.09.2025 to the representative of M/s Smart Fine Arts Asia Ltd. He also stated that the artwork was subsequently handed over in packed condition to M/s Cliantha Research Limited on 10.09.2025 and that no written receipt was taken by him from M/s Cliantha Research Limited at the time of such handover.

5.4 He stated that he had visited Boston to meet his daughter from 01.09.2025 to 09.09.2025 and it was his personal visit and all travel expenses, including tickets and lodging, were borne by him. He further stated that was not at all involved in the purchase of the said artwork and his role was limited to carrying the same to India, as he was co-incidentally travelling to the USA at the same time, when the said artwork was available in the USA. The details regarding valuation of the Artwork and genuineness of the Artwork may be ascertained from M/s Cliantha Research Limited, as he was not involved in the process of purchasing.

5.5 On being asked as to when he came to know that the artwork carried by him from Boston, USA on behalf of M/s Cliantha Research Limited attracted Customs duty and that M/s Cliantha Research Limited was liable to pay Customs duty thereon, he stated that the matter was discussed with him by Shri Darshan Mehta, Director (Finance) of M/s Cliantha Research Limited, in the first week of October 2025. He further stated that, upon realization of the inadvertent lapse, they immediately decided to voluntarily report the same to the Customs Department by way of email and made all the due payments immediately. He further stated that the details pertaining to payments made to the overseas supplier, as well as other corresponding transactional details, may be ascertained from M/s Cliantha Research Limited.

5.6 On being asked that the invoice dated 12.08.2025 was raised by M/s. Smart Fine Art Asia Ltd, Hong Kong whereas as per his statement the artwork was procured by him from Boston, USA and further whether the said artwork was insured during its movement from Hong Kong to Boston, USA and subsequently from Boston to Ahmedabad, he stated that such details may be ascertained from M/s Cliantha Research Limited, as he was not involved in the purchase of the aforesaid Artwork.

5.7 On being asked about the email dated 04.10.2025 received by Customs-Ahmedabad, intimating the non-declaration of the Artwork along with undated letter attached thereto, he stated that the said email was sent by him from his personal email ID. He further stated that the letter attached to the said mail was signed by him only.

6. Statement of Shri Darshan Mehta, Director (Finance), M/s Cliantha Research Ltd. in his statement inter alia submitted that: -

6.1 Shri Darshan Mehta stated that he is working as Director (Finance) of M/s Clantha Research Limited, TP 86, FP 28/1, Clantha Corporate, Off S.P. Ring Road, Sarkhej, Ahmedabad, Gujarat, 382210 and being Director (Finance), he is the Senior most authority in regard to Finance related matters of the company.

6.2 He further, stated that the artwork titled "BASALT, 1992" by Richard Serra was purchased by their company i.e. M/s. s Clantha Research Limited from M/s Smart Fine Arts Asia Ltd. In respect of the said transaction, the supplier issued a Proforma Invoice No. 0544 dated 27.05.2025 for an amount of \$ 440,000 against which the payment was made by the company on 20.06.2025 through proper banking channel i.e. HDFC Bank, Platinum Plaza branch, Judges Bungalow Road, Ahmedabad. Subsequently, the supplier M/s Smart Fine Arts Asia Ltd. issued Invoice No. 0544 dated 12.08.2025. He further stated that M/s Smart Fine Arts Asia Ltd. informed them that, at the relevant time, the said artwork was located in Boston, USA, and enquired whether it would be possible for them to collect the artwork from Boston. He stated that, coincidentally, Shri Javed Desai, his good friend and a consultant with M/s Clantha Research Limited, was visiting Boston during the said period to meet his daughter. Accordingly, Shri Javed Desai was duly authorized by M/s Clantha Research Limited to collect the said artwork from the representative of the supplier in Boston. He further stated that the said artwork was brought into India by Shri Javed Desai on 09.09.2025 through Sardar Vallabhbhai Patel International Airport, Ahmedabad, and was inadvertently not declared at the time of import. Upon realization of the lapse, the same was voluntarily disclosed to the Customs authorities vide email dated 04.10.2025. The artwork, valued at \$440,000 (Rs.3,91,60,000/-), was subsequently regularized on payment of Customs duty amounting to Rs.1,37,06,000/- along with applicable interest of Rs.2,02,774/-, vide Challan dated 16.10.2025. He further stated that Shri Javed Desai was not involved in the purchase of the said artwork.

6.3 On being asked regarding the valuation of the Artwork he stated that the valuation was ascertained by the supplier himself and their company had agreed to purchase the same at the said price as indicated in Proforma Invoice no 0544 dated 27.05.2025.

6.4 On being asked regarding the genuineness of the Artwork he stated that the artwork was purchased from the authorized dealer and as such no further certification was needed or done by them.

6.5 On being asked when they became aware that the Artwork attracts Customs Duty and that M/s Clantha Research Limited is liable to pay customs duty thereon, in this context he stated that they realized the same in the first week of October, 2025 and discussed the same internally in the company as well as with Shri Javed Desai and thereafter they immediately decided to report their lapse to the Customs department by way of email and made all the due payments immediately.

6.6 On being asked, the invoice dated 12.08.2025 was issued by M/s. Smart Fine Art Asia Ltd, Hong Kong whereas as per your statement, the artwork was collected from Boston, USA, in this regard he stated that the supplier had informed them that the said artwork was available in Boston at the relevant time and had enquired whether the same could be collected from Boston. Accordingly, the said artwork was collected from Boston, USA.

6.7 On being asked whether the said artwork was insured during its movement from Hong Kong to Boston, USA and subsequently from Boston to Ahmedabad,

India, in this regard he stated that they had not taken any insurance during the movement/transit of the artwork.

6.8 On being asked regarding the email authenticity dated 04.10.2025 forwarded to Preventive-Section, Head Quarter, Customs Ahmedabad detailing the non-declaration of Artwork and other details attached/written in it, in this regard he stated that the said email was issued by Shri Javed Desai from his email ID and the letter attached in the said email was signed by Shri Javed Desai.

6.9 Shri Darshan Mehta further stated that artwork is very expensive and delicate piece of artwork and requires a lot of special care and safe environment for its safety. He further, requested that the said artwork may not be seized. However, if seizure is considered unavoidable, he requested that the artwork may be permitted to remain at their office premises, where it would be kept in safe and appropriate custody so as to safeguard its value and ensure its availability. He further assured that the said artwork would not be moved or handed over to any person without the express permission of the Customs authorities.

7. A letter dated 22.10.2025 was issued to the Bureau of Civil Aviation Security (BCAS), Ahmedabad, seeking CCTV footage of Terminal-2, Arrival Hall, SVPIA, for the date 09.09.2025 to verify the arrival of Shri Javed Desai. Vide email dated 04.11.2025, BCAS informed that the said date, i.e. 09.09.2025, fell beyond the CCTV footage retention period of 30 days, and that CCTV footage is preserved only for a period of 30 days.

8. Letters dated 29.10.2025, 10.11.2025, and 14.11.2025 were sent to M/s Cliantha Research Ltd. to submit all previous imports of artworks/paintings and the email ID of the seller of the artwork ("BASALT, 1992" by Richard Serra) seized by this office. In response, M/s Cliantha, vide emails dated 10.11.2025 and 14.11.2025, submitted details (invoice, SWIFT payment, Bill of Entry, and Customs duty payment challan copies) in respect of import of the following three artworks/paintings:

- i. "Stainless Steel Other Thing" (Artist: Subodh Gupta) – Imported from Amsterdam, vide Bill of Entry No. 7242451 dated 14.12.2024 filed at Air Cargo Complex, Sahar, Andheri (E), Mumbai.
- ii. "Invisible People" (Artist: Bharti Kher) – Imported from London, UK, vide Bill of Entry No. 7003230 dated 02.12.2024 filed at Air Cargo Complex, Sahar, Andheri (E), Mumbai.
- iii. "Buttress, 2023" (Artist: Antony Gormley) – Imported from China, vide Bill of Entry No. 4403486 dated 09.09.2025 filed at JNCH, Nhava Sheva.

8.1 M/s Cliantha informed vide email dated 14.11.2025 that they had submitted details of all the Import artwork purchases. Further, vide email dated 18.12.2025 M/s Cliantha has submitted that they could not find any authenticate email id of M/s Smart Fine Art Asia Ltd., Hong Kong, from whom the Art Work "BASALT, 1992" (by Richard Serra) was purchased.

9. Shri Darshan Mehta, Director (Finance) and Authorized Signatory of M/s Cliantha Research Ltd. vide letter dated 26.11.2025, requested for waiver of the Show Cause Notice and release of the artwork seized by this office. Further, Shri Javed Desai, Consultant with M/s Cliantha Research Ltd., who had brought the said artwork into India as accompanied baggage, also submitted a request for

waiver of the Show Cause Notice vide letter dated 29.11.2025. They further submitted that they are willing to comply with the statutory provisions and to make necessary payments, including any fine and/or penalty, if imposed, for the release of the said artwork.

10. SUMMATION:

10.1 From the investigation conducted in the matter, it appears that the artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-), was cleared from SVPI Airport, Ahmedabad by Shri Javed Mehmood Desai without declaring the same to the Customs authorities, and the applicable Customs duty was not paid at the time of clearance. In view of the above, the import of the said artwork was not in compliance with the provisions of the Customs Act, 1962. Consequently, the artwork, having been imported without due declaration and in violation of the statutory requirements, was liable to confiscation under Section 111 of the Customs Act, 1962.

10.2 Accordingly, the aforesaid Artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-) was seized on 17.10.2025, under the provisions of Section 110 of the Customs Act, 1962 on the reasonable belief that the same was liable to be confiscated in terms the provisions of Section 111 of the Customs Act, 1962.

10.3 Shri Javed Mehmood Desai, a consultant of M/s Cliantha Research Limited, carried the high-value artwork titled "BASALT, 1992" from Boston, USA to India as accompanied baggage on 09.09.2025, on behalf of M/s Cliantha, who had authorized him to collect the artwork. While Shri Desai has stated that he was unaware of the value of the artwork and was not involved in its purchase, it is observed that, as the individual who physically imported the artwork, he was required under the Customs law to declare the same at the time of arrival.

10.4 The artwork, valued at \$440,000 (Rs.3,91,60,000/-), was not declared to Customs upon arrival. The matter was subsequently brought to the notice of Customs vide email dated 04.10.2025 by Shri Javed Mehmood Desai, and the applicable Customs duty amounting to Rs.1,37,06,000/-, along with interest of Rs.2,02,774/-, was paid by M/s Cliantha Research Limited vide Challan dated 16.10.2025.

10.5 Notwithstanding the subsequent disclosure and payment of duty, the failure to declare the artwork at the time of import reflects non-compliance with the prescribed Customs procedures and a lack of due diligence in handling the import of high-value goods. Accordingly, the acts and omissions on the part of Shri Javed Mehmood Desai rendered the said artwork liable to confiscation and attracted penal provisions under the Customs Act, 1962.

10.6 M/s Cliantha Research Limited, being the purchaser and beneficiary of the high-value artwork titled "BASALT, 1992" by Richard Serra, arranged for its import into India without making the requisite declaration to Customs authorities. The artwork was brought as accompanied baggage through SVPI Airport, Ahmedabad on 09.09.2025, without disclosure of its nature and value, which resulted in non-assessment and non-payment of the applicable Customs duty at the time of import.

10.7 The artwork was intended for commercial use and did not fall within the scope of bona fide baggage. It is further noted that M/s Cliantha Research Limited

had, on earlier occasions, imported similar artworks/paintings through prescribed channels by filing Bills of Entry and paying the applicable Customs duty, which indicates familiarity with the Customs procedures and statutory requirements. In this context, the non-declaration in the present instance does not appear to be attributable to lack of awareness.

10.8 The subsequent voluntary disclosure was made after the artwork had already been imported and delivered to M/s Cliantha Research Limited. Accordingly, the acts and omissions on the part of M/s Cliantha Research Limited rendered the said artwork liable to confiscation and attracted penal provisions under the Customs Act, 1962.

11. LEGAL PROVISIONS RELEVANT TO THE CASE:

Foreign Trade Policy 2015-20 and Foreign Trade (Development and Regulation) Act, 1992

11.1 In terms of Para 2.26(a) of the Foreign Trade Policy 2015-20, only bona fide household goods and personal effects are allowed to be imported as part of passenger baggage as per limits, terms and conditions thereof in Baggage Rules notified by the Ministry of Finance. Gold can be imported by the banks (Authorized by the RBI) and agencies nominated for the said purpose under Para 4.41 of the Chapter 4 of the Foreign Trade Policy or any eligible passenger as per the provisions of Notification no. 50/2017-Customs dated 30.06.2017 (Sr. No. 356). As per the said notification "Eligible Passenger" means passenger of Indian Origin or a passenger holding valid passport issued under the Passport Act, 1967, who is coming to India after a period of not less than 6 months of stay abroad.

11.2 As per Section 3(2) of the Foreign Trade (Development and Regulation) Act, 1992 the Central Government may by Order make provision for prohibiting, restricting or otherwise regulating, in all cases or in specified classes of cases and subject to such exceptions, if any, as may be made by or under the Order, the import or export of goods or services or technology.

11.3 As per Section 3(3) of the Foreign Trade (Development and Regulation) Act, 1992 all goods to which any Order under sub-section (2) applies shall be deemed to be goods the import or export of which has been prohibited under section 11 of the Customs Act, 1962 (52 of 1962) and all the provisions of that Act shall have effect accordingly.

11.4 As per Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992 no export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made thereunder and the foreign trade policy for the time being in force.

12. The Customs Act, 1962:

12.1 As per Section 2(3) – "baggage includes unaccompanied baggage but does not include motor vehicles.

12.2 As per Section 2(22), of Customs Act, 1962 definition of 'goods' includes-

- (a) vessels, aircrafts and vehicles;
- (b) stores;
- (c) baggage;
- (d) currency and negotiable instruments; and
- (e) any other kind of movable property;

12.3 As per Section 2(33) of Customs Act 1962, 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.

12.4 As per Section 2(39) of the Customs Act 1962 '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 of the Customs Act 1962.

12.5 As per Section 11(3) of the Customs Act, 1962 any prohibition or restriction or obligation relating to import or export of any goods or class of goods or clearance thereof provided in any other law for the time being in force, or any rule or regulation made or any order or notification issued thereunder, shall be executed under the provisions of that Act only if such prohibition or restriction or obligation is notified under the provisions of this Act, subject to such exceptions, modifications or adaptations as the Central Government deems fit.

12.6 As per Section 77 of the Customs Act 1962 the owner of baggage shall, for the purpose of clearing it, make a declaration of its contents to the proper officer.

12.7 As per Section 110 of Customs Act, 1962 if the proper officer has reason to believe that any goods are liable to confiscation under this Act, she may seize such goods.

12.7.1 Section 111. Confiscation of improperly imported goods, etc.:

The following goods brought from a place outside India shall be liable to confiscation:

- (a) any goods imported by sea or air which are unloaded or attempted to be unloaded at any place other than a customs port or customs airport appointed under clause (a) of section 7 for the unloading of such goods;*
- (b) any goods imported by land or inland water through any route other than a route specified in a notification issued under clause (c) of section 7 for the import of such goods;*
- (c) any dutiable or prohibited goods brought into any bay, gulf, creek or tidal river for the purpose of being landed at a place other than a customs port;*
- (d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;*
- (e) any dutiable or prohibited goods found concealed in any manner in any conveyance;*
- (f) any dutiable or prohibited goods required to be mentioned under the regulations in an import manifest or import report which are not so mentioned;*
- (g) any dutiable or prohibited goods which are unloaded from a conveyance in contravention of the provisions of section 32, other than goods inadvertently unloaded but included in the record kept under sub-section (2) of section 45;*
- (h) any dutiable or prohibited goods unloaded or attempted to be unloaded in contravention of the provisions of section 33 or section 34;*
- (i) any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof;*

- (j) any dutiable or prohibited goods removed or attempted to be removed from a customs area or a warehouse without the permission of the proper officer or contrary to the terms of such permission;*
- (k) any dutiable or prohibited goods imported by land in respect of which the order permitting clearance of the goods required to be produced under section 109 is not produced or which do not correspond in any material particular with the specification contained therein;*
- (l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;*
- (m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under section 77 [in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54];*
- (n) any dutiable or prohibited goods transited with or without transshipment or attempted to be so transited in contravention of the provisions of Chapter VIII;*
- (o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;*
- (p) any notified goods in relation to which any provisions of Chapter IV-A or of any rule made under this Act for carrying out the purposes of that Chapter have been contravened.*

12.9 Section 112. Penalty for improper importation of goods etc.: any person,

- (a) 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 111, or abets the doing or omission of such an act, or*
- (b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harboring, keeping, concealing, selling or purchasing or in any manner dealing with any goods which she knows or has reason to believe are liable to confiscation under Section 111, shall be liable to penalty.*

12.10 Section 117. Penalties for contravention, etc., not expressly mentioned.

-Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding [four lakh rupees]

12.11 All dutiable goods imported into India by a passenger in her baggage are classified under CTH 9803.

13 CUSTOMS BAGGAGE RULES AND REGULATIONS:

13.1 As per Customs Baggage Declaration (Amendment) Regulations, 2016 issued vide Notification no. 31/2016 (NT) dated 01.03.2016, all passengers who come to India and having anything to declare or are carrying dutiable or prohibited goods shall declare their accompanied baggage in the prescribed form under Section 77 of the Customs Act, 1962.

13.2 As per Rule 5 of the Baggage Rules, 2016, a passenger residing abroad for more than one year, on return to India, shall be allowed clearance free of duty in her bon-fide baggage of jewellery upto weight, of twenty grams with a value cap of Rs. 50,000/- if brought by a gentlemen passenger and forty grams with a value cap of one lakh rupees, if brought by a lady passenger.

14. CONTRAVENTION AND VIOLATION OF LAWS:

It therefore appears that:

(i) Shri Javed Mehmood Desai imported the artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-), without declaring the same to the Customs authorities, and the applicable Customs duty was not paid at the time of clearance. The failure to declare the artwork at the time of import reflects non-compliance with the prescribed Customs procedures and lack of due diligence in relation to the import of high-value goods upon his arrival from Boston, USA to Ahmedabad on 09.09.2025. Accordingly, the said artwork cannot be treated as bona fide household goods or personal effects. Shri Javed Mehmood Desai has thus contravened the provisions of the Foreign Trade Policy and Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992.

(ii) By not declaring the said artwork before the proper officer of Customs, Shri Javed Mehmood Desai has contravened the provisions of Section 77 of the Customs Act, 1962, read with Regulation 3 of the Customs Baggage Declaration Regulations, 2013.

(iii) The high-value artwork, having been imported into India by Shri Javed Mehmood Desai on behalf of M/s Cliantha Research Limited, the actual importer and beneficiary, without declaration to Customs, is liable to confiscation under Section 111, read with Sections 2(22) and 2(39) of the Customs Act, 1962.

(iv) In view of the above acts of omission and/or commission, and the role played in the import of the undeclared artwork, Shri Javed Mehmood Desai has rendered himself liable to penalty under Section 112 of the Customs Act, 1962.

(v) M/s Cliantha Research Limited, being the actual importer and beneficiary of the goods, failed to ensure declaration of the artwork before the Customs authorities at SVPI Airport, Ahmedabad, resulting in clearance of the same as accompanied baggage without proper disclosure. Such conduct amounts to misstatement and suppression of material particulars relating to the clearance of the goods. It is observed that M/s Cliantha Research Limited, having prior experience and knowledge of Customs procedures from earlier imports, caused the import of the high-value artwork without declaration. Accordingly, by acts of omission and/or commission and/or abetment, M/s Cliantha Research Limited has rendered itself liable to penalty under Section 112 of the Customs Act, 1962.

15. In view of the above, the said Artwork titled "BASALT, 1992" by Richard Serra having a value of \$440,000 (as per the Purchase Invoice 0544 dated 12.08.2025) was placed under seizure vide Seizure Order dated 17.10.2025 under the provisions of Section 110 of the Customs Act, 1962, is liable for:

- (i) Confiscation under the provisions of Sections 111(j) and Section 111(l) of the Customs Act, 1962;
- (ii) In the event of the option under sub-section (1) of Section 125 of the Customs Act, 1962, is exercised then,

- a) Applicable duty determined under the provisions of Section 78 of the Customs Act, 1962, along with related charges, should not be recovered in terms of sub-section (2) of Section 125 read with Section 28 of the Customs Act, 1962.
- b) Interest on the duty amount as per clause (a) above should not be charged and recovered under the provisions of Section 28AA of the Customs Act, 1962.
- (iii) Shri Javed Mehmood Desai and M/s Cliantha Research Limited, are liable for Penalty under the provisions of Section 112 of the Customs Act, 1962.

16. REQUEST FOR WAIVER OF SCN:

The noticee i.e. Shri M/s Cliantha Research Limited and Shri Javed Mehmood Desai submitted a written request for waiver of SCN on dated 26.11.2025 and 29.11.2025. Accordingly, their request was accepted and personal hearing was granted on 06.02.2026.

17. WRITTEN SUBMISSIONS:

17.1 Written Submission of M/s. Cliantha Research Ltd dated 06.02.2026:

M/s. Cliantha Research Limited submitted a written pleading regarding the import of an artwork titled *BASALT* by Richard Serra, carried as passenger baggage on 09 September 2025 at Ahmedabad International Airport for legitimate corporate display and research enrichment purposes. The artwork, signed and dated 1992, was later declared to Customs, which assessed a duty of ₹1,37,06,000 and interest of ₹2,02,774, both of which the company voluntarily and fully paid on 16 October 2025 prior to adjudication. The artwork was subsequently seized on 17 October 2025 under applicable regulations. The company emphasizes that there was no intention to evade duty, no misdeclaration or suppression of facts, and that it fully cooperated throughout the process. Stating that any procedural lapse was inadvertent and the import was bona fide, Cliantha respectfully requests waiver or imposition of only the minimum permissible penalty and seeks release of the artwork upon completion of required formalities, reaffirming its commitment to full compliance with Customs laws.

17.2 Written Submission of Shri Javed Desai dated 06.02.2026:

Shri Javed Desai submitted a written pleading regarding the import of the artwork *BASALT* by Richard Serra, which he carried as passenger baggage from Boston, USA, to Ahmedabad on 09 September 2025 on behalf of Cliantha Research Limited for legitimate corporate use. The artwork, created in 1992 and properly authenticated, was later declared to Customs, which assessed duty of ₹1,37,06,000 and interest of ₹2,02,774; both amounts were voluntarily and fully paid by the company on 16 October 2025 prior to adjudication. The artwork was subsequently seized on 17 October 2025 under applicable Customs regulations. Desai emphasizes that there was no intention to evade duty, no misdeclaration or suppression of facts, and that both he and the company fully cooperated throughout the process. Stating that any procedural lapse was inadvertent and the import was bona fide, he respectfully requests waiver or imposition of only the minimum permissible penalty and seeks release of the artwork upon completion of the required formalities, reaffirming commitment to full compliance with Customs laws.

18. PERSONAL HEARING:

To follow the principle of natural justice, personal hearing in the matter was granted on 06.02.2026. Accordingly, Shri Javed Mehmood Desai and Shri Darshan Mehta, Director and Authorized Representative of the noticee M/s Cliantha Research Limited, appeared for personal hearing in the matter on 06.02.2026. They also requested to attend the PH in person instead of video conferencing. The noticees through their letter dated 26.11.2025 and 29.11.2025 requested for waiver of SCN/Oral SCN under the provisions of Section 124 of Customs Act, 1962. Accordingly, the request for non-issuance of written Show Cause Notice was accepted in terms of the first proviso to Section 124 of the Customs Act, 1962 and accordingly, the noticee/ representative of the noticee has been explained the provisions of Section 124 thoroughly regarding the provision for issuing SCN and waiver of SCN has been granted and matter is taken up for decision on merits.

Shri Darshan Mehta, Director of M/s. Cliantha Research Ltd., Ahmedabad, appeared for personal hearing on 06.02.2026 and submitted a written representation in support of the case.

He stated that a company representative had travelled from Boston (USA) for personal reasons and arrived at Ahmedabad Airport on 09.09.2025 carrying an artwork intended for corporate display and enrichment of the company's research facility. He submitted that the company had voluntarily and fully discharged the applicable customs duty along with interest on 16.10.2025.

Shri Mehta further submitted that the artwork was not carried with any intention to evade payment of duty. According to him, the company extended full cooperation to the customs authorities at every stage of the proceedings. He emphasized that there was no suppression of facts, mis-declaration, or attempt to circumvent the applicable baggage rules. He contended that the import was a bona fide act for corporate use and that any procedural lapse, if found, was purely inadvertent in nature. He accordingly requested that a lenient view be taken in the matter.

Shri Javed Desai, appeared for personal hearing on 06.02.2026 and submitted a written representation in support of the case. Shri Javed Desai submitted that he was travelling on his personal visit to Boston (USA) and arrived at Ahmedabad Airport on 09.09.2025 carrying an artwork intended for corporate display and research facility enrichment. Desai emphasizes that there was no intention to evade duty, no misdeclaration or suppression of facts, and that both he and the company fully cooperated throughout the process. He accordingly requested that a lenient view be taken in the matter.

DISCUSSION & FINDINGS:

19. I have carefully gone through the facts of this case and find that the Noticees has submitted written reply and appeared in personal hearing. I therefore proceed to decide the instant case on the basis of evidences and documents available, written replies of noticees and records of personal hearing. I find that the passenger has requested for waiver of Show Cause Notice. The request for non-issuance of written Show Cause Notice is accepted in terms of the first proviso to Section 124 of the Customs Act, 1962 and compliance of the Pre-Notice Consultation Regulation, 2018 issued vide Notification No. 29/2018-Cus. (N.T.), dated 2.4.2018 accordingly, the matter is taken up for decision on merits.

20. In the instant case, I find that the main issues that are to be decided is whether the high-value artwork "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-), was imported from Boston, USA, to India on 09.09.2025 as accompanied baggage by Shri Javed Mehmood Desai on behalf of M/s Cliantha Research Limited without being declared to Customs at SVPI Airport, Ahmedabad, and without payment of applicable duty at the time of clearance, thereby violating the provisions of the Customs Act, 1962; consequently, the artwork was seized on 17.10.2025 under Section 110 of the Customs Act, 1962 on the reasonable belief that the said artwork was smuggled into India, is liable for confiscation under Section 111 of the Customs Act, 1962 or not and whether Shri Desai and the company M/s Cliantha Research Ltd., are liable for penalty under the provisions of Section 112 of the Customs Act, 1962.

21. I find that the Panchnama clearly draws out the fact that the import of the artwork "BASALT, 1992" by Richard Serra, which had been imported without declaration and without payment of Customs duty. The proceedings were carried out in the presence of independent Panchas, during which the artwork was observed lying in the office premises and documented photographically. Since the artwork had been carried and cleared through Customs Airport under Baggage without declaration under Section 77 of the Customs Act, and without payment of duty to be determined under Section 78 of the Customs Act, 1962 without valid import documents, it was considered "smuggled goods" and liable for confiscation under the Customs Act, 1962. Accordingly, the artwork, valued at \$440,000 as per Purchase Invoice No. 0544 dated 12.08.2025, was placed under seizure vide Seizure Memo/ Order dated 17.10.2025 issued under the provisions of Section 110 of the Customs Act, 1962 on the reasonable belief that it was liable for confiscation under Section 111(j) and 111(l) of the Customs Act, 1962.

22. I also find that Shri Javed Mehmood Desai travelled from Ahmedabad to Boston via Abu Dhabi on 31.08.2025 and returned from Boston to Ahmedabad via Abu Dhabi on 09.09.2025. At the time of his arrival on 09.09.2025 at Sardar Vallabhbhai Patel International Airport, Ahmedabad, Shri Javed Desai was carrying the said artwork as part of his baggage. Since the value of the artwork exceeded the permissible duty-free baggage allowance prescribed under the Baggage Rules, 2016, the artwork was required to be mandatorily declared at the Red Channel and subjected to customs assessment and payment of applicable duty at the time of arrival. However, the same was admittedly not declared. Accordingly, he had violated the provisions of Customs Act, the Baggage Rules, the Foreign Trade (Development Regulations) Act, 1992 and the Foreign Trade Policy 2015-2020.

23. Further, the passenger has accepted that, he had not declared the said artwork placed in his baggage on his arrival to the Customs Authorities. It is clear case of non-declaration with an intent to smuggle the said artwork "BASALT, 1992". Accordingly, there is sufficient evidence to say that, the passenger had kept the said artwork "BASALT, 1992" which was in his possession and failed to declare the same before the Customs Authorities on his arrival at SVPIA, Ahmedabad. Thus, it is proved that passenger violated Section 77, Section 79 of the Customs Act, 1962 for import/ smuggling of the said artwork "BASALT, 1992" which was not for bonafide use and thereby violated Rule 11(1) of the Foreign Trade Regulation Rules 1992, and para 2.26 of the Foreign Trade Policy 2015-20.

24. I also find that Shri Darshan Mehta, Director (Finance) of M/s Cliantha Research Limited, stated that the company purchased the artwork "BASALT, 1992" by Richard Serra from M/s Smart Fine Art Asia Ltd., Hong Kong, at a price

of \$440,000 as per Proforma Invoice No. 0544 dated 27.05.2025, with payment made on 20.06.2025 through HDFC Bank, Ahmedabad. The supplier later issued Invoice No. 0544 dated 12.08.2025 and informed that the artwork was located in Boston, USA. Since Shri Javed Desai, a consultant and personal friend of the company's promoters, was coincidentally visiting Boston, he was authorized by the company to collect the artwork, which he brought into India on 09.09.2025 through Sardar Vallabhbhai Patel International Airport, Ahmedabad. The artwork was inadvertently not declared at the time of import, and upon realizing the lapse in the first week of October 2025, the company voluntarily reported the matter to Customs via email dated 04.10.2025 and paid the Customs duty of Rs.1,37,06,000/- along with interest of Rs.2,02,774/- on 16.10.2025. **I further find that the value of the artwork "BASALT, 1992" is USD 440,000, which, when converted into Indian Rupees at the rate prescribed under Exchange Rate Notification No. 37/2025 for foreign currency rates for Imports & Exports w.e.f. 05.09.2025, wherein the USD rate for import is 1 USD = ₹89, amounts to ₹3,91,60,000/- (USD 440,000 × 89).**

25. From the facts discussed above, it is evident that Shri Javed Mehmood Desai imported the artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-), from Boston, USA to Ahmedabad on 09.09.2025 without declaring it to the Customs authorities, and the applicable Customs duty was not paid at the time of clearance. This failure to declare reflects non-compliance with prescribed Customs procedures and a lack of due diligence in handling high-value goods, making the artwork ineligible to be treated as bona fide household goods or personal effects. By not declaring the artwork, Shri Desai contravened the provisions of the Foreign Trade Policy, Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992, Section 77 of the Customs Act, 1962, and Regulation 3 of the Customs Baggage Declaration Regulations, 2013, rendering the artwork liable to confiscation under Section 111(j) and 111(l) read with Sections 2(22) and 2(39) of the Customs Act, 1962, and making him personally liable to penalty under Section 112 of the Customs Act, 1962. Additionally, M/s Cliantha Research Limited, as the actual importer and beneficiary, failed to ensure declaration of the artwork, resulting in its clearance as accompanied baggage without proper disclosure. Given the company's prior experience with importing artworks through prescribed channels, this omission indicates deliberate non-compliance, and by acts of omission, commission, or abetment, M/s Cliantha Research Limited is likewise liable to penalty under Section 112 of the Customs Act, 1962.

26. Further, I find that Shri Javed Mehmood Desai, as the individual who physically imported the artwork and M/s Cliantha Research Limited, as the actual importer and beneficiary, failed to ensure proper declaration, amounting to misstatement and suppression of material particulars, despite prior experience and knowledge of Customs procedures, renders them are subject to penalties for the acts and omissions described and the artwork is liable for confiscation under Sections 111(j) and 111(l) of the Customs Act, 1962, But I use my discretion to give an option to redeem the impugned seized the artwork on payment of a redemption fine, as provided under Section 125 of the Act.

27. I find that the artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-) was attempted to be smuggled in indeed liable to confiscation, I also find that Shri Javed Mehmood Desai and the company, voluntarily reported the matter to Customs via email dated 04.10.2025 and paid the Customs duty of Rs.1,37,06,000/- along with interest of Rs.2,02,774/- on

16.10.2025. By using my discretion vested in Section 125 of the Customs Act, 1962, the same can be released on payment of redemption fine by owner/importer.

28. I would like to record it here that the passenger Shri Javed Mehmood Desai had not filed any declaration which he was required to file when he disembarked at Ahmedabad Airport and thereby violated provisions of Section 77 of the Customs Act, 1962 read with Customs Baggage Declaration regulation, 2013. The act of passenger amounted to "smuggling" as defined in Section 2(39) of the Customs Act, 1962. The artwork titled "BASALT, 1992" by Richard Serra, valued at \$440,000 (Rs.3,91,60,000/-) is liable for confiscation under Sections 111(j) and 111(l) of the Customs Act, 1962. However, as I have recorded herein above, I am in favour of using my discretion to release it on payment of redemption fine.

29. I find that this issue of redemption of goods has travelled through various appellate fora. I find that in the following cases, Hon'ble Supreme Courts, High Courts, the appellate fora allowed redemption of seized goods;

- i. *Sapna Sanjeev Kohli vs. Commissioner-2010(253) E.L.T. A52(S.C.)*
- ii. *Union of India vs. Dhanak M Ramji-2010(252) E.L.T. Al 02(S.C.)*
- iii. *Shaikh Jamal Basha vs. G.O.I.-1997(91) E.L.T.277(A.P.)*
- iv. *Commissioner of Cust. & C. Ex. Nagpir-l Vs. Mohd. Ashraf Armar-2019(369) E.L.T. 1654 (Tri. Mumbai)*
- v. *R. P. Sharma., Additional Secretary in RE Ashok Kumar Verma 2019(369) E.L.T. 1677 (G. O. 1.)*
- vi. *Suresh Bhosle Vs. Commissioner of Customs (Rev.) Kolkatta- 2009(246) E.L.T. 77(Cal.)*
- vii. *T. Elavarasan Versus Commissioner of Customs (Airport), Chennai reported 2011 (266) E.L.T. 167 (Mad.)*

30. I find that when there are judgements favoring redemption, there are contra judgement which provide for absolute confiscation of seized goods attempted to be smuggled into India as follows; Abdul Razak vs., U. O. 1. - 2012(275) E.L.T. 300 (Ken) maintained by Hon'ble Supreme Court - 2017(350) E.L.T. Al 73(SC)

31. I further find that ingenious concealment is one of the important aspects for deciding on the redemption/ non-redemption of the goods.

Further, while deciding the case, the CBIC Circular/ Instruction F. No: 275/17/2015-CX. 8A dated 11.03.2015 is also looked into, which emphasized that Judicial discipline should be followed while deciding pending show cause notices/ appeals.

32. I find that, the option to redemption has been granted and absolute confiscation is set-a-side vide order No.12/2021-CUS(WZ)/ASAR dated 18.01.2021 by the Revision authority, GOI issued under F. No: 371/44/B/2015-RA/785 dated 29.01.2021. Similar view was taken by Revision Authority vide Order No. 287/2022-Cus(WZ)/ASAR/Mumbai dated 10.10.2022 Order No. 245/2021-Cus(WZ)/ASAR dated 29.09.2021 issued under F. No: 371/44/B/15-RA/2020 dated 06.10.2021 and Order No. 314/2022-Cus(WZ)/Asar/Mumbai dated 31.10.2022 issued from F. No: 371/273/B/WZ/2018 dated 03.11.2022. All the above mentioned 3 orders of RA has been accepted by the department.

33. I further find that the Hon'ble High Court of Delhi in a judgement dated 21.08.2023 in the case of Nidhi Kapoor and others, in para 156 of its order observed that-

"The Court holds that an infraction of a condition for import of goods would also fall within the ambit of Section 2(33) of the Act and thus their redemption and release would become subject to the discretionary power of the Adjudicating Officer. For reasons aforesaid, the Court finds no illegality in the individual orders passed by the Adjudicating Officer and which were impugned in these writ petitions."

34. I find that the said artwork titled "BASALT, 1992" by Richard Serra was carried and cleared through Customs without the support of any valid or legitimate import documents and, therefore, the same falls within the ambit of "smuggled goods" and is liable for confiscation under the provisions of the Customs Act, 1962. Therefore, the said Artwork titled "BASALT, 1992" by Richard Serra having a value of \$440,000 (as per the purchase invoice 0544 dated 12.08.2025), was placed under seizure vide order dated 17.10.2025 issued under the provisions of Section 110 of the Customs Act, 1962. Further, due to lack of secure storage and in view of the cooperative approach of the importer, the artwork was handed back to Shri Darshan Mehta, Director (Finance), M/s Clantha Research Ltd., under Supratnama dated 17.10.2025 for safe custody. Looking to the facts, I am of the considered opinion that under section 125 of the Customs Act, 1962, the option for redemption can be granted.

34.1. I, further find that the matter was voluntarily brought to the notice of Customs Authorities vide email dated 04.10.2025, along with an undertaking to discharge all applicable statutory duties and dues. M/s Clantha Research Limited has already paid the applicable Customs duty of Rs.1,37,06,000/- along with interest of Rs.2,02,774/- vide Challan dated 16.10.2025.

34.2. Further, I find that the initial valuation of the said Artwork titled "BASALT, 1992" was done on the basis of the Purchase Invoice No. 0544 dated 12.08.2025, pertaining to the Artwork, was issued by M/s Smart Fine Art Asia Ltd., 20th Floor, 88 Gloucester Road, Wanchai, Hong Kong, in favour of M/s Clantha Research Ltd., Ahmedabad, for a total consideration of \$440,000. Payment of \$440,000 towards the said purchase was affected on 20.06.2025 through SWIFT transfer, wherein the sender bank was HDFC Bank, Ahmedabad, and the receiver bank was The Bank of New York Mellon, New York, USA. Therefore, I accepted the valuation of the said Artwork titled "BASALT, 1992" by Richard Serra. Therefore, in view of above, I give an option to the Noticees, Shri Javed Mehmood Desai and M/s Clantha Research Limited, under Section 125(1) of the Act to redeem the said Artwork titled "BASALT, 1992" on payment of a redemption fine in lieu of confiscation.

35. I further find that the passenger Shri Javed Mehmood Desai agreed and admitted in his statement recorded that he travelled from Ahmedabad to Boston via Abu Dhabi on 31.08.2025 and returned from Boston to Ahmedabad via Abu Dhabi on 09.09.2025. At the time of his arrival on 09.09.2025 at Sardar Vallabhbhai Patel International Airport, Ahmedabad, Shri Javed Desai was carrying the said artwork as part of his baggage. Since the value of the artwork exceeded the permissible duty-free baggage allowance prescribed under the Baggage Rules, 2016, the artwork was required to be mandatorily declared at the Red Channel and subjected to customs assessment and payment of applicable duty at the time of arrival. However, the same was admittedly not declared. Accordingly, he had involved himself and abetted the act of carrying the artwork as part of his baggage and undeclared in his person is an offence under the provisions of the Customs Act, 1962 and the Regulations made under it, the passenger attempted to carry the said goods. The passenger in his statement dated

17.10.2025 stated that he did not declare the said artwork, as he wanted to clear the same illicitly and evade the Customs Duty. Thus, it is clear that the passenger has involved himself in carrying, removing, keeping, concealing and dealing with the undeclared artwork, which he knows very well and has reason to believe that the same is liable for confiscation under Section 111 of the Customs Act, 1962. Therefore, I find that notwithstanding the subsequent disclosure and payment of duty, the failure to declare the artwork at the time of import reflects non-compliance with the prescribed Customs procedures and a lack of due diligence in handling the import of high-value goods. Accordingly, the acts and omissions on the part of Shri Javed Mehmood Desai rendered the said artwork liable to confiscation and attracted penal action under the provisions of Sections 112 of the Customs Act, 1962 and I hold accordingly.

36. I find that M/s Cliantha Research Limited, as purchaser and beneficiary of the high-value artwork "BASALT, 1992" by Richard Serra, arranged its import into India through SVPI Airport, Ahmedabad on 09.09.2025 as accompanied baggage without declaring its nature and value to Customs, leading to non-assessment and non-payment of applicable duty at the time of import. Since the artwork was intended for commercial use and did not qualify as bona fide baggage—and given that the company had previously imported similar artworks through proper procedures by filing Bills of Entry and paying duty—the omission cannot reasonably be attributed to lack of awareness of Customs requirements. Although a voluntary disclosure was later made, it occurred only after the artwork had been imported and delivered, thereby rendering the goods liable to confiscation and attracting penal action under the provisions of Sections 112 of the Customs Act, 1962 and I hold accordingly.

37. However, as I have recorded herein above, I am in favour of using my discretion to release it on payment of redemption fine under the provisions of Section 125(1) of the Customs Act 1962.

38. In view of above discussion and findings, I pass the following order:

ORDER

- (i) I Order Confiscation of the said Artwork titled "BASALT, 1992"** by Richard Serra having a value of \$440,000 (**Rs.3,91,60,000/-**) (as per the Purchase Invoice 0544 dated 12.08.2025) seized vide Seizure Order/ Memo under Panchnama Proceeding both dated 17.10.2025, under the provisions of Sections 111(j) and 111(l) of the Customs Act, 1962; I give an option to the Noticees **M/s Cliantha Research Limited** to redeem the said artwork on payment of a **Redemption Fine of Rs.25,00,000/- (Rupees Twenty-Five Lakhs Only)** under the provisions Section 125(1) of the Customs Act, 1962 in addition to the duty chargeable and any other charges payable in respect of the imported goods as per Section 125(2) of the Customs Act, 1962;
- (ii) I Confirm the Demand for Customs Duty amounting to Rs.1,37,06,000/-** (Rupees One Crore Thirty-Seven Lakh Six Hundred only), representing the duty at the time of import of the Artwork titled "BASALT, 1992", valued as per the Purchase Invoice 0544 dated 12.08.2025 at \$440,000 (Rs.3,91,60,000/-). I further order to appropriate the said **Customs Duty amounting to Rs.1,37,06,000/-**, paid by **M/s Cliantha Research Limited** vide Challan dated 16.10.2025, under the provisions of Section 28(i) of the Customs Act, 1962;

- (iii) **I Order to Recover Interest amounting to Rs.2,02,774/-** (Rupees Two Lakh Two Thousand Seven Hundred Seventy-Four only) on the Customs Duty confirmed at (ii) above under the provisions of Section 28(i) of the Customs Act, 1962, I further order to appropriate the said **Interest amounting to Rs.2,02,774/-**, paid by **M/s Cliantha Research Limited** vide Challan dated 16.10.2025, under the provisions of Section 28AA of the Customs Act, 1962;
- (iv) **I impose a Penalty of Rs.15,00,000/- (Rupees Fifteen Lakhs Only)** on **Shri Javed Mehmood Desai** under the provisions of Section 112(a)(i) and 112(b)(i) of the Customs Act, 1962.
- (v) **I impose a Penalty of Rs.15,00,000/- (Rupees Fifteen Lakhs Only)** on **M/s Cliantha Research Limited** under the provisions of Section 112(a)(i) and 112(b)(i) of the Customs Act, 1962.

39. This order is issued without prejudice to any other action that may be taken against the passenger/ Noticee or any other person(s) concerned with said goods under the Customs Act, 1962, or any other law for the time being in force in India.

(Shravan Ram)
Additional Commissioner
Customs, Ahmedabad

DIN:20260371MN000000C8DB

F. No. VIII/10-67/SVPIA-Prev/O&A/HQ/2025-26

Dated:10.03.2026

By Speed Post A.D./E-mail /Hand Delivery/Through Notice Board

To,

- 1. M/s Cliantha Research Limited,**
Cliantha Corporate, TP-86, FP28/1,
Off. S P Ring Road, Sarkhej,
Ahmedabad-382210
(E-mail Id: dmehta@cliantha.com)
- 2. Shri Javed Mehmood Desai,**
Majara, Opp. Love Kush, Ranchhodpura,
Ta: Kalol, Gandhinagar-384212
(E-mail Id: javeddessai@gmail.com)

Copy to:-

1. The Principal Commissioner, Customs, Ahmedabad (Kindly Attention to RRA Section).
2. The Assistant Commissioner (Preventive), Customs, Ahmedabad.
3. The Assistant Commissioner (Task Recovery), Customs, Ahmedabad
4. The System In-Charge, Customs HQ, Ahmedabad for uploading on the official website i.e. <http://www.ahmedabadcustoms.gov.in>
5. Guard File/Office copy.
6. Notice Board