



## प्रधान आयुक्त का कार्यालय, सीमा शुल्क, अहमदाबाद

“सीमा शुल्क भवन”, पहली मंजिल, पुरानेहाईकोर्ट केसामने, नवरंगपुरा, अहमदाबाद – 380009.

दूरभाष: (079) 2754 4630 E-mail: [cus-ahmd-adj@gov.in](mailto:cus-ahmd-adj@gov.in) फैक्स: (079) 2754 2343**DIN: 20250271MN0000105968****PREAMBLE**

A	फाइल संख्या / File No.	:	VIII/10-126/SVPIA-B/O&A/HQ/2024-25
B	कारणबताओनोटिस संख्या-तारीख / Show Cause Notice No. and Date	:	VIII/10-126/SVPIA-B/O&A/HQ/2024-25 Dated: 12.07.2024
C	मूल आदेश संख्या / Order-In-Original No.	:	<b>260/ADC/SRV/O&amp;A/2024-25</b>
D	आदेश तिथि / Date of Order-In-Original	:	<b>18.02.2025</b>
E	जारी करने की तारीख / Date of Issue	:	<b>18.02.2025</b>
F	द्वारा पारित / Passed By	:	<b>Shree Ram Vishnoi</b> , Additional Commissioner, Customs, Ahmedabad.
G	आयात कक्षानाम और पता / Name and Address of Importer / Passenger	:	<b>Mrs. Hiraben Prakashbhai Chaudhari</b> , 44, Chitrakut Bunglows, Ramosana Chowkdi, Mehsana – 384002
(1)	यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हे यह जारी की गयी है।		
(2)	कोई भी व्यक्ति इस आदेश से स्वयं को असंतुष्ट पाता है तो वह इस आदेश के विरुद्ध अपील इस आदेश की प्राप्ति की तारीख के 60 दिनों के भीतर आयुक्त कार्यालय, सीमा शुल्क अपील मंजिल, हुड़को भवन, ईश्वर भुवन मार्ग, नवरंगपुरा, अहमदाबाद में कर सकता है।		
(3)	अपील के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए और इसके साथ होना चाहिए:		
(i)	अपील की एक प्रति और;		
(ii)	इस प्रति या इस आदेश की कोई प्रति के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए।		
(4)	इस आदेश के विरुद्ध अपील करने इच्छुक व्यक्ति को 7.5 % (अधिकतम 10 करोड़) शुल्क अदा 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, 1962 की धारा 129 के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दिया जायेगा।		

**Brief facts of the case**

**Mrs. Hiraben Prakashbhai Chaudhari**, (hereinafter referred to as the said “passenger/ Noticee”), residing at 44, Chitrakut Bunglows,

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Ramosana Chowkdi, Mehsana - 384002 holding an Indian Passport Number No. V1506987, arrived by Emirates Flight No. EK 540 from Dubai to Ahmedabad, at Sardar Vallabhbhai Patel International Airport (SVPIA), Terminal-2, Ahmedabad. On the basis of specific information provided by DRI officers, Ahmedabad and passenger profiling one female passenger namely Mrs. Hiraben Prakashbhai Chaudhari, who arrived by Emirates Flight No. EK 540 on 02.03.2024 came from Dubai at Terminal 2 of Sardar Vallabhbhai Patel International Airport (SVPI), Ahmedabad is suspected to be carrying smuggled gold either in her baggage or concealed in her clothes/body and on suspicious movement of the passenger, the passenger was intercepted by the DRI and Air Intelligence Unit (AIU) officers, SVPI Airport, Customs, Ahmedabad under Panchnama proceedings dated 02.03.2024 in presence of two independent witnesses for passenger's personal search and examination of her baggages.

2. The DRI and AIU Officers asked about the identity of Mrs. Hiraben Prakashbhai Chaudhari by her Passport No. V1506987, who travelled by Emirates Flight No. EK 540 from Dubai to Ahmedabad, at the Green Channel at the Ahmedabad International Airport. In the presence of the Panchas, the DRI and AIU Officers asked Mrs. Hiraben Prakashbhai Chaudhari if she has anything to declare to the Customs, to which she denied the same politely. The officers offered their personal search to the passenger, but the passenger denied and said that she had full trust on them. Now, the officers asked the passenger whether she wanted to be checked in front of an Executive Magistrate or female Superintendent of Customs, in reply to which he gave the consent to be searched in front of the female Superintendent of Customs.

2.1 The DRI and AIU Officers, in presence of the Panchas, observed that Mrs. Hiraben Prakashbhai Chaudhari had carried one blue colour trolley bag. The officers, in presence of the Panchas carried out scanning of the trolley bag in the scanner installed near the exit gate of the arrival hall of SVPI Airport, Ahmedabad, however, nothing suspicious was observed.

2.2 The DRI and AIU Officers, in presence of the Panchas, asked Mrs. Hiraben Prakashbhai Chaudhari to walk through the Door Frame Metal

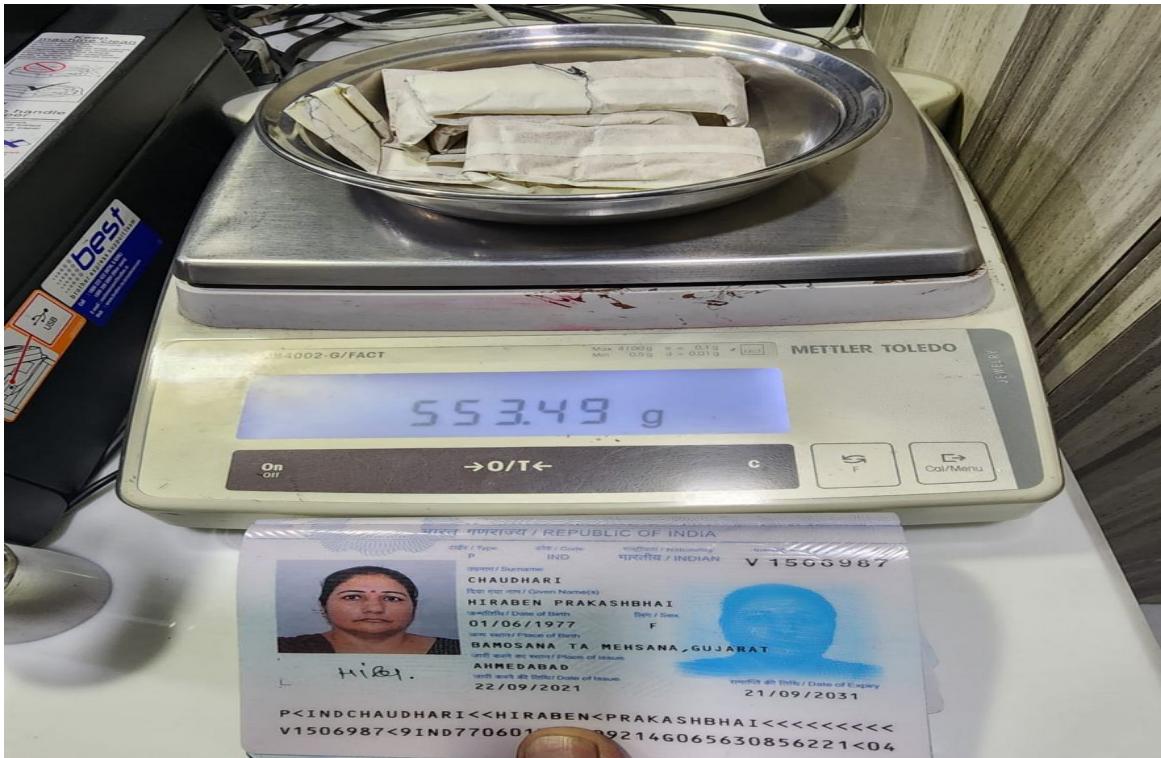
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Detector (DFMD) machine; prior to passing through the said DFMD, the passenger was asked to remove all the metallic objects she was wearing on their body/ clothes. Thereafter, the passenger readily removed the metallic substances from her body such as belt, mobile, wallet etc. and kept it on the tray placed on the table and after that officer asked her to pass through the Door Frame Metal Detector (DFMD) machine and while she passing through the DFMD Machine, no beep sound/ alert was generated. Thereafter, the AIU Officers in presence of Panchas, asked the passenger whether she has concealed any substance in her body, to which she replied in negative. Then, after thorough interrogation by the Officers, in presence of Panchas, the passenger did not confess, she has carried any high valued dutiable goods. The Officers under the reasonable belief that the said passenger carried some high valued dutiable goods by way of concealing it in her body parts and on sustained interrogation, Mrs. Hiraben Prakashbhai Chaudhari confessed that she carried gold in paste form (viz. three strips covered with white tape containing gold paste concealed into the waist band of her jeans). She is now taken to the AIU room opposite belt no. 2 of arrival hall, Terminal 2 by the Officer, where Mrs. Hiraben Prakashbhai Chaudhari removed her jeans and she was allowed to wear another clothes she brought with her. In presence of the Panchas and the DRI/ AIU Officers checked the jeans removed by the passenger and we all see that in the area waist of the jeans, some white strips are concealed. In presence of we the Panchas and DRI/ AIU officers separate the strips from the jeans.

2.3 Thereafter, the AIU officer called the Government Approved Valuer and informs him that total three strips containing semi-solid substance consisting of gold and chemical mix recovered from a passenger and the passenger has informed that it is gold in semisolid/ paste form and hence, he needs to come to the Airport for testing and Valuation of the said material. In reply, the Government Approved Valuer informed the AIU Officer that the testing of the said material is only possible at his workshop as gold has to be extracted from such semi-solid substance consisting of gold and chemical mix form by melting it and also informed the address of his workshop. As such, the AIU Officers along with the passenger and the Panchas visited the Shop No. 301, Golden Signature, Behind Ratnam Complex, Near National

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Handloom, C.G. Road, Ahmedabad - 380 006, where the officers introduced Shri Soni Kartikey Vasantrai, Government Approved Valuer to the Panchas, as well as the passenger. After weighing the said semisolid substance covered with white adhesive tape on his weighing scale, Shri Kartikey Vasantrai Soni provided detailed primary verification report of semi-solid substance consisting of Gold and Chemical mix having Gross Weight of 553.490 Grams. The Officers took the photograph of the same which is as under:-



2.4 Thereafter, the Government approved valuer started the process of converting the pouches of gold and chemical mix recovered from the passenger, into solid gold after removing the white colour adhesive tape, semi solid paste was put into the furnace and upon heating the item it turned into mixture of gold like material. After some time taken out of furnace and poured in a bar shaped plate and after cooling for some time it became yellow coloured solid metal in form of a bar. After completion of the procedure, the Government Approved Valuer take the weight of the said golden coloured bar which is derived from **553.490** Grams of three strips containing semisolid substance consisting of gold and chemical mix, in presence of Panchas, the passenger and the DRI/AIU Officers comes to **476.930 Grams**. After completing the procedure, the Government approved valuer confirmed vide Valuation Certificate No. 1453/2023-24 dtd. 02.03.2024 that the semi-solid substance consisting of Gold and Chemical mix, recovered from Mrs.

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Hiraben Prakashbhai Chaudhari, one gold bar weighing 476.930 grams having purity 999.0/24 Kt., having market value of Rs.31,23,415/- (Rupees Thirty One lakh Twenty Three Thousand Four Hundred and Fifteen only) and having tariff value of Rs.26,16,944/- (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only). The value of the gold bar has been calculated as per the Notification No. 16/2024-Customs (N.T.) dated 29.02.2024 (gold) and Notification No. 13/2024-Customs (N.T.) dated 15.02.2024 (exchange rate).

The details of the valuation of the said gold bar is tabulated as below:

Sl. No.	Details of Items	PCS	Gross Weight In Gram	Net Weight in Gram	Purity	Market Value (Rs.)	Tariff Value (Rs.)
Gold bar derived from 553.490 Grams of pouches removing white adhesive tape containing gold paste and chemical mix recovered from Mrs. Hiraben Prakashbhai Chaudhari							
1.	Gold Bar	1	553.490	476.930	999.0 24Kt.	31,23,415/-	26,16,944/-

The Photographs of the net weight of the pure gold is as under:



2.5 The method of purifying, testing and valuation used by Shri Kartikey Vasantrai Soni was done in presence of the independent Panchas the passenger and officers. All were satisfied and agreed with the testing and valuation Certificate No. 1453/2023-24 dated 02.03.2024 given by Shri Kartikey Vasantrai Soni and in token of the same, the Panchas and the Passenger put her dated signature on the said valuation certificate.

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**3.** The following documents produced by the passenger Mrs. Hiraben Prakashbhai Chaudhari were withdrawn under the Panchnama dtd. 02.03.2024:-

- (i) Copy of Passport No. V1506987 issued at Ahmedabad on 22.09.2021 and valid up to 21.09.2031.
- (ii) Boarding pass of Emirates Flight No. EK 540 from Dubai to Ahmedabad dated 02.03.2024.

**4.** Thereafter, the DRI/ AIU officers asked in the presence of the Panchas, to produce the identify proof documents of the passenger and the passenger produced the identity proof documents which have been verified and confirmed by the DRI/ AIU officers and found correct.

**5.** Accordingly, the gold bar having purity 999.0/24 Kt. weighing 476.930 grams, derived from semi-solid substance consisting of Gold and Chemical mix, recovered from Mrs. Hiraben Prakashbhai Chaudhari, having market value of Rs.31,23,415/- (Rupees Thirty-One lakh Twenty-Three Thousand Four Hundred and Fifteen only) and having tariff value of Rs.26,16,944/- (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only) which were attempted to smuggle gold into India with an intent to evade payment of Customs duty which is a clear violation of the provisions of the Customs Act, 1962, was seized vide Panchnama dated 02.03.2024, vide Seizure Memo dated 02.03.2024 issued from F. No. VIII/10-338/AIU/B/2023-24 dated 02.03.2024, under the provisions of Section 110(1) & (3) of the Customs Act, 1962 and accordingly the same was liable for confiscation as per the provisions of the Customs Act, 1962 read with Rules and Regulation made thereunder.

**6.** A Statement of Mrs. Hiraben Prakashbhai Chaudhari was recorded under Section 108 of the Customs Act, 1962 on 02.03.2024, wherein she inter-alia stated that -

- (i) She is a House Wife. She has completed 12<sup>th</sup> Standard.
- (ii) She lives with her husband, son and daughter. Her daughter is studying in Canada and son is studying in Mehsana;

- (iii) She went to Dubai on 23<sup>rd</sup> February, 2024 in search for the Job and he returned on 02.03.2024 by Flight No. EK 540 from Dubai to Ahmedabad. There, she purchased the gold in the paste form hidden in the waist of her jeans, on the suggestion of her friend; that the price of Gold in Dubai is cheaper as compared to India, hence to get the monetary benefit she decided to sell the Gold in India.
- (iv) She arranged the money from her personal savings and borrowings from his relatives residing in Dubai.
- (v) She stated that the gold items of 476.930 grams are found in her possession and belongs to her.
- (vi) She never indulged in smuggling of gold in past. This is the first time she has brought Gold into India concealing the same in the clothes worn by her.
- (vii) The Emirates Flight No. EK 540 from Dubai arrived at SVPI Airport, Ahmedabad on 02.03.2024. Thereafter, she was intercepted by the officers of Air Intelligence Unit when she arrived at Arrival Hall of T-2 Terminal of SVPI International Airport when she was about to exit through the green channel. During her personal search, carried out by the Officers in presence of her and the Panchas, she confessed that she was carrying gold paste in some pouches concealed into the waist band of the jeans. She was taken to the AIU room opposite belt no. 2 of arrival hall, Terminal 2 by the Officer, and she removed her jeans and is allowed to wear another clothes she brought with herself. In presence of the Panchas and the AIU Officers, she tore the waist band and show the officers strips, containing gold paste concealed into the waist band of coloured jeans which is approximately 553.490 Grams (with adhesive tape). Thereafter, the gold items were converted into gold bar by melting it at the premises of the Govt. approved valuer in presence of herself, AIU officers and the Panchas and gold bar of 476.930 grams of 999.0/ 24 Kt purity valued at Rs.31,23,415/- (market value) and Rs.26,16,944/- (tariff value) was recovered. After the completion of aforementioned proceedings at the workshop of the Govt. approved valuer, the Panchas, AIU officers and she came back to the Airport in government vehicle along with the recovered gold. The said Gold bar weighing 476.930 grams was seized by the officers under Panchnama dated 02.03.2024 under the provision of Customs Act, 1962.

7. The above said gold bar with a net weightment of 476.930 grams having purity of 999.0/24 Kt. And having market value of

Rs.31,23,415/- (Rupees Thirty One lakh Twenty Three Thousand Four Hundred and Fifteen only) and having tariff value of Rs.26,16,944/- (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only) recovered from the said passenger, was attempted to be smuggled into India with an intent to evade payment of Customs duty by way of three strips containing gold paste concealed into the waist band of her jeans, which was clear violation of the provisions of the Customs Act, 1962. Thus, on a reasonable belief that the said gold bar totally weighing 476.930 Grams which were attempted to be smuggled by Mrs. Hiraben Prakashbhai Chaudhari is liable for confiscation under the provisions of Section 111 of the Customs Act, 1962; hence, the above said gold bar weighing 476.930 grams which was derived and concealed in three strips wrapped with white tape containing gold paste concealed into the waist band of her jeans, were placed under seizure under the provision of Section 110 of the Customs Act, 1962, vide Seizure Memo Order dated 02.03.2024, issued from F. No. VIII/10-338/AIU/B/2023-24, under Section 110 (1) & (3) of Customs Act, 1962.

## **8. RELEVANT LEGAL PROVISIONS:**

### **A. THE CUSTOMS ACT, 1962:**

**I) Section 2 - Definitions.**—*In this Act, unless the context otherwise requires,—*

(22) "goods" includes-

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

(3) "baggage" includes unaccompanied baggage but does not include motor vehicles;

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

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

**II) Section 11A – Definitions** -*In this Chapter, unless the context otherwise requires,*

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

**III) "Section 77 – Declaration by owner of baggage.**—*The owner of any baggage shall, for the purpose of clearing it, make a declaration of its contents to the proper officer."*

**IV) "Section 110 – Seizure of goods, documents and things.**—*(1) If the proper officer has reason to believe that any goods are liable to confiscation under this Act, he may seize such goods:"*

**V) "Section 111 – Confiscation of improperly imported goods, etc.**—*The following goods brought from a place outside India shall be liable to confiscation:-*

- (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;
- (f) any dutiable or prohibited goods required to be mentioned under the regulations in an arrival manifest or import manifest or import report which are not so mentioned;
- (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;
- (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;"

**VI) "Section 119 – Confiscation of goods used for concealing smuggled goods**—*Any goods used for concealing smuggled goods shall also be liable to confiscation."*

**VII) "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 he know or has reason to believe are liable to confiscation under Section 111, shall be liable to penalty.*

**B. THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992;**

**I)** **"Section 3(2)** - *The Central Government may also, by Order published in the Official Gazette, 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."*

**II)** **"Section 3(3)** - *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."*

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

**C. THE CUSTOMS BAGGAGE DECLARATIONS REGULATIONS, 2013:**

**I)** **Regulation 3 (as amended)** - *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.*

**Contravention and violation of laws:**

9. It therefore appears that:

**(a)** The passenger had dealt with and actively indulged herself in the instant case of smuggling of gold into India. The passenger had improperly imported gold bar weighing 476.930 Grams having purity 999.0/24 Kt., by way of three strips wrapped with white tape containing gold paste concealed into the waist band of her jeans involving market value of Rs.31,23,415/- (Rupees Thirty One lakh Twenty Three Thousand Four Hundred and Fifteen only) and having tariff value of Rs.26,16,944/- (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only), not declared to the Customs.

The passenger opted green channel to exit the Airport with deliberate intention to evade the payment of Customs Duty and fraudulently circumventing the restrictions and prohibitions imposed under the Customs Act, 1962 and other allied Acts, Rules, and Regulations. Therefore, the improperly imported 476.930 Grams of gold bar of purity 999.0/24 Kt. by the passenger, which was concealed in three strips wrapped with white tape containing gold paste into the waist band of her jeans, without declaring it to the Customs on arrival in India cannot be treated as bonafide household goods or personal effects. The passenger has thus contravened the Foreign Trade Policy 2015-20 and Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992 read with Section 3(2) and 3(3) of the Foreign Trade (Development and Regulation) Act, 1992.

- (b)** By not declaring the value, quantity and description of the goods imported by her, the said passenger violated the provision of Baggage Rules, 2016, read with the Section 77 of the Customs Act, 1962 read with Regulation 3 of Customs Baggage Declaration Regulations, 2013.
- (c)** The improperly imported gold bar by the passenger, Mrs. Hiraben Prakashbhai Chaudhari, which was concealed in three strips wrapped with white tape containing gold paste into the waist band of her jeans, without declaring it to the Customs is thus liable for confiscation under Section 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) read with Section 2 (22), (33), (39) of the Customs Act, 1962 and further read in conjunction with Section 11(3) of the Customs Act, 1962.
- (d)** Mrs. Hiraben Prakashbhai Chaudhari, by her above-described acts of omission and commission on her part has rendered herself liable to penalty under Section 112 of the Customs Act, 1962.
- (e)** As per Section 123 of Customs Act 1962, the burden of proving that the gold bar weighing 476.930 Grams having purity 999.0/24 Kt. and having market value of Rs.31,23,415/- (Rupees Thirty One lakh Twenty Three Thousand Four Hundred and Fifteen only) and having tariff value of Rs.26,16,944/- (Rupees Twenty Six lakh Sixteen Thousand Nine

Hundred and Forty Four only), which was concealed in Three strips waist band of her jeans, without declaring it to the Customs, are not smuggled goods, is upon the passenger and Noticee, Mrs. Hiraben Prakashbhai Chaudhari.

**10.** Therefore, Show cause notice F. No: VIII/10-126/SVPIA-B/O&A/HQ/2024-25 dated 12.07.2024 has been issued to **Mrs. Hiraben Prakashbhai Chaudhari**, 44, Chitrakut Bunglows, Ramosana Chowkdi, Mehsana – 384002 as to why:

- (i) One Gold Bar weighing **476.930** Grams having purity 999.0/24 Kt. and having market value of **Rs.31,23,415/-** (Rupees Thirty-One lakh Twenty-Three Thousand Four Hundred and Fifteen only) and having tariff value of **Rs.26,16,944/-** (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only), which was concealed in Three strips waist band of her jeans, was placed under seizure under panchnama proceedings dated 02.03.2024 and Seizure Memo Order dated 02.03.2024, should not be confiscated under the provision of Section 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) of the Customs Act, 1962;
- (ii) The packing material i.e. white tape in which three strips were wrapped under seizure on the reasonable belief that the same was used for packing and concealment of the above-mentioned gold bar which was attempted to be smuggled into India in violation of Section 77, Section 132, and Section 135, of the Customs Act, 1962, seized under panchnama dated 02.03.2024 and Seizure memo order dated 02.03.2024, should not be confiscated under Section 119 of the Customs Act, 1962; and
- (iii) Penalty should not be imposed upon the passenger, under Section 112 of the Customs Act, 1962, for the omissions and commissions mentioned hereinabove.

#### **Defense Reply and Personal Hearing:**

**11.** The noticee through her advocate Smt. Prabhdeep Kaur filed her written submission vide mail dated 03.02.2025 wherein she submitted that her client is a housewife and law-abiding citizen. This was her first and only instance of attempting to bring gold for personal use and she

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deeply regrets of her action. Her client candidly admits that she erred in not declaring the gold as per customs requirement, as she was unaware of legal consequences and was influenced by the lower gold price in Dubai as compare to India. The gold was not imported for any commercial purpose but solely for personal use. She submitted that her client has no prior history of engaging in smuggling activity and has never implicated in any similar offence. She submitted that the Hon'ble CESTAT has consistently held that absolute confiscation is not required as the goods in the question are not prohibited but only require duty payment. Her client was not aware that she could get gold into India on payment of appropriate customs duty and now her client is inclined to pay the custom duty and the issue was considered by the Government of India in case of Surya Babbar reported in 2018 (364) ELT 1196 wherein Government of India held that the option of redemption should always be extended to the noticee on payment of appropriate custom duty and accordingly same option is extended to her client. She referred the decision of Appellate Tribunal in case of Lookman Mohamed Yusuf Vs. Commissioner reported in 2023 (11) Centax 123 (Tri-All). She requested to take a lenient view while considering the quantum of penalty/redemption fine. She mentioned that she was not acting as a carrier indulging in any well thought out modus operandi but an housewife who had committed a mistake and requesting Hon'ble Adjudicating Authority to exercise discretion in imposing token penalty and nominal redemption fine under Section 125 of the Customs Act, 1962. Further, prayed that no penalty be imposed under Section 112 as there was no misdeclaration in any official document. She further, relied on the case law in case of Waqar Vs. Commissioner of Customs (Preventive) (2023) 11 Centax 123 (Tri.All).

**12.** The noticee was given opportunity for personal hearing on 23.12.2024, 30.12.2024, 13.01.2025, 31.01.2025. Her advocate Smt. Prabhdeep Kaur and authorized representative attended the PH on 03.02.2025 through video conferencing, wherein she submitted that they have filed their written submission on 03.02.2025 and re-iterated the same. She submitted that her client is ready to pay the applicable duty, fine and penalty and requested to take a lenient view in the matter.

**Discussion and Findings:**

13. I have carefully gone through the facts of this case, written submission and the record of Personal Hearing.

14. In the instant case, I find that the main issue to be decided is whether the Gold Bar weighing 476.930 grams of 999.0/24 Kt. purity having Tariff Value of Rs. 26,16,944/- and market value of Rs. 31,23,415/- derived from gold in paste form (viz three strips covered with white tape containing gold paste concealed into the waist band of her jeans) which was recovered from the noticee and seized, under Panchnama dated 02.03.2024 and seizure memo order dated 02.03.2024, is liable for confiscation under Section 111 of the Customs Act, 1962 (hereinafter referred to as 'the Act') or not; whether the passenger is liable for penal action under the provisions of Section 112 of the Act; Similarly whether the packing material is liable to be confiscated under Section 119 of Customs Act, 1962.

15. I find that the Panchnama has clearly drawn out the fact that on the basis of specific information provided by DRI officers, passenger named Mrs. Hiraben Prakashbhai Chaudhari was intercepted by officials of DRI and AIU who was suspected to carrying restricted/prohibited goods and therefore a thorough search of all the baggage of the passenger as well as her personal search was required to be carried out. The AIU officers under Panchnama proceedings dated 02.03.2024 in presence of two independent witnesses asked the passenger if she had anything dutiable to declare to the Customs authorities, to which the said passenger replied in negative. The AIU officer asked the passenger to pass through the Door Frame Metal Detector and while passing DFMD, no beep sound was heard indicating that she is not carrying any high valued dutiable goods. Thereafter, the officers, in presence of the panchas carried out scanning of the trolley bag in the scanner installed near the exit gate of the arrival hall of SVPI Airport, Ahmedabad, however, nothing suspicious was observed. On sustained interrogation Mrs. Hiraben Prakashbhai Chaudhari confessed that she carried gold in paste form (viz three strips covered with white tape containing gold paste concealed into the waist band of her jeans).

**16.** It is on record that Shri Kartikey Vasantrai Soni, the Government Approved Valuer, weighed the said semisolid substance contained in three strips, on his weighing scale and after completion of extraction/process, the Government Approved Valuer informed that the total Net weight of bar comes to **476.930** Grams having purity 999.0/24KT which is derived from gold paste containing gold and chemical mix concealed in waist of jeans in form of three strips. Further, the Govt. Approved Valuer informed that the total Tariff Value was **Rs. 26,16,944/-** and Market value is **Rs. 31,23,415/-**. The details of the Valuation of the said gold bar are tabulated as below:

Sl. No.	Details of Items	PCS	Gross Weight In Gram	Net Weight in Gram	Purity	Market Value (Rs.)	Tariff Value (Rs.)
Gold bar derived from 553.490 Grams of pouches removing white adhesive tape containing gold paste and chemical mix recovered from Mrs. Hiraben Prakashbhai Chaudhari							
1.	Gold Bar	1	553.490	476.930	999.0 24Kt.	31,23,415/-	26,16,944/-

**17.** Accordingly, the said gold bar having purity 999.0/24 Kt. weighing 476.930 grams, recovered from noticee was seized vide Panchnama dated 02.03.2024, under the provisions of the Customs Act, 1962, on the reasonable belief that the said gold items were smuggled into India by the said noticee with an intention to evade payment of Customs duty and accordingly the same were liable for confiscation under the Customs Act, 1962 read with Rules and Regulation made thereunder.

I also find that the said 476.930 grams of gold bar, having Tariff Value of **Rs.26,16,944/-** and Market value is **Rs.31,23,415/-** carried by the passenger appeared to be "smuggled goods" as defined under Section 2(39) of the Customs Act, 1962. The offence committed is admitted by the passenger in her statement recorded on 02.03.2024 under Section 108 of the Customs Act, 1962.

**18.** I also find that the noticee had neither questioned the manner of the Panchnama proceedings at the material time nor controverted the facts detailed in the Panchnama during the course of recording her statement. Even during the personal hearing and in her written submission, I find that the noticee has confessed of carrying the gold and admits her mistake. Every procedure conducted during the

Panchnama by the Officers was well documented and made in the presence of the Panchas as well as the passenger. In fact, in her statement, she has clearly admitted that she was aware that the bringing gold by way of concealment to India was illegal and it was an offense. Further, I find that from the content of statement that she claimed that the gold was purchased by her however, she has not produced any purchase bills for the said gold or other required documents which shows her legitimate purchase. She admitted that she purchased the said gold for selling to someone else for earning money. Her intention was to earn fast money, so she had done this illegal carrying of gold of 24KT. in commercial quantity in India without declaration. I find from the content of the statement, that said smuggled gold was clearly meant for commercial purpose and hence do not constitute bonafide baggage within the meaning of Section 79 of the Customs Act, 1962. I find from the statement that the said goods were also not declared before Customs and she was aware that smuggling of gold without payment of customs duty is an offence. Since she had to clear the gold without payment of Customs duty, she did not make any declarations in this regard. She admitted that she had opted for green channel so that she could attempt to smuggle the Gold without paying customs duty and thereby violated provisions of the Customs Act, the Baggage Rules, the Foreign Trade (Development & Regulations) Act, 1992 as amended, the Foreign Trade (Development & Regulations) Rules, 1993 as amended and the Foreign Trade Policy 2015-2020. I find that the noticee has tendered her statement under Section 108 of Customs Act, 1962 voluntarily without any threat, coercion or duress and same was typed for her on her request and as per her say.

**19.** Further, the noticee has accepted that she had not declared the said gold concealed by her, on her arrival to the Customs authorities. It is clear case of non-declaration with an intent to smuggle the gold. Accordingly, there is sufficient evidence to say that the noticee had kept the said gold in her possession and failed to declare the same before the Customs Authorities on her arrival at SVPIA, Ahmedabad. The case of smuggling of gold recovered from her possession and which was kept undeclared with an intent of smuggling the same and in order to evade payment of Customs duty is conclusively proved. Thus, it is proved that the passenger violated Section 77, Section 79 of the

Customs Act for import/ smuggling of gold which was not for bonafide use and thereby violated Rule 11 of the Foreign Trade Regulation Rules 1993 as amended, and para 2.26 of the Foreign Trade Policy 2015-20. Further as per Section 123 of the Customs Act, 1962, gold is a notified item and when goods notified thereunder are seized under the Customs Act, 1962, on the reasonable belief that they are smuggled goods, the burden to prove that they are not smuggled, shall be on the person from whose possession the goods have been seized.

I find under her submission that the noticee has mentioned that she was not aware that she could get gold into India on payment of appropriate custom duty and this was her first and only instance of attempting to bring the gold and there was no prior history of engaging in smuggling. *The explanation given by the noticee cannot be held to be genuine and creditworthy and does not hold ground. In any case ignorance of law is no excuse not to follow something which is required to be done by the law in a particular manner. This principle has been recognized and followed by the Apex Court in a catena of its judgments.*

**20.** From the facts discussed above, it is evident that noticee had carried the said gold weighing 476.930 grams, while arriving from Dubai to Ahmedabad, with an intention to smuggle and remove the same without payment of Customs duty, thereby rendering the said gold of 24KT/999.00 purity totally weighing 476.930 grams, liable for confiscation, under the provisions of Sections 111(d), 111(f), 111(i), 111(j), 111(l) & 111(m) of the Customs Act, 1962. By concealing the said gold and not declaring the same before the Customs, it is established that the noticee had a clear intention to smuggle the gold clandestinely with the deliberate intention to evade payment of Customs duty. The commission of above act made the impugned goods fall within the ambit of 'smuggling' as defined under Section 2(39) of the Act.

**21.** It is seen that for the purpose of customs clearance of arriving passengers, a two-channel system is adopted i.e Green Channel for passengers not having dutiable goods and Red Channel for passengers having dutiable goods and all passengers have to ensure to file correct declaration of their baggage. I find that the Noticee had not filed the

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baggage declaration form and had not declared the said gold which was in her possession, as envisaged under Section 77 of the Act read with the Baggage Rules and Regulation 3 of Customs Baggage Declaration Regulations, 2013 and she was tried to exit through Green Channel which shows that the noticee was trying to evade the payment of eligible customs duty. I also find that the definition of "eligible passenger" is provided under Notification No. 50/2017- Customs New Delhi, the 30th June, 2017 wherein it is mentioned as - *"eligible passenger" means a passenger of Indian origin or a passenger holding a valid passport, issued under the Passports Act, 1967 (15 of 1967), who is coming to India after a period of not less than six months of stay abroad; and short visits, if any, made by the eligible passenger during the aforesaid period of six months shall be ignored if the total duration of stay on such visits does not exceed thirty days.* I find that the noticee has not declared the gold before customs authority. It is also observed that the imports were also for non-bonafide purposes. Therefore, the said improperly imported gold weighing 476.930 grams concealed by her, without declaring to the Customs on arrival in India cannot be treated as bonafide household goods or personal effects. The noticee has thus contravened the Foreign Trade Policy 2015-20 and Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992 read with Section 3(2) and 3(3) of the Foreign Trade (Development and Regulation) Act, 1992.

It, is therefore, proved that by the above acts of contravention, the noticee has rendered the said gold weighing 476.930 grams, having Tariff Value of Rs.26,16,944/- and Market Value of Rs.31,23,415/- recovered and seized vide Seizure Order under Panchnama proceedings both dated 02.03.2024 liable to confiscation under the provisions of Sections 111(d), 111(f), 111(i), 111(j), 111(l) & 111(m) of the Customs Act, 1962. By using the modus of gold concealed by her in strips containing gold in semi solid substance concealed in waist of jeans, it is observed that the noticee was fully aware that the import of said goods is offending in nature. It is, therefore, very clear that she has knowingly carried the gold and failed to declare the same on her arrival at the Customs Airport. It is seen that she has involved herself in carrying, keeping, concealing, and dealing with the impugned goods in a manner which she knew or had reasons to believe that the same is

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liable to confiscation under the Act. It is, therefore, proved beyond doubt that the Noticee has committed an offence of the nature described in Section 112 of the Customs Act, 1962 making him liable for penalty under Section 112 of the Customs Act, 1962.

**22.** I find that the Noticee confessed of carrying the said gold of 476.930 grams concealed by her and attempted to remove the said gold from the Airport without declaring it to the Customs Authorities violating the para 2.26 of the Foreign Trade Policy 2015-20 and Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992 read with Section 3(2) and 3(3) of the Foreign Trade (Development and Regulation) Act, 1992 further read in conjunction with Section 11(3) of the Customs Act, 1962 and the relevant provisions of Baggage Rules, 2016 and Customs Baggage Declaration Regulations, 2013 as amended. As per Section 2(33) "prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with. The improperly imported gold by the passenger without following the due process of law and without adhering to the conditions and procedures of import have thus acquired the nature of being prohibited goods in view of Section 2(33) of the Act.

**23.** It is quite clear from the above discussions that the gold was concealed and not declared to the Customs with the sole intention to evade payment of Customs duty. The record before me shows that the noticee did not choose to declare the prohibited/ dutiable goods with the willful intention to smuggle the impugned goods. The said gold bar weighing 476.930 grams, having Tariff Value of Rs.26,16,944/- and Market Value of Rs.31,23,415/- recovered and seized from the noticee vide Seizure Order under Panchnama proceedings both dated 02.03.2024. Despite having knowledge that the goods had to be declared and such import without declaration and by not discharging eligible customs duty, is an offence under the Act and Rules and Regulations made under it, the noticee had attempted to remove the said gold bar weighing 476.930 grams, by deliberately not declaring the same by her on arrival at airport with the willful intention to smuggle

the impugned gold into India. I, therefore, find that the noticee has committed an offence of the nature described in Section 112(a) & 112(b) of the Customs Act, 1962 making her liable for penalty under the provisions of Section 112 of the Customs Act, 1962.

**24.** I further find that the gold is not on the list of prohibited items but import of the same is controlled. The view taken by the **Hon'ble Supreme Court in the case of Om Prakash Bhatia** however in very clear terms lay down the principle that if importation and exportation of goods are subject to certain prescribed conditions, which are to be fulfilled before or after clearance of the goods, **non-fulfilment of such conditions would make the goods fall within the ambit of 'prohibited goods'**. This makes the gold seized in the present case "prohibited goods" as the passenger, trying to smuggle it, *was not eligible passenger to bring* it in India or import gold into India in baggage. The said gold bar weighing 476.930 grams, was recovered from her possession, and was kept undeclared with an intention to smuggle the same and evade payment of Customs duty. Further, the noticee concealed the said gold bar derived from the strips containing gold in semi solid form concealed in waist of jeans. By using this modus, it is proved that the goods are offending in nature and therefore prohibition on its importation. Here, conditions are not fulfilled by the passenger.

Under her submission, she has requested to redeem the gold on payment of redemption fine and relied on judgments in case of Lookman Mohamed Yusuf vs. Commissioner, Ahmedabad reported in 2024 (17) CENTAX 4 (Tri.AMD) and Waqar Vs. Commissioner reported in 2023 (11) CENTAX 123 (Tri.ALL) wherein gold was released on payment of custom duty and redemption fine. Firstly, on plain reading section 125 of Customs Act, 1962, I find that, the officers may allow the redemption fine, if he finds fit. The relevant portion of the same is as:-

**Section 125. Option to pay fine in lieu of confiscation. -**

*(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods <sup>1</sup>[or, where such owner is not known, the person from whose possession or custody such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit:*

<sup>2</sup> [**Provided** that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, <sup>3</sup> [no such fine shall be imposed]:

**Provided** further that] , without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

In this regard, I find that the allowing the redemption is on the discretion of Adjudicating Authority which guided by law. I find that it is settled by the judgment of Hon'ble Supreme Court in the case of Garg Wollen Mills (P) Ltd Vs. Additional Collector Customs, New Delhi [1998 (104) ELT 306(S.C)] that the option to release 'Prohibited goods' on redemption fine is discretionary. In the case of Raj Grow Impex (Supra), the Hon'ble Supreme Court has held that "*that when it comes to discretion, the exercise thereof has to be guided by law; has to be according to the rules of reason and justice; has to be based on relevant consideration*". Hon'ble Delhi High Court has, in case of Raju Sharma [2020(372) ELT 249 (Del.)] held that "*Exercise of discretion by judicial, or quasi judicial authorities, merits interferences only where the exercise is perverse or tainted by the patent illegality, or is tainted by oblique motive.*" Now in the latest judgment the Hon'ble Delhi High Court in its order dated 21.08.23 in W.P (C) Nos. 8902/2021, 9561/2021, 13131/2022, 531/2022 & 8083/2023 held 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 Adjudicating Officer*".

**25.** In view of the above discussions, I find that the manner of concealment, in this case clearly shows that the noticee had attempted to smuggle the seized gold to avoid detection by the Customs Authorities. Further, no evidence has been produced to prove licit import of the seized gold bars. Thus, the noticee has failed to discharge the burden placed on her in terms of Section 123. Further, from the SCN, Panchnama and Statement, I find that the manner of concealment of the gold is ingenious in nature, as the noticee concealed the gold in form of semi solid substance containing gold and chemical mix

concealed in waist of jeans in form of strips, with intention to smuggle the same into India and evade payment of customs duty. Therefore, I hold that the said gold bar weighing 476.930 grams, carried and undeclared by the Noticee with an intention to clear the same illicitly from Airport and evade payment of Customs duty is liable for absolute confiscation. Further, the Noticee in her statement dated 02.03.2024 stated that she has carried the said gold by concealment to evade payment of Customs duty and also not produce any purchase bills or other documents which establish that the gold was purchased in legitimate way. In the instant case, without any documents viz. purchase invoice, Bank Statement and other documents, it established that the gold was not purchased by the noticee in a legitimate way and was carried by the Noticee for getting monetary benefit and that too by concealment of the said gold in semi solid substance containing gold and chemical mix concealed in waist of jeans. ***I am therefore, not inclined to use my discretion to give an option to redeem the gold on payment of redemption fine, as envisaged under Section 125 of the Act.***

**26.** Further, before the Kerala High Court in the case of Abdul Razak [2012(275) ELT 300 (Ker)], the petitioner had contended that under the Foreign Trade (Exemption from application of rules in certain cases) Order, 1993, gold was not a prohibited item and can be released on payment of redemption fine. The Hon'ble High Court held as under:

*"Further, as per the statement given by the appellant under Section 108 of the Act, he is only a carrier i.e. professional smuggler smuggling goods on behalf of others for consideration. We, therefore, do not find any merit in the appellant's case that he has the right to get the confiscated gold released on payment of redemption fine and duty under Section 125 of the Act."*

*The case has been maintained by the Hon'ble Supreme Court in Abdul Razak Vs. Union of India 2017 (350) E.L.T. A173 (S.C.) [04-05-2012]*

**27.** In the case of Samynathan Murugesan [2009 (247) ELT 21 (Mad)], the High Court upheld the absolute confiscation, ordered by the adjudicating authority, in similar facts and circumstances. Further, in the said case of smuggling of gold, the High Court of Madras in the case

of Samynathan Murugesan reported at 2009 (247) ELT 21(Mad) has ruled that as the goods were prohibited and there was concealment, the Commissioner's order for absolute confiscation was upheld.

**28.** Further I find that in a recent case decided by the Hon'ble High Court of Madras reported at 2016-TIOL-1664-HC-MAD-CUS in respect of Malabar Diamond Gallery Pvt Ltd, the Court while holding gold jewellery as prohibited goods under Section 2(33) of the Customs Act, 1962 had recorded that "restriction" also means prohibition. In Para 89 of the order, it was recorded as under;

*89. While considering a prayer for provisional release, pending adjudication, whether all the above can wholly be ignored by the authorities, enjoined with a duty, to enforce the statutory provisions, rules and notifications, in letter and spirit, in consonance with the objects and intention of the Legislature, imposing prohibitions/restrictions under the Customs Act, 1962 or under any other law, for the time being in force, we are of the view that all the authorities are bound to follow the same, wherever, prohibition or restriction is imposed, and when the word, "restriction", also means prohibition, as held by the Hon'ble Apex Court in Om Prakash Bhatia's case (cited supra).*

**29.** The Hon'ble High Court of Madras in the matter of Commissioner of Customs (AIR), Chennai-I Versus P. SINNASAMY 2016 (344) E.L.T. 1154 (Mad.) held-

*Tribunal had arrogated powers of adjudicating authority by directing authority to release gold by exercising option in favour of respondent - Tribunal had overlooked categorical finding of adjudicating authority that respondent had deliberately attempted to smuggle 2548.3 grams of gold, by concealing and without declaration of Customs for monetary consideration - Adjudicating authority had given reasons for confiscation of gold while allowing redemption of other goods on payment of fine - Discretion exercised by authority to deny release, is in accordance with law - Interference by Tribunal is against law and unjustified -*

*Redemption fine - Option - Confiscation of smuggled gold - Redemption cannot be allowed, as a matter of right - Discretion conferred on adjudicating authority to decide - Not open to Tribunal to issue any positive directions to adjudicating authority to exercise option in favour of redemption.*

**30.** In 2019 (370) E.L.T. 1743 (G.O.I.), before the Government of India, Ministry of Finance, [Department of Revenue - Revisionary Authority]; Ms. Mallika Arya, Additional Secretary in Abdul Kalam Ammangod Kunhamu vide Order No. 17/2019-Cus., dated 07.10.2019 in F. No. 375/06/B/2017-RA stated that it is observed that C.B.I. & C. had issued instruction vide Letter F. No. 495/5/92-Cus. VI, dated 10.05.1993 wherein it has been instructed that "in respect of gold seized for non-declaration, no option to redeem the same on redemption fine under Section 125 of the Customs Act, 1962 should be given except in very trivial cases where the adjudicating authority is satisfied that there was no concealment of the gold in question".

**31.** The Hon'ble High Court of Delhi in the matter of Rameshwar Tiwari Vs. Union of India (2024) 17 Centax 261 (Del.) has held-

*"23. There is no merit in the contention of learned counsel for the Petitioner that he was not aware of the gold. Petitioner was carrying the packet containing gold. The gold items were concealed inside two pieces of Medicine Sachets which were kept inside a Multi coloured zipper jute bag further kept in the Black coloured zipper hand bag that was carried by the Petitioner. The manner of concealing the gold clearly establishes knowledge of the Petitioner that the goods were liable to be confiscated under section 111 of the Act. The Adjudicating Authority has rightly held that the manner of concealment revealed his knowledge about the prohibited nature of the goods and proved his guilt knowledge/mens-rea."*

*"26. The Supreme Court of India in State of Maharashtra v. Natwarlal Damodardas Soni [1980] 4 SCC 669/1983 (13) E.L.T. 1620 (SC)/1979 taxmann.com 58 (SC) **has held that smuggling particularly of gold, into India affects the public economy and financial stability of the country.**"*

**32.** Given the facts of the present case before me and the judgements and rulings cited above, the said gold weighing 476.930 grams, carried by the noticee is therefore liable to be confiscated absolutely. **I therefore hold in unequivocal terms that the said 01 gold bar weighing 476.930 grams, placed under seizure would be liable to absolute confiscation under Section 111(d), 111(f),**

**111(i), 111(j), 111(l) & 111(m) of the Customs Act, 1962.**

**33.** In regard to imposition of penalty under Section 112 of Customs Act, 1962, I find that in the instant case, the principle of mens-reas is established on the basis of documents available on records. Accordingly, on deciding the penalty in the instant case, I also take into consideration the observations of Hon'ble Apex Court laid down in the judgment of *M/s. Hindustan Steel Ltd Vs. State of Orissa*; wherein the Hon'ble Apex Court observed that "The discretion to impose a penalty must be exercised judicially. A penalty will ordinarily be imposed in case where the party acts deliberately in defiance of law, or is guilty of contumacious or dishonest conduct or act in conscious disregard of its obligation; but not in cases where there is technical or venial breach of the provisions of Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the Statute." I further find that the noticee had involved herself and abetted the act of smuggling of the said gold bar weighing 476.930 grams, carried by her. She has agreed and admitted in her statement that she travelled with the said gold from Dubai to Ahmedabad. Despite her knowledge and belief that the gold carried by her is an offence under the provisions of the Customs Act, 1962 and the Regulations made under it, the noticee attempted to smuggle the said gold of 476.930 grams, having purity 999.0 by concealment. Thus, it is clear that the noticee has concerned herself with carrying, removing, keeping, concealing and dealing with the smuggled gold which she knows very well and has reason to believe that the same are liable for confiscation under Section 111 of the Customs Act, 1962. Therefore, I find that the noticee is liable for penal action under Sections 112 of the Act and I hold accordingly.

**34.** Accordingly, I pass the following Order:

**O R D E R**

(i) I order **absolute confiscation** of One Gold Bar weighing **476.930** grams, having market value of **Rs.31,23,415/-** (Rupees Thirty-One lakh Twenty-Three Thousand Four Hundred and Fifteen only) and having tariff value of **Rs.26,16,944/-** (Rupees Twenty Six lakh Sixteen Thousand Nine Hundred and Forty Four only) which was recovered/derived from three

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strips covered with white tape containing gold paste concealed into the waist band of her jeans and placed under seizure under panchnama proceedings dated 02.03.2024 and Seizure Memo Order dated 02.03.2024, under the provision of Section 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) of the Customs Act, 1962;

- (ii) I order absolute confiscation of packing material i.e. white tape in which three strips were wrapped and concealment of seized gold vide seizure order under Panchnama proceedings both dated 02.03.2024, under the provisions of Section 119 of the Customs Act, 1962;
- (iii) I impose a penalty of Rs.8,00,000/- (Rupees Eight Lakh Only) on **Mrs. Hiraben Prakashbhai Chaudhari** under the provisions of Section 112(a)(i) & Section 112(b)(i) of the Customs Act 1962.

35. Accordingly, the Show Cause Notice No. VIII/10-126/SVPIA-B/O&A/HQ/2024-25 dated 12.07.2024 stands disposed of.

**(Shree Ram Vishnoi)**  
Additional Commissioner  
Customs, Ahmedabad

F. No: VIII/10-126/SVPIA-B/O&A/HQ/2024-25 Date:18.02.2025  
**DIN:** 20250271MN0000105968

**BY SPEED POST AD**

To,  
**Mrs. Hiraben Prakashbhai Chaudhari,**  
44, Chitrakut Bunglows,  
Ramosana Chowkdi,  
Mehsana – 384002.

**Copy to:**

1. The Principal Commissioner of Customs, Ahmedabad.(Kind Attn: RRA Section)
2. The Deputy Commissioner of Customs (AIU), SVPIA, Ahmedabad.
3. The Deputy Commissioner of Customs, SVPIA, Ahmedabad.
4. The Deputy Commissioner of Customs (Task Force), Ahmedabad.
5. The System In-Charge, Customs, HQ., Ahmedabad for uploading on the official web-site.
6. Guard File.