GST/CUSTOMS PULSE

DAILY CASES - LAW DIGEST_CUSTOMS

(16.10.2026)

CASE SUMMARY – DELHI HIGH COURT AND SUPREME COURT

Commissioner of Customs & Ors.

Vs.

Intzar Ahmad

HC: W.P.(C) 17178/2025, 12.11.2025, 2025:DHC:9997-DB
(Hon'ble Justice Prathiba M. Singh and Shail Jain, JJ.)
SC: SLP (Civil) DIARY No. 49982/2026, 16.10.2026
(Hon'ble Justice J.B. Pardiwala and K. Vinod Chandran, JJ.)

1. Brief Facts

- Intzar Ahmad, travelling from Saudi Arabia, had three cut pieces of gold (233 grams) detained by Customs at IGI Airport under a Detention Receipt dated **19.05.2023**.
- By the time of the writ, no show-cause notice (SCN) had been issued, no hearing given and no order passed. The petitioner relied on the Supreme Court's judgment in *Union of India v. Jatin Ahuja* (Civil Appeal No. 3489/2024).
- The Department argued that SCN had been waived (a printed undertaking) and that the petitioner did not appear for personal hearing or appraisement. The Delhi High Court allowed the petition on 12.11.2025.
- The Department's review petition (RP 41/2026) was dismissed on 17.01.2026, and it then filed an SLP in the Supreme Court and the same has also been dismissed on 16.10.2026.

2. Issues Before the Court

- Can goods seized or detained under Section 110 be held indefinitely when no SCN is issued within the period in Section 110(2) (six months, extendable by a further six months by the Commissioner for recorded reasons)?
- Does a standard-form undertaking signed by a traveller, waiving the SCN and personal hearing, satisfy Section 124 of the Customs Act?

3. Final Decision

Delhi High Court (12.11.2025): Petition allowed. With no SCN issued within the Section 110(2) period, the detained gold had to be released, in line with *Jatin Ahuja*. The printed waiver of SCN and hearing cannot be treated as an oral SCN under Section 124, and the practice of making tourists sign standard-form waivers contravenes Section 124 and natural justice. Release was directed on payment of full customs duty and warehousing charges, with no penalty or redemption fine, by 10.12.2025. The petitioner was to appear before the Department on 27.11.2025 through a nodal officer. The Court also directed the Department to discontinue the standard-form waiver practice (as laid down in *Amit Kumar*).

Supreme Court (16.10.2026): Delay condoned; having heard the Department's counsel (ASG) and perused the record, the Court found "no good ground to interfere" and dismissed the SLP. The order gives no reasons and does not discuss law, so it simply leaves the High Court's direction in force.

4. Case Law Relied Upon

Supreme Court: None cited, since the order is a brief dismissal. The principles come from the High Court judgment, which relied on:

- *Union of India v. Jatin Ahuja, Civil Appeal No. 3489/2024 (Supreme Court)*. The only power to extend the six-month period is the first proviso to Section 110(2); release under Section 110A does not cure the failure to issue SCN; if no Section 124(a) notice is issued within six months (or the extended period of up to one year), the goods must be returned. The time limit in Section 110(2) is distinct from SCN under Section 124.
- *Amit Kumar v. Commissioner of Customs, W.P.(C) 15973/2024, 2025:DHC:751-DB*. Printed waiver of SCN and hearing is not a valid oral SCN. Any waiver must be a conscious declaration, and even then a hearing is required; Customs was directed to stop the practice.
- *Makhinder Chopra v. Commissioner of Customs, New Delhi, 2025:DHC:1162-DB*. Section 124 requires (i) written notice of grounds, (ii) opportunity to make a written representation and (iii) a reasonable personal hearing before confiscation. A standard-form undertaking does not satisfy it.

5. Learning Lessons for Officers

- **Watch the Section 110(2) clock.** Issue the SCN within six months of seizure/detention. If more time is needed, the Commissioner must extend by a recorded order of up to six months and inform the person before the first six

months end.

- **Do not rely on printed waivers.** A standard-form waiver of SCN and personal hearing does not meet Section 124. Issue a proper written SCN, or at least a genuinely requested oral SCN, and give a real hearing.
- **Detention is not a holding device.** Goods held without an SCN or an order will be ordered released, even gold. Release may come on payment of duty and warehousing charges, with penalty and fine given up.
- **Monitor detention registers.** Track every detention receipt against SCN issue dates and put a diary alert at four and five months, so that no case lapses.
- **Record the traveller's absence or non-appearance.** Send notices and keep proof, since the Department's plea that the petitioner did not appear did not help without an SCN.

Disclaimer:

This digest has been prepared by the GSTIndiaPathway team from orders/judgments downloaded from the eCourts Judgments Search portal (judgments.ecourts.gov.in) for the purpose of general orientation/guidance/training of small taxpayers/officers, and it is not a substitute for the certified copy of the order, other applicable law, or professional advice. Though efforts have been made to keep the digest error free, it is possible that some errors might have crept in. Please verify before relying on this digest for any legal or compliance purpose. It is also clarified that AI tools have been used for preparing this document. Feedback or suggestion(s) to improve this document may be given by email to gstindiapathway2002@gmail.com.

******