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

Date of Decision: 9th September, 2025

+ **W.P.(C) 2882/2025 & CM APPL. 30493/2025**

M/S MAGGU MULTIVENTURES PVT. LTD.Petitioner

Through: Mr. Vikas Saren, Ms. Maninder Kaur,
and Mr. Aryan Nagpal Advs.

versus

PRINCIPAL COMMISSIONER OF CUSTOMS-IMPORT INLAND
CONTAINER DEPOT, TUGHLAKABAD, NEW DELHI &
ORS.Respondents

Through: Mr. Aakarsh Srivastava, SSC with Mr.
Anand Pandey, Adv. (M: 9871094948)

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE SHAIL JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present petition has been filed by the Petitioner- M/s Maggu Multiventures Pvt. Ltd. under Articles 226 and 227 of the Constitution of India *inter alia* seeking issuance of an appropriate writ petition directing the Respondents to allow the final release of the Roasted Areca Nuts (*hereinafter*, 'the goods') imported by the Petitioner on 12th February 2025 *vide* bill of entry no. 8320009.
3. The case of the Petitioner is that the goods were certified as being fit for human consumption by the Food Safety and Standards Authority of India (*hereinafter*, 'FSSAI') and the bill of entry was also assessed finally on 19th February 2025. Despite this, the consignment was not released by the Customs Department. The contention raised on behalf of the Customs Department was



that the goods were not safe for human consumption.

4. Accordingly, notice was issued in this matter. Thereafter, the Customs Department has filed a counter affidavit annexing therewith several test reports which according to the Customs Department would show that the goods are not fit for human consumption.

5. The Petitioner has taken the position that it is seeking release of the goods only for the purpose of industrial use as was permitted by this Court in *M/s Perfect Trading Company v. Commissioner of Customs & Ors. W.P. (C) 16560/2024* vide order dated 7th May, 2025.

6. Mr. Vikas Sareen, Id. Counsel for the Petitioner submits that the Petitioner is willing to give an undertaking that it would not use the goods for any other purpose other than industrial use. He further submits that even the packing of the goods would be done in front of the Customs Department officials in the bags made for industrial use so that there is no doubt as to the manner in which the goods will be utilised.

7. It is also submitted on behalf of the Petitioner that the initial report of the FSSAI dated 17th February, 2025 stated that the goods were fit for human consumption and even the reports relied upon by the Respondent are inconsistent in nature.

8. On the other hand, Mr. Aakarsh Srivastava, Id. Counsel for the Customs Department raises several doubts as to the quality of the goods. Reliance is placed upon the following reports:

- i. *First report of the FSSAI dated 19th March, 2025.*
- ii. *Report of CRCL dated 18th March, 2025.*
- iii. *Report of NFL dated 21st April, 2025.*

On the basis of all these reports, Mr. Aakarsh Srivastava, Id. Counsel submits



that the goods ought not be released.

9. The Court has considered the matter. It is noted that in an application for early hearing, the Petitioner has categorically stated as under:

“12. That the prayer for early hearing of the present matter is being made as the goods are perishable in nature and further the heavy rains will lead to more deterioration of the goods and which may also effect the use of goods in industrial purposes also.

13. That the petitioner, therefore, is preferring the present application with the prayer to kindly allow the present early hearing application.

14. That in view of the submissions made herein above, it is most humbly and with folded hands prayed that this Hon'ble Court may kindly allow the present application and list and hear the present matter before 09.09.2025.”

Hence, the intent of the Petitioner to use the goods for industrial purpose is clearly evident from the said averment.

10. It is further noted that, in fact, the initial FSSAI report was in favour of the Petitioner, however, for whatever reasons the quality of the goods had deteriorated over time and it cannot be said at this point in time that it can be used for human consumption.

11. The Petitioner has clearly given an assurance in **CM Appl. No. 30493/2025** dated 14th May, 2025, stating that it would use the goods only for industrial purpose and the photographs of the industrial bags are also annexed by the Petitioner in its rejoinder. One such image is set out below:



2025:DHC:7891-DB



AN ISO 9001:2015 CERTIFIED COMPANY
C.No. : 305024021461Q

Annexure-D

61



COMMODITY : ROASTED ARECA NUTS★
(Non Edible Grade)

GRADE : INDUSTRIAL

USE : TANNING & DYEING

ORIGIN : INDONESIA

NET WEIGHT : 50 KG (WHEN PKG.)

★ This Product is for Industrial use only
Not Fit For Human Consumption

Imported & Marketed By :

maggu® | 

Maggu Multiventures Private Limited

G-25 A, Vishwakarma Colony, M.B. Road, South Delhi, Delhi-110044

Email : info@maggu.in Phone +91-11-41630840

CIN:U63000DL2016PTC289148

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12. This Court, in *M/s Perfect Trading Company (supra)*, had, in similar circumstances directed as under:

“13. Overall, the reports are not consistent with each other. When the initial import was made, clearly, the FSSAI was of the opinion that the goods are Roasted Areca Nuts. It appears that there has been a deterioration of the product while the consignment has remained with the Customs or with the warehouse. The final report of the NFL which is the most recent report records clearly that there is some damage in the nuts caused by mould and insects and there could also be a musty odour.

14. Overall, this Court is of the opinion that the Roasted Areca Nuts have deteriorated during the entire process of repeated testing.

15. Under such circumstances, no useful purpose would be served by continuing to leave the consignment with the Customs Department as the Petitioner is willing to give an undertaking that the same would not be used for human consumption.

16. Accordingly, the consignment is provisionally released subject to payment of a sum of Rs.5 lakhs as security with the Customs Department. The Customs Department, after provisionally releasing the goods, shall issue a Show cause notice to the Petitioner in accordance with law and adjudicate the matter.

17. Mr. Gagan Uppal, the son of the proprietor – Mr. Naresh Kumar Uppal is present in Court and undertakes to the Court that the goods would not be used for human consumption. Any violation of this shall be construed as contempt of the order of this Court and if the Customs Department or any other Department finds out that the goods are being used for human consumption, stringent action would be liable to be taken. The Petitioner shall ensure that the said consignment of nuts is used for industrial purposes as has been represented to the Court.



18. *The Petition is disposed of in these terms. All pending applications, if any, are also disposed of.”*

13. In the present case, though, the initial report may have been in favour of the Petitioner, all the other reports which have been placed on record subsequently by the Customs Department do not support the Petitioner’s case that the goods are fit for human consumption. The various readings set out in the reports clearly show that the same cannot be used for human consumption as there is possibility of moisture, damage and also mould and insects in the goods *i.e.* Roasted Areca Nuts.

14. Under such circumstances, the Court is not inclined to allow the goods to be released for human consumption. However, the same can be used for the purpose of industrial use.

15. It is, accordingly, directed that the goods shall be provisionally released for the purposes of industrial use only. An undertaking shall be filed by the Petitioner Company’s Director-Mr. Jasbir Singh, undertaking that the goods shall be used only for industrial use. Any violation of this shall be construed as contempt of the order of this Court and if the Customs Department or any other Department finds out that the goods are being used for human consumption, stringent action would be liable to be taken. The Petitioner shall ensure that the said consignment of nuts is used for industrial purposes as has been represented to the Court. The packing of the goods in the above bags shall also take place in the presence of the Customs officials.

16. In addition, the Petitioner shall also deposit a sum of Rs. 5 lakhs as security with the Customs Department. The goods shall be provisionally released upon the said amount being deposited. The Customs Department, after



provisionally releasing the goods, is free to issue a Show cause notice to the Petitioner in accordance with law and adjudicate the matter.

17. The Customs Department is free to take action in accordance with law in respect of any other infraction or violation by the Petitioner.

18. The Petitioner has also agreed to give the copies of the invoices and the details of the party along with the agreement entered into for the purpose of sale/purchase of the goods upon their release. Accordingly, after the sale is effected upon such release, copies of the invoices and the sale agreement shall be given to the Customs Department for their records.

19. The release shall be effected within two weeks subject to the deposit of the amount.

20. The Petition is disposed of in these terms. All pending applications, if any, are also disposed of.

**PRATHIBA M. SINGH
JUDGE**

**SHAIL JAIN
JUDGE**

SEPTEMBER 9, 2025

dj/ss