

सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
8th Floor, World Trade Centre, Centre - I, Cuffe Parade,
Mumbai-400 005

F.No. 373/182/B/14-RA

Date of Issue 06-05-2018

ORDER NO. 276/2018-CUS (SZ) / ASRA / MUMBAI/ DATED 27.04.2018 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 : Smt. Adam Lebbe Samsun Bee Bi
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. 310 to 312/2014 dated 25.02.2014 passed by the Commissioner of Customs (Appeals) Chennai.



ORDER

This revision application has been filed by Smt. Adam Lebbe Samsun Bee Bi (herein after referred to as the Applicant) against the order no C. Cus No. 310 to 312/2014 dated 25.02.2014 passed by the Commissioner of Customs (Appeals), Chennai.

2. Briefly stated the facts of the case are that the applicant, a Sri Lankan citizen arrived at the Chennai Airport on 23.09.2012 and examination of her person resulted in the recovery of assorted gold jewelry totally weighing 455 gms valued at Rs. 13,54,990/- (Eleven Lacs Fifty four thousand Nine hundred and Ninety). The Applicant was arrested and subsequently released on bail.

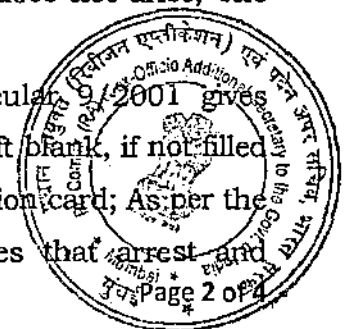
3. After due process of the law vide Order-In-Original No. 718 dated 18.10.2013 the Original Adjudicating Authority absolutely confiscated the gold jewelry under section 111 (d) and (l) of the Customs Act, 1962 read with section 3(3) Foreign Trade (D & R) Act, 1992. A penalty of Rs. 1,30,000/- was also imposed under Section 112 (a) of the Customs Act, 1962.

4. 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 310 to 312/2014 dated 25.02.2014 rejected the Appeal.

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

5.1 the order of the Commissioner (Appeals) is against law, weight of evidence and circumstances and probabilities of the case; The gold jewelry was worn by the Applicant and not concealed the same belongs to family she used to wear them; She is the owner of the gold and the same was purchased by her husband and she had enclosed the bills in her representation; The officers recorded her statement using third degree methods and the same has been retracted; The gold was concealed but not ingeniously concealed; section 111 (d) (l) (m) and (o) of the Customs Act, 1962 are not attracted in this case; As she was wearing the chain and had orally declared the gold items and also voluntarily showed it to the officers, having seen the same the question of declaration does not arise; The eligibility question does not arise for a foreigner.

5.2 The Applicant further pleaded that the CBEC circular 9/2001 gives specific directions stating that a declaration should not be left blank, if not filled in the Officer should help the passenger to fill in the declaration card; As per the circular 394/71/97-CUS (AS) GOI dated 22.06.1999 states that arrest and



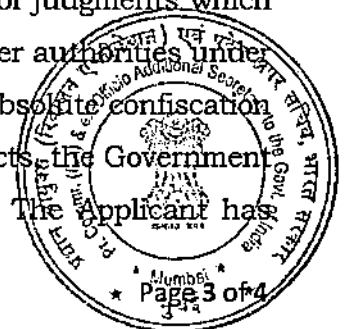
prosecution need not be considered in routine in respect of foreign nationals and NRIs who have inadvertently not declared; Even assuming without admitting that she did not declare the gold it is only a technical fault; The Applicant admittedly did not pass through the Green Channel; She was wearing the gold and the CCTV footage if produced can reveal the truth; the imposition of Rs. 1,30,000/- penalty is high and unreasonable.

5.3 The Revision Applicant cited various assorted judgments and boards policies in support of allowing gold for redemption under section 125 of the Customs Act, 1962 and prayed for permission to re-export the gold on without payment or payment of nominal redemption fine and reduced personal penalty.

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

7. The Government has gone through the facts of the case. The Applicant is a frequent traveller. It is a fact that the gold chain was not declared by the Applicant as required under Section 77 of the Customs Act, 1962, and under the circumstances confiscation of the gold is justified.

7. However, the facts of the case state that the Applicant was intercepted before she exited the Green Channel. The gold is claimed by the Applicant and there is no other claimant. The gold jewelry was worn by the Applicant and it was not ingeniously concealed. There are no previous offences registered against the Applicant. The CBEC Circular 09/2001 gives specific directions to the Customs officer in case the declaration form is incomplete/not filled up, the proper Customs officer should help the passenger record to the oral declaration on the Disembarkation Card and only thereafter should countersign/stamp the same, after taking the passenger's signature. Thus, mere non-submission of the declaration cannot be held against the Applicant moreso because he is a foreigner. There are a catena of judgments which align with the view that the discretionary powers vested with the lower authorities under section 125(1) of the Customs Act, 1962 have to be exercised. The absolute confiscation of the gold is therefore harsh and unjustified. In view of the above facts the Government is of the opinion that a lenient view can be taken in the matter. The Applicant has



pleaded for re-export and the Government is inclined to accept the plea. The order of absolute confiscation of the gold in the impugned Order in Appeal therefore needs to be modified and the confiscated gold is liable to be allowed for re-export on payment of redemption fine and penalty.

8. Taking into consideration the foregoing discussion, Government allows redemption of the confiscated gold jewelry for re-export in lieu of fine. The gold jewelry weighing 455 gms valued at Rs. 13,54,990/- (Eleven Lacs Fifty four thousand Nine hundred and Ninety) is ordered to be redeemed for re-export on payment of redemption fine of Rs 5,00,000/- (Rupees Five lacs thousand) under section 125 of the Customs Act, 1962. Government also observes that the facts of the case justify reduction in the penalty imposed. The penalty imposed on the Applicant is therefore reduced from Rs. 1,30,000/- (Rupees One lac thirty thousand) to Rs. 1,00,000/- (Rupees One lac) under section 112(a) of the Customs Act,1962.

9. The impugned Order in Appeal stands modified to that extent. Revision application is partly allowed on above terms

10. So, ordered.

(Signature)
27.4.2018

(ASHOK KUMAR MEHTA)

Principal Commissioner & ex-officio
Additional Secretary to Government of India

ORDER No. 276/2018-CUS (SZ) /ASRA/MUMBAI.

DATED 27-04-2018

To,

Smt. Adam Lebbe Samsun Bee Bi
C/o S. Palanikumar, Advocate,
No. 10, Sunkurama Chetty Street,
Opp High court, 2nd Floor,
Chennai 600 001.

True Copy Attested

(Signature)
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.

