CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD

REGIONAL BENCH - COURT NO. – I

Single Member Bench

Customs Appeal No. 30159 of 2026
(Arising out of **Order-in-Appeal** No.HYD-CUS-000-APP1-180-25-26, dated 30.01.2026 passed by Pr. Commissioner of Customs & Central Tax (Appeals-I), Hyderabad)

Chennuri Shiva Prasad .. **APPELLANT**
H.No.5-38/A, Bandla Lingapur,
Jagityal Mandal, Nizamabad,
Telangana – 505 325.

VERSUS

Pr. Commissioner of Customs Hyderabad – Customs .. **RESPONDENT**
Kendriya Shulk Bhavan,
L.B. Stadium Road,
Basheerbagh, Hyderabad,
Telangana – 500 004.

APPEARANCE:
Shri R. Nagarjuna Reddy, Advocate for the Appellant.
Shri J. Rajanish, Authorised Representative for the Respondent.

CORAM: HON'BLE Mr. ANGAD PRASAD, MEMBER (JUDICIAL)

FINAL ORDER No. A/30523/2026

Date of Hearing:26.10.2026
Date of Decision:29.10.2026

The appeal has been filed against the impugned Order-in-Appeal dated 30.01.2026 passed by the Commissioner (Appeals), Hyderabad, concerning confiscation of two gold bars weighing 233.200 grams, valued at ₹15,50,780/-, and imposition of penalty on the appellant under the provisions of the Customs Act, 1962.

2. The brief facts of the case are that the appellant arrived at Rajeev Gandhi International Airport (RGIA), Hyderabad from Dubai on 21.03.2024 by Air India Flight No. AI-952. He was intercepted by the Customs Officers

after passing through the Green Channel. During examination, two gold bars of 24 kt purity, weighing 233.200 grams, were recovered from a pouch kept in his trouser pocket. According to the Department, that appellant had brought the said gold without declaration to the Customs Authorities. Consequentially, proceedings were initiated under the Customs Act, resulting in confiscation of the gold and imposition of penalty. Aggrieved by the order of the Authorities below, the appellant has preferred the present appeal.

3. At the outset, Learned AR has raised a preliminary objection regarding maintainability of the appeal before this Tribunal. It is submitted that the gold in question was brought by the appellant while arriving in India as an international passenger. The goods were admittedly recovered from his person, and therefore, the matter relates to goods imported as baggage. Consequently, in view of the express bar contained in the first proviso to Section 129A(1) of the Customs Act, 1962, this Tribunal has no jurisdiction to entertain the present appeal. The appropriate statutory remedy lies before the Revision Authority under Section 129DD of the Customs Act, 1962.

4. On the other hand, the appellant has challenged the confiscation and penalty, contending that the gold was purchased from his hard-earned money and that failure to declare the same was attributable to lack of knowledge of the applicable customs provisions. It is also contended that the Authorities ought to have considered the appellant’s request for release of the gold on payment of applicable duty and redemption fine.

5. Heard both the sides on the preliminary objection regarding jurisdiction and perused the record.

6. The short question requiring determination is whether an appeal arising from the confiscation of gold recovered from the trouser pocket of an international passenger is maintainable before this Tribunal in view of the first proviso to Section 129A(1) of the Customs Act, 1962.

7. Section 129A(1) of the Customs Act, 1962 provides for appeals before this Tribunal against specified orders. However, the first proviso expressly excludes the jurisdiction of this Tribunal in respect of an order passed by the Commissioner (Appeals) relating to, inter alia, any goods imported or exported as baggage. The said statutory restriction is clear and mandatory.

8. In the present case, it is an admitted position that the appellant arrived from Dubai and the disputed gold was recovered from a pouch kept in his trouser pocket. The appellant's explanation recorded during investigation also indicates that the pouch was initially kept in his checked-in baggage and was subsequently transferred to his trouser pocket. Thus, the goods were brought into India by the Appellant in the course of his International travel. Merely, because the gold was recovered from his person rather than from a suitcase or other luggage, the character of the goods as passenger baggage does not stand altered. The allegation of concealment or non-declaration may be relevant for determining confiscation and penalty, but cannot confer jurisdiction upon this Tribunal where the statute expressly the subject matter.

9. The Hon'ble Madras High Court in the case of Principal Commissioner of Customs (Airport) Vs Ahamed Gani Natchiar [2022 (10) TMI 100 (Madras High Court)], examined the scope of the first proviso to Section 129A(1) whether the statutory exclusion concerning baggage matters. The legal position has also been considered by this Tribunal in Shri Abdul Raheem

Kaulani Vs Commissioner of Customs, Hyderabad [2024 (12) TMI 176 (CESTAT-HYD)] and Shri Mohd Dosri Vs Commissioner of Customs, Hyderabad [2025 (6) TMI 1827 (CESTAT-HYD)]. Further, in Mohd Asif Uddin Vs Principal Commissioner of Customs, Hyderabad, Final Order No. A/30434/2026 dated 07.08.2026, this Bench, held that an appeal concerning gold brought by an international passenger falls outside the jurisdiction of the Tribunal under the first proviso to Section 129A(1). Similarly, in Utnoor Venkatesh Vs Principal Commissioner of Customs, Hyderabad vide Final Order No. A/30520/2026 dated 06.10.2026, this Bench reiterated the same principle even where gold was recovered from the trouser pocket of the passenger.

10. The aforesaid decisions are squarely applicable to the facts of the present case. The grounds relating to the appellant's bonafides, absent of deliberate intention, confiscation of gold, imposition of penalty and entertained to redemption are matters touching upon the merits of the dispute. Such questions cannot be examined by this Tribunal unless jurisdiction is established under the Stature. The nature of the subject matter, and not merely the relief claimed determines the maintainability of the appeal.

11. In view of the foregoing discussion and the statutory bar contained in the first proviso to Section 129A(1) of the Customs Act, 1962, I hold that the impugned order relates to goods imported as baggage and, consequently, this Tribunal lacks jurisdiction to entertain the present appeal. The preliminary objection raised by the Revenue is accordingly sustained.

12. The appellant is at liberty to pursue the appropriate statutory remedy before the competent Revisional Authority under Section 129DD of the

Customs Act, 1962, in accordance with law. The Registry is directed to return the appeal papers to the appellant, after retaining the copies as required, to facilitate availing such remedy. All contentions on merits are left open.

13. Accordingly, the appeal is dismissed as not maintainable for want of jurisdiction, without expressing any opinion on the merits of the dispute.

(Order pronounced in the open court on 29.10.2026)

(ANGAD PRASAD)
MEMBER (JUDICIAL)

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