

Instruction No. 06/2026-Customs

F. No. 609/27/2026-DBK/CBIC
Government of India
Ministry of Finance,
Department of Revenue,
Central Board of Indirect Taxes & Customs,
Drawback Division

4th Floor, Jeevan Deep Building
Parliament Street, New Delhi- 110001

Date: 27th April, 2026

To,

All Principal Chief Commissioners/ Chief Commissioners (Customs/
Customs (Preventive) / Customs & Central Tax)

All Principal Commissioners/Commissioners of Customs /Customs
(Preventive).

All Pr. Director General/Director Generals under CBIC.

Subject: Drawback for re-export of duty paid goods supplied by SEZ to
DTA - reg

Madam/Sir,

Your attention is invited towards Audit Para 5.8 of the Audit Report 33 of 2025 wherein it has been observed by the Audit that divergent practices are being followed in the processing of duty drawback claims filed by DTA units under Section 74 of the Customs Act, 1962. It has been stated that some field formations have not treated clearance from SEZ to DTA as import and have denied the disbursement of drawback under Section Section 74 of the Customs Act, 1962.

2. The matter has been examined in the Board. The legal provision of domestic clearance by SEZ unit is dealt in Section 30 of the SEZ Act 2005, which stipulates that removal of the goods from an SEZ into the DTA shall attract Customs duties, including anti-dumping, countervailing, and safeguard duties, as applicable under the Customs Tariff Act, 1975 (51 of 1975). The applicable rate of duty and tariff valuation for such goods shall be the rate and valuation in force on the date of their removal from the SEZ. In cases where the date of removal is not ascertainable, the rate and valuation in force on the date of payment of duty shall apply. Further, Section 2 (o) of the SEZ Act, 2005 clearly stipulates that import means bringing goods or receiving services, in a Special Economic Zone, by a Unit or Developer from a

place outside India by land, sea or air or by any other mode, whether physical or otherwise; or receiving goods, or services by a Unit or Developer from another Unit or Developer of the same Special Economic Zone or a different Special Economic Zone. Thus, on comprehensive reading of the provisions of the SEZ Act on DTA sale of goods cleared by SEZ are very clear and there seems to be no lacuna.

2.1 As per Section 74 of the Customs Act, drawback is admissible on the re-export of duty-paid goods, provided the goods are capable of being easily identified and were previously imported into India. The key expressions in this context are "easily identified" and "imported into India." The term "easily identified" implies that the goods can be readily recognized, while "import", as defined under the Act, with its grammatical variations and cognate expressions, means bringing goods into India from a place outside India. It is pertinent to note that for the purposes of trade operations and duties, a Special Economic Zone (SEZ) is treated as foreign territory within India. Therefore, movement of goods from an SEZ into the DTA may be construed as an import. In view of the above, the conditions laid down under Section 74 of the Customs Act, 1962 appear to be satisfied.

3. In view of above, it is hereby clarified that in cases where goods are cleared into DTA from SEZ unit on payment of applicable duties and are re-exported thereafter are to be treated as imported goods for the purposes of disbursement of drawback under Section 74 of the Customs Act, 1962.

4. The difficulties, if any, may be brought to the notice of the Board.

Yours faithfully,

(Mahendra Singh Gurjer)
OSD (Drawback Division)
CBIC, New Delhi

Digitally signed by
Mahendra Singh Gurjer
Date: 27-04-2026
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