IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07-01-2026

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

WP No. 47336 of 2025
and
WMP NO. 52841 OF 2025 and WMP NO. 52843 OF 2025

1. K.S.Traders
Rep. By Its Proprietrix Mrs. Ruchi,
First Floor, Khasra 290, H.No.2, Lane
1, Sector -16, Greater Nodia, Gautam
Buddha Nagar, Uttar Pradesh-203 207

Petitioner(s)

Vs

1. The Principal Commissioner Of
Customs (chennai-iii),
(preventive), Custom House, No.60,
Rajaji Salai, Chennai - 600 001.

2.The Intelligence Officer, Dri (hqrs)
Directorate Of Revenue Intelligence,
7th Floor, Drum Shaped Building, I.P.
Bhawan, I.P. Estate, New Delhi -110
002.

3.The Additional Commissioner Of
Customs (ndr-ftwz)
O/o. The Principal Commissioner Of
Customs, Preventive Commissionerate,
Custom House, No.60, Rajaji Salai,
Chennai-600 001

4.The Special Officer, Ftwz
M/s.Ndr Infrastructure Private Limited,
Nandiambakkam, Ponneri Taluk,
Chennai - 600 120.

Respondent(s)

PRAYER
Calling for the records in F.No.DRI/CI/ENQ/50/2025-CI-O/o. DG- DRI-HQ-Delhi/1113, dated 02.05.2025 vide Seizure Memo passed by the 2nd Respondent herein Petitioners Bill of Entry No.7751258, dated 12.01.2025 and quash the same as illegal, arbitrary unfair, un-reasonable, violation of principles, of natural justice and perverse in so far as intimating for provisional release of the good in adhering to the provisions provided under Section 110A, of the Customs Act, read with the guidelines issued through Board Circular No.35/2017-Customs dated 16.08.2017 which has been held as void and unenforceable at law by Honble Division Bench of Delhi High Court and direct the Respondents herein to release the goods viz., 82037.00 SQM of PVC Coated Fabrics imported vide Bill of Entry No.7751258, dated 12.01.2025 totally valued at USD 9,844.44 for 82037.00 SQM, on execution of Simple Bond for the Differential Duty on the RE-determined value and also on execution simple bond towards the adjudication levies if any.

For Petitioner(s): Mr.A.K. Jayaraj

For Respondent(s): Mr.G.Meganathan,jsc For Respondent

ORDER

This writ petition has been filed, challenging the impugned seizure memo dated 02.05.2025 issued by the second respondent for the bill of entry disclosed in the prayer to this writ petition and for consequential provisional release of the goods covered under the said bill of entry as per the provisions of Section 110A of the Customs Act.

2. Under the impugned seizure memo, the goods imported by the petitioner viz., PVC fabrics covered under the bill of entry disclosed in the prayer to this writ petition has been seized by the Customs Department on the ground that the classification declared by the petitioner is not acceptable to the

Customs Department. In similar matters, involving the very same goods, viz., PVC fabrics, this Court had granted provisional release of the goods by imposing conditions as per the provisions of Section 110A of the Customs Act.

3. The learned counsel for the petitioner, on instructions, would submit that the petitioner is willing to abide by the very same conditions for obtaining provisional release of the goods covered under the bill of entry disclosed in the prayer to this writ petition for obtaining provisional release of the goods. The learned counsel for the petitioner relied upon an order dated 18.11.2025 passed by this Court in the case of ***M/s.Unique Sales Corporation Vs. The Principal Commissioner of Customs (Chennai-III)***, which is identical to the case on hand. In that decision, for similar goods, this Court had directed provisional release of the goods as per the provisions of Section 110A of the Customs Act by imposing the following conditions:

"a)The petitioner is directed to remit the entire duty as declared by them;

b)The petitioner is directed to pay 50% of the differential duty for the total value arrived at by the Department;

c)The petitioner is directed to execute a bond on re-determined value arrived by the Department; and

d)The petitioner shall also execute a bond for the value of goods in respect of adjudication levies, if any. On compliance, the goods shall be released by the respondent within a period of seven (7) days from the date of compliance of the conditions."

4. On the other hand, the learned standing counsel appearing for the respondents would submit that DRI investigation with regard to the subject goods is also in progress and unless and until a favourable report in favour of the petitioner is received from the DRI, the Customs Department may not be in a position to grant provisional release of the goods. The learned counsel appearing for the respondents, who was directed to get instructions, as to whether appeals were filed before the Division Bench of the Customs Department if aggrieved by the decisions relied upon by the learned counsel for the petitioner, is unable to inform this Court as to whether any appeals were filed before the Division Bench.

5. The learned counsel for the petitioner would submit that no appeals were filed as against the decisions relied upon by the learned counsel for the petitioner before this Court and he would also submit that the Customs Department has accepted the said decision and have also provisionally released the goods. Since the goods involved in this writ petition are identical to the goods which were the subject matter of the decision relied upon by the learned counsel for the petitioner, there cannot be two different yard sticks adopted by this Court. Hence, a similar direction will have to be issued in this matter as well.

6. For the foregoing reasons, this writ petition is disposed of by directing the first respondent to provisionally release the goods which are covered under the bill of entry morefully described in the prayer to this writ petition to the petitioner subject to the fulfilment of the following conditions by the petitioner within a period of fifteen days from the date when the petitioner has fulfilled all the conditions:

a)The petitioner is directed to remit the entire duty as declared by them;

b)The petitioner is directed to pay 50% of the differential duty for the total value arrived at by the Department;

c)The petitioner is directed to execute a bond on re-determined value arrived by the Department; and

d)The petitioner shall also execute a bond for value of goods in respect of adjudication levies, if any. On compliance, the goods shall be released by the respondent within a period of seven (7) days from the date of compliance of the conditions.

7. However, it is made clear that the petitioner will have to cooperate with the investigation to be conducted by the DRI and the Customs Department and the DRI is also directed to complete the investigation as expeditiously as possible. No Costs. Consequently, connected miscellaneous petitions are closed.

07-01-2026

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
ab

To

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ABDUL QUDDHOSE J.

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(1/2)