IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09-03-2026

CORAM

THE HON'BLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.28514 of 2025

M/s.Mahavir Distributors
Rep. by its Partner Dharmichand Anand Kumar,
186/213, Royapettah High Road, Royapettah,
Chennai-600 014.

..Petitioner(s)

Vs

1. The Commissioner of Customs
   Chennai IV Commissionerate, Customs House,
   No.60, Rajaji Salai, Chennai-600 001.

2. The Assistant Commissioner of Customs,
   IGST Refund Section,
   Chennai IV Commissionerate,
   Customs House, No.60, Rajaji Salai,
   Chennai-600 001.

3. The Additional Director General,
   Directorate General of Systems,
   Indirect Taxes and Customs,
   Central Revenue Building, I.P Estate,
   New Delhi-110 109.

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying for a writ of Certiorarified Mandamus calling for records in and connected with speaking order No.113835 / 2025 dated 03.07.2025 passed by the 2nd respondent, quash the same as being illegal and direct the respondents to grant refund of IGST paid vide the shipping bills of Rs 22,45,382/- along with interest.

For Petitioner(s): Mr.Shravan Kochar

For Respondent(s): Mr.J.Harikrishna
Standing Counsel

ORDER

The present writ petition is filed challenging the rejection of the claim of IGST refund made by the petitioner by placing reliance upon Circular No.37 of 2018 dated 09.10.2018 issued by CBIC.

2. Petitioner is an exporter engaged in the trade of auto mobile parts registered with DGFT vide IEC No.0412030438 With the introduction of GST, exports were treated as zero-rate supplies in terms of Section 16 of IGST Act, 2017. Petitioner during 2017, exported goods and paid IGST via monthly return in GSTR 3B. Petitioner was under the impression that the payments so made would be refunded in terms of Rule 96 of CGST Rules, 2017. Petitioner did not opt for Letter of Undertaking (LUT), while filing shipping bill and IGST payment was inadvertently not reflected in the original shipping bills instead, IGST paid was reported only in GST returns.

3. Petitioner sought to claim refund of the IGST involved, there were difficulties in view of the fact that there were technical mismatches between shipping bill date and GST returns. With a view to rectify, manual amendments

were made to the Shipping Bill under Section 149 of the Customs Act, 1962, to ensure that IGST payment details were correctly recorded. It is further submitted that this was also carried out by the Deputy Commissioner of Customs on 30.11.2021. Thereafter, petitioner made several representations seeking refund of IGST, however it is stated that the same was not processed due to technical errors. The impugned order has now come to be passed placing reliance upon Circular No.37/2018 which restricts IGST where the exporter claims duty drawback.

4. Learned counsel for petitioner would submit in response to notice had placed reliance upon the judgment of this Court in W.P.(MD)No.20468 of 2021 in ***Numinous Impex (I) Pvt. Ltd. vs. Commissioner of Customs*** dated 08.04.2022 08.04.2022 wherein the scope and purport of the above circular has been explained. Importantly, he would also place reliance upon the recent judgment of the Division Bench of this Court in the case of ***Carbolase Technologies vs. Assistant Commissioner of Customs, Tuticorin*** in W.P.(MD)No.19678 of 2020 dated 21.02.2025 wherein the Division Bench on placing reliance on the judgment of Gujarat High Court in ***Amit Cotton Industries vs. Principal Commissioner of Customs*** reported in ***(2019) 29 GSTL 200 (Guj.)*** held that Circular No.37 of 2018 cannot prevail over Rule 96 of the CGST Rules, 2017. He would thus submit that the impugned order is bad for two reasons:

a. For not dealing with the objection insofar as reliance on the judgment of this Court in *Numinous Impex* and

b. It is also contrary to the Division Bench order in ***Carbolase Technologies*** *supra***.**

5. To the contrary, to a pointed question as to whether it has even been considered, learned counsel for respondent after perusing the entire order would submit that there is no finding dealing with the above judgment which covers the entire issue.

6. In that view of the matter, this Court is inclined to set aside and remand the matter back to the respondent authority to reconsider and pass orders afresh keeping in view the law laid down by this Court in the case of *Numinous impex* and *Carbolase* and in accordance with law, after affording a reasonable opportunity of hearing to the petitioner. It is also open to the petitioner to submit additional documents and it is also open to the petitioner to place reliance on any judgment including *Carbolase* and any other documents in support of their claim of refund. The above exercise shall be completed within a period of six weeks from the date of receipt of a copy of this order.

7. Accordingly, the writ petition stands disposed of. No costs.

09-03-2026

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

To:

1. The Commissioner of Customs,
   Chennai Iv Commissionerate,
   Customs House, No 60 Rajaji Salai,
   Chennai-600 001.

2. The Assistant Commissioner of Customs,
   Igst Refund Section, Chennai IV Commissionerate,
   Customs House, No.60 Rajaji Salai,
   Chennai-600 001.

3. The Additional Director General,
   Directorate General of Systems,
   Indirect Taxes and Customs,
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MOHAMMED SHAFFIQ J.

MKA

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