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

Date of decision: 4th September, 2025

+ **W.P.(C) 13649/2025 & CM APPL. 55986/2025**

SONARAM BAGADARAM MALIPetitioner

Through: Mr. Omkar Kushwaha, Adv.

versus

THE COMMISSIONER OF CUSTOM & ORS.Respondents

Through: Mr. Shubham Tyagi, SSC, CBIC.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE SHAIL JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

CM APPL. 55986/2025 (for exemption)

2. Allowed, subject to all just exceptions. Application is disposed of.

W.P.(C) 13649/2025

3. The present petition has been filed by the Petitioner under Article 226 of the Constitution of India, *inter alia*, challenging the communication dated 10th June, 2025 by which the provisional release of the goods of the Petitioner has been permitted and the Petitioner has been directed to join the investigation. The Petitioner further seeks provisional release of the goods *i.e.*, 4,99,020 units of mobile tempered glass (hereinafter, 'goods') seized by the Customs Department on 20th February, 2025.

4. The case arises from a search conducted by the Customs Department in a premises in Karol Bagh where a girls PG was being run. In the said premises, upon conduct of a search several cartons of tempered glass, bearing 'Made in



China' mark were found. All the goods were thereafter seized and a notice was issued.

5. The Petitioner gave a representation to the Customs Department claiming that he had purchased it from the local market and these are 100% local goods. It is submitted on behalf of the Petitioner that there was no purchase order, which was placed to any foreign entity and the Petitioner has not engaged any Customs Housing Agent or Customs broker. The Petitioner has also filed a detailed reply dated 16th June, 2025. Submission on behalf of the Petitioner is that the Petitioner is unable to pay the amount, which is being imposed by the Respondent for provisional release.

6. On a query from the Court, Id. Counsel for the Petitioner submits that these goods are not imported goods and are manufactured locally in India but to give better price, labels of 'Made in China', 'Made in USA', etc. are affixed on these products.

7. Issue notice. Mr. Shubham Tyagi, Id. SSC who is present in Court, is requested to accept the notice in the matter. He submits that the provisional release has been allowed and the Petitioner is free to avail of Appellate remedy against the said order/communication as also join the investigation.

8. Heard Id. Counsel for the parties and perused the record.

9. The *panchama* dated 20th February, 2025 reveals that there was seizure, which was effected by the Customs Department on the apprehension that these were illegally imported goods of China, which were being stored in a premises in Karol Bagh. The said information turned out to be correct and a substantial amount of goods were seized.

10. As per the Customs Department, the value of these goods is more than Rs.56 lakhs. The Customs Department has allowed provisional release of the



goods subject to submission of bonds by the Petitioner equivalent to the assessable value *i.e.*, Rs. 56,03,995/- as also a bank guarantee to the tune of Rs. 29,75,189/-.

11. Ld. Counsel for the Petitioner relies upon various invoices to argue that these goods are locally manufactured goods and were purchased from local suppliers, hence, no customs duty is liable to be paid by the Petitioner.

12. The question arises in the present petition is in what manner the goods were found at the premises and from where they were seized. This would require a factual enquiry, which cannot be gone into by this Court in this writ petition.

13. The stand of the Petitioner, that the goods are locally manufactured goods, is belied by the labels affixed on the products. Even if these are locally manufactured goods but are shown as 'Made in China' or in some other foreign country, such incorrect misdeclaration even to the consumers would be contrary to overall public interest - especially, when as per the prevalent policy, 'Made in India' products are being encouraged and several incentives are being given for goods to be manufactured in India.

14. Under these circumstances, insofar as the provisional release is concerned, since the Petitioner appears to be not stating or providing invoices and was found in possession of a substantial quantity of goods, this Court is not inclined to interfere in the said order/communication dated 10th June. 2025. The Petitioner is free to join the investigation to seek assessment or release in accordance with law.

15. The observations made today in this petition would not affect the final merits of the case.

16. Needless to add, the Customs Department is free to investigate and also



take any action in accordance with law against the other Respondents, from whom the Petitioner is stated to have purchased the products in question.

17. The Petitioner is also free to avail of the appellate remedy under Section 128 of the Customs Act, 1962 in respect of the impugned order/communication, if so advised.

18. The petition is disposed of in the above terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH
JUDGE

SHAIL JAIN
JUDGE

SEPTEMBER 4, 2025/dk/ck