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GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)

8<sup>th</sup> Floor, World Trade Centre, Centre - I, Cuffe Parade,  
Mumbai-400 005

F.No. 373/378/B/14-RA / 1325

Date of Issue 15.03.2018

ORDER NO. 100/2018-CUS (SZ) / ASRA / MUMBAI/ DATED 14.03.2018 OF THE GOVERNMENT OF INDIA PASSED BY SHRI ASHOK KUMAR MEHTA , PRINCIPAL COMMISSIONER & EX-OFFICIO ADDITIONAL SECRETARY TO THE GOVERNMENT OF INDIA, UNDER SECTION 129DD OF THE CUSTOMS ACT, 1962.

Applicant : Shri. Mohamed Haniffa Jafar

Respondent : Commissioner of Customs (Airport), Chennai.

Subject : Revision Application filed, under Section 129DD of the Customs Act, 1962 against the Order-in-Appeal C.Cus No. 1275-1279/2014 dated 28.07.2014 passed by the Commissioner of Customs (Appeals) Chennai.



ORDER

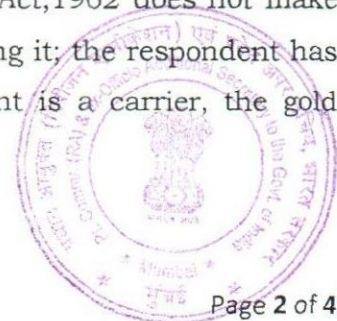
This revision application has been filed by Shri. Mohamed Haniffa Jafar against the order no C.Cus No. 1275-1279/2014 dated 28.07.2014 passed by the Commissioner of Customs (Appeals), Chennai.

2. Briefly stated facts of the case are that the applicant, an Indian national, had arrived at the Chennai International Airport on 02.02.2012. Officers of the DRI who were keeping vigil, identified the Applicant and on interrogation the Applicant revealed that he was carrying gold bars concealed in his rectum. The Applicant voluntarily ejected 6 gold bars totally weighing 600 gms valued at 16,99,800/-. Apart from the above the officers also seized three liquor bottles and one cigarette carton. The Applicant was arrested and remanded to judicial custody. After due process of the law the Original Adjudicating Authority, vide his order 150/2014 dated 24.02.2013 absolutely confiscated the gold rods referred to above under section 111(d), 111(i) and 111(m) of the Customs Act, 1962. A Penalty of Rs. 3,50,000/- under Section 112 (a) of the Customs Act, 1962 was also imposed on the Applicant. The three liquor bottles and one cigarette carton were also confiscated and allowed to be redeemed on payment redemption fine of Rs. 2,250/- and Rs. 350/- respectively.

3. Aggrieved by this order the Applicant filed an appeal with the Commissioner of Customs (Appeals) Chennai. The Commissioner of Customs (Appeals) Chennai, vide his Order in Appeal C. Cus. No. 1275-1279/2014 dated 28.07.2014 rejected the Appeal.

4. The applicant has filed this Revision Application interalia on the grounds that;

4.1. The order of the Commissioner (Appeals) is against law, weight of evidence and circumstances and probabilities of the case; he is the owner of the gold and he has purchased the gold from his own earnings and never smuggled it for any third party; that the officers recorded his statement that he had brought the gold for monetary consideration is not correct and he has retracted his statement; Section 125 is open for the Authority to give an option for redemption against payment of fine and the Customs Act, 1962 does not make any distinction between the owner or the person carrying it; the respondent has however passed an order stating that as the Applicant is a carrier, the gold cannot be redeemed on payment of redemption fine.





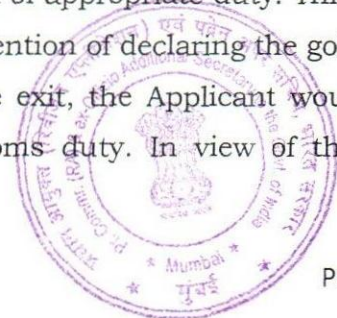
4.2 It has also been pleaded that the Hon'ble Supreme Court has in the case of Om Prakash vs Union of India stated that the main object of the Customs Authority is to collect the duty and not to punish the person for infringement of its provisions; there is no provision in the Customs Act to confiscate absolutely, Hon'ble Supreme Court and High Court have in several judgments have stated that it is mandatory to give option under section 125 of the Customs Act, 1962 even when confiscation is authorized.

4.3 The Revision Applicant cited various assorted judgments in support of re-export even when the gold was concealed and prayed for permission to re-export the gold on payment of nominal redemption fine and reduced personal penalty.

5. A personal hearing in the case was held on 07.03.2018, the Advocate for the respondent Shri Palanikumar re-iterated the submissions filed in Revision Application and cited the decisions of GOI/Tribunals where option for re-export of gold was allowed. Nobody from the department attended the personal hearing.

6. The Government has gone through the case records it is seen that the Applicant had concealed the gold bars in his rectum. In his statement he has admitted that the gold was ingeniously concealed with the intention to hoodwink the customs authorities. Government also notes that the gold bars were not declared by the Applicant. Filing of true and correct declaration under the Customs Act, 1962 is an absolute and strict obligation of any passenger as he was not an eligible passenger to import gold.

7. In his voluntary statement recorded after his interception the Applicant also revealed that he was offered a monetary consideration to conceal and carry the gold and hand it over to some other person in India. There is no doubt about the fact that the Applicant has contravened the provisions of Customs Act, 1962. Therefore, the seized gold bars are liable for absolute confiscation under section 111 (d), (i), (j), (l), and (m) of the Customs Act, 1962 as the applicant had deliberately concealed the seized gold in the rectum to avoid detection and to dodge the Customs Officer and smuggle out the same without payment and payment of appropriate duty. This clearly indicates mensrea, and that the Applicant had no intention of declaring the gold to the authorities and if he was not intercepted before the exit, the Applicant would have taken out the gold bars without payment of customs duty. In view of the above



mentioned observations the Government is inclined to agree with the Order in Appeal and the Revision Application is liable to be rejected.

8. Taking into consideration the foregoing discussion, Government upholds the Order in Appeal No. 1275-1279/2014 dated 28.07.2014.

9. Revision Application is dismissed.

10. So, ordered.

(ASHOK KUMAR MEHTA)  
Principal Commissioner & ex-officio  
Additional Secretary to Government of India

ORDER No. 100/2018-CUS (SZ) /ASRA/MUMBAI

DATED 14.03.2018

To,

Shri Mohamed Haniffa Jafar  
C/o S. Palanikumar, Advocate,  
No. 10, Sunkurama Chetty Street,  
Opp High court, 2<sup>nd</sup> Floor,  
Chennai 600 001.

**True Copy Attested**

  
**SANKARSAN MUNDA**  
Asstt. Commissioner of Custom & C. Ex.

Copy to:

1. The Commissioner of Customs, Anna International Airport, Chennai.
2. The Commissioner of Customs (Appeals), Custom House, Chennai.
3. Sr. P.S. to AS (RA), Mumbai.
4. Guard File.
5. Spare Copy.

