IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-01-2026

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

WP No. 38352 of 2025

1. M/s.RG Refineries Pvt. Ltd.,
Represented By Its Authorized
Signatory, Dipay Savla (aged 51 Years)
Khasra No.60/4, Rungta Industries
Compound, Village Rampura Dehat,
Kashipur Road, Rudrapur, U.S. Nagar,
Uttarakhand 263153.

Petitioner(s)

Vs

1. The Deputy Commissioner
Group 1-3 Air Cargo Complex, Chennai
600027.

2.The Principal Commissioner Of
Customs
Group 1-3 Air Cargo Complex,
Chennai 600027.

Respondent(s)

PRAYER

Directing the Respondent No.1to accept the self assessment of the petitioner as the final assessment and release the Bank Guarantee No.0004nddg00001225 dated 08/04/2024 amounting to Rs.1,58,15,000/ as well as cancel the provisional Duty Bond No.2002245224 dated 08/04/2024 for an amount of Rs. 10,23,26,060 /- executed in favour of the respondents.

For Petitioner(s): Mr.Kishore Kunal
Mr.Ranjana Jain
Mr.Akshay Agrawal

For Respondent(s): Mr.Anu Ganesan, Standing
Counsel For Respondents

ORDER

This writ petition has been filed to direct the first respondent to accept the self assessment of the petitioner as the final assessment and release the bank guarantee morefully described in the prayer to this writ petition amounting to Rs.1,58,15,000/- as well as to cancel the provisional duty bond dated 08.04.2024 executed by the petitioner in favour of the respondents for an amount of Rs.10,23,26,060/-. The petitioner had imported gold findings. The respondents had a doubt with regard to the Country of origin of the gold imported by the petitioner.

2. The petitioner had furnished a bank guarantee for a sum of Rs.1,58,15,000/- and had also executed a provisional duty bond dated 08.04.2024 for a sum of Rs.10,23,26,060/- in favour of the respondents and had obtained release of the imported gold on 12.04.2024. The bank guarantee as well as the bond was executed by the petitioner as per the directions of the respondents since the respondents had a doubt with regard to the Country of origin of the imports made by the petitioner.

3. The grievance of the petitioner in this writ petition is that despite the bank guarantee and the bond having been executed by the petitioner on 08.04.2024 itself, till date the respondents have not made the final assessment

with regard to the imported goods made by the petitioner and in view of the inordinate delay, the petitioner claims that they have been unnecessarily made to keep the bank guarantee alive.

4. The learned counsel for the petitioner, on instructions, would submit that though in the prayer a direction has been sought for to accept the self assessment of the petitioner as the final assessment, the said prayer is not pressed. He would submit that even as per Regulation 5 of Customs (Finalisation of Provisional Assessment) Regulations, 2018, the provisional assessment will have to be finalized by the proper officer within a period of two months and the same can be extended only for a further period of three months that too by the Commissioner of Customs. He would submit that since the period stipulated in Regulation 5 as stated supra has not been adhered to by the respondents, the bank guarantee, which is the subject matter of this writ petition, has to be released as prayed for in this writ petition.

5. Counter has been filed by the respondents before this Court. According to them, only due to the delay on the part of the petitioner in obtaining the CAROTAR verification report from the Country of origin of the imported goods viz., Tanzania, the final assessment could not be made by the respondents pertaining to the bill of entries submitted by the petitioner for the imported goods. They have also relied upon the communication sent by the petitioner to

the Customs Department on 09.04.2024, wherein the petitioner has informed the respondents that verification is pending with regard to the Country of origin of the imported goods. The respondents contend that only due to the said communication there has been delay in finally assessing the bill of entries.

6. The respondents have also contended that in the subsequent communications as well, made by the petitioner, the petitioner has been communicating with the respondents that the verification with regard to the Country of origin of the imported goods made by the petitioner is still in progress.

7. The learned counsel for the petitioner would submit that the verification has to be done only by the respondents since they are the ones having doubt about the Country of origin of the imported goods. The Rules of the Customs Department (CAROTAR Rules) also stipulate that, the verification as to the place of origin of the goods has to be done only by the Customs Department and not by the importer / exporter.

8. On the other hand, the learned standing counsel appearing for the respondents would submit that as seen from the communication sent by the petitioner to the Customs Department, the petitioner took up the responsibility of producing the verification report. She would also submit that the petitioner

was possessing verification report from another Commissionerate of the Customs Department. The same could have been produced to the Customs Department to prove the place of origin of the imported goods. She would submit that since the petitioner now contends before this Court that it is for the Customs Department to obtain the verification report, the Customs Department requires further time to pass the final assessment order with regard to the imported goods of the petitioner. She would submit that 90 days period is required for completing the assessment, which includes 60 days period for getting verification report from the Country of origin.

9. However, the learned counsel for the petitioner would submit that the question of granting 90 days, for passing the final assessment order does not arise at this belated stage that too when it is the responsibility of the respondents to obtain the verification report with regard to the Country of origin of the imported goods as it is only the respondents who had a doubt with regard to the place of origin of the imported goods.

10. To balance the interest of both the parties, this Court, after hearing the submissions of both the counsels, is of the considered view that if the following directions are issued, it will secure the interest of both the parties viz., the petitioner and the Customs Department:

a) Since according to the learned standing counsel for the respondents, the respondents have sent for verification about the place of origin of the imported goods of the petitioner on 10.12.2025, the 90 days period as submitted by the learned standing counsel for the respondents for completion of final assessment will have to be calculated from that date and not from today. The 90 days period for completion of the final assessment as undertaken by the respondents before this Court will end on 09.03.2026;

b) The respondents shall pass the final assessment order of the imported goods made by the petitioner, for which the petitioner had given a bank guarantee as disclosed in the affidavit filed in support of this writ petition as well as executed a bond, within a period of 90 days from 10.12.2025, which ends on 09.03.2026;

c) If the final assessment order goes in favour of the petitioner with regard to the place of origin of the goods, the bank guarantee and the bond, which is disclosed in the prayer to this writ petition shall be cancelled and bank guarantee / bond shall be returned to the petitioner by the respondents. However, if the final assessment order to be passed by the respondents goes against the petitioner with regard to the place of origin of the imported goods, the said bank guarantee / bond shall be retained by the respondents. The said bank guarantee / bond can be released to the petitioner in case the petitioner is eligible in accordance with law. In case the final assessment order is not passed within the stipulated time, the bank guarantee as well as the bond, disclosed in the prayer to this writ petition, shall be released to the petitioner immediately thereafter.

11. With the aforesaid direction, this writ petition is disposed of. No Costs.

22-01-2026

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
ab

To

1.The Deputy Commissioner
Group 1-3 Air Cargo Complex, Chennai
600027.

2.The Principal Commissioner Of
Customs
Group 1-3 Air Cargo Complex,
Chennai 600027.

ABDUL QUDDHOSE J.

ab

WP No. 38352 of 2025

22-01-2026