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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ **W.P.(C) 18813/2025**

SARAJUDDIN .....Petitioner

Through: Ms. Richa Kumari, Adv.

versus

COMMISSIONER OF CUSTOMS .....Respondent

Through: Ms. Monica Benjamin SSC & Ms. Nancy Jain Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

<u>O R D E R</u>

% 11.12.2025

1. This hearing has been done through hybrid mode.

2. The present petition has been filed by the Petitioner- Sarajuddin, under Article 226 of the Constitution of India, *inter alia*, seeking release of the gold bar of the Petitioner, weighing 116 grams *(hereinafter, 'the gold bar')*, seized by the Customs Department *vide* detention receipt bearing no. 002170 dated 9th July, 2023.

3. The case of the Petitioner is that he had arrived at the Indira Gandhi International Airport, New Delhi, on 9th July, 2023 from Saudi Arabia, where he had gone for a religious pilgrimage. Upon arrival at the Indira Gandhi International Airport, the Petitioner was intercepted by the concerned officials of the Customs Department and the gold bar of the Petitioner was detained by the Customs Department. However, till date, no Show Cause Notice (hereinafter, *'SCN'*) has been issued to the Petitioner with respect to the seizure.

4. Ld. Counsel for the Petitioner submits that the Petitioner is seeking

release of the said gold bar in terms of the judgment of the Supreme Court in ***Union of India &Anr. v. Jatin Ahuja, Civil Appeal No. 3489/2024*** dated 11th September, 2025**,** wherein the Supreme Court has directed as under:

> *"17. It is difficult for us also to subscribe to the views expressed by the Bombay High Court in Jayant Hansraj Shah's case (supra).* ***We are of the view that the only power that has been conferred upon the Revenue to extend the time period is in accordance with the first proviso to Sub-section (2) of Section 110 of the Act, 1962. The Delhi High Court is right in saying that any effort to say that the release under Section 110A of the Act, 1962 would extinguish the operation of the consequence of not issuing show-cause notice within the statutory period spelt out in Section 110(2) would be contrary to the plain meaning and intendment of the statute.***
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> *18. The Delhi High Court has done well to explain that this is so because Section 110A, is by way of an interim order, enabling release of goods like fast moving or perishable etc. The existence of such power does not, in any way, impede or limit the operation of the mandatory provision of Section 110(2).*
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> *19.* ***In the case in hand, indisputably the car was seized under sub-section (1) and furthermore no notice in respect of the goods seized was given under clause (a) of section 124 of the said Act within six months of the seizure. The consequence, therefore, in such a case is that the goods shall be returned to the person from whose possession they were seized. The first proviso to sub-section (2) of section 110 of the said Act, however, provides that the Principal Commissioner of Customs or Commissioner of Customs may, for reasons to be recorded in writing, extend the six months' period by a period not exceeding six months and inform the person from whom such goods were seized before the expiry***

of the period so specified. The proviso therefore contemplates that the period of six months mentioned in sub-section (2) of section 110 of the said Act can be extended by the higher authority for a further period not exceeding six months, for reasons to be recorded in writing. The proviso also requires the higher authority to inform this to the person from whom such goods were seized before the expiry of the period of six months mentioned in sub-section (2) of section 110. *We find that in respect of the seized car, there is neither any notice under clause (a) of section 124 issued to the respondent within six months of the seizure nor the period of six months ever came to be extended for a further period of six months.* ***In the absence of there being any notice as required by the first proviso even within the extended period upto one year, the consequence that ought to follow is release of the seized car.***

[...]

24. The appeals before us are all anterior in time to the coming into force of the second proviso to Section 110(2) of the Act, 1962. Although, it is not necessary for us to say anything further, yet ***we may clarify that the time period to issue notice under Clause (a) of Section 124 is prescribed only in sub-section (2) of Section 110 of the Act, 1962. This time period has nothing to do ultimately with the issuance of show-cause notice under Section 124 of the Act, 1962. The two provisions are distinct and they operate in a different field."***

5. Ld. Counsel for the Petitioner further submits that he is willing to pay the applicable Customs Duty and accordingly, prays for release of his gold bar.

6. Heard. In terms of the decision of the Supreme Court in ***Union of India &Anr. v. Jatin Ahuja (Supra)***, the Petitioner is entitled to unconditional release

of the gold bar. However, considering the nature and weight of the gold bar, the Petitioner shall pay the applicable Customs Duty for the release thereof, along with the warehousing charges, both as applicable on the date of the detention of the gold bar.

7. In addition, if the Department wishes to initiate any action under Section 124 of the Customs Act, 1962, it is free to do so in accordance with law.

8. The Petitioner shall appear before the Customs Department on **24th December, 2025 at 11:00 a.m**. The Nodal Officer mentioned below shall facilitate the Petitioner's appearance before the competent Authority for compliance with the present order:

Mr. Mukesh Gulia, Superintendent, Legal
Office of Commissioner, Customs
IGI Airports, T-3, New Delhi
Email id: igilegaldelhi@gmail.com

9. The petition is disposed of in the above terms. All pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

DECEMBER 11, 2025
dj/ss