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

CNR No. DLHC010270742025

+ W.P.(C) 5931/2025

M/S YUTAKA AUTOPARTS INDIA PRIVATE LIMITED

.....Petitioner

Through: Ms. Anjlika Chopra and Mr.
Puneet Chopra, Advs.

versus

THE UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Premtosh K. Mishra, CGSC
and Mr. Gokul Sharma, GP
with Mr. Ashutosh Kr. Tiwari,
Mr. Anubhav Upadhyay, Mr.
Krish Bhatia, Advs. for R-1 and
R-3.

Ms. Monica Benjamin, SSC
with Ms. Laiba Arif & Ms.
Prerika Narang, Advs. for R-2
and R-4.

Ms. Anushree Narain, SCC
with, Mr. Apurv Yadav and Mr.
Naman Choula, Advs. for R-5.

CORAM:

HON'BLE MR. JUSTICE ANIL KSHETARPAL

HON'BLE MS. JUSTICE SHAIL JAIN

ORDER

13.08.2026

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1. In substance, the Petitioner seeks relaxation of the prescribed Average Export Obligation (AOE) to the extent of approximately 40-50%, with consequential relief in respect of the customs duty and interest arising therefrom. In the alternative, the Petitioner also seeks, availment of Input Tax Credit (ITC) or refund of the cenvatable components of the customs duty already deposited, namely,



Additional Customs Duty of Rs.1,00,62,698/- and Special Additional Duty of Rs.66,64,267/-.

2. The controversy in the present Petition essentially arises from the Petitioner's inability to fulfil the prescribed Average Export Obligation under two Export Promotion Capital Goods (EPCG) Authorisations/Licences bearing Nos. 0530169078 dated 02.12.2016 and 0530170068 dated 07.04.2017.

3. While the Petitioner claims that the specific export obligation under the aforesaid Authorisations was duly fulfilled, it admittedly could not maintain the prescribed AOE. According to the Petitioner, the shortfall was occasioned by the COVID-19 pandemic, which resulted in a substantial decline in demand for, and exports of, vehicles under Headings 8701-8705 and, consequently, in the interlinked exports under Heading 8708. On account of the resultant shortfall, the Petitioner deposited customs duty of Rs.1,57,84,365/- and Rs.99,56,038/- against the two Authorisations respectively, aggregating to Rs.2,57,40,403/-.

4. Consequently, the principal relief sought before this Court is a waiver of approximately 40-50% of the AOE, with a corresponding reduction and refund of the customs duty already deposited. In pursuit of the said relief, the Petitioner had approached the Policy Relaxation Committee (PRC) of the Directorate General of Foreign Trade (DGFT), seeking relaxation of the AOE to the aforesaid extent.

5. However, it is claimed that the aforesaid request came to be rejected. Further, it is contended on behalf of the Petitioner that the reasons for such rejection were furnished yesterday only, i.e., 12.08.2026, a day prior to the hearing, along with the written submissions.



6. *Per contra*, learned counsel representing the Respondents contends that the Petitioner has an efficacious departmental remedy by way of a Review before the DGFT against the decision of the PRC.

7. It is trite law that the extraordinary jurisdiction under Article 226 of the Constitution is ordinarily invoked where the Petitioner, primarily, establishes an enforceable legal right corresponding to a public duty on the part of the Respondent. Such jurisdiction cannot ordinarily be employed to compel the grant of a discretionary or *ex gratia* concession in the absence of a demonstrable legal entitlement.

8. The prayer for waiver of the AOE and consequential reduction/waiver of customs duty and interest, when tested on the aforesaid principle, does not disclose any vested or enforceable rights in favour of the Petitioner. The relief being sought is essentially dependent upon a policy decision. However, in the absence of any existing policy extending such relaxation, this Court cannot, in exercise of its writ jurisdiction, effectively formulate or enlarge the scope of such policy.

9. Moreover, the Petitioner already has an efficacious departmental remedy by way of review before the DGFT. Since such remedy permits reconsideration by the competent authority of the relevant factual and policy considerations, this Court would not, at this stage, undertake an examination of the PRC's decision on merits.

10. In so far as the separate prayer for ITC in respect of the cenvatable component of the customs duty already deposited is concerned, the issue involves an examination of the applicable statutory framework as well as the Petitioner's factual entitlement. Therefore, it would, be appropriate for the competent Departmental authority to consider the claim in the first instance. Learned counsel



appearing for the Respondents has also submitted that the Petitioner may make an appropriate application in this regard, which shall be considered in accordance with law.

11. Accordingly, the Petitioner may, if so advised, file a Review before the DGFT within 15 days from today, which shall not be rejected on the ground of limitation and shall be considered by the Competent Authority in accordance with law.

12. Similarly, the Petitioner shall also be at liberty to make an appropriate representation before the Competent Authority, seeking waiver of interest, along with, its claim for ITC, or consequential refund, of the cenvatable component of the customs duty which already stands deposited.

13. It is clarified that this Court has not expressed any opinion on the merits of the claims raised by the Petitioner, and the same shall be considered independently in accordance with law.

14. With these observations, the present Writ Petition is disposed of.

ANIL KSHETARPAL, J.

SHAIL JAIN, J.

AUGUST 13, 2026/sp/hr