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W.P.No.41758 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.11.2025

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THE HONOURABLE Mr.JUSTICE N. ANAND VENKATESH

W.P.No.41758 of 2025

NPT Papers Pvt. Ltd.

Through its Director Mr.Prakash Chand Garg

402, Sethi Bhawan

7, Rajendra Place, New Delhi 110 008

Email : nptpapers@gmail.com

.. Petitioner

Vs.

The Deputy Commissioner of Customs (Gr.II)

Customs House, No.60, Rajajai Salai

Chennai 600 001

Email : commr2-cuschn@gov.in

.. Respondent

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of mandamus directing the respondent to release the bank guarantee No.0623IGFIN000315 dated 24.04.2025 for Rs.11,00,000/- submitted by the petitioner for the purpose of release of goods detained at godown No.2, Madhavaram Redhills High Road, Chennai 600 052 and the provisional duty bond dated 23.04.2015 submitted in compliance of order dated 08.04.2015 issued under F.No.876/2014-GR-2 by the Deputy Commissioner of Customs (Gr.II) considering the representation letter dated 23.09.2025 sent by the petitioner.



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For Petitioner : Mr.Prem Ranjankumar
for Ms.S.Akila
For Respondent : Mrs.Revathi Manivannan
Senior Standing Counsel

ORDER

This writ petition has been filed for the issue of a writ of mandamus directing the respondent to release the Bank Guarantee No.0623IGFIN000315 dated 24.04.2025 for a sum of Rs.11,00,000/- and the Provisional Duty Bond dated 23.04.2015 by considering the representation made by the petitioner on 23.09.2025.

2. When the matter was taken up for hearing on 05.11.2025, this Court passed the following order :

“Mrs.Revathi Manivannan, learned Senior Standing Counsel takes notice on behalf of the respondent.

2. The Directorate of Revenue Intelligence (DRI), Bangalore Zonal Unit, initiated investigation against the import made by the petitioner, on the allegation of under-valuation. Ultimately, the stocks were seized under Mahazar dated 04.03.2015. The seized goods were permitted to be released provisionally by the respondent on execution of a Provisional Duty Bond (in short 'PD Bond') for 100% of value of the goods and also supported by



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a Bank Guarantee for a sum of Rs.11,00,000/- with an automatic renewal clause to keep it alive till the finalisation of the case. The petitioner complied with these conditions and accordingly the goods were released.

3. After completion of investigation, the show cause notice dated 16.02.2019 came to be issued to the petitioner proposing re-determination of the assessable value, demand of differential duty and for encashment of the bank guarantee with interest. The petitioner submitted his reply and the adjudicating authority confirmed the show cause notice. Aggrieved by the same, the petitioner filed a statutory appeal before the CESTAT. The Tribunal by an order dated 12.11.2021 was pleased to set aside the adjudication order.

4. The specific case of the petitioner is that the order of CESTAT has already become final. The grievance of the petitioner is that inspite of the order of the Tribunal, the respondent did not release the bank guarantee and PD Bond which was furnished by the petitioner for the provisional release of the goods seized. Hence, various representations were made by the petitioner and the same did not evoke any response. It is under these circumstances, the present writ petition has been filed before this Court.

5. In the considered view of this Court, if the order passed by CESTAT dated 12.11.2021 has become final and the adjudication order has already been set aside, no useful purpose will be served in retaining the bank guarantee and PD Bond executed by the petitioner as a condition for the provisional release of goods that were seized.

6. The learned Senior Standing Counsel appearing for the respondent seeks some time to get instructions.

Post this writ petition under the caption 'for orders' on 12.11.2025.”



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3. Heard both sides and perused the materials available on record.

4. In the considered view of this Court, as was observed in the earlier order passed on 05.11.2025, if the order passed by CESTAT dated 10.11.2021 has become final and the adjudication order has already been set aside, it will not be appropriate for the respondent to retain the Bank Guarantee and the Provisional Duty Bond executed by the petitioner. These documents were executed by the petitioner as a condition for the provisional release for the goods that were seized. Now that the adjudication order has been set aside by the CESTAT and the same has become final, there is no reason for the respondent to retain these documents.

5. In view of the above, if the order passed by the CESTAT dated 10.11.2021 has become final and no appeal has been filed by the Department, there shall be a direction to the respondent to release the Bank Guarantee No.0623IGFIN000315 dated 24.04.2025 for a sum of Rs.11,00,000/- and the Provisional Duty Bond dated 23.04.2015 to the petitioner, within a period of three weeks from the date of receipt of a copy of this order.



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With the above direction, this writ petition is disposed of. No costs.

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Index : Yes/No

Neutral Citation : Yes/No

To

The Deputy Commissioner of Customs (Gr.II)
Customs House, No.60, Rajajai Salai
Chennai 600 001
Email : commr2-cuschn@gov.in



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