CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD

REGIONAL BENCH

Customs Appeal No. 30430 of 2016

(Arising out of Order-in-Original No. HYD-CUSTM-000-22-2015-ADJU dated 30.11.2015 passed by Commissioner of Customs Hyderabad)

Caravel Logistics Pvt Ltd **...Appellant**
No. 502, 5th Floor, Unit-2.
Amsri Classics, SD Road,
Secunderabad

Verses

The Commissioner of Customs **...Respondent**
O/O the Principal Commissioner of Customs,
LB Stadium road,
Basheerbagh,
Hyderabad 500 004.

APPEARANCE:
Mr T.V. Suresh Kumar , Adv for the appellant
Mr M.A. Surya A.R. for the Respondent

CORAM:
HON'BLE MR R. MURALIDHAR, MEMBER(JUDICIAL)

FINAL ORDER NO. 30258/2023

Date of Hearing: 15.09.2023
Date of decision: 15.09.2023

PER R. MURALIDHAR

The appellant is a logistic service provider for import and export of goods. In respect of one consignment imported by M/s Great Overseas, they have filed IGM on 31/1/2013. In the IGM they have declared the description of goods as assorted chappals. This declaration was supported by the description given in the Bill of Lading. Subsequently, as per the request of the proprietor of M/s Great Overseas, Mr. M.A. Mujahid, they have requested for amendment in the IGM description and quantity in April 2013. The consignment remained uncleared at the ICD. In the month of July 2023, this consignment was opened for inspection and it was found that the imported goods contained mobile spare parts/mobile accessories. After due process, the consignment valued at Rs 4,58,25,512/- was confiscated and option to redeem the same on payment of redemption fine of Rs 45,00,000/-

was given to the importer. Penalty was imposed on the appellant under section 112(b) and under section 114AA of the Customs Act 1962.

2. The learned counsel, appearing on behalf of the appellant, submits that the Department has not made out any case against the appellant on the ground that he was aware of the goods inside the container when the IGM was filed or when the amendment to IGM was filed. The appellant has simply gone by the details given in the Bill of Lading at the time of filing the IGM. He submits that investigation has not revealed any specific role played by the appellant. Accordingly, he submits that the penalty of Rs. 2,00,000/- each imposed under section 112(b) and under section 114AA may be set aside.

3. The learned AR submits that the appellant had an access to the invoice raised by the overseas exporter when the amendment to IGM was sought by them. This invoice showed that apart from assorted chappals, some other items were also present in the container. This fact was not brought to the specific knowledge of the Customs officials. Only on proper verification of the container, the presence of mobile accessories inside the container was found. Therefore, the learned AR submits that the role of the appellant is also not above board. He prays that the appeal may be dismissed.

4. I find that the appellant has filed IGM in the normal course based on the documents available with him, wherein the description has been mentioned as ‘assorted chappals’. Subsequently they have got the amendment done only on the basis of instructions received from the proprietor of M/s Great Overseas, Mr M.A. Mujahid which is also confirmed by him in his recorded statements. Therefore, there cannot be ulterior motive on their part to have filed the IGM and the amendment request letter. However, I find that this is a case of negligence on their part to specifically not to pose any query the importer as to why the description in

the invoices is different from the description given earlier in the Bill of Lading, While agreeing with the appellant that there is no ulterior motive in the entire passage, I agree with the learned A.R. that act of appellant has been negligent. Accordingly, I modify the impugned order as under.

5. I set aside the penalty imposed under section 112(b). The penalty imposed under section 114AA is reduced to Rs 50,000/-. The appeal is disposed of accordingly.

(Order pronounced and dictated in open court)

(R. MURALIDHAR)
MEMBER (JUDICIAL)

Neela Reddy