IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 03.02.2026

Pronounced on: 06.02.2026

CORAM

THE HON'BLE MR JUSTICE ABDUL QUDDHOSE

WP No. 20114 of 2023

AND

WMP NO. 19464 OF 2023,WP NO. 21416 OF 2023, WMP NO. 19468 OF 2023, WP NO. 20117 OF 2023, WP NO. 20120 OF 2023, WMP NO.19462 OF 2023, WMP NO. 20820 OF 2023, WP NO. 20118 OF 2023, WP NO.20121 OF 2023, WP NO. 20119 OF 2023, WMP NO. 19466 OF 2023, WMP NO. 19457 OF 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor, Jeevan
   Deep Buildings, Parliament Street, New Delhi.
2. Principal Chief Commissioner Of Customs
   (chennai Zone), Custom House, 60,
   Rajajisalai, Chennai-600 001.
3. Principal Commissioner Of Customs
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

4. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

WP No. 21416 of 2023

M/s.Flextronics Technologies India Pvt. Ltd.
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram -602 106.

..Petitioner(s)

Vs

1. Joint Secretary/
   Director (drawback) Ministry Of Finance,
   Department Of Revenue, Government Of
   India, Central Board Of Indirect Taxes And
   Customs, 4th Floor, Jeevan Deept Buildings,
   Parliament Street, New Delhi.
2. Principal Chief Commissioner Of Customs
   (chennai Zone)
   Custom House, 60, Rajaji Salai,
   Chennai-600 001.
3. Principal Commissioner Of Customs
   Chennai Vii Commissionerate, New Custom
   House, Air Cargo Complex, No. 27 Gst Road,
   Meenambakkam, Chennai 27.

4. Deputy Commissioner Of Customs (drawback), O/o.Principal Commissioner Of Customs , Chennai Vii Commissionerate, New Custom House, Air Cargo Complex, No. 27 Gst Road , Meenambakkam, Chennai 27

..Respondent(s)

WP No. 20117 of 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial Park, Sandavellur C Village, Sriperumbudur Taluk, Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback) Ministry Of Finance, Department Of Revenue, Government Of India, Central Board Of Indirect Taxes And Customs, 4th Floor, Jeevan Deep Buildings, Parliament Street, New Delhi.
2. Principal Chief Commissioner Of Customs (chennai Zone), Custom House, 60, Rajajisalai, Chennai-600 001.

3. Principal Commissioner Of Customs Chennai Iv Commissionerate, Custom House, 60, Rajajisalai, Chennai-600 001.

4. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

WP No. 20120 of 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor,
   Jeevan Deep Buildings, Parliament Street,
   New Delhi.
2. Principal Chief Commissioner Of Customs
   (chennai Zone), Custom House, 60,
   Rajajisalai, Chennai-600 001.
3. Principal Commissioner Of Customs
   Chennai Iv Commissionerate,
   Custom House, 60, Rajajisalai,
   Chennai-600 001.

4. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

WP No. 20118 of 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor,
   Jeevan Deep Buildings, Parliament Street,
   New Delhi.
2. Principal Chief Commissioner Of Customs
   (chennai Zone), Custom House, 60,
   Rajajisalai, Chennai-600 001.

3. Principal Commissioner Of Customs
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

4. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

WP No. 20121 of 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor,
   Jeevan Deep Buildings, Parliament Street,
   New Delhi.
2. Principal Commissioner Of Customs
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.
3. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

WP No. 20119 of 2023

M/s.Flextronics Technolgies India Pvt Ltd
Plot No.3, Phase-ii, Dti Unit, Sipcot Industrial
Park, Sandavellur C Village, Sriperumbudur Taluk,
Kancheepuram District, Tamil Nadu-602 106.

..Petitioner(s)

Vs

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor,
   Jeevan Deep Buildings, Parliament Street,
   New Delhi.
2. Principal Chief Commissioner Of Customs
   (chennai Zone), Custom House, 60,
   Rajajisalai, Chennai-600 001.

3. Principal Commissioner Of Customs
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

4. Deputy Commissioner Of Customs (drawback)
   O/o.Principal Commissioner Of Customs,
   Chennai Iv Commissionerate, Custom House,
   60, Rajajisalai, Chennai-600 001.

..Respondent(s)

W.P.No.20114 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No.CBEC-140609A/4/ 2020-Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.15,61,029/- with interest at appropriate rate.

WP No. 21416 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No. CBEC- 140609A/ 4/ 2020-Drawback Section - CBEC / 565 dated 7.06.2023 quash the same and direct the respondents herein, more particularly the 4th respondent herein, to disburse drawback to the tune of Rs. 46,60,891/- with interest at appropriate rate.

WP No. 20117 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No. CBEC-140609A / 4 / 2020-Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.63,51,103/- with interest at appropriate rate.

WP No. 20120 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No. CBEC-140609A /4/ 2020-

Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.4,29,952/- with interest at appropriate rate.

WP No. 20118 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No. CBEC-140609A/4/2020-Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.5,87,685/- with interest at appropriate rate..

WP No. 20121 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and dconnected with F.No. CBEC-140609A/4/2020-Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.1,78,420/- with interest at appropriate rate.

WP No. 20119 of 2023

Writ petition is filed under Article 226 of the Constitution of India seeking for issuance of a writ of certiorarified mandamus to call for the records of the 1st respondent in and connected with F.No. CBEC-140609A / 4 / 2020-Drawback Section - CBEC / 565- dated 07.06.2023 quash the same and direct the respondents herein, more particularly, the 4th respondent herein, to disburse drawback to the tune of Rs.21,36,859/- with interest at appropriate rate.

For Petitioner(s): Mr.B.Satish Sundar

For Respondent(s): Mr.S.Gurumoorthy, SPC

COMMON ORDER

These writ petitions have been filed challenging the impugned order dated 07.06.2023 passed by the first respondent rejecting the petitioner's request to condone the delay in filing the claim for duty drawback under Section 74 of the Customs Act, 1962 (in short "the Act") read with Rule 7A of Re-export of Imported Goods (Drawback of Customs Duties) Rules, 1995 (in short "the Drawback Rules"), in respect of the shipping bills disclosed in the impugned order.

2. Since a common impugned order has been passed for all the subject shipping bills, these writ petitions are disposed by a common order.

3. Heard Mr.B.Satish Sundar, learned counsel appearing for the petitioner; and Mr.S.Gurumoorthy, learned Senior Panel Counsel, appearing on behalf of the respondents.

4. Earlier, the petitioner had approached this Court by filing W.P.Nos.2557 and 2560 of 2023 challenging the impugned order dated 24.11.2022 passed by the first respondent rejecting the very same duty

drawback claim for the very same shipping bills. By an order dated 02.02.2023, this Court held that the impugned order dated 24.11.2022 rejecting the petitioner's request for condoning the delay was a non-speaking order passed in violation of the principles of natural justice, and therefore, remanded the matter back to the very same first respondent for fresh consideration on merits and in accordance with law, after giving due consideration to the contentions of the petitioner as raised in their written submission dated 03.11.2022 and after affording one personal hearing to the petitioner within a period of eight weeks from the date of receipt of a copy of the said order. Only pursuant to the directions issued by this Court dated 02.02.2023 in W.P.Nos.2557 and 2560 of 2023, the first respondent, after giving due consideration to the contentions of the petitioner and after affording one personal hearing to the petitioner, has passed the impugned order dated 07.06.2023, once again rejecting the petitioner's request for condoning the delay in making the duty drawback claim on the ground that sufficient cause has not been shown.

5. The impugned order has been passed under Rule 7A of the Drawback Rules, and the said Rule reads as follows:-

> "7A. Power to relax:-
>
> If the Central Government is satisfied that in relation to the export of any goods, the exporter or his authorised agent has, for reasons beyond his control, failed to comply with any of

the provisions of these rules, and has thus been entitled to drawback, it may, after considering the representation, if any, made by such exporter or agent, and for reasons to be recorded in writing, exempt such exporter or agent from the provision of such rule and allow drawback in respect of such goods."

6. Section 74 of the Customs Act, 1962, enables the petitioner to make a duty drawback claim for the subject shipping bills. Rule 5(1) of the Drawback Rules makes it clear that the petitioner will have to make a duty drawback claim within a period of 3 months from the date on which an order permitting clearance and loading of goods for exportation under Section 51 is made by proper officer of customs. As per the proviso to Rule 5(1), the Assistant Commissioner of Customs or Deputy Commissioner of Customs may, if he is satisfied that the exporter was prevented by sufficient cause to file his claim within the period of three months, allow the exporter to file his claim within a further period of three months. Admittedly, in the case on hand, although the petitioner was allowed to clear and re-export the goods during September,2018-October,2018, the duty drawback claim was filed only in December,2019-January,2020. Therefore, the statutory time limit prescribed under Rule 5(1) of the Drawback Rules has got expired. Only under those circumstances, the petitioner had submitted an application to the Central Government under Rule

7A of the Drawback Rules seeking for relaxation of the time limit prescribed under Rule 5(1) of the Drawback Rules. The application filed by the petitioner under Rule 7A of the Drawback Rules seeking for condoning the delay in making the duty drawback claim has once again been rejected under the impugned order dated 07.06.2023 holding that the reasons given by the petitioner for not making the duty drawback claim within the prescribed time limit is unsatisfactory and does not show sufficient cause. Under the impugned order dated 07.06.2023, the first respondent has given due consideration to the reasons given by the petitioner for not making the duty drawback claim on time. In paragraph Nos.3.4 and 3.5 of the impugned order dated 07.06.2023, the first respondent has given his findings as follows:-

> **3.4.** In this regard, it is observed that as per documents submitted by the party, it was aware of the medical issues of the said employee since June '18. In fact, all re-exports were undertaken much later, i.e., during September/October'18. It is observed that despite ill-health of one of its employees, the party successfully re-exported unused imported goods months after June'18. The reason of ill-health of just one of the employees in the entire company delaying filing of drawback claims appears to be insufficient.
>
> **3.5.** Further, regarding shifting of the party's office to another place during December'18, copy of such intimation submitted to GST Authorities was produced. On perusal of the documents, it is observed

> that this permission was granted to the party vide letter C.No.VIII/48/37/2018-Tech dated 27.04.2018, i.e., much before the party re-exported the goods during September/October'18. The justification given by the party thus appears inadequate and hence unacceptable.

7. As seen from the above findings, it is clear that the first respondent has applied his mind to the reasons given by the petitioner for not making the duty drawback claim on time, and only thereafter, has rejected the said reasons on the ground that (a) the reason of ill-health of just one of the employees in the entire company delayed the filing of drawback claim appears to be insufficient; (b) the reason of shifting the petitioner's office to another place during December, 2018, is unsatisfactory, since on perusal of the documents it was observed that permission was granted to the petitioner vide a letter dated 27.04.2018, i.e., much before the re-export of the goods during September-October, 2018, by the petitioner. Thus, the justification given by the petitioner appears inadequate and hence, unacceptable. As seen from the findings rendered by the first respondent in the impugned order, the said findings have been rendered only based on the materials available on record, and the said findings cannot be held to be arbitrary or not supported by documentary evidence.

8. This Court does not find any infirmity in the reasons given by the first respondent for not condoning the delay in making the duty drawback claim by exercising the power of relaxation given to the Central Government under Rule 7A of the Drawback Rules in respect of the subject shipping bills.

9. Rule 7A of the Drawback Rules is a discretionary power vested with the Central Government to relax any rule under the Drawback Rules. The power to relax the rules granted to the Government is discretionary, but, is not absolute, unfettered or arbitrary. It is a double-edged sword designed to mitigate undue hardship, subject to strict legal and constitutional limitation. Relaxation of any rule under the Drawback Rules cannot be claimed as a matter of right under Rule 7A of the Drawback Rules. It is an exception allowed to handle specific, unique hardship. However, the authority must exercise this power reasonably and not capriciously. It must be based on objective, recorded reasons, not just to favour a party. Any relaxation that violates equality clause (Article 14 of the Constitution of India), is invalid and arbitrary. Rules cannot be relaxed in a routine and mechanical manner by the Government. The power to relax cannot be used to amend, alter or substitute the existing regulation with new ones, or to nullify the relevant provisions. Relaxation of power vested with the Government cannot be granted in a routine manner and should be used sparingly. Courts generally cannot interfere with administrative discretion, but,

they may intervene if the decision is perverse, based on irrelevant consideration, or violates legal standards.

10. In the case on hand, the first respondent (Central Government) has given adequate reasons for not accepting the petitioner's contentions for condoning the delay in making the duty drawback claim. The reasons given by the petitioner for the delay in making the duty drawback claim, namely, ill-health of one of their employees; (b) shifting of office, were duly considered and rejected by the first respondent as unsatisfactory, and the same has also been reproduced by this Court in the earlier part of this order.

11. Though the petitioner may have satisfied the requirements of duty drawback claim, they will have to make the duty drawback claim within the time prescribed under law. Having failed to make the duty drawback within the prescribed time limit as per law, the question of interfering with the well considered impugned order passed by the first respondent by this Court through these writ petitions under Article 226 of the Constitution of India, does not arise for the reasons stated by this Court in the earlier paragraphs of this order.

12. The learned counsel for the petitioner has also relied upon the following judgments:-

Commissioner of Customs, Mumbai vs. Terai Overseas Ltd., reported in 2003 (156) ELT 841 (Cal.)

- Union of India vs. Wipro Ltd., reported in 2010 (255) ELT 226 (Kar.), affirmed in 2010 (255) ELT A46 (SC)
- Ilpea Paramount Ltd. vs. Joint Secretary, Department of Revenue, reported in 2013 (289) ELT 151 (Del.)
- Acer India Pvt. Ltd. vs. Union of India, reported in 2015 (325) ELT 519 (Kar.)
- Greaves Cotton Ltd. vs. Union of India, reported in 2018 (360) ELT 449 (Mad.)
- Angel Overseas Corporation vs. Union of India, reported in 2018 (362) ELT 87 (Mad.)
- Mangalore Chemicals & Fertilizers Ltd. vs. Deputy Commissioner, reported in 1991 (55) ELT 437 (SC)
- Novopan India Ltd. vs. Collector of C. Ex. and Customs, Hyderabad, reported in 1994 (73) ELT 769 (SC).

13. The aforesaid judgments have no bearing for the facts of the instant cases, since the condonation of delay depends upon the facts and circumstances of each case. In the case on hand, the first respondent has considered the petitioner's reasons for condoning the delay in making the duty drawback claim and has passed a well-reasoned speaking order, and therefore, the question of interference with such well-reasoned order by this Court does not arise, that too, when the relief sought for under Rule 7A of the Drawback Rules is a

discretionary relief which is vested exclusively with the Central Government who has refused to give relief to the petitioner by giving sound and justifiable reasons.

14. During the course of his arguments, the learned counsel for the petitioner submitted that since all the subject shipping bills pertain to the year 2018, which is much after coming into force of the Drawback Rules, i.e., from 21.09.2017, as per Rule 14 of the Drawback Rules, the date of filing of the shipping bills should be taken as the date of filing of the duty drawback claim. Therefore, according to him, the drawback claim made by the petitioner is well within the time. However, the said contention does not deserve any merit, since the petitioner themselves had earlier filed an application seeking to condone the delay in making the duty drawback claim for the subject shipping bills on 27.12.2019 and 02.01.2020. Having filed such an application, the petitioner cannot now be allowed to contend that the date of filing of shipping bills itself should be reckoned as filing a claim for duty drawback. It is also pertinent to state that in order to apply for duty drawback claim, there must be an intent to make such a claim by the party, and only thereafter, the Customs Department will be in a position to verify the documents, like invoice, proof of duty and export packing lists, leading to electronic process and direct credit of the revision to the nominated bank account of the party. The intent to make the duty drawback claim by the petitioner was expressed only through their

representations dated 27.12.2019 and 02.01.2020, wherein they had sought to condone the delay in filing the duty drawback claim. Therefore, the contention of the learned counsel for the petitioner that presentation of the shipping bills with the Customs Department itself will amount to a deemed claim for duty drawback, is incorrect, and is liable to be rejected by this Court.

15. In the result, this Court does not find any merit in these writ petitions and accordingly, they are dismissed. No Costs. Consequently, writ miscellaneous petitions are closed.

06-02-2026

Neutral Citation: Yes

RKM

To

1. Joint Secretary /director (drawback)
   Ministry Of Finance, Department Of Revenue,
   Government Of India, Central Board Of
   Indirect Taxes And Customs, 4th Floor, Jeevan
   Deep Buildings, Parliament Street, New Delhi.

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ABDUL QUDDHOSE J.

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