

REGISTERED  
SPEED POST



F.No. 375/07/B/2016-RA  
GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)

14, HUDCO VISHALA BLDG., B WING  
6<sup>th</sup> FLOOR, BHIKAJI CAMA PLACE,  
NEW DELHI-110 066

Date of Issue... 14/9/18

Order No. 129/18-Cus dated 13-8-2018 of the Government of India passed by Shri R.P.Sharma, Principal Commissioner & Additional Secretary to the Government of India, under Section 129DD of the Customs Act, 1962.

Subject : Revision Application filed under Section 129 DD of the Customs Act 1962 against the Order-in-Appeal No. CC(A)CUS/D-1/IMP/1206/2015 dated 28.09.2015 passed by the Commissioner of Customs, NCH, New Delhi.

Applicant : Mr. Hajinder Singh, Ludhiana, Punjab

Respondent : Commissioner of Customs, NCH, New Delhi

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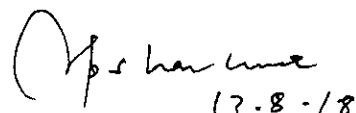
**ORDER**

A Revision Application No. 375/07/B/2016-RA dated 17.02.16 is filed by Shri Harjinder Singh, R/o B-I-589, Kundan Puri, Civil Lines, Ludhiana, Punjab (hereinafter referred to as the applicant) against the Order in Appeal No. CC(A)CUS/D-1/Air/2162/2015 dated 13.11.2015, passed by the Commissioner of Customs (Appeal), NCH, New Delhi, whereby the applicant has been allowed to redeem the confiscated goods on payment of redemption fine of Rs. 1,50,000/-, and personal penalty of Rs.1,00,000/- under Section 112 and 114AA of the Customs Act, 1962.

2. The revision application is filed mainly on the ground that the applicant had brought the gold for the self-use without any concealment and, therefore, redemption fine and personal penalty imposed on him are excessive.
3. A personal hearing was held on 21.06.2018 and Sh. S.S. Arora, Advocate, availed the hearing on behalf of the applicant who reiterated the above mentioned grounds of revision already pleaded in their application. However, no one appeared for the respondent and no request for any other date of hearing was also received from which it is implied that the respondent is not interested in availing personal hearing.
4. From the Revision Application it is evident that the applicant does not dispute the Commissioner (Appeal)'s order regarding confiscation of gold items which were brought by him illegally in violation of Customs Act, 1962 and the Foreign Trade (Development and Regulation) Act, 1992 and his request is limited to a point that either re-export of the said gold items be allowed or the redemption fine and penalty should be reduced.
5. The government has examined the matter and finds that the applicant has not made out any case for re-export of goods under Section 80 of the Customs Act, 1962 and thus re-export of the gold items illegally imported cannot be allowed. As

regards reduction in redemption fine and penalty imposed by the Commissioner (Appeals) in his order, the applicant has not advanced any convincing reason and it is merely stated that redemption fine should not be more than the margin of profit. However, the Government does not agree with this contention as the redemption fine is in lieu of the value of the confiscated goods whose ownership is vested with Government and, therefore, value of the confiscated goods is relevant for determination of redemption fine and not the margin of profit. If the above argument of the applicant is accepted, there will not be any redemption fine on confiscated goods if these were illegally imported without having any profit margin which is manifestly absurd. Since the redemption fine imposed by the Commissioner (Appeals) in this case is Rs. 1,50,000/- against the value of confiscated goods of Rs. 4,48,328/- the Government considers it reasonable as it is just about 35% of the value and is in accordance with the prevalent practice. However, the applicant's contention regarding heavy penalty of Rs. 1,00,000/- under Section 112 and 114AA of the Customs Act is found legally tenable as revenue has not been able to make any case against the applicant that he had made or signed any declaration, statement or document which was false or incorrect as envisaged under Section 114AA of the said Section. Instead the department's case is that he had not declared the imported goods to the Customs Authorities for which the penalty is imposable under Section 112 of the Customs Act, 1962. Thus penalty under Section 114AA is not imposable in this case. But the combined penalty of Rs. 1,00,000/- has been imposed on applicant by the Commissioner (Appeals) by considering the penalty under Section 114AA also and when the penalty under Section 114AA is not found imposable, the Government considers it appropriate to reduce the penalty from Rs. 1,00,000/- to Rs. 50,000/- under Section 112 of the Customs Act, 1962.

6. In view of the above discussion, the Order in Appeal is modified and the Revision Application is allowed to the above extent.

  
13-8-18  
(R.P.Sharma)

Additional Secretary to the Government of India

Shri Harjinder Singh,  
R/o B-I-589, Kundan Puri,  
Civil Lines, Ludhiana,  
Punjab

Order No. 129 /18-Cus dated 13-8-2018

Copy to:

1. Commissioner of Customs, IGI Airport, Terminal-3, New Delhi
2. Commissioner of Customs (Appeals), New Custom House, near IGI Airport, New Delhi
3. Additional Commissioner of Customs, IGI Airport, New Delhi
4. Shri SS Arora, Advocate, SS Arora & Associates, B-1/71, Safdarjung Enclave, New Delhi
5. PA to AS(RA)
6. Guard File.

ATTESTED

*[Signature]*  
13/08

(Ravi Prakash)  
OSD (REVISION APPLICATION)