



2026:DHC:1589-DB



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

*Date of decision: 20<sup>th</sup> February, 2026*

+ W.P.(C) 2417/2026

THE COMMISSIONER OF CUSTOMS  
(AIRPORT & GENERAL)  
NEW CUSTOM HOUSE,  
IGI AIRPORT, NEW DELHI - 110037

**.....PETITIONER**

Through: Mr. Aditya Singla, SSC CBIC with  
Ms. Arya Suresh Nair, Adv.

versus

1. Ms. SHABNAM PARVEEN  
W/o MOHD. NAUSHAD  
H.No. 44, BAZAAR MASJID WALI SARAI,  
BULANDSHAHR, UTTAR PRADESH – 203001

**.....RESPONDENT NO.1**

2. UNION OF INDIA  
THROUGH THE SECRETARY,  
MINISTRY OF FINANCE,  
DEPARTMENT OF REVENUE,  
NORTH BLOCK, NEW DELHI – 110001

**.....RESPONDENT NO.2**

3. THE ADDITIONAL SECRETARY (REVISIONARY AUTHORITY)  
THROUGH MINISTRY OF FINANCE,  
DEPARTMENT OF REVENUE,  
14, HUDCO VISHALA BUILDING, B WING, 6TH FLOOR,  
BHIKAJI CAMA PLACE, NEW DELHI – 110066

**.....RESPONDENT NO.3**

Through: Mr. Dhan Mohan, Senior Panel  
Counsel for UOI along with  
Ms. Tanisha Bhatia and Ms. Anjali  
Choudhary, Advs. for R-2&3.



2026:DHC:1589-DB



**CORAM:**  
**HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE**  
**HON'BLE MR. JUSTICE AJAY DIGPAUL**

**JUDGMENT (ORAL)**

**AJAY DIGPAUL, J.**

1. The present writ petition has been filed by the Commissioner of Customs, IGI Airport, New Delhi, challenging Order No. 67/25-Cus dated 12.12.2025 passed by the Revisionary Authority under Section 129DD of the Customs Act, 1962. By the said order, the Department's revision against the Order-in-Appeal dated 09.05.2023 was dismissed.
2. The facts of the case are that Ms. Shabnam Parveen/respondent no. 1, is an Indian national, who arrived at IGI Airport, Terminal-3, New Delhi from Bangkok by on 09.05.2022. After crossing the Green Channel, she was intercepted by Customs officers and diverted for detailed examination.
3. A detention receipt bearing DR No. DR/INDEL4/10-05-2022/000104 was issued on 10.05.2022. The detained articles were recorded as "*two yellow metal cut piece bars weighing 300 grams*". The reason recorded for detention/seizure was 'Green Channel violation'.
4. The detention receipt recorded the total value as ₹14,07,210 and the goods were described as two yellow metal cut piece bars appearing to be gold, with total weight of 300 grams, and were marked for appraisal.
5. On 10.05.2022, the statement of respondent no. 1 was recorded under Section 108 of the Customs Act, 1962<sup>1</sup>. She stated that the recovered goods

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<sup>1</sup> Hereinafter "Customs Act"



2026:DHC:1589-DB



did not belong to her and that an unknown person had handed the items to her in Bangkok for delivery in Delhi, in consideration for ₹15,000. She stated that she did not have bills for the goods, that she was aware customs duty was leviable, and that she intentionally did not declare the goods. Furthermore, she agreed to the description, quantity and value as assessed by the Department and she did not require issuance of a Show Cause Notice<sup>2</sup> and requested that the case be decided on merits.

6. Furthermore, she agreed to the description, quantity and value as assessed by the Department and she did not require issuance of an SCN and requested that the case be decided on merits.

7. An authority letter/special power of attorney dated 18.06.2022 is on record, by which respondent no. 1 authorised an advocate to represent her before Customs in relation to the detention receipt and to file documents for, release or re-export of the goods.

8. An application dated 22.06.2022 was received by the competent Customs Authority on 24.06.2022. In the said application, it was stated that the detained articles comprised two gold pieces of 24 carat purity, weighing 300 grams, and valued at ₹14,07,210 as on 10.05.2022. It was further stated that, through her authorised advocate, respondent no. 1 waived issuance of a written SCN as well as the right to personal hearing, and requested that the matter be decided on merits.

9. At the same time, the authorised advocate for respondent no. 1 also filed a retraction application on 22.06.2022, which was received by the petitioner on 24.06.2022. It was mentioned in the retraction application that the respondent no. 1 along with her husband were apprehended by the

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<sup>2</sup> Hereinafter "SCN"



2026:DHC:1589-DB



Customs officer and were badly beaten and were threatened with dire consequences if they did not sign some blank papers. In this manner, those blank papers got signed and respondent no. 1 did not even get to know what was mentioned in those papers and it was only later when respondent no. 1 came into the knowledge that some false statement was recorded under Section 108 of the Customs Act. With this explanation, the retraction application was sent to the concerned Authority wherein retraction of the statement given earlier dated 10.05.2022 was sought to be made.

10. An appraisal was thereafter carried out by the Jewellery Appraisal for the recovered goods on 22.06.2022 and they were found to be totally valued at ₹14,58,557.

11. The Joint Commissioner of Customs thereafter passed Order-in-Original No. 154/2022-23 dated 04.08.2022. Noticeably, the adjudicating authority treated respondent no. 1 as an ineligible passenger to import the said detained goods at concessional rate of duty under Notification No. 50/2017-Cus, with reference to her period of stay abroad. The seized gold valued at ₹14,58,557 was ordered to be absolutely confiscated under Sections 111(d), 111(j), 111(l) and 111(m) of the Customs Act. Penalties of ₹2,25,000 each were imposed under Section 112 and Section 114AA of the Customs Act.

12. Thereafter, respondent no. 1 preferred an appeal. The Commissioner of Customs (Appeals), by Order-in-Appeal dated 09.05.2023, took note of the petitioner's retraction of the statement given earlier dated 10.05.2022 and the purchase bills produced in her and her husband's name, and observed that the Department had not disputed these aspects. On that basis, the Commissioner (Appeals) proceeded on the footing that the retraction



2026:DHC:1589-DB



could not be brushed aside as an afterthought and that the claim of ownership deserved acceptance. The Commissioner (Appeals) further observed that the case appeared to be one of non-declaration rather than a clandestine attempt at smuggling, particularly as there was no finding of ingenious concealment or habitual offending, and concluded that absolute confiscation on account of non-declaration was unjustified in the facts.

13. In view of the above, the Commissioner (Appeals) permitted redemption of the confiscated gold under Section 125 of the Customs Act, on payment of redemption fine of ₹1,46,000 and applicable duty, and correspondingly reviewed the quantum of penalty. While holding that penalty remained imposable for non-declaration, the Commissioner (Appeals) reduced the penalties under Sections 112 and 114AA to ₹1,46,000, noting that such amount would operate as a sufficient deterrent, including by wiping out the margin of profit, apart from the liability to pay duty.

14. Aggrieved from this, the Department then filed a revision under Section 129DD of the Customs Act. In the meantime, respondent no. 1 had also filed *W.P.(C) 7637/2025* before this Court seeking early decision by the Revisional authority. This Court *vide* order dated 29.10.2025 directed the Revisional Authority to take a decision in the matter and request for re-export of the detained goods shall be considered by the Revisional Authority.

15. Thereafter, the Revisionary Authority recorded that a personal hearing was fixed and held on 03.11.2025 in virtual mode, but that no one appeared for the Department, while counsel for the respondent no. 1 made submissions.



2026:DHC:1589-DB



16. The Revisionary Authority noted that the Department had not brought anything on record to show that the impugned goods did not belong to respondent no. 1 or that she was a carrier or habitual offender. The Revisionary Authority found no infirmity in the Order-in-Appeal dated 09.05.2023 and, by Order No. 67/25-Cus dated 12.12.2025, dismissed the revision.

17. In *W.P.(C) 7637/2025*, by order dated 22.12.2025, this Court recorded that, in view of the revision order dated 12.12.2025, the Order-in-Appeal dated 09.05.2023 was required to be given effect to. The order also recorded the amounts payable towards redemption fine and penalty, both quantified at ₹1,46,000, and issued directions to facilitate release, including observations on warehousing charges for the period noted therein.

18. In the present writ petition, the Department seeks quashing of the revision order dated 12.12.2025 and restoration of the Order-in-Original dated 04.08.2022.

19. We have heard Mr. Aditya Singla, learned Senior Standing Counsel on the major points that the discretion exercised under Section 125 of the Customs Act to permit redemption has been applied in a manner contrary to the statutory scheme and the eligibility conditions governing import of gold under Notification No. 50/2017-Cus read with the Baggage Rules, 2016. It was urged that respondent no. 1 had been held to be an “ineligible passenger” in the Order-in-Original dated 04.08.2022 and, once such statutory ineligibility operated, the Revisional Authority could not have permitted redemption so as to effectively allow what the law prohibits. It was further contended that the impugned goods comprised 24 carat gold cut pieces, which are plainly not “ornaments” and fall within the exclusion in



2026:DHC:1589-DB



Annexure-I to Rule 3 of the Baggage Rules, 2016, and that the Revisional Authority, in treating the case as a mere instance of non-declaration of a dutiable item, fundamentally misdirected itself on the legal character of the goods and the consequent rigour of confiscation provisions.

20. Mr. Singla also submits that the admitted Green Channel violation and the voluntary statement recorded under Section 108 of the Customs Act, containing clear admissions as to non-ownership and intent to evade duty, carried significant probative value and could not have been diluted on the basis of a belated and uncorroborated retraction made more than a month later.

21. It was lastly submitted that the Revisional Authority exceeded the limited revisional jurisdiction under Section 129DD by re-appreciating evidence and substituting its own view for that of the adjudicating authority.

22. We are unable to agree with the contentions raised by Mr. Singla. As explained by the Hon'ble Supreme Court in *Syed Yakoob v. K.S. Radhakrishnan & Ors.*<sup>3</sup>, the writ of certiorari under Article 226 is not an appellate jurisdiction and does not permit this Court to reappreciate evidence or to substitute its own view on facts for that of the statutory authority. The writ is confined to whether the impugned order discloses a jurisdictional error or an error apparent on the face of the record, or whether it is vitiated by perversity, patent illegality, or manifest arbitrariness. Tested on this touchstone, we find that the Revisionary Authority has affirmed the Order-in-Appeal on reasons borne out from the record, and the same cannot be characterised as perverse or contrary to law.

23. In the first place, the authorities have treated this as a case of non-

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<sup>3</sup> AIR 1964 SC 477



2026:DHC:1589-DB



declaration at the Green Channel and not as a case involving organised smuggling, ingenious concealment, or habitual offending. The Order-in-Appeal records that the retraction dated 22.06.2022 and the purchase documents produced in the names of respondent no. 1 and her husband were not displaced by the Department through any independent material, and that the Department essentially continued to rest its case only on the statement recorded on 10.05.2022. Once the appellate authority accepted the retraction and the ownership claim based on the material placed before it, the consequential exercise of discretion under Section 125 to permit redemption, coupled with imposition of redemption fine and penalty and liability to pay duty, cannot be faulted as an exercise that undermines the statutory scheme. The discretion under Section 125 is intended to be exercised judiciously on the facts of each case. Order-in-Appeal reflects application of mind to the nature of the lapse and to the proportionality of absolute confiscation.

24. The ground raised of “statutory ineligibility” is also not sufficient, by itself, to warrant interference in writ jurisdiction in the present case. The Revisional Authority has observed the Department’s contention on ineligibility and the Green Channel violation, yet has upheld the appellate order which does not grant any immunity to respondent no. 1. The release is permitted only upon payment of redemption fine and penalty, along with applicable duty. The orders under challenge therefore do not condone the violation and instead calibrate the consequence.

25. The petitioner’s further submission that the Revisional Authority exceeded its jurisdiction under Section 129DD is equally unpersuasive because the Revisionary Authority has not undertaken any reappraisal of evidence. It has affirmed the appellate reasoning on the limited footing that



2026:DHC:1589-DB



the Department did not place material to dislodge the claim of ownership or to establish that respondent no. 1 was acting as a carrier or was a habitual offender, and it consequently found no infirmity warranting revisional interference.

26. In view of the above discussion, no ground is made out for interference under Article 226 with the Order No. 67/25-Cus dated 12.12.2025 passed by the Revisional Authority or the Order-in-Appeal dated 09.05.2023.

27. The writ petition is accordingly dismissed. Respondent no. 1 shall be entitled to release of the detained goods upon compliance with the conditions stipulated in the Order-in-Appeal, including payment of redemption fine of ₹1,46,000 and penalty of ₹1,46,000, besides applicable duty, if any.

28. The issue of warehousing charges shall be governed in terms of the directions already issued by this Court in *W.P.(C) 7637/2025*, including the period stipulated therein.

29. The present petition, along with any pending applications, are dismissed.

**AJAY DIGPAUL  
(JUDGE)**

**NITIN WASUDEO SAMBRE  
(JUDGE)**

**FEBRUARY 20, 2026/AS/yr**