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

% ***Judgment reserved on: 29.07.2026***

Judgment pronounced on: 19.08.2026

Judgment uploaded on: 19.08.2026

\+ W.P.(C) 7091/2025, CM APPL. 32055/2025 & CM APPL. 50815/2025

ZENLAYER NETWORKS INDIA PRIVATE LIMITED ......Petitioner

Through: Mr. Gajendra Maheshwari, Mr. Siddharth Punj and Ms. Priyamwada Sinha, Advs.

versus

UNION OF INDIA AND ORS. .....Respondents

Through: Ms. Babita Saini, SPC for UOI. Mr. Aditya Singla, SSC along with Mr. Arya, Ms. Shreya, Mr. Dhananjay Gautam, Mr. Akhil and Ms. Sakshi Chandna, Advs. Mr. Anurag Ojha, SSC along Mr. Dipak Raj, Mr. Aryaman Singh Chouhan and Mr. Aditya Chaudhary, Advs. for R-3.

\+ W.P.(C) 1374/2026, CM APPL. 6803/2026 & CM APPL. 6805/2026

AMIT SINGH ......Petitioner

Through: Mr. Gajendra Maheshwari, Mr. Siddharth Punj and Ms. Priyamwada Sinha, Advs

versus

UNION OF INDIA AND ORS. .....Respondents

Through: Ms. Babita Saini, SPC for UOI. Mr. Aditya Singla, SSC along with Mr. Arya, Ms. Shreya, Mr. Dhananjay Gautam, Mr. Akhil and Ms. Sakshi Chandna, Advs. Mr. Anurag Ojha, SSC along with Mr. Dipak Raj, Mr.

Aryaman Singh Chouhan and Mr. Aditya Chaudhary, Advs. for R-3.

\+ W.P.(C) 1407/2026, CM APPL. 6937/2026 & CM APPL. 6939/2026

ZENLAYER NETWORKS INDIA PRIVATE LIMITED ......Petitioner

Through: Mr. Gajendra Maheshwari, Mr. Siddharth Punj and Ms. Priyamwada Sinha, Advs

versus

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Through: Ms. Babita Saini, SPC for UOI. Mr. Aditya Singla, SSC along with Mr. Arya, Ms. Shreya, Mr. Dhananjay Gautam, Mr. Akhil and Ms. Sakshi Chandna, Advs. Mr. Anurag Ojha, SSC along with Mr. Dipak Raj, Mr. Aryaman Singh Chouhan and Mr. Aditya Chaudhary, Advs. for R-3.

\+ W.P.(C) 5470/2026, CM APPL. 26685/2026, CM APPL. 26686/2026 & CM APPL. 26687/2026

RAHI SYSTEMS PRIVATE LIMITED ......Petitioner

Through: Mr. Ashok Dhingra, Ms. Harleen dhingra, Ms. Sonia Gupta, Ms. Muskan Jain & Mr. Kunal rai, Advs.

versus

UNION OF INDIA AND ORS. .....Respondents

Through: Mr. Aditya Singla, SSC along with Mr. Arya, Ms. Shreya, Mr. Dhananjay Gautam, Mr. Akhil and Ms. Sakshi Chandna, Advs. Mr. Anmol Sharma, GP.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE SHAIL JAIN

<u>J U D G M E N T</u>

<u>ANIL KSHETARPAL, J.:</u>

1. By way of the present batch of Writ Petitions, this Court is called upon to examine interconnected controversies arising out of the adjudication proceedings initiated pursuant to an investigation conducted by the Directorate of Revenue Intelligence [‘DRI’] in relation to imports of information technology and networking equipment by M/s Zenlayer Networks India Private Limited [‘Zenlayer’]. Since the Petitions arise from the same investigation, involve overlapping factual and legal issues and were heard together, they are being disposed of by this common judgment.

2. W.P.(C.) No.7091/2025 has been instituted by Zenlayer primarily assailing Notification No.58/2024-Customs (N.T.) dated 04.09.2024 issued by the Central Board of Indirect Taxes and Customs [‘CBIC’], whereby a Common Adjudicating Authority [‘CAA’] came to be appointed in respect of only one of the three Show Cause Notices [‘SCNs’] issued pursuant to the DRI investigation. The principal relief sought in the said Petition is for appointment of a single CAA for adjudication of all three SCNs dated 02.01.2023, 20.11.2023 and 21.11.2023.

3. W.P.(C.) No.1407/2026 has also been instituted by Zenlayer and assails Order-in-Original Nos.48-49/2025-26/DR/Pr.Commr./

ACC Import dated 14.11.2025 passed by Respondent No.5, whereby the adjudication in respect of SCN No.24/2022-23 dated 02.01.2023 and SCN No.40/2023-24 dated 20.11.2023 culminated in confirmation of the demand proposed therein along with applicable penalties. The challenge, inter alia, is founded on the alleged violation of the orders passed by this Court in W.P.(C.) No.7091/2025, denial of an effective opportunity of hearing, violation of the principles of natural justice and, in respect of SCN No.24/2022-23, the alleged expiry of the statutory period for determination of the duty.

4. W.P.(C.) No.1374/2026 has been preferred by Mr. Amit Singh, who was associated with Zenlayer as its General Manager/Country Head from January 2020 and became a Director of the company in February 2021. He was arrayed as a noticee in the proceedings arising from the DRI investigation. The challenge in the said Petition, *inter alia*, concerns the adjudication proceedings culminating in the Order-in-Original dated 14.11.2025 and proceeds on the grounds of non-consideration of his detailed reply to SCN No.24/2022-23 and the alleged denial of an effective opportunity of personal hearing.

5. W.P.(C.) No.5470/2026 has been preferred by M/s Rahi Systems Private Limited [‘Rahi Systems’], one of the co-noticees in Show Cause Notice No.40/2023-24 dated 20.11.2023. The challenge therein is directed against Order-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025, insofar as it concerns the Petitioner, principally on the ground that the adjudication proceedings were conducted in violation of the principles of natural justice by failing to afford the Petitioner an effective opportunity of

hearing.

FACTUAL MATRIX

6. In order to appreciate the controversy involved in the present batch of Petitions, the relevant facts, in brief, are required to be noticed.

7. Zenlayer is engaged in the business of providing cloud and edge networking services through deployment of information technology infrastructure comprising servers, routers, switches, optical modules and other networking equipment at various data centres across the country. For the purposes of its business operations, the company imports substantial quantities of such networking equipment.

8. The DRI, Delhi Zonal Unit, initiated an investigation into the import of such networking equipment. During the course of the investigation, it was alleged that the imports had been undertaken through third-party Importer Exporter Code [‘IEC’] holders, by resorting to undervaluation and misdeclaration of imported goods and without complying with the requirements of the Bureau of Indian Standards [‘BIS’]. The investigation culminated in issuance of the following three SCNs:

S.No.	*Show Cause Notice*	*Issuing Authority*	*Nature of Proceedings*
1.	*Show Cause Notice No.24/2022-23 dated 02.01.2023*	*Additional Commissioner of Customs, Air Cargo Complex (Import), New Delhi*	*Pertaining to four live consignments intercepted at the time of import, proposing confiscation of goods under Section 111 of the Customs Act together with recovery*

			of differential customs duty and imposition of penalties under Sections 112 and 114 thereof.
2.	*Show Cause Notice No.40/2023-24 dated 20.11.2023*	*Principal Commissioner of Customs, ACC (Import), New Delhi*	*Pertaining to seventy-four Bills of Entry relating to consignments already cleared and proposing recovery of differential customs duty under Section 28(4) of the Customs Act together with consequential penalties.*
3.	*Show Cause Notice No.12/2023 dated 21.11.2023*	*Joint/ Additional Director, Directorate of Revenue Intelligence, Delhi Zonal Unit*	*Pertaining to imported networking equipment found at various data centres situated across different jurisdictions in respect whereof, according to the Department, no lawful import documentation or evidence of customs clearance could be produced.*

9. After issuance of the aforesaid SCNs, Zenlayer submitted a representation dated 02.04.2024 requesting appointment of a CAA for adjudication of all three SCNs.

10. Pursuant thereto, CBIC issued Notification No.58/2024-Customs (N.T.) dated 04.09.2024 appointing the Additional or Joint Commissioner of Customs, Office of Commissioner of Customs (Preventive), Mumbai, as the CAA in respect of Show Cause Notice No.12/2023 dated 21.11.2023. No CAA was appointed in respect of Show Cause Notice Nos.24/2022-23 dated 02.01.2023 and 40/2023-24 dated 20.11.2023.

11. Aggrieved thereby, Zenlayer instituted W.P.(C.) No.7091/2025 before this Court seeking quashing of the Notification dated 04.09.2024 to the extent it restricted the appointment of a CAA to only one SCN and seeking consequential directions for appointment of a single CAA for adjudication of all three SCNs.

12. During the pendency of W.P.(C.) No.7091/2025, the matter came up before this Court on 23.05.2025, 28.05.2025 and 28.07.2025. Thereafter, by order dated 19.08.2025, this Court directed that the personal hearing fixed on 21.08.2025 before the Commissioner of Customs, Mumbai, be adjourned to a date beyond 10.11.2025. The said order also recorded, *prima facie*, that no useful purpose would be served in having different authorities adjudicate the SCNs arising from the same fact situation and that multiplicity of adjudication could result in contradictory findings and outcomes.

13. While W.P.(C.) No.7091/2025 was pending, adjudication proceedings in respect of SCN Nos.24/2022-23 dated 02.01.2023 and 40/2023-24 dated 20.11.2023 continued before the customs authorities at New Delhi. A personal hearing notice dated 11.09.2025 was issued by Respondent No.5 fixing the hearing in respect of SCN Nos.24/2022-23 and 40/2023-24 on 22.09.2025. Zenlayer addressed a communication dated 16.09.2025, inter alia, referring to the order dated 19.08.2025 passed by this Court and requesting that the hearing be deferred.

14. Subsequently, Order-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025 came to be passed by Respondent No.5 in respect of SCN Nos.24/2022-23 dated

02.01.2023 and 40/2023-24 dated 20.11.2023. The said Order-in-Original has been assailed by Zenlayer in W.P.(C.) No.1407/2026.

15. Mr. Amit Singh was associated with Zenlayer as its General Manager/Country Head from January 2020 and became a Director of the company in February 2021. During the DRI investigation, his statements came to be recorded on 18.10.2022, 19.10.2022 and 20.10.2022. He was thereafter arrayed as a noticee in all three SCNs arising from the investigation.

16. Insofar as the adjudication proceedings are concerned, Mr. Amit Singh submitted a detailed reply dated 27.03.2023 to SCN No.24/2022-23. He thereafter addressed communications dated 11.04.2024, 14.10.2024 and 21.03.2025 seeking appointment of a CAA for adjudication of all three SCNs and objecting to continuation of the adjudication proceedings pending consideration of the said request. During this period, personal hearing notices were issued in respect of the SCNs and Mr. Amit Singh, through his communications in response thereto, repeatedly brought to the notice of the concerned authorities the pendency of his request for appointment of a CAA and sought deferment of the proceedings.

17. By corrigendum dated 25.02.2025, the Principal Commissioner/Commissioner of Customs, Export Commissionerate, ICD Tughlakabad, New Delhi was appointed as the adjudicating authority in respect of SCN Nos.24/2022-23 dated 02.01.2023 and 40/2023-24 dated 20.11.2023. Subsequently, by a further corrigendum dated 15.05.2025, the aforesaid appointment was withdrawn and Respondent No.5 was appointed as the adjudicating authority in

respect of the said SCNs.

18. A personal hearing notice dated 11.09.2025 was thereafter issued by Respondent No.5 fixing the hearing in respect of SCN Nos.24/2022-23 and 40/2023-24 on 22.09.2025. Mr. Amit Singh contends that the said notice was not received by him and that he was consequently not afforded an effective opportunity of personal hearing before the passing of the Order-in-Original dated 14.11.2025. The said Order-in-Original records, *inter alia*, that no written submissions had been made by Mr. Amit Singh.

19. Rahi Systems is engaged in the business of providing information technology infrastructure solutions and allied services. It was arrayed as Co-Noticee No.13 in Show Cause Notice No.40/2023-24 dated 20.11.2023 on the allegation that its Importer Exporter Code ['IEC'] had been utilised by Zenlayer for import of servers and other information technology equipment into India by resorting to undervaluation and other violations of the Customs Act. While the principal demand of differential customs duty was proposed against Zenlayer, the SCN also proposed imposition of penalties upon various IEC holders, including Rahi Systems, under Sections 112(a) and 114AA of the Customs Act on the allegation that they had knowingly and actively assisted in the aforesaid imports.

20. The record discloses that Rahi Systems entered appearance before the adjudicating authority through counsel and filed its *Vakalatnama* on 20.12.2023. A notice of personal hearing dated 04.10.2024, fixing the hearing on 15.10.2024, was thereafter issued to Rahi Systems at the email address of a former employee of the

company. According to Rahi Systems, the said notice came to its knowledge only on 14.10.2024. On 15.10.2024, Rahi Systems addressed an email to the adjudicating authority seeking an adjournment and, while doing so, also furnished three email addresses for future correspondence, stating that the email address to which the notice dated 04.10.2024 had been sent was no longer in use.

21. It is the case of Rahi Systems that, notwithstanding the aforesaid communication, it was not served with the corrigenda dated 25.02.2025 and 15.05.2025 or with notices of the subsequent personal hearings stated to have been conducted on 28.04.2025, 15.05.2025 and 22.09.2025. According to Rahi Systems, no notice of the subsequent proceedings was served upon it at the email addresses furnished by it on 15.10.2024 and it consequently remained unaware of the proceedings culminating in the Order-in-Original dated 14.11.2025. Rahi Systems states that it came to know of the adjudication only upon receipt of the said Order-in-Original by post at its registered address in Pune on 01.12.2025.

22. By the aforesaid Order-in-Original dated 14.11.2025, penalties of Rs.2,00,00,000/- under Section 112(a)(i) of the Customs Act and Rs.4,00,00,000/- under Section 114AA thereof were imposed upon Rahi Systems.

23. The Petitioners in W.P.(C.) Nos.1407/2026, 1374/2026 and 5470/2026 have accordingly assailed the adjudication culminating in the Order-in-Original dated 14.11.2025 on grounds which, though varying in their precise formulation, substantially concern the legality of the adjudication proceedings and the fairness of the opportunity

afforded to the respective Petitioners during such proceedings. The Respondents have entered appearance and filed their respective replies/counter affidavits opposing the Writ Petitions.

CONTENTIONS ON BEHALF OF THE PARTIES

24. Contentions on behalf of the Petitioner in W.P.(C) 7091/2025 & W.P.(C) 1407/2026

24.1 Learned counsel for the Zenlayer submitted that the three SCNs arise from a single investigation conducted by the DRI and involve common facts, allegations and evidence. It was submitted that 19 RUDs are common to all three SCNs, while all 99 RUDs relied upon in SCN Nos.40/2023-24 dated 20.11.2023 and 12/2023 dated 21.11.2023 are common. It was further submitted that substantial portions of the latter SCN reproduce the contents of SCN No.40/2023-24. According to the learned counsel, the three SCNs therefore constitute a connected group of proceedings which ought to be adjudicated by a single authority.

24.2 It was submitted that Circular No.30/2015 dated 04.12.2015 issued by the CBIC provides for appointment of a CAA in cases involving an aggregate customs duty demand of Rs.5 crores or more and identical issues. It was contended that the conditions stipulated in the Circular stood satisfied in the present case and that the Petitioner had accordingly applied on 02.04.2024 for appointment of a CAA for all three SCNs. The subsequent appointment of a CAA only in respect of SCN No.12/2023 was contrary to the aforesaid Circular. It was further submitted that the Circulars issued by the Board are binding upon the authorities functioning under it.

24.3 Reliance was placed upon ***Star Delta Exim (P) Ltd. v. Union of India***[1] to contend that where different show cause notices arise from the same subject matter and are founded upon common evidence, their adjudication by a single authority is warranted to obviate the possibility of divergent findings. It was submitted that the said decision was affirmed by the Supreme Court in ***Union of India v. Star Delta Exim (P) Ltd.***[2] wherein the direction for adjudication of the connected show cause notices by one authority was upheld.

24.4 It was further submitted that this Court, while considering the Petitioner's challenge to the appointment of the CAA, had recorded in its order dated 19.08.2025 a *prima facie* view that no useful purpose would be served by having different authorities adjudicate the SCNs arising from the same fact situation and that multiplicity of adjudication could result in contradictory findings and outcomes. It was contended that, in these circumstances, all three SCNs ought to be adjudicated by a single authority.

24.5 Insofar as W.P.(C.) No.1407/2026 is concerned, it was submitted that, notwithstanding the pendency of W.P.(C.) No.7091/2025 and the order dated 19.08.2025 passed therein, Respondent No.5 proceeded with the adjudication of SCN Nos.24/2022-23 and 40/2023-24. It was submitted that, upon receipt of the personal hearing notice dated 11.09.2025 fixing the hearing on 22.09.2025, the Petitioner, by communication dated 16.09.2025,

[1] 2019 (37) E.L.T. 133 (Raj.)
[2] 2022 (380) E.L.T. 398 (S.C.)

specifically brought the order dated 19.08.2025 to the notice of Respondent No.5 and requested deferment of the proceedings.

24.6. It was submitted that, notwithstanding the said communication and the Petitioner's request that no adverse order be passed without affording it an opportunity of hearing, Respondent No.5 proceeded to pass the Order-in-Original dated 14.11.2025. It was contended that no further effective opportunity of personal hearing was afforded to the Petitioner before the said Order-in-Original was passed and that the Impugned Order was consequently vitiated by violation of the principles of natural justice.

25. Contentions on behalf of the Petitioner in W.P.(C) 1374/2026

25.1 It was submitted that the factual and legal background of the present Petition substantially overlaps with that of W.P.(C.) No.1407/2026 and that the Petitioner adopts the submissions advanced on behalf of Zenlayer in the said Petition, insofar as they are applicable to him.

25.2 It was further submitted that the Petitioner herein had filed a detailed reply dated 27.03.2023 to SCN No.24/2022-23 dated 02.01.2023. However, the Order-in-Original dated 14.11.2025 proceeded on the erroneous premise that no written submissions had been made by him. It was therefore contended that the adjudicating authority failed to consider a material defence submitted by the Petitioner and, consequently, the findings recorded against him stood vitiated by non-consideration of the material on record.

25.3 It was further submitted that the Petitioner was not afforded an effective opportunity of personal hearing before the passing of the Order-in-Original. It was pointed out that personal hearing notices dated 04.10.2024 and 05.05.2025 were responded to by the Petitioner through communications dated 14.10.2024 and 14.05.2025, respectively, requesting that the proceedings be deferred in view of the pending request for appointment of a CAA. Thereafter, although a further personal hearing notice dated 11.09.2025 was stated to have been issued, the Petitioner contended that the same was never received by him.

26. Contentions on behalf of the Petitioner in W.P.(C.) 5470/2026

26.1 It was submitted that W.P.(C) 5470/2026 is confined to the legality of the adjudication proceedings, insofar as the Petitioner is concerned, on the ground that the Order-in-Original dated 14.11.2025 was passed without affording it a real and effective opportunity of hearing. It was submitted that the Petitioner was arrayed as Co-Noticee No.13 in SCN No.40/2023-24 dated 20.11.2023 and had duly entered appearance before the adjudicating authority by filing its *Vakalatnama* on 20.12.2023. Therefore, the Petitioner had not remained absent from the proceedings from the outset.

26.2 It was submitted that the personal hearing notice dated 04.10.2024, fixing the hearing for 15.10.2024, was sent to an email address belonging to a former employee of the Petitioner and came to the Petitioner's knowledge only on 14.10.2024. On 15.10.2024, the Petitioner's authorised representative addressed an email to the adjudicating authority seeking an adjournment and, importantly, furnished 03 alternative email addresses for all future correspondence.

It was contended that, having thus specifically intimated the adjudicating authority of the correct email addresses, the Petitioner was entitled to receive all subsequent notices and communications at those addresses.

26.3 It was submitted that, notwithstanding the aforesaid communication, the corrigenda dated 25.02.2025 and 15.05.2025, as well as the notices relating to the personal hearings stated to have been fixed on 28.04.2025, 15.05.2025 and 22.09.2025, were not served upon the Petitioner at any of the 03 email addresses furnished on 15.10.2024. Consequently, the Petitioner remained unaware of the subsequent proceedings and had no occasion to place its defence before the adjudicating authority.

26.4 It was further submitted that the Order-in-Original dated 14.11.2025 was consequently passed *ex parte* insofar as the Petitioner is concerned and imposed penalties of Rs.2,00,00,000/- under Section 112(a)(i) and Rs.4,00,00,000/- under Section 114AA of the Customs Act. It was contended that the absence of written submissions from the Petitioner could not be treated as a failure on its part to participate in the proceedings when the subsequent hearing notices themselves had not been served upon it at the addresses specifically furnished for that purpose.

26.5. Attention was drawn to the finding recorded in the Order-in-Original that the hearing notices for 28.04.2025 and 15.05.2025 had been "also served on the Noticees". It was submitted that there was no material on record demonstrating service of the said notices upon the Petitioner at any of the 03 email addresses furnished by it on

15.10.2024. According to the learned counsel, the aforesaid finding was therefore contrary to the record insofar as the Petitioner was concerned and could not sustain the conclusion that the Petitioner had been afforded an opportunity of hearing.

26.6 Reliance was placed upon ***Jupiter Exports v. Commissioner of GST***[3] and ***Alaknanda Steel v. Commissioner***[4] to contend that an opportunity of hearing must be real and effective and that an *ex parte* order passed without proper service of the hearing notice is unsustainable in law.

27. Contentions on behalf of the Respondents

27.1 *Per* contra, learned counsel for the Respondents raised a preliminary objection to the maintainability of the present Writ Petitions in view of the efficacious alternative statutory remedy available to the Petitioners under Section 128 of the Customs Act. It was submitted that the challenge in W.P.(C.) Nos.1407/2026, 1374/2026 and 5470/2026 is directed against the Order-in-Original dated 14.11.2025 and essentially seeks re-examination of the adjudication proceedings, the evidence on record and the findings returned by the adjudicating authority. According to the learned counsel, such matters fall within the statutory appellate mechanism and do not warrant exercise of the extraordinary jurisdiction of this Court under Article 226 of the Constitution.

27.2 It was further submitted that Zenlayer had itself approached this Court in W.P.(C.) No.7091/2025 seeking appointment of a CAA and

[3] 2023 SCC OnLine Del 4343
[4] (2025) 31 Centax 245 (Del.)

had thereafter participated in the adjudication proceedings. It was contended that the Petitioners cannot, merely because the adjudication has culminated in an order adverse to them, bypass the statutory appellate remedy and invoke the writ jurisdiction of this Court. It was submitted that no exceptional circumstance warranting interference under Article 226 had been demonstrated.

27.3 It was further submitted that the 03 SCNs, although emanating from the same DRI investigation, concern materially different factual situations, categories of goods and stages at which the alleged violations came to light. It was submitted that SCN No.24/2022-23 dated 02.01.2023 concerns live consignments intercepted at the time of import and proposes confiscation of the goods under Section 111 of the Customs Act, together with consequential duty and penalties. SCN No.40/2023-24 dated 20.11.2023, on the other hand, concerns seventy-four (74) Bills of Entry covering consignments which had already been cleared through various Customs formations and proposes recovery of differential customs duty under Section 28(4) of the Customs Act along with consequential penalties. SCN No.12/2023 dated 21.11.2023 concerns imported information technology and networking equipment found at various data centres in different jurisdictions in respect of which, according to the Department, no valid import documentation or evidence of lawful customs clearance could be produced.

27.4 It was therefore submitted that the mere fact that the SCNs arose from a common investigation did not, by itself, render them incapable of separate adjudication. According to the learned counsel, the proceedings involve different consignments, different factual circumstances and different statutory consequences. It was submitted that SCN Nos.24/2022-23 and 40/2023-24 fell within the jurisdiction of the Customs authorities at New Delhi, whereas SCN No.12/2023 involved goods located across multiple jurisdictions and was, for that reason, dealt with separately. The appointment of a CAA in respect of SCN No.12/2023 was accordingly justified in the facts and circumstances of the case.

27.5 In response to the reliance placed by the Petitioners upon the order dated 19.08.2025 passed in W.P.(C.) No.7091/2025, it was submitted that the said order did not stay or otherwise restrain the adjudication proceedings in respect of SCN Nos.24/2022-23 and 40/2023-24 before the adjudicating authority at New Delhi. It was submitted that the direction contained in the said order was confined to adjourning the personal hearing fixed on 21.08.2025 before the Commissioner of Customs, Mumbai to a date beyond 10.11.2025. According to the Respondents, SCN Nos.24/2022-23 and 40/2023-24 were not pending adjudication before the Commissioner of Customs, Mumbai and, consequently, there was no impediment to their adjudication by the competent authority at New Delhi.

27.6 It was further submitted that the Petitioners' allegation that the Order-in-Original dated 14.11.2025 was passed in disregard of the order dated 19.08.2025 was therefore misconceived. It was contended that, the order dated 19.08.2025 having not interdicted the adjudication of SCN Nos.24/2022-23 and 40/2023-24, the proceedings before Respondent No.5 were validly continued.

27.7 Insofar as W.P.(C.) No.1374/2026 is concerned, it was submitted that Mr. Amit Singh had been issued several notices for personal hearing, including notices dated 20.02.2024, 31.05.2024, 04.10.2024, 29.10.2024, 07.03.2025, 11.04.2025 and 05.05.2025. It was submitted that the Petitioner had responded to some of these notices and had himself sought deferment of the proceedings on the ground of the pending request for appointment of a CAA. According to the Respondents, having repeatedly sought deferment of the proceedings, the Petitioner could not subsequently contend that he had been denied an opportunity of hearing.

27.8 It was further submitted that the mere assertion that the personal hearing notice dated 11.09.2025 was not received by Mr. Amit Singh could not, in the absence of any demonstrated prejudice, invalidate the entire adjudication proceedings. The Respondents accordingly contended that the allegation of violation of principles of natural justice was without merit.

27.9 Insofar as W.P.(C.) No.5470/2026 is concerned, the Respondents disputed the allegation that Rahi Systems had been denied an opportunity of hearing. It was submitted that the Petitioner had been a noticee in the proceedings and had entered appearance through counsel. The Respondents, however, contended that the subsequent proceedings had been duly undertaken in accordance with law and that the mere assertion of non-receipt of individual communications could not, by itself, establish that the adjudication was conducted in violation of the principles of natural justice.

27.10 It was accordingly submitted that the Petitioners had failed to establish either any want of jurisdiction or any exceptional circumstance warranting exercise of writ jurisdiction in the face of the statutory appellate remedy. It was submitted that the challenges to the Order-in-Original dated 14.11.2025 ought, therefore, to be relegated to the appellate remedy available under Section 128 of the Customs Act.

ISSUES FOR DETERMINATION

28. In view of the rival submissions, the following issues arise for determination:

i. Whether the Petitioner in W.P.(C.) No.7091/2025 is entitled to a direction for appointment of a CAA for adjudication of all three SCNs arising from the DRI investigation?

ii. Whether the adjudication of SCN Nos.24/2022-23 dated 02.01.2023 and 40/2023-24 dated 20.11.2023, culminating in Orders-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025, was impermissible on account of the pendency of W.P.(C.) No.7091/2025 and the order dated 19.08.2025 passed therein?

iii. Whether the Orders-in-Original dated 14.11.2025 are liable to be set aside, insofar as Zenlayer and Mr. Amit Singh are concerned, on the ground that they were not afforded an effective opportunity of hearing?

iv. Whether the Orders-in-Original dated 14.11.2025 are liable to be set aside, insofar as Rahi Systems is concerned, on the ground that it was not served with the subsequent notices of personal hearing and was consequently denied an effective opportunity to present its defence?

v. Whether the challenge to the Orders-in-Original dated 14.11.2025, including the contention regarding limitation in respect of SCN No.24/2022-23 dated 02.01.2023, ought to be examined in exercise of the writ jurisdiction of this Court notwithstanding the statutory appellate remedy available under Section 128 of the Customs Act?

ANALYSIS & FINDINGS

29. This Court has carefully considered the submissions advanced on behalf of the parties and perused the material on record.

30. The first question concerns the prayer made by Zenlayer in W.P.(C.) No.7091/2025 for appointment of a CAA in respect of all three SCNs. It is not in dispute that the three SCNs emanate from the investigation conducted by the DRI in relation to the imports undertaken by Zenlayer and that there is substantial overlap in the material relied upon by the Department. The request for common adjudication is, therefore, not without basis.

31. The fact, however, remains that the three SCNs have distinct subject matters and arise at different stages of the alleged transactions. SCN No.24/2022-23 dated 02.01.2023 concerns live consignments intercepted at the time of import and proposes, inter alia, confiscation of the goods and recovery of differential customs duty. SCN No.40/2023-24 dated 20.11.2023 concerns seventy-four Bills of Entry relating to consignments which had already been cleared and proposes

recovery of differential duty under Section 28(4) of the Customs Act together with consequential penalties. SCN No.12/2023 dated 21.11.2023 concerns networking equipment found at different data centres in respect of which the Department alleges that no lawful import documentation or evidence of customs clearance could be produced.

32. The decision in ***Star Delta Exim (P) Ltd. v. Union of India*** *(supra)*, subsequently affirmed by the Supreme Court in ***Union of India v. Star Delta Exim (P) Ltd.*** *(supra)*, recognises the utility of common adjudication where connected show cause notices arise from substantially common material and separate adjudication may result in inconsistent findings. The principle, however, cannot be understood as laying down that every show cause notice emanating from a common investigation must, irrespective of the nature of the allegations and reliefs proposed therein, necessarily be adjudicated by one authority.

33. In the present case, it is not necessary for this Court to finally determine the scope of the aforesaid principle or to pronounce upon every aspect of Zenlayer's challenge to the decision to appoint a CAA only in respect of SCN No.12/2023. The circumstances which have subsequently intervened are material. While W.P.(C.) No.7091/2025 remained pending, SCN Nos.24/2022-23 and 40/2023-24 came to be adjudicated by Respondent No.5 by Orders-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025. The validity of that adjudication is itself under consideration in the connected petitions.

34. The order dated 19.08.2025 passed in W.P.(C.) No.7091/2025

does not lead to a contrary conclusion. The observations recorded therein were prima facie observations at an interlocutory stage. The operative direction was to adjourn the personal hearing fixed before the Commissioner of Customs, Mumbai to a date beyond 10.11.2025. The said order did not expressly stay the adjudication proceedings in respect of SCN Nos.24/2022-23 and 40/2023-24 before the competent authority at New Delhi.

35. Consequently, the pendency of W.P.(C.) No.7091/2025, by itself, did not render the subsequent adjudication of SCN Nos.24/2022-23 and 40/2023-24 without jurisdiction. The communication dated 16.09.2025 addressed by Zenlayer to Respondent No.5, bringing the order dated 19.08.2025 to the notice of the adjudicating authority and requesting deferment of the proceedings, was undoubtedly a circumstance requiring consideration. It did not, however, amount to an order of this Court restraining Respondent No.5 from proceeding with the adjudication.

36. In view of the subsequent adjudication of two of the three SCNs, this Court is not persuaded that any useful or effective purpose would now be served by directing, in W.P.(C.) No.7091/2025, that all three SCNs be placed before a CAA. Such a direction would necessarily require the adjudication already undertaken in respect of SCN Nos.24/2022-23 and 40/2023-24 to be displaced, while the validity of that very adjudication is presently under consideration in the connected petitions.

37. The prayer in W.P.(C.) No.7091/2025 for appointment of a CAA in respect of all three SCNs is, accordingly, not liable to be

granted at this stage. This conclusion, however, is confined to the relief sought in the present proceedings and does not amount to an adjudication upon the merits of the allegations contained in the respective SCNs.

38. The remaining petitions assail the Orders-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025. The principal question at this stage is whether the grounds urged by the respective Petitioners warrant exercise of the extraordinary jurisdiction of this Court notwithstanding the statutory appellate remedy available under Section 128 of the Customs Act.

39. The existence of an alternative statutory remedy is not an absolute bar to the exercise of jurisdiction under Article 226 of the Constitution. The Court may nevertheless decline to exercise such jurisdiction where the impugned order has been passed by a competent statutory authority and the challenge substantially involves examination of the adjudication record, disputed questions of fact, appreciation of material and matters which can effectively be considered by the statutory appellate forum.

40. The present Orders-in-Original constitute a consolidated adjudication in respect of twenty-three (23) firms and individuals. The challenges brought before this Court do not rest upon a common jurisdictional defect apparent on the face of the record. The objections raised by the Petitioners, though arising from their respective circumstances, essentially concern the manner in which the adjudication proceedings were conducted and the consideration accorded to the material relating to the respective Noticees.

41. In the case of Mr. Amit Singh, it is not in dispute that he is one of the co-noticees and that he has been penalised in the adjudication in the capacity in which he was working as the General Manager of Zenlayer Networks India Pvt. Ltd. The principal grievance urged on his behalf is the alleged non-consideration of his reply dated 27.03.2023 to SCN No.24/2022-23. The Respondents, however, contest this position and rely upon the opportunities of personal hearing stated to have been afforded to him during the course of the adjudication proceedings.

42. Whether the said reply was duly received and formed part of the adjudication record, whether it was considered by the adjudicating authority and what opportunities of personal hearing were in fact afforded to Mr. Amit Singh are matters which require examination of the complete adjudication record. These aspects can appropriately be examined by the statutory appellate authority, which has ample power to consider the reply relied upon by the Petitioner and, where warranted, afford him an opportunity to present his case. In these circumstances, particularly when the impugned order is a consolidated order passed by the Principal Commissioner of Customs against several Noticees, setting it aside *qua* Mr. Amit Singh on disputed questions of fact would not be appropriate in exercise of writ jurisdiction.

43. The position of Rahi Systems is similar. The Petitioner claims that, despite informing the adjudicating authority on 15.10.2024 of three alternative email addresses, the subsequent notices were not served upon those addresses and were instead sent to an email address

which, according to the Petitioner, belonged to a former employee. The Respondents dispute the allegation. Whether the subsequent notices were duly served, the manner in which they were transmitted and the effect of such service upon the opportunity available to Rahi Systems are matters which can be examined by the statutory appellate authority on the basis of the complete adjudication record.

44. Rahi Systems is also one of the co-noticees against whom the consolidated adjudication has proceeded and upon whom penalties have been imposed. The mere assertion of violation of the principles of natural justice, where the existence and effect of the alleged procedural violation depend upon disputed questions of fact, does not by itself warrant bypassing the statutory appellate mechanism. The appellate authority is competent to examine the record and determine whether Rahi Systems was afforded an effective opportunity to present its defence and whether any prejudice was occasioned to it.

45. The consolidated nature of the impugned Orders-in-Original assumes significance in the present context. The adjudicating authority, namely the Principal Commissioner of Customs, has passed a common order dealing with as many as twenty-three (23) firms and individuals. Zenlayer Networks India Pvt. Ltd. is the principal beneficiary identified in the adjudication and, insofar as Zenlayer is concerned, the material placed before this Court demonstrates that sufficient notices and opportunities were afforded to it during the adjudication proceedings.

46. In these circumstances, setting aside the consolidated Orders-in-Original only *qua* Mr. Amit Singh or Rahi Systems, on disputed

questions concerning the receipt or consideration of particular communications and the opportunities afforded to them, would not be an appropriate exercise of the extraordinary jurisdiction of this Court. The statutory appellate authority is better placed to examine these individual grievances in the context of the complete adjudication record and to grant such relief as may be permissible in law.

47. The same consideration applies to Zenlayer's challenge to the Orders-in-Original, including its contention that the adjudication of SCN Nos.24/2022-23 and 40/2023-24 ought not to have proceeded in view of the order dated 19.08.2025 and its objection concerning the statutory period for determination of duty in respect of SCN No.24/2022-23. As already held hereinabove, the order dated 19.08.2025 did not expressly stay the adjudication before Respondent No.5. The remaining objections require examination of the relevant show cause notice, the underlying transactions, the dates material for the computation of limitation and the findings recorded in the Orders-in-Original.

48. This Court is, therefore, not persuaded that the present Writ Petitions disclose circumstances warranting departure from the ordinary rule of relegating the Petitioners to the statutory appellate remedy. No inherent lack of jurisdiction on the part of the adjudicating authority has been demonstrated. Nor is this a case where the Court is called upon to decide a pure question of law which the statutory appellate forum is incapable of examining.

49. The Court is conscious that the Petitioners have relied upon decisions concerning the requirement of a real and effective

opportunity of hearing and the consequences of an adjudication undertaken without proper service of notice. Those principles remain undisputed. The question whether those principles were violated in the individual cases, however, depends upon examination of the disputed factual record relating to the respective Noticees. Such examination can appropriately be undertaken by the statutory appellate authority.

50. In these circumstances, the Court declines to examine, at the first instance, the individual procedural objections raised by Mr. Amit Singh and Rahi Systems or the substantive objections raised by Zenlayer to the Orders-in-Original. The Petitioners shall remain at liberty to urge all such grounds before the competent appellate forum. The dismissal of the present petitions on the ground of availability of the statutory remedy shall not preclude the appellate authority from considering such objections in accordance with law.

51. Nothing contained herein shall be construed as an expression of opinion on the merits of the allegations contained in the respective show cause notices, the valuation adopted by the Department, the liability to duty or penalty, the question of limitation, or the individual procedural objections raised by the Petitioners. All such questions are left open for consideration by the competent appellate forum in accordance with law.

CONCLUSION

52. In view of the foregoing discussion, the present batch of Writ Petitions is disposed of in the following terms:

I. W.P.(C.) No.7091/2025 is dismissed. The prayer for appointment of a CAA for adjudication of all three SCNs is declined in the facts and circumstances of the case. The pendency of the said Writ Petition and the order dated 19.08.2025 passed therein did not render the subsequent adjudication of SCN Nos.24/2022-23 and 40/2023-24 without jurisdiction. This Court has expressed no opinion on the merits of the allegations contained in the respective SCNs.

II. W.P.(C.) No.1407/2026 is dismissed. The challenge to the Orders-in-Original Nos.48-49/2025-26/DR/Pr.Commr./ACC Import dated 14.11.2025 is not entertained in exercise of writ jurisdiction. Zenlayer shall be at liberty to avail the statutory appellate remedy and to urge therein all contentions available to it in law, including the contention regarding limitation in respect of SCN No.24/2022-23 and the effect of the order dated 19.08.2025.

III. W W.P.(C.) No.1374/2026 is dismissed. Mr. Amit Singh shall be at liberty to avail the statutory appellate remedy and to urge therein all contentions available to him in law, including the contention regarding the alleged non-consideration of his written reply dated 27.03.2023 and the alleged denial of an effective opportunity of hearing.

IV. W.P.(C.) No.5470/2026 is dismissed. M/s Rahi Systems Private Limited shall be at liberty to avail the statutory appellate remedy and to urge therein all contentions available to it in law, including its contention regarding service of the subsequent notices of personal hearing, the three email addresses furnished by it on 15.10.2024 and the alleged denial of an effective opportunity to present its defence.

V. The dismissal of W.P.(C.) Nos.1374/2026, 1407/2026 and 5470/2026 shall not preclude the respective Petitioners from raising before the competent appellate forum all substantive and procedural objections available to them in law. Nothing contained in this judgment shall be construed as an expression of opinion on the merits of such contentions.

53. The pending applications also stand closed.

ANIL KSHETARPAL, J.

SHAIL JAIN, J.

AUGUST 19, 2026
jai /pal