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

*Date of decision: 20<sup>th</sup> February, 2025*

+ **W.P.(C) 1365/2025 & CM APPL. 6659/2025**

GURJANT SINGH .....Petitioner

Through: Mr. Sumit Sharma, Adv.

Versus

THE CHIEF COMMISSIONER OF CUSTOMS .....Respondent

Through: Mr. Harpreet Singh, SSC with Ms.  
Suhani Mathur, Adv.

**CORAM:**

**JUSTICE PRATHIBA M. SINGH**

**JUSTICE DHARMESH SHARMA**

**Prathiba M. Singh, J. (Oral)**

1. This hearing has been done through hybrid mode.
2. The present petition has been filed under Article 226 of the Constitution of India seeking issuance of an appropriate writ to amend or review the impugned Compounding Order No. 01/2023 dated 8th May, 2023 passed by the Respondent - Chief Commissioner of Customs, Delhi Preventive Zone, New Customs House, IGI Airport, New Delhi.
3. *Vide* the impugned order the Respondent has, *inter alia*, allowed the application of the Petitioner under Section 137 (3) of the Customs Act, 1962 (hereinafter "*the Act*") read with Rule 4(3) and 5 of the Customs (Compounding of Offences) Rules, 2005, subject to payment of the compounding amount of Rs. 2,50,000/-, within 30 days of the receipt of the impugned order.



4. The brief background of the case is that on 1st December, 2019 the Petitioner and another individual namely, Mr. Gurpreet Singh, had arrived on flight No. IX 192 at 1430 hrs at the SGRDJ International Airport, Amritsar.

5. The said persons were found carrying gold weighing 1688.22 grams and 1664.18 grams. The said gold was detained *vide* Recovery cum Seizure Memo dated 1st December, 2019. The Petitioner was arrested on 2nd December, 2019 and was granted regular bail by the Id. JMFC, Amritsar on 01st February, 2020.

6. A show cause notice dated 29th May, 2020 was issued, *inter alia*, for absolute confiscation of the seized gold. The same was finally adjudicated *vide* the impugned order, wherein the compounding amount of Rs.2,50,000/- was imposed in terms of Section 135 (1)(a) of the Act. Immunity from prosecution under the Act was also granted. However, the Petitioner did not make the said deposit within the prescribed time and hence he prays for extension of time before this Court.

7. On the last hearing *i.e.*, 3rd February, 2025 it was submitted by the Id. Counsel for the Petitioner that the Petitioner is still willing to pay the compounding fee if the time is extended. Id. Counsel for the Respondent was requested to seek instructions in the matter.

8. Today, the submission on behalf of the Petitioner is that the Petitioner could not arrange the funds for redemption because he was under financial constraints. It is further submitted that in a similar matter, the Coordinate Bench of this Court in ***Surinder Singh & Ors. v. The Chief Commissioner of Customs; W.P.(C) 13658/2024*** has also extended the time under similar circumstances. The operative portion of the said order reads as under: -

“3. *The Commissioner had further directed that the*



*aforementioned amounts to be paid within thirty days from the date of receipt of the impugned order and the proof of such payment be furnished to the Compounding Authority in terms of the Rule 4(5) of the Customs (Compounding of Offences) Rules, 2005.*

*4. We find no infirmity in the impugned order.”*

*5. The learned counsel appearing for the petitioners has been unable to point out any ground on which the impugned order can be faulted. The only submissions made by him is that the petitioners were merely carriers and the said amounts as determined as a compounding fee is in the upper band of the permissible limit.*

*6. We note that the said amounts as determined, is a small fraction of the currency being carried by the petitioners.*

*7. No interference with the impugned order is called for in these proceedings under Section 226 of the Constitution of India. **However, the petitioners are granted further thirty days from date to deposit the said amounts as determined and furnish the proof of payment of compounding fee to the Compounding Authority.**”*

9. Mr. Harpreet Singh, Id. Counsel, appearing for the Respondent, contests the condonation of delay and submits that the Petitioner has had knowledge of the order and ought to have deposited the amount within time.

10. In view of the fact that the delay was only due to financial difficulties and also considering the value of the gold seized *i.e.*, about 1688.22 grams and 1664.18 grams, the Petitioner is permitted to deposit the amount in terms of the order dated 08th May, 2023.

11. The same shall be deposited within a period of one month. In case the same is deposited, the Order in Original shall be deemed to have been complied with.



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12. However, it is clarified that no further extension of time will be granted.
13. Petition is disposed of in these terms. All pending applications, if any, are also disposed of.

**PRATHIBA M. SINGH  
JUDGE**

**DHARMESH SHARMA  
JUDGE**

**FEBRUARY 20, 2025/Ch**