



प्रधान आयुक्त का कार्यालय, सीमा शुल्क, अहमदाबाद

“सीमाशुल्कभवन,” पहलीमंजिल, पुरानेहाईकोर्टकेसामने, नवरंगपुरा, अहमदाबाद – 380009

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PREAMBLE

A	फ़ाइल संख्या/ File No.	:	VIII/10-55/SVPIA-B/O&A/HQ/2025-26
B	कारण बताओ नोटिस संख्या-तारीख / Show Cause Notice No. and Date	:	VIII/10-55/SVPIA-B/O&A/HQ/2025-26 Dated 03.03.2026
C	मूलआदेश संख्या/ Order-In-Original No.	:	15/ADC/SRV/O&A/HQ/2026-27
D	आदेश तिथि/ Date of Order-In-Original	:	06.05.2026
E	जारी करने की तारीख/ Date of Issue	:	06.05.2026
F	द्वारा पारित/ Passed By	:	Shree Ram Vishnoi, Additional Commissioner, Customs, Ahmedabad
G	आयातक का नाम और पता / Name and address of Importer/ Passenger	:	Shri Jayraj Hirenghai Ranpara, S/o Hirenghai Pranjivandas Ranpara Durga Niwas, 50-Prahlad Plot, Ashapura Main Road, Rajkot, Gujarat-360001
(1)	यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हें 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) चौथी मंजिल, हुडको 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 ड्यूटी 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: -

On the basis of profiling and suspicious movement, the officers of Air Intelligence Unit (AIU), SVPIA, Customs Ahmedabad, intercepted a male passenger named Shri Jayraj Hirenbhai Ranpara, aged 26 years (D.O.B. 29.07.1999) (hereinafter referred to as the said "passenger/Noticee"), S/o Shri Hirenbhai Pranjivandas Ranpara residing at Durga Niwas, 50-Prahlad Plot, Ashapura Main Road, Rajkot, Pin code-360001, Gujarat (address as per passport), holding an Indian Passport No. C8729631, arriving from Dubai to Ahmedabad (AMD) on 05.09.2025 at 01:40 hrs. via SpiceJet Flight No. SG016, at the arrival hall of the Terminal-2 of SVPIA, Ahmedabad, while he was attempting to exit through green channel without making any declaration to the Customs. Passenger's personal search and examination of his baggage was conducted in presence of two independent witnesses and the proceedings thereof were recorded under the Panchnama dated 05.09.2025.

2. Whereas, the passenger was questioned by the AIU Officers as to whether he was carrying any contraband/dutiable goods in person or in baggage to which he denied. The Officers asked/ informed the passenger that a search of his baggage as well his personal search was to be carried out and given him an option to carry out the search in presence of a magistrate or a gazetted officer of Customs to which the Passenger desired to be searched in presence of a gazetted Customs officer. Before commencing the search, the officers offered themselves to the said passenger for conducting their personal search, which was declined by the said passenger imposing faith in the Officers.

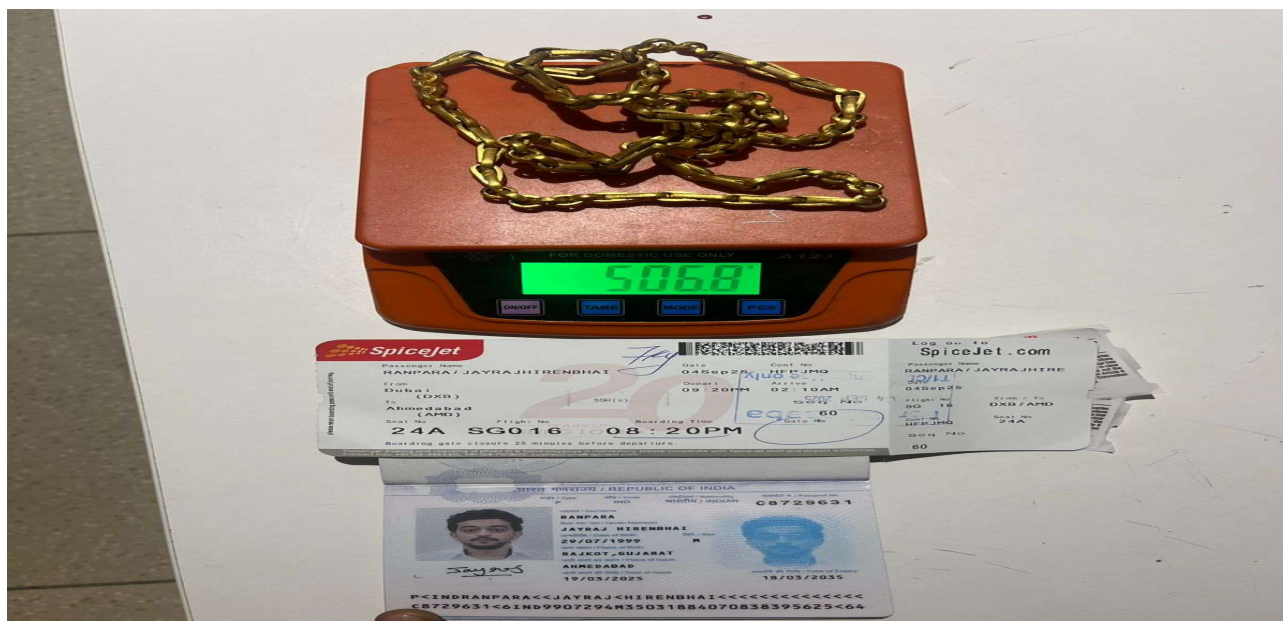
2.1 The AIU officers then asked the passenger to put his baggage in the X-Ray baggage scanning machine, installed near Green Channel at Arrival Hall, Terminal-II, SVPI Airport, Ahmedabad. The Officers also checked the baggage by opening the bags and found nothing objectionable in the baggage. Thereafter, the Customs Officers, once again ask Shri Jayraj Hirenbhai Ranpara that whether he was carrying any valuable/ dutiable item with him to which Shri Jayraj Hirenbhai Ranpara said that he was not carrying any valuable/ dutiable items with him. After that the Officers informed to Shri Jayraj Hirenbhai Ranpara to pass through the Door Frame Metal Detector (DFMD) installed near the green channel in the Arrival Hall of Terminal 2 building, after removing all metallic objects from his body/clothes. He removed all the metallic objects such as mobile phone etc., and kept in a plastic tray and passed through the DFMD. While he passed through the said DFMD, a Beep sound was heard and red lights were seen from the said DFMD indicating that he has concealed some precious metals in his body. Therefore, the Officers decided to conduct personal search of Shri Jayraj Hirenbhai Ranpara.

2.2 Thereafter, the personal search was conducted by the AIU Officer before a Gazetted Officer of Customs as desired by the Passenger. The AIU Officer conducted the personal search of the passenger which resulted in recovery of 01 Gold chain weighing 506.8 gms.

2.3 Thereafter, the officers called the Government Approved Valuer (Shri Kartikey Vasantrai Soni) and informed him that 01 gold chain had been recovered from the passenger namely Shri Jayraj Hirenbhai Ranpara who had arrived from Dubai to Ahmedabad by Flight No. SG-016 dated 05.09.2025 and therefore, requested him to come to the Airport for testing and Valuation of the said Chain.

2.4 Thereafter, the officers introduced the panchas as well as the passenger to one person namely Shri Kartikey Vasantrai Soni, Government Approved Valuer. Shri Kartikey Vasantrai Soni examined and weighed the said 01 Gold Chain and checked the nature and purity of the same. After completion of the procedure, Shri Soni

Kartikey Vasantrai, informed the officers in presence of the panchas and the said passenger that the said 01 gold chain was having purity of 999.0/24kt and the gross weight of the said chain was 506.8 gms. The photograph of the 01 Gold chain is as under:



2.5 The Government Approved valuer further vide his Certificate No. 562/2025-26 dated 05.09.2025, certified that the said 01 gold chain is having net Weight of 506.8grams. The 01 Gold chain is having purity 999.0/24kt and market value is Rs.55,48,446/- (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and tariff value is Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only) which has been calculated as per the Notification No. 52/2025-Customs (N.T.) dated 29.08.2025(gold) and Exchange Rate Notification No. 37/2025-Customs (N.T.) dated 05.09.2025 (Exchange rate). Further, the Government Approved Valuer, after due verification, also observed & certified that there was only 24K Marking on the said gold chain and no Indian Hallmarking, BIS Logo, HUID Number etc. was found on the said gold chain. The valuation report provided by the said Govt. Approved Valuer is summarized as under:

Sr. No.	Item Particulars	PCS	Net Weight (in Grams)	Purity	Market Value (in Rs.)	Tariff Value (in Rs.)
1.	Gold Chain (only 24K Marking on the chain and no Indian Hallmarking i.e. BIS Logo or HUID Mentioned)	01	506.800	999.0 (24Kt)	55,48,446/-	49,48,040/-

SEIZURE OF THE ABOVE GOLD CHAIN: -

3. The said 01 Gold chain totally weighing 506.8 Grams recovered from the said passenger was attempted to be illegally imported into India by the said passenger without any legitimate Import documents and without declaring the same to the Customs with an intent to evade payment of Customs duty, therefore the same falls under the category of Smuggled Goods and appears to be liable for confiscation under the Customs Act, 1962. Therefore, the said 01 gold chain, weighing 506.8 grams (Net Weight) is having purity 999.0/24Kt. and is having **Market Value of Rs.55,48,446/-**(Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and Tariff Value is Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only), was placed under seizure vide Order dated **05.09.2025** issued under the provisions of Section 110(1) and 110(3) of the Customs Act, 1962 under reasonable belief that the subject Gold chain is liable for confiscation under Section 111 of the Customs Act, 1962.

STATEMENT OF SHRI JAYRAJ HIRENBHAI RANPARA:

4. Statement of Shri Jayraj Hirenbhai Ranpara was recorded on 05.09.2025, wherein he inter alia stated that his personal details like name, address and family details as mentioned in the statement are true and correct and that he is educated up to class 12th and he is engaged in business of imitation jewellery at Rajkot. He exports imitation jewellery mostly to Dubai and Muscat. He earns around Rs.30,000/- per month.

4.1 He further stated that he had travelled abroad 10 times in last 06 months. He further stated that he went to Dubai on 03.09.2025, and came back today on 05.09.2025 by Spice Jet Flight SG-16 from Dubai to Ahmedabad. He had arranged his tickets from his savings. He further stated that he visited the Dubai on 03.09.2025 to meet his clients in Dubai in relation with his business. He further stated that he did not have the GSTIN of his firm at that moment and he will produce the same later on.

4.2 He further stated that the said gold chain was bought by his mother as a gift for him for which she used her savings and also sold some of her gold ornaments to purchase the same. She purchased the said gold Chain from "Nakalank Jewellers", Rajkot almost 01 year back. While he departed for Dubai on 03.09.2025, he was wearing that very gold chain. He further stated that he did not have any bills or bank account details in respect of purchase of said gold chain, but he can produce the same at later stage.

4.3 He further stated that he was well aware that he needs to get the Export certificate and declare about the gold chain in Customs while departing for Dubai on 03.09.2025. But he did not do it. He stated that this is the first time he had carried some gold item while coming from abroad that too he has purchased in India.

4.4 He stated that he had perused the Panchnama dated 05.09.2025 and the facts narrated therein are true and correct and that he had opted for green channel without declaring the dutiable goods with intention to evade payment of Customs duty on gold chain which was being carried by him by way of concealment.

4.5 In terms of Board's Circular No.13/2022-Customs dated 16.08.2022, the passenger, Shri Jayraj Hirenbhai Ranpara was arrested on 05.09.2025 under Section 104 of the Customs Act, 1962 and was further released on bail subject to fulfillment of bail bond conditions on 05.09.2025.

4.6 From the investigation conducted in the case, it appears that the aforesaid gold chain was imported into India in violation of the provisions of the Baggage Rules, 2016, as amended, in as much as gold or silver in any form, other than ornaments is not allowed to be imported free of duty. In the instant case, 01 gold chain totally weighing 506.80 gms having purity of 24Kt/999.0 was found concealed by the passenger, Shri Jayraj Hirenbhai Ranpara, who had arrived from Dubai to Ahmedabad on 05.09.2025 via SpiceJet Flight No. SG 016, at Terminal-2 of SVPIA Ahmedabad. Further, the weight of the said gold chain is more than the permissible limit allowed to a passenger under the Baggage Rules and for these reasons alone it cannot be considered as a Bonafide Baggage under the Customs Baggage Rules, 2016.

4.7 According to Section 77 of the Customs Act, 1962, the owner of any baggage, for the purpose of clearing it, is required to make a declaration of its contents to the proper Officer. In the instant case, the passenger had not declared the said gold chain totally weighing 506.80 grams having purity of 24Kt/999.0 because of malafide intention and thereby contravened the provisions of Section 77 of the

Customs Act, 1962. It therefore, appears that the said gold chain totally weighing 506.80gms having purity of 24 Kt/999.0 recovered from Shri Jayraj Hirenghai Ranpara, was attempted to be smuggled into India with an intention to clear the same without discharging duty payable thereon. It, therefore, appears that the said gold chain totally weighing 506.80grams having purity of 24Kt/999.0 is liable for confiscation under the provisions of Section 111 of the Customs Act, 1962. Consequently, 01 gold chain totally weighing 506.80gms having purity of 24Kt/999.0 found concealed by the passenger, Shri Jayraj Hirenghai Ranpara, who had arrived from Dubai to Ahmedabad on 05.09.2025 via SpiceJet Flight No. SG016, at Terminal-2 of SVPIA Ahmedabad was placed under seizure vide Panchnama dated 05.09.2025 and Seizure Order dated 05.09.2025 by the AIU Officers of Customs under the reasonable belief that the subject Gold chain is liable for confiscation.

SUMMATION:

5.1 The aforementioned proceedings indicates that Shri Jayraj Hirenghai Ranpara attempted to smuggle the aforesaid gold into India and thereby rendered the aforesaid gold chain having the Market Value of Rs.55,48,446/- (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and tariff value is Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only), liable for confiscation under the provisions of Section 111 of the Customs Act, 1962 and therefore the same was placed under seizure vide Order dated 05.09.2025 issued under the Provisions of Section 110(1) and (3) of the Customs Act, 1962 under reasonable belief that the subject Gold chain is liable for confiscation under Section 111 of the Customs Act, 1962.

5.2 Whereas, the said passenger in his statement dated 05.09.2025 stated and claimed that his mother has purchased the said gold chain from 'Naklank Jewellers', Rajkot almost one year back and he would produce Bill in respect of such purchase at a later stage. He also promised to produce Bank Statement evidencing payment made for purchase of the said gold chain. However, no such proof was produced by the said passenger, hence, summons dated 24.02.2026 was issued to him calling for to give the statement and to produce purchase Invoice & other supporting documents in respect of the seized gold chain. The said passenger, in response to the Summons, instead of remaining present to give statement and produce evidences, vide email dated 26.02.2026 submitted a copy of Bill No.468 dated 21.05.2024 of Soni Jayeshbhai Hemchandbhai Ranpara ("Shri Thakar Jewellers").

5.3 The said Bill appears to be fake, fictitious & fabricated and to have been produced by the said passenger to wrongly substantiate & justify his claim of having purchased the seized gold chain from India on the following grounds/ observations:

- (i) In the statement dated 05.09.2025, the said passenger stated to have purchased the gold chain from 'Naklank Jewellers, Rajkot', whereas the Bill produced by him is of another person/firm;
- (ii) The Bill does not appear to be authentic & legal since it does not bear any GST Registration Number (GSTIN) or Certification No. issued by the Bureau of Indian Standards for selling of Gold Jewellery;
- (iii) The seized gold chain does not bear any BIS Logo, Hallmarking and HUID No. etc. which is mandatory for manufacturing & selling of gold jewellery in India as per the provisions of the Bureau of Indian Standards Act, 2016 (the BIS Act) and rules, regulations, notifications, orders etc. issued thereunder, as discussed hereinafter in this notice;

- (iv) Despite knowing that the said gold chain was required to be declared before the Customs and obtain Export Certificate while departing for Dubai on 03.09.2025, the said passenger has deliberately & intentionally not obtained such Certificate so that the gold chain illegally imported by him can be made good & claimed wrongly to have been purchased from India by producing such fake, fictitious and fabricated Bill.

LEGAL PROVISIONS RELEVANT TO THE CASE:

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

6.1 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.

6.2 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.

6.3 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.

6.4 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.

The Customs Act, 1962:

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

6.6 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;

6.7 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.

6.8 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.

6.9 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.

6.10 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.

6.11 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.

6.12 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 transitted with or without transshipment or attempted to be so transitted 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.*

6.13 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 knows or has reason to believe are liable to confiscation under Section 111, shall be liable to penalty.

6.14 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.

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

Customs Baggage Rules and Regulations:

6.16 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.

6.17 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 his 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.

Notifications under Foreign Trade Policy and the Customs Act, 1962:

6.18 As per Notification no. 49/2015-2020 dated 05.01.2022, gold in any form includes gold in any form above 22 carats under Chapter 71 of the ITC (HS), 2017, Schedule-1 (Import Policy) and import of the same is restricted.

6.19 Notification No. 50 /2017–Customs New Delhi, the 30th June, 2017 G.S.R. (E).-

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3, of Customs Tariff Act, 1975 (51 of 1975), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012 -Customs, dated the 17th March, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 185 (E) dated the 17th March, 2017, except as respects things done or omitted to be done before such supersession, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of the description specified in column (3) of the Table below or column (3) of the said Table read with the relevant List appended hereto, as the case may be, and falling within the Chapter, heading, sub-heading or tariff item of the First Schedule to the said Customs Tariff Act, as are specified in the corresponding entry in column (2) of the said Table, when imported into India,- (a) from so much of the duty of customs leviable thereon under the said First Schedule as is in excess of the amount calculated at the standard rate specified in the corresponding entry in column (4) of the said Table; and (b) from so much of integrated tax leviable thereon under sub-section (7) of section 3 of said Customs Tariff Act, read with section 5 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (5) of the said Table, subject to any of the conditions, specified in the Annexure to this notification, the condition number of which is mentioned in the corresponding entry in column (6) of the said Table:

	Chapter or Heading or sub-heading or tariff item	Description of goods	Standard Rate	Condition No.
356.	71 or 98	(i) Gold chains, other than tola bars, bearing manufacturer's or refiner's engraved serial number and weight expressed in metric units, and gold coins having gold content not below 99.5%, imported by the eligible passenger (ii) Gold in any form other than (i), including tola bars and ornaments, but excluding ornaments studded with stones or pearls	10%	41

Condition no. 41 of the Notification:

If,- 1. (a) the duty is paid in convertible foreign currency; (b) the quantity of import does not exceed ten kilograms of gold and one hundred kilograms of silver per eligible passenger; and 2. the gold or silver is,- (a)carried by the eligible passenger at the time of his arrival in India, or (b) the total quantity of gold under items (i) and (ii) of Sr. No. 356 does not exceed one kilogram and the quantity of silver under Sr. No. 357 does not exceed ten kilograms per eligible passenger; and (c) is taken delivery

of from a customs bonded warehouse of the State Bank of India or the Minerals and Metals Trading Corporation Ltd., subject to the conditions 1 ; Provided that such eligible passenger files a declaration in the prescribed form before the proper officer of customs at the time of his arrival in India declaring his intention to take delivery of the gold or silver from such a customs bonded warehouse and pays the duty leviable thereon before his clearance from customs. Explanation.- For the purposes of this notification, "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 and such passenger has not availed of the exemption under this notification or under the notification being superseded at any time of such short visits.

The Bureau of Indian Standards Act, 2016 (the BIS Act) and rules, regulations, notifications & orders issued thereunder:

6.20 As per the provisions of Section 14 (1) of the BIS Act, Bureau of Indian Standards (BIS) may notify precious metal articles to be marked with Hallmark or Standard Mark and as per the Notification dated 14.06.2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) under the said sub-section, 'Gold Jewellery and Gold Artefacts' are notified to be marked with Hallmark.

6.21 As per the provisions of Section 15 (1) of the BIS Act, no person shall import, distribute, sell, store or exhibit for sale, any goods or article notified under Section 14 (1) of the said Act without Certification from the BIS i.e. the seller of 'Gold Jewellery and Gold Artefacts' should be a 'Certified Jeweller' [as defined under Section 2 (6) of the BIS Act]. Thus, as per this provision, no person can import 'Gold Jewellery and Gold Artefacts' who is not having certification from the BIS as per the above provision.

6.22 Further, as per Section 15 (3) of the BIS Act, a Certified Jeweller can sell 'Gold Jewellery and Gold Artefacts' only if such goods or article is marked with a Standard Mark or Hallmark.

6.23 As per the Order dated 15.01.2020 of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) issued under Section 14 (3), read with Section 15 (2) & 15 (3) and Section 16 (1) & 16(2) read with Section 17 and Section 25 (3) of the BIS Act, the precious metal articles of gold notified under the above mentioned Notification dated 14.06.2018 i.e. 'Gold Jewellery and Gold Artefacts' can be sold only by registered jeweler through certified sales outlets, after fulfilling the terms & conditions of certificate of registration as specified in regulation 5 of the Bureau of Indian Standards (Hallmarking) Regulations, 2018 and such 'Gold Jewellery and Gold Artefacts' should mandatorily bear a Hallmark as specified in the said Order/ the Regulations.

7. From the above paras, it appears that during the period relevant to this case, import of gold in any form having purity above 22 kt. was restricted as per DGFT notification and such import was permitted only by nominated agencies. Further, 'Gold Jewellery and Gold Artefacts' can be imported by a 'Certified Jeweller' having certification issued by the BIS. In this case, the said passenger was not possessing any such certification to import gold jewellery. Therefore, it appears that wherever import of any goods is allowed subject to certain conditions and such conditions are not fulfilled, such import is to be treated as 'Prohibited Goods' as defined under

Section 2(33) of the Customs Act, 1962. As such import of gold jewellery by the said passenger is not permitted under the Baggage Rules & under the BIS Laws and therefore the same is liable to be held as prohibited goods and liable to confiscation under Section 111 (d) of the Customs Act, 1962.

8. CONTRAVENTION AND VIOLATION OF LAWS:

It therefore appears that:

- (i) Shri Jayraj Hirenghai Ranpara had attempted to smuggle/illegally import 01 Gold chain totally weighing 506.80 Grams having purity 24Kt./999.0 and having the Market Value of Rs.55,48,446/- (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and tariff value is Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only), found concealed by the passenger, with a deliberate intention to evade payment of Customs duty and fraudulently circumventing the restrictions and prohibitions imposed under the Customs Act, 1962 and other allied Acts, Rules and Regulations referred hereinabove. The said passenger, Shri Jayraj Hirenghai Ranpara had knowingly and intentionally smuggled the said gold chain having Gross weight 506.80 Grams, found concealed by him, on his arrival from Dubai to Ahmedabad on 05.09.2025 by SpiceJet Flight No. SG016 at Terminal-2 SVPIA Ahmedabad, with an intent to clear it illicitly to evade payment of Customs duty. Therefore, the improperly imported gold chain by Shri Jayraj Hirenghai Ranpara, by way of concealment and without declaring it to Customs on arrival in India cannot be treated as Bonafide household goods or personal effects. Shri Jayraj Hirenghai Ranpara 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, as amended.
- (ii) Shri Jayraj Hirenghai Ranpara by not declaring the gold brought by him in the form of 01 gold chain totally weighing 506.80gms having purity of 24Kt/999.0 that was found concealed by him, 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 Shri Jayraj Hirenghai Ranpara, in the form of 01 gold chain totally weighing 506.80 gms having purity of 24Kt/999.0 that was found concealed by him, before arriving from Dubai to SVPI Airport, Ahmedabad, on 05.09.2025 via SpiceJet Flight no.SG016 at Terminal -2, SVPIA Ahmedabad on 05.09.2025, 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 Customs Act, 1962.
- (iv) Shri Jayraj Hirenghai Ranpara, by the above-described acts of omission/commission and/or abetment has rendered himself liable for penalty under Section 112 of Customs Act, 1962.
- (v) As per Section 123 of Customs Act 1962, the burden of proving that the said Gold chain totally weighing 506.80 grams that was found concealed by the passenger, Shri Jayraj Hirenghai Ranpara who arrived from Dubai via SpiceJet Flight no.SG016 at Terminal -2, SVPIA Ahmedabad on 05.09.2025 are not smuggled goods, is upon Shri Jayraj Hirenghai Ranpara, who is the Noticee in this case.

9. Accordingly, a Show Cause Notice issued to **Shri Jayraj Hirenghai Ranpara** vide File No. VIII/10-55/SVPIA-B/O&A/HQ/2025-26 on dated 03.03.2026, as to why:

- (i) One (01) Gold chain, having purity 999.0/24 Kt., weighing 506.80 (Net Weight) and having the Market Value of Rs. 55,48,446/- (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and tariff value is Rs. 49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only) found concealed by the passenger, **Shri Jayraj Hirenghai Ranpara**, who arrived from Dubai to Ahmedabad on 05.09.2025 by SpiceJet Flight no.SG016, at Terminal-2 of SVPIA Ahmedabad, placed under seizure under panchnama proceedings dated 05.09.2025 and Seizure Memo Order dated 05.09.2025, 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) Penalty should not be imposed upon **Shri Jayraj Hirenghai Ranpara**, under the provisions of Section 112 of the Customs Act, 1962, for the omissions and commissions mentioned hereinabove.

DEFENSE REPLY/ WRITTEN SUBMISSION:

10. The noticee has submitted his written submission vide letter dated 26.03.2026 through email, wherein he denied all the allegation against him made under the SCN. The brief summary of the submission is as under: -

10.1 He stated that the allegations contained therein were incorrect, unfounded, and not supported by credible evidence. It was submitted that the gold chain recovered from the Noticee was personal jewellery belonging to the Noticee and had been made by converting old family jewellery given by the Noticee's mother through a local jeweller. The Noticee asserted that there had never been any attempt to smuggle or illegally import gold into India.

10.2 It was further submitted that the Noticee had travelled from Dubai to Ahmedabad, during which officers noticed a gold chain worn by the Noticee. The Noticee explained that the chain was personal jewellery and not newly imported gold, and that it had been created by converting old jewellery belonging to the family. It was also stated that a labour estimate or order form issued by the jeweller had been produced as supporting documentation.

10.3 Responding to the allegation regarding non-declaration under baggage rules, the Noticee submitted that the chain was personal jewellery already in use and in possession prior to the journey. It was contended that under the Baggage Rules, passengers were permitted to carry personal effects including jewellery, and therefore the chain could not be treated as newly imported goods requiring declaration.

10.4 With regard to the allegation that the bill was fake, the Noticee denied the same and clarified that the document produced was not a purchase invoice but an order estimate or labour bill issued by the jeweller for converting old jewellery into a new ornament. It was further explained that in the jewellery trade it was common for customers to provide their own gold to jewellers for conversion into new ornaments, with only labour or making charges being levied. The Noticee requested that the department verify the document from the jeweller and submitted that the jeweller could be summoned for verification of order registers, labour records, and accounts, assuring full cooperation in such verification.

10.5 Addressing the GST-related allegation, the Noticee submitted that the absence of GST details did not render the document invalid, as the transaction represented labour work and not the sale of gold. It was stated that when a customer provided their own gold and the jeweller performed only labour work, the transaction did not

constitute a sale of gold. Similarly, in response to the allegation regarding absence of BIS hallmark and HUID number, the Noticee submitted that the chain was identified as 24KT gold, which was extremely soft and not always hallmarked, particularly when made using gold supplied by the customer. It was therefore contended that the absence of hallmark could not be treated as evidence of smuggling.

10.6 The Noticee further submitted that the statement had been recorded immediately after completion of a long international journey, at a time when the Noticee was physically exhausted and mentally stressed. It was contended that due to such fatigue and stress, certain statements had been signed without fully understanding their legal implications, and therefore such statements should be evaluated carefully and not treated as conclusive evidence.

10.7 It was also submitted that the department had failed to produce any evidence to establish that the gold chain was of foreign origin, as there was no foreign purchase invoice, seller statement, or proof of purchase abroad. The Noticee contended that the chain was a simple jewellery article that could be manufactured anywhere in India, and therefore the allegation of foreign origin was purely speculative.

10.8 The Noticee emphasized that under customs law, the burden of proving smuggling lay on the department, and unless credible evidence of illegal import was produced, confiscation could not be sustained. It was argued that mere suspicion could not replace proof. The Noticee also challenged the valuation adopted by the department as arbitrary and excessive, stating that the Show Cause Notice did not clearly explain the method used to determine the value. It was further contended that the chain was used personal jewellery and valuing it at the fresh market rate of new gold without considering wear and usage was legally incorrect.

10.9 The Noticee relied on the established legal principle that suspicion, however strong, could not take the place of proof, and that property could not be confiscated merely on the basis of assumptions or presumptions. It was further submitted that the Noticee had fully cooperated with the investigation and had provided all documents requested by the officers, and had nothing to hide.

10.10 The Noticee requested that an opportunity for personal hearing be granted before passing any order and that the date and time of such hearing be communicated at the earliest. It was also submitted that adverse conclusions had been drawn without proper verification of the documents, which violated the principles of fair investigation and natural justice.

10.11 With respect to Section 123 of the Customs Act, the Noticee submitted that even under the said provision, the department was required to first establish a reasonable belief that the goods were smuggled before shifting the burden of proof. It was contended that in the present case there was no evidence of foreign origin, illegal import, or purchase abroad, and therefore the basic requirement for invoking Section 123 was not satisfied.

10.12 Finally, the Noticee submitted that the chain recovered was personal jewellery worn on the body, and under the Baggage Rules, passengers were permitted to carry personal effects including jewellery for personal use. It was contended that the department had incorrectly treated personal jewellery as commercial import, which was legally unsustainable.

In conclusion, the Noticee prayed that the allegations in the Show Cause Notice be dropped in full, the gold chain be released unconditionally, no penalty or confiscation be imposed, and any other relief deemed fit in the interest of justice be granted.

RECORD OF PERSONAL HEARING:

11. To follow the principle of natural justice, personal hearing in the matter was fixed on 10.04.2026. Accordingly, Shri Jayraj Hirenghai Ranpara attended the

personal hearing through virtual mode on dated 10.04.2026. During the course of the personal hearing, Shri Jayraj Hirenghai Ranpara reiterated his written submissions and reply to the Show Cause Notice, which had been received by the office through email dated 26.03.2026. He further stated that the seized gold chain was his personal jewellery and had been gifted to him by his mother. He also requested that a lenient view be taken in the matter and that the gold chain be released, with the present proceedings being dropped in their entirety. Additionally, he requested that no penalty be imposed and that no adverse action be taken against him.

DISCUSSION AND FINDINGS:

12. I have carefully examined the case records, the Show Cause Notice, the documents relied upon therein, as well as the statement of the Noticee and submission made by him, in light of the relevant legal provisions applicable to this case. I am further of the view that adequate opportunities have been afforded to the Noticee in accordance with the principles of natural justice, and that it would not be prudent to keep the matter pending indefinitely.

13. Based on the evidence available on record, including the Panchnama, the statement of the Noticee, recorded under Section 108 of the Customs Act, 1962, I find that the Noticee, namely Shri Jayraj Hirenghai Ranpara, was engaged in smuggling activities at Sardar Vallabhbhai Patel International (SVPI) Airport, Ahmedabad, in pursuit of monetary gain.

13.1 I find from the statement of Shri Jayraj Hirenghai Ranpara, recorded under Section 108 of the Customs Act, 1962 on 05.09.2025, revealed that he was engaged in the business of imitation jewellery in Rajkot, exporting mainly to Dubai and Muscat. He further mentioned that he earned a monthly salary of ₹30,000/-.

13.2 He further stated that he had travelled abroad ten times in the preceding six months. He mentioned that he had travelled to Dubai on 03.09.2025 and returned on 05.09.2025 by SpiceJet flight SG-16 from Dubai to Ahmedabad, with tickets arranged from his own savings. He added that the purpose of his visit was to meet clients in connection with his business and that he did not have the GSTIN of his firm at that time but would produce it later.

13.3 He also stated that the gold chain in question had been purchased by his mother as a gift, using her savings and by selling some of her gold ornaments. According to him, the chain had been bought a year earlier from Nakalank Jewellers. He mentioned that he had been wearing the same chain when he departed for Dubai on 03.09.2025. He further stated that he did not possess the purchase bill or bank details for the transaction at that moment but could produce them later.

13.4 He stated that he was aware of the requirement to obtain an export certificate and declare the gold chain to Customs while departing for Dubai but had failed to do so. He added that this was the first time he had carried a gold item while returning from abroad, and that the item had originally been purchased in India.

13.5 He stated that he had read the Panchnama dated 05.09.2025 and confirmed that the facts recorded in it were true and correct. He admitted that he had chosen the green channel without declaring the dutiable goods, with the intention of evading payment of Customs duty on the gold chain, which he had carried in a concealed manner.

13.6 Based on the evidence and the passenger's statement, Shri Jayraj Hirenghai Ranpara was found to have committed an offence under the Customs Act, 1962 by smuggling 506.800 grams of gold Chain by concealed and attempting to exit through the Green Channel at SVPI Airport, Ahmedabad without declaring it, with the intent

to evade customs duty. The gold chain, valued at Rs.55,48,446/- (market value) and Rs.49,48,040/- (tariff value), was liable for confiscation under Section 111 of the Customs Act, 1962. His actions attracted punishment under Section 135(1) of the Act, as he knowingly carried and concealed smuggled goods. Accordingly, he was arrested on 05.09.2025 under Section 104 after due authorization, in line with Board's Circular No. 13/2022-Customs, and was later released on bail the same day upon fulfilling the required conditions.

13.7 In view of the foregoing, I find that Shri Jayraj Hirenghai Ranpara had directly facilitated the smuggling operation, in contravention of the provisions of the Foreign Trade Policy, 2023, the Baggage Rules, 2016, and the applicable Customs Notifications. Accordingly, the impugned gold is liable to confiscation under Sections 111(d) and 111(l) of the Customs Act, 1962, and he is liable to penalty under Sections 112(a) and 112(b) of the said Act.

14. As per Section 2(33) of the Customs Act, 1962, "prohibited goods" include those whose import or export is restricted unless the prescribed conditions are fulfilled, implying that any violation of such conditions renders the goods prohibited. In this case, the gold weighing 506.800 grams (net), with purity of 999.0/24 Kt. and significant market and tariff value, recovered from Shri Jayraj Hirenghai Ranpara, was imported in contravention of the Foreign Trade Policy 2015-20 and relevant provisions of the Customs Act and rules. Since the import did not comply with the prescribed conditions, it is deemed prohibited. Furthermore, even partial restrictions are treated as prohibitions to that extent, and any violation of such restrictions makes the goods liable for confiscation under Section 111 of the Customs Act, 1962.

14.1 I find that the investigation revealed that the gold was imported in violation of the Baggage Rules, 2016. In this case, 506.800 grams of gold chain of 24Kt purity, with significant market and tariff value, was brought into India by Shri Jayraj Hirenghai Ranpara on 05.09.2025 from Dubai to Ahmedabad and was found concealed. The quantity exceeded the permissible limit under the Baggage Rules and therefore could not be treated as bona fide baggage. Furthermore, as required under Section 77 of the Customs Act, 1962, the passenger failed to declare the gold to customs authorities, indicating malafide intent to evade duty. Consequently, the gold was deemed to have been smuggled into India and was liable for confiscation under Section 111 of the Customs Act, 1962.

14.2 The seized gold chain, weighing 506.800 grams of 24Kt purity, with substantial market and tariff value, was found to have been illegally smuggled into India without declaration to Customs Authorities, in violation of the Customs Act, 1962, the Foreign Trade Policy, and the Baggage Rules. The passenger failed to declare the gold as required under Section 77, and the import did not comply with the applicable restrictions, indicating a deliberate attempt to evade legal provisions by circumventing prohibitions. Accordingly, the gold is treated as prohibited goods illegally imported into India and is liable for confiscation under Sections 111 of the Customs Act, 1962.

14.3 I further find in this case, a total of 506.800 grams of gold chain, with significant market and tariff value, was illegally smuggled into India without being declared to the Customs Authorities, in violation of the Customs Act, 1962, the Foreign Trade Policy and the Baggage Rules. The import of such gold was not permissible for the passenger under the applicable restrictions, indicating a deliberate attempt to evade legal provisions by fraudulently bypassing prohibitions and regulations. Consequently, the gold is treated as prohibited goods illegally imported into India and is liable for confiscation under Sections 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) of the Customs Act, 1962.

15. The passenger, failed to discharge their burden of proof as required under Section 123 of the Customs Act, 1962, thereby rendering the seized gold liable for confiscation and exposing themselves to penal action under the Act.

16. I find that, by the above acts of commission and omission Shri Jayraj Hirenghai Ranpara was actively involved in smuggling gold operation. Based on available evidence, he tried to smuggle 506.800 grams of 24-karat gold, valued at Rs.55,48,446/-, by concealing, while arriving from Dubai to Ahmedabad on 05.09.2025. He deliberately avoided declaring the gold to Customs authorities and attempted to pass through the Green Channel to evade payment of duty. Such actions violated provisions of the Customs Act, 1962, Foreign Trade Policy, and related regulations, and the gold could not be treated as personal belongings due to its concealed and undeclared nature.

16.1 I find that Further investigation revealed that Shri Jayraj Hirenghai Ranpara was actively involved in smuggling gold operation. His actions, including denying possession of dutiable goods and lacking valid documentation, indicate intentional involvement and awareness of the illegal activity.

16.2 The concealment of gold chain and his attempt to bypass Customs checks clearly demonstrate criminal intent. Consequently, the gold was deemed liable for confiscation under relevant sections of the Customs Act, and Shri Jayraj Hirenghai Ranpara became liable for penalties for illegal import, concealment, and non-declaration. Additionally, he failed to fulfill the burden of proof under Section 123 of the Act.

16.3 I find that Shri Jayraj Hirenghai Ranpara involved in the smuggling of the said gold chain thereby violation of provisions of Customs Act, 1962, Foreign Trade Policy 2015-20, Baggage Rules, 2016, Customs Notifications, etc., is liable for penalty under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962, for the omissions and commissions mentioned herein above.

17. I perused the facts presented before me. The question that needs to be addressed in the instant case are within the jurisdiction of Customs Act, 1962 and allied laws. I, therefore, proceed to decide the case on the basis of evidence and documents available on record. In the instant case, I find that the main issues to be decided whether: -

(i) the 01 Gold Chain, totally weighing 506.800 grams having purity of 24Kt/999.0 and Market Value of Rs.55,48,446/-(Rupees Fifty-Five Lakhs, Forty Eight Thousand, Four Hundred and Fourty Six Only) and Tariff Value of Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only), found concealed by the passenger, **Shri Jayraj Hirenghai Ranpara**, who arrived from Dubai to Ahmedabad on 05.09.2025 via Spicejet Flight No. SG-016, at Terminal-2 of SVPI Airport, Ahmedabad, Placed Under Seizure Under Panchnama Proceedings Dated 05.09.2025 and Seizure Memo Order dated 05.09.2025, liable for confiscation under the provision of Section 111(d), 111(f), 111(i) , 111(j), 111(l) and 111(m) of the Customs Act, 1962 or not;

(ii) the penalties to be imposed upon them under Section 112(a) and 112(b) of the Customs Act, 1962 or not.

18. I find that the Panchnama has clearly drawn out the fact that on the basis of specific intelligence regarding carrying restricted/prohibited goods, the officers of AIU intercepted Shri Jayraj Hirenghai Ranpara, while he was attempting to exit through green channel without making any declaration. The said passenger was

questioned by the AIU officers as to whether he was carrying any contraband goods in person or in his baggage to which he denied. Not being satisfied with the reply of the passenger, the AIU officer informs the said passenger that he along with his accompanied officers would be conducting his personal search. The AIU officers asked the said passenger to pass through the Door Frame Metal Detector (DFMD) Machine, after removing all metallic objects from his body/clothes and passed through the DFMD machine. During DFMD, strong beep sound was heard at the lower and upper part of the metal detector machine indicating that there was still some objectionable/ metal item on his body/ clothes. Thereafter, the AIU officer again asked the passenger if he has anything to declare to the customs to which the passenger again denies. Further, during detailed frisking of the passenger, which resulted in recovery of 01 Gold chain weighing 506.800 Grams. Further, the Govt. Approved Valuer informed that the total Market Value of the said gold chain was **Rs.55,48,446/-** and Tariff Value of **Rs.49,48,040/-**. The details of the Valuation of the said assorted gold cut bars are tabulated as below:

Name of passenger	Details of gold Items	Pcs.	Certificate no.	Net Weight in Gram	Purity	Market Value (Rs)	Tariff Value (Rs)
Jayraj Hirenbhai Ranpara	Gold Chain	01	562/2025-26 Dt.05.09.2025	506.800	999.0 24Kt	55,48,446/-	49,48,040/-

19. I find that from the defence reply submitted by the noticee on 26.03.2026 and stated that the allegations made against him were false and baseless.

19.1 Under his submission, the noticee alleged that the statement recorded on 05.09.2025 had been recorded immediately after completion of a long international journey, at a time when the Noticee was physically exhausted and mentally stressed. It was contended that due to such fatigue and stress, certain statements had been signed without fully understanding their legal implications, and therefore such statements should be evaluated carefully and not treated as conclusive evidence. In this regard, I find that the passenger/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 of his statement. The offence committed was admitted by the noticee in his statement recorded on 05.09.2025 under Section 108 of the Customs Act, 1962. It is on the record the noticee had tendered his statement voluntarily under Section 108 of Customs Act, 1962 and Statement recorded under Section 108 of Customs Act, 1962 has evidentiary value under the provision of law. I find from the content of the statement dated 05.09.2025 that the Statement under Section 108 of Customs Act, 1962 was tendered voluntarily without any threat, coercion or duress and the noticee was at liberty to not endorse the typed statement if the same had been taken under threat/fear as alleged by the noticee. Therefore, I don't find any force in the contention of the noticee in this regard and an afterthought, as I also not find any retraction filed by the noticee. It is on the record the noticee has requested the officer to type the statement on his behalf on computer and same was recorded as per his say and he signed them after verifying the correctness of the facts, in full presence of mind. I find that the noticee has not submitted any documentary evidence to substantiate his claim that the statements were obtained under duress or threat of arrest. A retraction of a statement recorded under Section 108 of the Customs Act, 1962, on the grounds of coercion or pressure, must be supported by credible evidence, however the noticee has failed to submit any such documentary evidences which clearly indicates a calculated step to just mislead the proceedings. Further, I find from the content of statement that the statement was tendered by him voluntarily and willingly without any threat, coercion or duress and same was explained to him. The contention that the statements were obtained under fatigue and stress is clearly an afterthought and a strategic move to

derail or misguide the adjudication process. On going through the records of the case, I find that in his voluntarily tendered statement, he disclosed detailed information about his profession, his family details and education background. I find that the statement of Shri Jayraj Hirenghai Ranpara contain specific and intricate details, which could only have been furnished based on his personal knowledge and could not have been invented by the officers who recorded the said statements. Even otherwise there is nothing on record that might cast slightest doubt on the voluntary statement in question. It is on the record that the noticee has tendered his statement voluntarily under Section 108 of the Customs Act, 1962. In view of the above, I find that the statement given by noticee under Section 108 of the Customs Act, 1962, were made voluntarily and carry evidentiary value under the law. In support of my view, I relied on the following judgements:

- (i) Hon'ble Supreme Court in case of Surjeet Singh Chhabra Vs. U.O.I [reported in 1997 (89) E.L.T 646 (S.C)] held that **evidence- confession statement made before Customs officer, though retracted within six days, in admission and binding, since Customs Officers are not police officers under Section 108 of the Customs Act and FERA.**
- (ii) Assistant Collector of Central Excise, Rajamundry Vs. Duncan Agro India Ltd reported in 2000 (120) E.L.T 280 (SC) wherein it was held that "Statement recorded by a Customs Officer under Section 108 is valid evidence"
- (iii) In 1996 (83) E.L.T 258 (SC) in case of Shri Naresh J Sukhwani V. Union of India wherein it was held that "It must be remembered that the statement before the Customs official is not a statement recorded under Section 161 of the Criminal Procedure Code 1973. Therefore, it is material piece of evidence collected by Customs Official under Section 108 of the Customs Act, 1962"
- (iv) There is no law which forbids acceptance of voluntary and true admissible statement if the same is later retracted on bald assertion of threat and coercion as held by Hon'ble Supreme Court in case of K.I. Pavunny Vs. Assistant Collector (HQ), Central Excise Cochin (1997) 3 SSC 721.
- (v) Hon'ble High Court of Mumbai in FERA Appeal No. 44 of 2007 in case of Kantilal M Jhala Vs. Union of India, held that "**Confessional Statement corroborated by the Seized documents admissible even if retracted.**"
- (vi) In the case of Rajesh Kumar Vs CESTAT reported at 2016 (333) ELT 256 (Del), the Hon'ble High Court of Delhi has observed as under:

Learned counsel for the appellant strenuously argued that a substantial question of law regarding the admissibility of the confessions allegedly made by the Sh. Kishori Lal and Sh. Rajesh Kumar arises for our consideration. We regret our inability to accept that submission. The statements made before the Customs Officers constitute a piece of evidence available to the adjudicating authority for passing an appropriate order of confiscation and for levy of penalty. Any such confessional statement even if retracted or diluted by any subsequent statement had to be appreciated in the light of other circumstances and evidence available to the adjudicating authority while arriving at a conclusion whether the goods had been cleared without payment of duty, mis-declared or undervalued.

- (vii) The Hon'ble Apex Court in the case of Badaku Joti Svant Vs. State of Mysore reported at 1978 (2) ELT J 323(SC) held as "In this view of the matter the statement made by the appellant to the Deputy Superintendent of Customs and Excise would not be hit by Section 25 of the Evidence Act and would be admissible in evidence unless the appellant can take advantage of Section 24

of the Evidence Act. As to that it was urged on behalf of the appellant in the High Court that the confessional statement was obtained by threats. This was not accepted by the High Court and therefore, Section 24 of the Evidence Act has no application in the present case. It is not disputed that if this statement is admissible, the conviction of the appellant is correct. As we have held that a Central Excise Officer is not a Police officer within the meaning of those words in Section 25 of the Evidence Act, the appellant's statement is admissible. It is not ruled out by anything in Section 24 of the Evidence Act and so the appellant's conviction is correct and the appeal must be dismissed."

- (viii) In the case of **K. P. Abdul Majeed reported at 2017 (51) STR 507 (Ker)**, the Hon'ble High Court of Kerala has observed as under:

*Having regard to the legal implications evolved from the aforesaid factual situation, it is clear that confession statement of co-accused can be treated as evidence, provided sufficient materials are available to corroborate such evidence. **As far as retraction statement is concerned, it is for the person who claims that retraction has been made genuinely to prove that the statements were obtained under force, duress, coercion, etc., otherwise, the materials indicate that statements were given voluntarily.** When the statute permits such statements to be the basis of finding of guilt even as far as co-accused is concerned, there is no reason to depart from the said view.*

- (ix) The Hon'ble Supreme Court in the case of *K.T.M.S. Mohd. v. Union of India - (1992) 3 SCC 178* held as under:

"34. We think it is not necessary to recapitulate and recite all the decisions on this legal aspect. But suffice to say that the core of all the decisions of this Court is to the effect that the voluntary nature of any statement made either before the Custom Authorities or the officers of Enforcement under the relevant provisions of the respective Acts is a sine qua non to act on it for any purpose and if the statement appears to have been obtained by any inducement, threat, coercion or by any improper means that statement must be rejected brevi manu. At the same time, it is to be noted that merely because a statement is retracted, it cannot be recorded as involuntary or unlawfully obtained. It is only for the maker of the statement who alleges inducement, threat, promise etc. to establish that such improper means has been adopted. However, even if the maker of the statement fails to establish his allegations of inducement, threat etc. against the officer who recorded the statement, the authority while acting on the inculpatory statement of the maker is not completely relieved of his obligations in at least subjectively applying its mind to the subsequent retraction to hold that the inculpatory statement was not extorted. It thus boils down that the authority or any Court intending to act upon the inculpatory statement as a voluntary one should apply its mind to the retraction and reject the same in writing. It is only on this principle of law, this Court in several decisions has ruled that even in passing a detention order on the basis of an inculpatory statement of a detenu who has violated the provisions of the FERA or the Customs Act etc. the detaining authority should consider the subsequent retraction and record its opinion before accepting the inculpatory statement lest the order will be vitiated..."

(emphasis supplied)

- (x) Further, burden is on the accused to prove that the statement was obtained by threat, duress or promise like any other person as was held in **Bhagwan Singh v. State of Punjab - AIR 1952 SC 214, Para 30.**

20. I find that the noticee has alleged in his submission that the instruction mentioned under Circular No: 9/2001-Cus dated 22.02.2001 was not followed. In this regard, I have carefully gone through the instruction mentioned in the Circular No. 09/2001-Cus dated 22.02.2001. I find that Circular No. 09/2001-Cus dated 22.02.2001 laid down the procedure/guidelines regarding verification and to stop unscrupulous passengers from bringing goods in commercial quantities. The circular discussed about the oral declaration specifically for the passenger who approach the "Red Channel" and filed Oral declaration (OD) on the Disembarkation Card, however, in the instant case, the noticee has not filed any Disembarkation card and tried to exit through Green Channel without making any declaration. The noticee had opted for the Green Channel for customs clearance without declaring the aforesaid items in the customs declaration form as required for the goods which was in his possession. Therefore, the allegation of the noticee of not following the instruction of the said circular is far from the truth and not creditworthy.

20.1 Further, as per the Notification No. 12/2012-Cus dated 17.03.2012 (S.I-321) and Notification No. 50/2017-Cus dated 30.06.2017, Gold bars, other than tola bars, bearing manufacturer's or refiner's engraved serial number and weight expressed in metric units, and gold coins having gold content not below 99.5%, imported by the eligible passenger and gold in any form including tola bars and ornaments are allowed to be imported upon payment of applicable rate of duty as the case may be subject to conditions prescribed. As per the prescribed condition the duty is to be paid in convertible foreign currency, on the total quantity of gold so imported not exceeding 1kg only when gold is carried by the "eligible passenger" at the time of his arrival in India or imported by him within 15 days of his arrival in India. It has also been explained for purpose of the notifications, "eligible passengers" means a passenger of India origin or a passenger holding a valid passport issued under Passport Act, 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 06 months shall be ignored, if the total duration of such stay does not exceeds 30 days and such passenger have not availed of the exemption under this notification.

20.2 I also take note that as per paragraph 2.20 of Foreign Trade Policy (FTP), *bona fide* household goods and personal effects may be imported as a part of passenger's baggage as per the limit, terms and conditions thereof in Baggage Rules, 2016 notified by Ministry of Finance. Further, in terms of EXIM Code 98030000 under ITC (HS) Classification of Export and Import items 2009-2014 as amended, import of all dutiable article by a passenger in his baggage is "Restricted" and subject to fulfilment of conditions imposed under the Customs Act, 1962 and the baggage rules, 2016.

20.3. Further, as per Notification no. 49/2015-2020 dated 05.01.2022 (FTP), gold in any form includes gold in any form above 22 carats under Chapter 71 of the ITC (HS), 2017, Schedule-1 (Import Policy) and import of the same is **restricted**. Further, I find that 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 the bonafide baggage, 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. Further, the Board has also issued instructions for compliance by "eligible passenger" and for avoiding such duty concession being misused by the unscrupulous elements vide Circular No. 06/2014-Cus dated 06.03.2014.

20.4. A combined reading of the above-mentioned legal provision under the Foreign Trade regulations, Customs Act, 1962 and the notification issued thereunder, clearly indicates that import of gold including gold jewellery through baggage is restricted

and condition have been imposed on said import by a passenger such as he/she should be of Indian origin or an Indian passport holder with minimum six months stay abroad etc. only passengers who satisfy these mandatory conditions can import gold as a part of their bona fide personal baggage and the same has been declared to the Customs at their arrival and pay applicable duty in foreign currency/exchange. I find that these conditions are nothing but restrictions imposed on the import of the gold through passenger baggage. I find that noticee has brought the gold item having total weight 506.800 grams which is more than the prescribed limit. Further, the noticee has not declared the same before customs on his arrival which is also an integral condition to import the gold and same had been admitted in his voluntary statement that he wanted to clear the gold clandestinely without payment of eligible custom duty. In this connection, I also refer to Boards instructions issued vide F.No.495/6/97-Cus.VI dated 6-5-96 and reiterated in letter F.No.495/19/99-Cus.VI dated 11.4.2000 wherein it was clearly stated that the import of goods (gold in the instant case) in commercial quantities would not be permissible within the scope of the Baggage Rules, **even on payment of duty.** From the above findings and guidelines, it is crystal clear that the noticee does not fall under the ambit of “eligible passenger” to bring the gold as claimed by him in his submission. Further, the manner of recovery of gold clearly indicates that the concealment was not only ingenious but also premediated. The noticee also admitted to possession, carriage, non-declaration, concealment and recovery of gold. I find that 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/noticee. Therefore, the allegation of noticee that instruction under Circular No. 09/2001-Cus dated 22.02.2001 and Notification No. 12/2012-Cus dated 17.03.2012 was not followed is frivolous.

21. I find under submission that the noticee mentioned that it was his first time to bring the gold and due to ignorance of Customs Laws, he was unable to declare the same before authority. The explanation given by the noticee cannot be held to be genuine and creditworthy. 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. **Hon’ble High Court of Calcutta in case of Provash Kumar Dey Vs. Inspector of Central Excise and others has held that ignorance of law is no excuse and accordingly the petitioner was rightly found guilty for contravention of Rule 32(2) [1993(64) ELT 23(Del.)].** Further, he alleged that no declaration form was provided to him by airline staff and if same was provided he would surely declare the same. In this regard, I find that the noticee himself stated in his written submission that due to ignorance of law, he was unable to declare the same is appears false and not creditworthy. It is clear case of non-declaration with an intent to smuggle the gold. The plea taken by noticee seems not credit worthy as if he wants to declare the same, he may approach the airline staff at the time of journey and asked for the baggage declaration form, and also he may use the “Athithi App” for declaration which is available for the passenger in public domain. Being a frequent flier, making excuse of not providing declaration form, merits no consideration. Also, the panchnama narrates the fact that the impugned foreign origin gold was not declared by the noticee on his own and also not declared even after asking by the officers and it was recovered only after deep examination of the baggage of the noticee. Also, in his voluntary statement he admitted that he did not make any declaration before the authority and also not inclined to do so.

In view of the non-declaration and the fact of having admitted carriage and possession of the impugned gold, it was established that the noticee had failed to declare the 01 Gold Chain to the customs as required under Section 77 of the

Customs Act, 1962. It was therefore evident that the noticee intended to evade duty as he had not made true and correct declaration of the dutiable goods possessed by him. Moreover, the noticee had opted for the Green Channel instead of declaring the dutiable goods before the Customs Officer at the Red Channel. Thus, it is proved that noticee 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, and para 2.26 of the Foreign Trade Policy 2015-20. Further, as 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 in terms of Section 123 of the Customs Act, 1962.

22. Further, he alleged that the gold is not fall under the “Prohibited goods”. With respect to the prohibition of the goods, it is to submit that the Hon’ble Apex Court in case of M/s. Om Prakash Bhatia Vs. Commissioner of Customs Observed the following:

“Further, Section 2(33) of the Act defines “Prohibited Goods” as under: - Prohibited goods means any goods import or export of which subject to any prohibition under this Act or any other law for time being in force but does not include any such goods in respect of which conditions subject to which the goods are to be permitted to be imported or exported have been complied with.” From the aforesaid definition, it can be stated that (a) if there is any prohibition of import or export of goods under the Act or any other law for time being in force, it would be considered to be prohibited goods; and (b) this would not include any such goods in respect of which the conditions, subject to which the goods are imported or exported, have been complied with. This would mean that if the conditions prescribed for import or export of the goods are not complied with, it would be considered to be prohibited goods. This would also be clear from the Section 11 of Customs Act, 1962 which empowers the Central Government to prohibit either ‘absolutely’ or ‘subject to such conditions’ to be fulfilled before or after clearance, as may be specified in the Notification, the import or export of the goods of any specified description. The notification can be issued for the purpose specified in sub section (2). Hence, prohibition of importation or exportation could be subject to certain prescribed conditions to be fulfilled before or after clearance of goods. If the conditions are not fulfilled, it may amount to prohibited goods. This is also made clear by this court in *Sheikh Mohd. Omer vs. Collector of Customs, Calcutta and others [(1970) 2 SSC 728]* wherein it was contended that the expression ‘prohibited’ used in Section 111 (d) of the Customs Act, 1962 must be considered as a total prohibition and the expression does not be within its fold the restriction imposed in clause (3) of import control order, 1955. The Court negated the said contention and held thus: “... what clause (d) of Section 111 says is that any goods which are imported or attempted to be imported contrary to” any prohibition imposed by any law for the time being in force in this country is liable to be confiscated. “Any prohibition” referred to in that section applies to every type of “prohibition”. That prohibition may be complete or partial. Any restriction on import or export is to an extent a prohibition. The expression “any prohibition” in section 111(d) of the Customs Act, 1962 includes restriction. Merely because section 3 of import or export (control) act, 1947 uses three different expressions ‘prohibiting’, ‘restricting’ or ‘otherwise controlling’, we cannot cut down the amplitude of the word “any prohibition” in Section 111(d) of Customs Act, 1962. “Any prohibition” means every prohibition. In others words, all types of prohibition. Restriction is one type of prohibition. Hence, in the instant case, Gold brought was under restriction/prohibition.

Further, in case of Malabar Diamond Gallery P. Ltd. Vs ADG, DRI, Chennai [2016(341) ELT65(Mad.)], the Hon'ble Madras High Court (i.e. the Hon'ble

jurisdictional High Court) has summarized the position on the issue, specifically in respect of gold, as under:

"64. Dictum of the Hon'ble Supreme Court and High Courts makes it clear that gold, may not be one of the enumerated goods, as prohibited goods, still, if the conditions for such import are not complied with, then import of gold, would squarely fall under the definition "prohibited goods", in Section 2 (33) of the Customs Act, 1962----."

Moreover, the Hon'ble High Court of Delhi in its order dated 23.11.2023 in Writ Petition No. 8976 of 2020 in the matter of Kiran Juneja Vs. Union of India & Ors. has held that *"A fortiori and in terms of the plain language and intent of Section 2(33), an import which is affected in violation of a restrictive or regulatory condition would also fall within the net of "prohibited goods". Relying on the ratio of the above judgments state above, there is no doubt that the goods seized in the present case are to be treated as "prohibited goods", within the meaning of assigned to it under Section 2(33) of the Act, ibid.*

23. He further contended that he was not allowed to declare the gold. In this regard, I find that, the noticee was carrying gold in form of 01 Gold Chain which had been concealed and had not declared the same to the Customs. Even after interception, when the noticee was asked about the possession of any gold or dutiable items, he had stoically denied that he was carrying any gold. The noticee had not declared the 01 Gold Chain in his possession in the Customs declaration form. The noticee had not filed a true declaration to the Customs and had clearly failed to declare the goods to the Customs at the first instance as required under Section 77 of the Customs Act, 1962. *The noticee did not intend to declare the gold in his possession to Customs. Had he not been intercepted, the noticee would have gotten away with such a gold kadiwali chain. I find that this kind of act of noticee abusing the liberalized facilitation process for genuine passengers and same should be dealt with firmly and deterrents available in the law are required to be strictly enforced in the instant case. Accordingly, I find that the confiscation of the gold is therefore justified and the noticee had rendered himself liable for penalty for his omissions and commissions.*

24. I find that the noticee has clearly accepted that he had not declared the gold in form of 01 Gold Chain concealed by him, to the Customs authorities. It is clear case of non-declaration with intent to smuggle the gold. Accordingly, there is sufficient evidence to conclude that the noticee had failed to declare the foreign origin gold before the Customs Authorities on his arrival at SVP International Airport, Ahmedabad. In the statement he submitted that the gold was not purchased by him, he mentioned that the gold was purchased by his mother in India. Under his submission, he alleged that the gold chain was personal jewellery and not newly imported gold, and that it had been created by converting old jewellery belonging to the family. On contrary, from the documents available on record, I find that at the material time, he confessed in his statement that he did not want to declare the gold before the authority and try to remove the same clandestinely without payment of eligible customs duty. Therefore, the contention made in submission that he was having bill with him and about to declare the same and before that a case was made against him, is not tenable and afterthought.

24.1 Further, I would like to refer to the conditions prescribed in Para 3 of Circular 06/2014-Cus dated 06.03.2014 wherein it is explicitly mentioned that *"in case of gold in any other form, including ornaments, the eligible passenger must be asked to declare item wise inventory of the ornaments being imported. This inventory, duly signed and duly certified by the eligible passenger and assessing officer, should be attached with the baggage receipt".* And *"Wherever possible, the field officer, may,*

inter alia, ascertain the antecedents of such passengers, source for funding for gold as well as duty being paid in the foreign currency, person responsible for booking of tickets etc. so as to prevent the possibility of the misuse of the facility by unscrupulous elements who may hire such eligible passengers to carry gold for them". From the conditions it is crystal clear that all eligible passengers have to declare the item wise inventory of the ornaments and have to provide the source of money from which gold was purchased. Therefore, it is a case of smuggling of gold without declaring in the aforesaid manner with intent to evade payment of Customs duty is conclusively proved. Thus, it is proved that noticee 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, and para 2.26 of the Foreign Trade Policy 2015-20. As 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 in terms of Section 123 of Customs Act, 1962. In the instant case, the noticee has failed to submit any documentary evidence in his written submission which proves that the gold was purchased by his mother in legitimate way and for bonafide personal use. Therefore, I hold that the noticee has nothing to submit in his defense and claim of the noticee that the gold was purchased by his mother is not tenable on basis of no documentary evidence.

25. From the facts discussed above, it is evident that the passenger/noticee had brought gold of 24Kt having 999.0 purity weighing 506.800 grams, in form of 01 Gold Chain concealed by the noticee, while arriving from Dubai to Ahmedabad, with an intention to smuggle and remove the same without payment of Customs duty, thereby rendering the gold weighing 506.800 grams, seized under panchnama dated 05.09.2025 liable for confiscation, under the provisions of Sections 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) of the Customs Act, 1962. By secreting the 01 Gold Chain concealed by him and not declaring the same before the Customs, it is established that the passenger/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.* It is therefore very clear that he has knowingly carried the gold and failed to declare the same to the Customs on his arrival at the Airport. It is seen that he has **involved himself in carrying, keeping, concealing and dealing with the impugned goods** in a manner which he knew or had reasons to believe that the same were liable to confiscation under the Act. It is therefore, proved beyond doubt that the passenger has committed an offence of the nature described in Section 112 of Customs Act, 1962 making him liable for penalty under Section 112 of the Customs Act, 1962.

26. 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 baggage declaration form and had not declared the said gold chain which was in his possession, as envisaged under Section 77 of the Act read with the Baggage Rules and Regulation 3 of Customs Baggage Declaration Regulations, 2013 as amended and he 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. Further, the noticee has not fulfilled the conditions prescribed for the eligible passenger to carry the gold in terms of Notification No. 50/2017-Customs, dated 30.06.2017. Therefore, the said improperly imported gold weighing 506.800 grams concealed by him, 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.

27. It is quite clear from the above discussions that the gold chain was concealed and not declared to the Customs with the sole intention to smuggle the gold and to evade payment of Customs duty applicable thereof. The records before me shows that the passenger/noticee did not choose to declare the prohibited goods and opted green channel for customs clearance after arriving from foreign destination with the willful intention to smuggle the impugned goods. The gold chain weighing 506.800 grams of 24Kt./999.0 purity, having total Market Value of Rs.55,48,446/- (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and Tariff Value Rs.49,48,040/- (Rupees Fourty Nine Lakhs, Fourty Eight Thousand and Fourty Only) recovered from him, was placed under seizure vide panchnama dated 05.09.2025. The passenger/noticee has clearly admitted that despite having knowledge that the goods had to be declared and such import is an offence under the Act and Rules and Regulations made thereunder, he attempted to remove the gold by way of concealing and by deliberately not declaring the same on his arrival at airport with the willful intention to smuggle the impugned gold into India. I therefore, find that the passenger/noticee has committed an offence of the nature described in Section 112 of Customs Act, 1962 making him liable for penalty under provisions of Section 112 of the Customs Act, 1962.

28. 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 at the time of interception. Merely claiming the ownership without any documentary backing, is not proved that the goods purchased in legitimate way and belonged to the noticee. Thus, the noticee has failed to discharge the burden placed on him in terms of Section 123. Further, from the SCN, Panchnama and Statement, I find that the noticee did not want to declare the said gold Chain and tried to remove it clandestinely, to evade payment of customs duty. 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." Also, 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.” Therefore, keeping in view the judicial pronouncement above and nature of concealment alongwith the facts of the case, ***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.*** Further, to support my view, I also relied upon the following judgment which are as: -

28.1. 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]

28.2. 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.

28.3. 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).

28.4 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.

28.5. 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”.

28.6. 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 vs. 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.**”*

29. In the present case, upon careful consideration of the facts on record and the submissions made, I conclusively find that the noticee has committed a deliberate and conscious violation by failing to make the mandatory declaration as required under Section 11 and Section 77 of the Customs Act, 1962, and has further contravened Para 2.20 of the Foreign Trade Policy read with the Baggage Rules, 2016. The noticee has himself stated that his monthly income is Rs. 30,000/-; however, he has failed to produce any credible evidence or satisfactory explanation regarding the source of funds for procurement of gold valued at Rs.55,48,446/-. This glaring financial incongruity renders his claim wholly untenable.

The noticee’s contention that the impugned gold chain was made by melting his mother’s old jewellery is also devoid of merit, as the same is not supported by any documentary evidence such as purchase invoices, ownership proof, or any legally valid records. In the absence of such evidence, the said claim is an afterthought and is rejected outright.

It is further observed that the seized gold is of 24Kt./999.0 purity, i.e., in bullion form, which is fundamentally inconsistent with customary Indian jewellery usage. In established trade practice and cultural norms, jewellery is ordinarily made of 22Kt or 18Kt gold, as 24Kt gold is inherently too soft, highly malleable, and unsuitable for durable, daily-wear ornaments such as chains. Therefore, the assertion of the

noticee that the impugned gold chain was intended for personal use is patently false and unacceptable.

Further, the gold was ingeniously concealed under the clothes worn by the noticee, clearly evidencing premeditation and a deliberate intent to evade payment of customs duty and to circumvent statutory import requirements. The nature, purity, quantity, high value of the gold, coupled with the deliberate act of concealment and absence of lawful explanation, unequivocally establish that the goods are smuggled.

Accordingly, I hold in clear and unambiguous terms that the gold weighing 506.800 grams of 24Kt./999.0 purity, recovered in concealed form and placed under seizure, is liable to absolute confiscation under Sections 111(d), 111(f), 111(i), 111(j), 111(l), and 111(m) of the Customs Act, 1962.

30. In regard to imposition of penalty under Section 112 of Customs Act, 1962, I find that in the instant case, the principle of mens-rea is established beyond doubt on the basis of documents available on the records and discussion. 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". Despite his knowledge and belief that the gold carried by him 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 chain weighing 506.800 grams, having purity 999.0/24Kt by concealment. Thus, it is clear that the noticee has concerned himself with carrying, removing, keeping, concealing and dealing with the smuggled gold 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. Bringing into India goods which contravene the provisions of Customs Act and omitting to declare the same under Section 77 of the Customs Act, 1962 are clearly covered under "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" and covered under Section 112(a) of the Customs Act, 1962 and Carrying/smuggling goods in an ingeniously concealed manner is clearly covered under Section 112(b) of the Customs Act, 1962. Therefore, I find that the noticee is liable for the penalty under Section 112(a) & 112(b) of the Customs Act, 1962 and I hold accordingly.

31. Accordingly, given my above findings, I pass the following Order:

ORDER

i) I Order Absolute Confiscation of the One (01) Gold Chain, having purity 999.0/24 Kt., weighing 506.80 (Net Weight) and having the Market Value of **Rs.55,48,446/-** (Rupees Fifty-Five Lakhs, Fourty Eight Thousand, Four Hundred and Fourty Six Only) and Tariff Value of **Rs.49,48,040/-** (Rupees Fourty Nine Lakhs, Fourty Eight Thousand, and Fourty Only) found concealed by the passenger, **Shri Jayraj Hirenghai Ranpara**, who arrived from Dubai to Ahmedabad on 05.09.2025 by SpiceJet Flight No.SG016, at Terminal-2 of SVPIA Ahmedabad, placed under Seizure under Panchnama Proceedings dated 05.09.2025 and Seizure Memo Order dated 05.09.2025,

under the provisions of Section 111(d), 111(f), 111(i), 111(j), 111(l) and 111(m) of the Customs Act, 1962;

ii) I Impose a Penalty of Rs. 14,00,000/- (Rupees Fourteen Lakh Only) on Shri Jayraj Hirenghai Ranpara under the provisions of Section 112(a) and Section 112(b) of the Customs Act, 1962;

32. Accordingly, the Show Cause Notice No. VIII/10-55/SVPIA-B/O&A/HQ/2025-26 dated 03.03.2026 stands disposed of.

(Shri Ram Vishnoi)
Additional Commissioner
Customs, Ahmedabad

DIN: 20260571MN000000F720

F. No. VIII/10-55/SVPIA-B/O&A/HQ/2025-26

Date: 06.05.2026.

To,

Shri Jayraj Hirenghai Ranpara,
S/O. Hirenghai Pranjivandas Ranpara
Durga Niwas, 50-Prahlad Plot Ashapura
Main Road, Rajkot, Gujarat, Pin code-360001

Copy to:

- (i) The Principal Commissioner of Customs, Ahmedabad (Kindly Attention to RRA)
- (ii) The Deputy/Assistant Commissioner of Customs, Recovery Cell
- (iii) The Deputy/Assistant Commissioner of Customs, SVPIA, Ahmedabad
- (iv) The Deputy Commissioner of Customs (AIU), SVPIA, Ahmedabad
- (v) The System In-Charge, Customs, HQ., Ahmedabad for uploading on the official web-site i.e. <http://www.ahmedabadcustoms.gov.in>
- (vi) Guard File.