



પ્રધાન આયુક્તકાકાર્યાલય, સીમાશુલ્ક, અહમદાબાદ

“સીમાશુલ્કભવન,” પહોળીમંજિલ, પુરાનેહાઈકોટ્કેસામને, નવરંગપુરા, અહમદાબાદ – 380 009.
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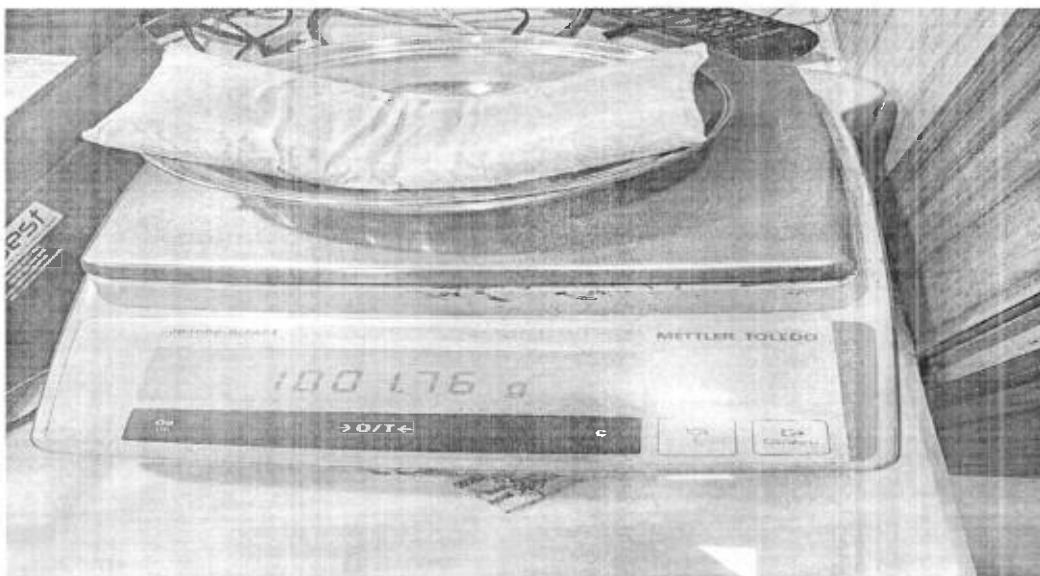
SHOW CAUSE NOTICE **(Issued under Section 124 of the Customs Act, 1962)**

A semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear was found from the dustbin of the washroom of the arrival hall of Terminal-1 SVPIA, Ahmedabad during the random check-up visit. The dustbin along with the underwear was brought to the AIU office by the cleaning staff of SVPIA Terminal-1, namely Shri Himantbhai Solanki.

2. Acting on the said information, Superintendent, AIU, SVPI Airport called for two independent Panchas at 10:05 Hrs. on 14.01.2024. The AIU officers then informed the Panchas about the semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear. Then in presence of the punches the AIU officers remove the semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear which was kept inside the dustbin of the washroom of arrival hall of Terminal-1. Entire proceedings were recorded under Panchnama dated 14.01.2024 (**RUD-1**).

2.1 The AIU officers informed the Panchas that, the said semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear which required to be confirmed and also to be ascertained its purity and weight. For the same Shri Soni Kartikey Vasantrai, the Government Approved Valuer was contacted and requested him to come to the office of the Air Intelligence Unit, SVPI, Airport Ahmedabad for testing and valuation purpose. In reply the Government Approved valuer informs the officers that, the facility to extract the gold from such chemical mix substance covered with white tape and affixed with a blue coloured underwear is possible only at his workshop further to ascertain purity and weight of the same is

available at his shop only. As such the AIU officers and the Panchas visited the shop situated at 301, Golden Signature, Behind Ratnam Complex, Nr. National Handloom, C.G. Road, Ahmedabad-380006, where AIU officer introduced Shri Soni Kartikey Vasantrai, the Government Approved Valuer to the Panchas. Here, after weighing the said chemical mix substance covered with white tape and affixed with a blue coloured underwear on his weighing scale, Shri Kartikey Vasantrai Soni informed that the chemical mix substance covered with white tape and affixed with a blue coloured underwear was weighing 1001.76 grams. AIU Officers took the photograph of the same which is as under:

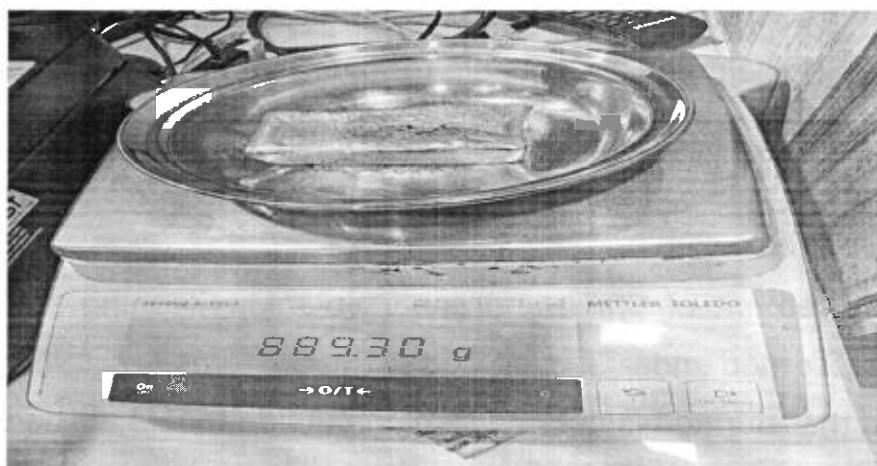


2.2 The Government approved valuer after removing white tape shows the chemical mix substance affixed with a blue coloured underwear and told that chemical mix substance affixed with a blue coloured underwear required purification process to obtain pure gold. After completing purifying and testing process, the Government Approved valuer submitted the Valuation Certificate No. 1133/2023-24 dated 14.01.2024 (**RUD - 02**). After purifying the said chemical mix substance affixed with a blue coloured underwear consisting of Gold & Chemical mix, gold bar weighing **889.30** Grams having purity 999.0/24 Kt. was recovered which is having Tariff Value of **Rs.50,12,384/-** (Rupees Fifty Lakhs Twelve Thousand Three Hundred Eighty Four Only) and Market Value of **Rs.57,44,878/-** (Rupees Fifty seven Lakhs Forty four Thousand Eight Hundred Seventy Eight Only) which has been calculated as per the Notification No. 95/2023-Customs (N.T.) dated 29.12.2023 (gold) and Notification No. 01/2024-Customs

(N.T.) dated 05.01.2024 (exchange rate). The outcome of the said testing is summarized as under:

Sr. No.	Details of Items	PCs	Gross Weight in Gram	Net Weight in Gram	Purity	Market Value (Rs)	Tariff Value (Rs)
1	Gold Bar	1	1001.76	889.30	999.0/24 Kt	57,44,878/-	50,12,384/-

The image of gold bar derived from chemical mix substance covered with white tape and affixed with a blue coloured underwear is as under:-



2.3 The method of purifying, testing and valuation used by Shri Soni Kartikey Vasantrai was done in a perfect manner in presence of the independent Panchas and the AIU officers. All were satisfied and agreed with the testing and Valuation Certificate No: 1133/2023-24 dated 14.01.2024 given by Shri Soni Kartikey Vasantrai and in token of the same, the Panchas put their dated signature on the said valuation report.

2.4 As the said one gold bar derived from semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear found from the dustbin of the washroom of the arrival hall of Terminal-1 SVPIA, Ahmedabad during the random check-up visit, it was not possible to identify as to who is the owner of the said gold bar. Therefore, as there was no claimant for the said Gold Bar and any proper and legitimate claimant of the same could not be identified, the recovered one gold bar was termed as '**Unclaimed**'. Since the recovered one gold bar weighing 889.30 Grams was found to be "Unclaimed" but were recovered without any legitimate Import

documents inside the Customs Area, the same fall under the category of 'Smuggled Goods' and stand liable for confiscation under the Customs Act, 1962. Therefore, the said one gold bar weighing 889.30 Grams having purity 24KT /999.0 and having Tariff Value of Rs.50,12,384/- (Rupees Fifty Lakhs Twelve Thousand Three Hundred Eighty Four Only) and Market Value of Rs.57,44,878/- (Rupees Fifty seven Lakhs Forty four Thousand Eight Hundred Seventy Eight Only) from the semi-solid paste of gold and chemical mix substance covered with white tape and affixed with a blue coloured underwear weighing 889.30 grams, and the White coloured tape used to cover the semi solid substance consisting of Gold & Chemical mix were placed under seizure by the AIU Officers of Customs under the reasonable belief that the subject Unclaimed Gold is liable for confiscation, under Panchnama dated 14.01.2024 drawn at the premises of the SVPI Airport, Ahmedabad and Seizure Memo Order dated 14.01.2024 (**RUD-3**).

2.5 A statement of Shri Himantbhai Solanki, Cleaning staff of the BVG was recorded under Section 108 of the Customs Act, 1962 wherein he stated that during his duty he remain outside toilets at the assigned area of the Terminal. That day he was assigned the toilets near Baggage Belt No.6 at Arrival Hall at T2. There were two Dubai flights that were active during that time. He has the task of keeping the toilets clean and wipe the floor when it gets wet because of rush of the passengers. On that day first toilet cabin has been closed by him because the bidet jet in that toilet was leaking and he had also informed his supervisor about it. He further stated that Just at that moment one Customs Officer entered the toilet and asked him "have you found gold?" in which he replied that "There is paste inside and we should take it outside"; and went to Red Channel with the dustbin and he took out the underwear in front of Customs Officers and opened the underwear and noticed that there was a pocket stitched/ attached to the underwear; and after cutting one white coloured pouch was present inside and took it out. A statement of Shir Harvinder Naruka, Supervisor is also recorded under Section 108 of Customs Act, 1962 wherein he stated that Shri Himant Solanki called him and informed him about a blue colored underwear where he removed the black

garbage bag inside a dustbin kept in the Toilet area at the time of clearing of it and the same is appeared to be gold paste (**RUD-4**).

3. Legal provisions relevant to the case:

- (a) As per para 2.26 of Foreign Trade Policy 2015-20 Bona-fide household goods and personal effects may be imported as part of passenger baggage as per limits, terms and conditions thereof in Baggage Rules notified by Ministry of Finance.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.
- (f) As per Section 2(3) – "baggage includes unaccompanied baggage but does not include motor vehicles.
- (g) 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;
- (h) 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.

(i) 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.

(j) 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.

(k) 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, he may seize such goods.

(l) Any goods which are imported or attempted to be imported or 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 shall be liable to confiscation under section 111 (d) of the Customs Act 1962.

(m) Any dutiable or prohibited goods found concealed in any manner in any conveyance is liable for confiscation under Section 111(e) of the Customs Act, 1962.

(n) Any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof are liable to confiscation under Section 111 (i) of the Customs Act 1962.

(o) 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 are liable to confiscation under Section 111 (j) of the Customs Act 1962.

(p) 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 are liable to confiscation under Section 111(l) of the Customs Act 1962.

(q) 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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section(1) of section 54 are liable to confiscation under Section 111(m) of the Customs Act 1962.

(r) As per Section 112 of the Customs Act 1962 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.

(s) As per Section 119 of Customs Act 1962 any goods used for concealing smuggled goods shall also be liable for confiscation.

(t) As per Section 123 of Customs Act 1962

(1) where any goods to which this section applies are seized under this Act in the reasonable belief that they are smuggled goods, the burden of proving that they are not smuggled goods shall be-

(a) in a case where such seizure is made from the possession of any person -

(i) on the person from whose possession the goods were seized; and

(ii) if any person, other than the person from whose possession the goods were seized, claims to be the owner thereof, also on such other person;

(b) in any other case, on the person, if any, who claims to be the owner of the goods so seized.

(2) This section shall apply to gold, and manufactures thereof, watches, and any other class of goods which the Central Government may by notification in the Official Gazette specify.

(u) As per Customs Baggage Declaration Regulations, 2013 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:

4. It therefore appears that:

(i) An unknown passenger(s)/person(s) had attempted to smuggle/improperly import One Gold Bar weighing 889.30 Grams having purity 24KT /999.0 and having Tariff Value of Rs.50,12,384/- (Rupees Fifty Lakhs Twelve Thousand Three Hundred Eighty Four Only) and Market Value of Rs.57,44,878/- (Rupees Fifty seven Lakhs Forty four Thousand Eight Hundred Seventy Eight Only) derived from the semi solid substance consisting of Gold & Chemical mix, totally weighing 889.30 grams covered with white tape and affixed with a blue coloured underwear, with a 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. The unknown passenger(s)/ person(s) had knowingly and intentionally smuggled the said gold in semi solid form concealed in the white coloured tape and affixed with a blue coloured underwear and placed the same in dustbin of the washroom of the arrival hall of Terminal-1 SVPIA, Ahmedabad to clear it illicitly to evade payment of the Customs duty. Therefore, the improperly imported gold by the unknown passenger(s)/ person(s) by way of concealment without declaring it to the Customs on arrival in India cannot be treated as bonafide household goods or personal effects. The unknown passenger(s)/ person(s) has/ have 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, as amended.

- (ii) The unknown passenger(s)/person(s) who is/are claiming the ownership, by not declaring the contents of the baggage which included dutiable and prohibited goods to the proper officer of the Customs has contravened Section 77 of the Customs Act, 1962 read with Regulation 3 of Customs Baggage Declaration Regulations, 2013.
- (iii) The improperly imported/ smuggled gold by unknown passenger(s)/ person(s) who is/ are claiming the ownership, concealed in the white coloured tape in semi solid form consisting of Gold & Chemical mix, found in washroom of the arrival hall of Terminal-1 SVPIA, Ahmedabad for the purpose of the smuggling 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.
- (iv) The unknown passenger(s)/ person(s) who is/ are claiming the ownership, by the above described acts of omission/ commission and/ or abetment has/ have rendered

themselves liable to penalty under Section 112 of the Customs Act, 1962.

(v) As per Section 123 of the Customs Act, 1962, the burden of proving that the One Gold Bar weighing 889.30 Grams having purity 24KT /999.0 and having Tariff Value of Rs.50,12,384/- (Rupees Fifty Lakhs Twelve Thousand Three Hundred Eighty Four Only) and Market Value of Rs.57,44,878/- (Rupees Fifty seven Lakhs Forty four Thousand Eight Hundred Seventy Eight Only) derived from the semi solid substance consisting of Gold & Chemical mix totally weighing 889.30 grams concealed in the white coloured tape recovered from the dustbin of wash room at Terminal-1 SVPI Airport, Ahmedabad is not smuggled goods, is upon the said unknown passenger(s)/ person(s) who is/ are claiming the ownership of the said gold, who are the Noticee(s) in this case.

5. Now therefore, the Noticee(s) i.e. **unknown passenger(s)/ person(s)** who is/ are claiming the ownership of the said gold, is/ are hereby called upon to show cause in writing to the Additional Commissioner of Customs, having his office located at 2ndFloor, 'Custom House' Building, Near All India Radio, Navrangpura, Ahmedabad-380 009, as to why:

(i) One Gold Bar weighing **889.30** grams having purity 24KT/ 999.0 and having Tariff Value of **Rs.50,12,384/-** (Rupees Fifty Lakhs Twelve Thousand Three Hundred Eighty Four Only) and Market Value of **Rs.57,44,878/-** (Rupees Fifty seven Lakhs Forty four Thousand Eight Hundred Seventy Eight Only) derived from the semi solid substance consisting of Gold & Chemical mix totally weighing 889.30 Grams concealed in the White coloured tape recovered from the dustbin of wash room at Terminal-1 SVPI Airport, Ahmedabad and placed under seizure under Panchnama proceedings dated 14.01.2024 and Seizure Memo Order dated 14.01.2024, 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 coloured tape used for concealment of the said gold bar in semi solid form consisting of Gold & Chemical mix, seized under Panchnama dated 14.01.2024 and Seizure memo order dated 14.01.2024, should not be confiscated under Section 119 of the Customs Act, 1962;
- (iii) Penalty should not be imposed upon the unknown passenger(s)/ person(s) who is/ are claiming the ownership of the said gold, under Sections 112 of the Customs Act, 1962, for the omissions and commissions mentioned hereinabove.

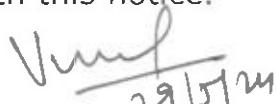
6. The unknown passenger(s)/ person(s) whoever is claiming ownership of the said Gold, is/ are further required to state specifically in the written reply as to whether he/ she/ they wish to be heard in person before the case is adjudicated. If no specific mention is made about this in the written reply, it shall be presumed that he/ she/ they do not wish to be heard in person in his/ her submission, it would be presumed that he/she does not desire a personal hearing. The unknown passenger(s)/person(s) claiming ownership of the said gold bars should produce at the time of showing cause, all the evidences which he/she/they intend to reply upon in defense.

7. The noticee(s) is/ are further required to note that the reply should reach within 30 (thirty) days or within such extended period as may be allowed by the adjudicating authority. If no cause is shown against the action proposed above within 30 days from the receipt of this show cause notice or if anyone does not appear before the adjudicating authority as and when the case is posted for hearing, the case is liable to be decided ex-parte on the basis of facts and evidences available on record.

8. This show cause notice is issued without prejudice to any other action that may be taken against the notice(s), under this Act or any other law for the time being in force, or against any other company, person(s), goods and conveyances whether named in this notice or not.

9. Department reserves its right to amend, modify or supplement this notice at any time prior to the adjudication of the case.

10. The relied upon documents for the purpose of this notice are listed in Annexure 'A' and copies thereof are enclosed with this notice.


(Vishal Malani)
 Additional Commissioner
 Customs, Ahmedabad.

DIN : 20240571MN000000EA89

F. No. : VIII/10-55/SVPIA-B/O&A/HQ/2024-25

Date : 29.05.2024

To,

"Whom so ever it may concern"

(1) To be pasted on the Notice Board of Custom House, Navrangpura, Ahmedabad-380009;

(2) To be pasted on the Notice Board of Customs, SVPI Airport, Ahmedabad

Copy to :

- (i) The Deputy Commissioner of Customs (AIU), SVPIA, Ahmedabad
- (ii) The System In-Charge, Customs, HQ., Ahmedabad for uploading on the official web-site i.e. <http://www.ahmedabadcustoms.gov.in>
- (iii) Guard File.

Annexure 'A'

Documents relied upon in the notice to show cause dated 29.05.2024, against unknown passenger(s)/person(s) for unclaimed One Gold Bar weighing 889.30 Grams:

Sr. No	Document	Remarks
1	Panchnama drawn on 14.01.2024 at SVP International Airport, Ahmedabad	Copy enclosed
2.	Valuation certificate dated 14.01.2024 issued by Shri Karitkey Soni, Government Approved Valuer.	Copy enclosed
3.	Seizure memo Order dated 14.01.2024 issued under Section 110(1) & (3) of the Customs Act, 1962.	Copy enclosed
4.	A Statement of Shri Himantbhai Solanki, cleaning staff of BVG at Terminal-1 Washroom and Shri Harvinder Naruka, Supervisor of BVG.	Copy enclosed