HC-KAR

NC: 2025:KHC:52372
WP No. 10806 of 2022

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 9TH DAY OF DECEMBER, 2025

BEFORE

THE HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO.10806 OF 2022 (T-RES)

BETWEEN:

M/S EFD INDUCTION PVT LTD
HAVING OFFICE AT
PLOT NO.43 AND 44, KIADB
BENGALURU AEROSPACE PARK,
BENGALURU NORTH TALUK – 562 129
REP BY ITS AUTHORISED SIGNATORY
MR.VISHAL LODHA
AGED 33 YEARS
R/AT FLAT G7, NANDA COMFORTS
NO.14, 18TH CROSS, 15TH MAIN
PADMANABHANAGAR
BANGALORE - 560 061.

...PETITIONER

(BY SRI. G. SHIVADASS, SENIOR COUNSEL APPEARING FOR
SRI. PRASHANTH SABARISH SHIVADASS, &
SRI. RISHAB.J, & SRI. SHRADHA RAJGIRI
SMT. DHANYATHA.R
SRI. PRINCESS PREETH, ADVOCATES)

Digitally signed by CHANDANA B M
Location: High Court of Karnataka

AND:

1. UNION OF INDIA
THROUGH THE SECRETARY
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
NO.137, NORTH BLOCK
NEW DELHI 110 001.

2. THE STATE OF KARNATAKA
THROUGH THE PRINICPAL SECRETARY
FINANCE DEPARTMENT
VIDHANA SOUDHA
BENGALURU - 560 001.

3. THE CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
MINISTY OF FINANCE
DEPARTMENT OF REVENUE
CENTRAL REVENUE BUILDING
LP. ESTATE ITO
NEW DELHI - 110 002.

4. JOINT COMMISSIONER OF CENTRAL TAX
GST COMMISSIONERATE BENGALURU EAST
4th FLOOR, BMTC BUS STAND ,
OLD AIRPORT ROAD, DOMMALURU
BENGALURU – 560 071.

…RESPONDENTS

(BY SMT. JYOTHI M. MARADI, HCGP FOR R-2;
SRI.JEEVAN J.NEERALGI, ADVOCATE FOR R-1, R-3 & R-4)

THIS W.P IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUITON OF INDIA PRAYING TO ISSUE ORDER(s), DIRECTIONS, WRIT(s) IN THE NATURE OF CERTIOARI QUASHING THE NOTIFICATION NO.53/2018-CT DATED 09/10/2018 ENCLOSED AS ANNEXURE-G AND NOTIFICATION NO.54/2018-CT DATED 09/10/2018, ENCLOSED AS ANNEXURE-H ISSUED BY THE RESPONDENT NO.3 INSERTING RULE 96(10) AS AGAINST PROVISION OF SECTION 16 AND ETC.

THIS PETITION, COMING ON FOR FINAL HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, petitioner seeks the following reliefs:

"a. To issue order(s), directions, writ(s) in the nature of Certiorari quashing the Notification No.53/2018-CT dated 09.10.2018, enclosed as Annexure-G and Notification No.54/2018-CT dated 09.10.2018, enclosed as Annexure-H issued by the Respondent No. 3 inserting Rule 96(10) as against provision of Section 16;

b. To issue order(s), directions, writ(s) in the nature of mandamus directing the Respondents to allow the refund of IGST paid by the Petitioner;

c. To issue order(s), directions, writ(s) in the nature of Certiorari quashing the Order bearing No. 30/JC/B-East/2022 GST dated 25.02.2022 bearing DIN No. 20220257YT00005555A6, and the summary of the order bearing DIN No. 20220257YT0000111865 dated 25.02.2022 enclosed as Annexure-A, Issued by the Respondent No. 4 on the ground that the same is bad in law;

d. To issue order(s), directions, writ(s) in the nature of Mandamus directing Respondent No. 4 to disburse pending IGST refund amounting to Rs.1,55,32,883/- (Rupees One Crore Fifty Five Lakh Thirty Two Thousand Eight Hundred and Eighty Three Only);

e. To issue order(s), directions, writ(s) in the nature of mandamus holding that no interest is payable on the amount of IGST paid to comply with Explanation to Rule 96(10) inserted by Notification No. 16/2020-CT dated 23.03.2020, and accordingly direct the Respondent No. 4 to grant refund of Rs. 49,26,989/- paid;

f. To issue order(s), directions, writ(s) in the nature of mandamus directing the Respondents to allow amendment of Bill of Entry in respect of which IGST has been paid; .

g. In the alternative and without prejudice to prayer (a), to issue a writ of mandamus directing Respondents to allow the Petitioner to amend the Shipping Bills, invoices and the GST Returns and consider the exports undertaken by the Petitioner as Zero-rated Supply undertaken under Bond or Letter of Undertaking and in effect allow them to claim the refund of the unutilized Input Tax Credit in terms of Section 16(3)(a) of the IGST Act read with Section 54 of the CGST Act and Rule 89 of the CGST Rules by filing an manual application in this regard;

h. To issue order(s), directions, writ(s) reinstating the amounts in the credit ledger by way of TR-6 Challan indicating payment of IGST;

i. To issues order(s), directions, writ(s) or any other relief as this Hon'ble Court deems it fit and proper in the facts and circumstance of the case in the interest of justice."

2. Heard learned Senior Counsel for the petitioner and learned HCGP for respondent No.2 and learned counsel for respondent Nos.1, 3 and 4 and perused the material on record.

3. In addition to reiterating the various contentions urged in the memorandum of petition and referring to the material on record, learned counsel for the petitioner invited my attention to the

order of this Court in the case of ***M/s Hikal Limited Vs. Union of India and others – W.P.No.15251/2020 dated 09.12.2025***, in order to contend that the present petition deserves to be allowed and disposed of in terms of the said order.

4. Per contra, learned counsel for the respondents submits that there is no merit in the petition and that the same is liable to be dismissed.

5. As rightly contended by the learned counsel for the petitioner the present petition is directly and squarely covered by the decision of a Co-ordinate Bench of this Court in the case of ***M/s Hikal Limited Vs. Union of India and others – W.P.No.15251/2020 dated 09.12.2025,*** the operative portion of which reads as under:

> *"11. In view of the aforesaid facts and circumstances and striking down of Rule 96(10) of the CGST Act and the judgments of the Kerala High Court and other High Courts including Bombay High Court in the petitioner's own case coupled with the fact that respondents themselves have omitted Rule 96(10) vide Notification dated 08.10.2024, I am of the considered opinion that the impugned Show Cause Notice and all further proceedings pursuant thereto deserves to be quashed.*

12. In the result, I pass the following:

ORDER

(i) The petition is hereby allowed.

(ii) The impugned Show Cause Notice at Annexure – R dated 07.10.2020 issued by respondent No.5 and all further proceedings pursuant thereto are hereby quashed.

(iii) Respondent authorities are directed to refund IGST amounting to Rs.75,55,123/- along with applicable interest back to the petitioner as expeditiously as possible and at any rate within a period of three months from the date of receipt of a copy of this order."

6. The aforesaid order is applicable to the facts and circumstances of the instant case and consequently, the present petition also deserves to be disposed of in terms of the judgment of this Court in ***M/s Hikal Limited's*** *case supra*.

7. In the result, I pass the following:

ORDER

(i) The petition is allowed and disposed of in terms of the decision of this Court in the case of ***M/s Hikal Limited Vs. Union of India and others – W.P.No.15251/2020 dated 09.12.2025.***

(ii) Order-in-Original at Annexure-A dated 25.02.2022 issued by Respondent No.4 is hereby quashed and consequent demand of tax, interest and penalty is hereby set aside.

(iii) Respondent authorities are directed to refund the amount, if any, payable to the petitioner along with applicable interest back to the petitioner as expeditiously as possible and at any rate within a period of three months from the date of receipt of a copy of this order.

Sd/-
(S.R.KRISHNA KUMAR)
JUDGE

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