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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 3218/2024

MS IBA CRAFTS PRIVATE LIMITED AND ORS .....Petitioner

Through: Mr. Mohd Faraz Anees, Mr. Ajay Kumar & Mr. Yash Singh, Advs.

versus

UNION OF INDIA AND ORS .....Respondent

Through: Mr. Anurag Ojha, SSC with Mr. Dipak Raj, Mr. Aryaman Singh Chouhan, Mr. Yoginder Singh, Commissioner,ACC Exports, Ms. Premlata Khurana, Assistant Commissioner, FPO ACC Exports, Mr. Amit Kumar, Appraiser FPO, Mr. Vinod Kumar, Superintendent FPO, Mr. Gangesh Gunjan, Superintendent ACC Exports, Mr. Yash Ratn, Superintendent ACC Exports.

Mr Jagdish Chandra, CGSC, Ms Maanya Saxena, Adv.

Mr Narendra kumar, Insp. Foreign Post, Respondent no.1, 4 and 5.

CORAM:
HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE
HON'BLE MR. JUSTICE AJAY DIGPAUL

O R D E R

% **29.05.2026**

1. In continuation of the hearing that had taken placed on the earlier dates, *Mr. Ojha,* learned senior standing counsel appearing for the respondent/customs has placed on record a communication dated 28th May,

2026, issued by the Customs Department, which reads thus:-

कार्यालय: सीमा शुल्क आयुक्त (वायु माल वाहक निर्यात)
OFFICE OF THE COMMISSIONER OF CUSTOMS, AIR CARGO COMPLEX (EXPORT)
नवीन सीमा शुल्क भवन,इंदिरा गाँधी अंतर्राष्ट्रीय हवाई अड्डा, नई दिल्ली – 110037
NEW CUSTOMS HOUSE, NEAR IGI AIRPORT, NEW DELHI-110037

C. No.: GEN/LGL/HC/PA/369/2024-Legal-O/o Commr-Cus-ACC(E)-Delhi Date: 28/05/2026

To,

Sh. Anurag Ojha, Senior Standing Counsel
Chamber No. 346A, Lawyers Chamber
Delhi High Court, Shershah Road
New Delhi – 110003

Sir,

Sub: **Writ Petition (C) No. 3218/2024 – M/s. IBA Crafts Privtae Limited V/s. Union of India & Ors filed before the Hon'ble Delhi High Court – reg.**

Please refer to the subject Writ Petition and the order dated 26/05/2026 of the Hon'ble Delhi High Court therein. Further reference is also invited to your gist of proceedings dated 26/05/2026, *inter alia*, advising the customs and GST formation to act in tandem to resolve the issue equitably to sub-serve the ends of justice. In light of the order dated 26/05/2026 of the Hon'ble Court and your gist of proceedings, the issue was examined in consultation with the relevant policy Section in CBIC i.e. Customs and GST.

2. It is submitted that the matter of IGST refund against the export of goods on payment of IGST, is covered under Rule 96 of CGST Rules, 2017. This mandates the documentary obligations in the form Shipping Bill, Export General Manifest or its equivalent as proof of export and GSTR-3B as proof of payment of IGST amount, which then gets processed for refund, electronically.

3. Without burdening the Court with the detailed process, it is submitted that the procedure for IGST refund in the case of exports made from the Foreign Post Office during the material period i.e 01/07/2017 to 20/06/2018, being a retrospective provision, **would need deliberations/consultations with all the States and Union Territories (UTs) and final approval of the GST Council as it would have an impact on the revenues of all the States and UTs apart from the Center.** Hence, an assurance on the timelines for the notification of the procedure cannot be given by CBIC, as it has only an assistive role in the formulation of the policy/procedure.

4. In this regard, as highlighted in the Writ Petition filed by the petitioner as well as the Counter Affidavit filed by this office, there is unavailability of Postal Bill of Export (PBE)

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either with the Petitioners or with the Custodian (Postal Authorities) or the Customs, which creates a void on the part of fulfillment of documentary obligation to process the refund electronically, in terms of Rule 96 of CGST Rules, 2017.

5. Rule 96(3) of CGST Rules, 2017, however, vest power with the proper officer of Customs that upon receipt of the information regarding the furnishing of a valid return in form GSTR-3B from the common portal, the system designated by the Customs or **the proper officer of Customs,** as the case may be, shall process the claim of refund in respect of export of goods and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities.

6. The powers vested with the proper officer of customs, as discussed above, however, remains short on account of unavailability of Shipping Bill or Bill of Export. To overcome, this gap, the fundamental requirements of exports, as defined under Section 2(18) of Customs Act, 1962 - —export with its grammatical variations and cognate expressions, means taking out of India to a place outside India; and Section 2(5) of IGST Act, 2017 - "export of goods" with its grammatical variations and cognate expressions, means taking goods out of India to a place outside India;, needs to be satisfied in order to consider the supply of goods as "export".

7. In this matter, attention is drawn to the Record of Proceedings dated 22/05/2026 and 25/05/2026, held before the Commissioner of Customs, ACC Export, wherein the petitioner had shown the sample documents related to receipt of foreign remittance as proof of export.

8. Therefore, in the present case, as a one-time measure, the Hon'ble Court may please be requested to direct the Postal Authorities to certify that all the parcels of the Petitioners, which are part of the present writ petition, have been exported and the Customs shall accept the same as the proof of Export.

9. The case may please be defended on above lines on 29/05/2026. Should the Hon'ble Court directs to file an affidavit to this effect, Hon'ble court may please be requested to grant time of 5 working days to file the same.

This issues with the approval of the Commissioner of Customs, ACC (Export), New Delhi.

Yours faithfully,

Digitally signed by
Arunabh Kumar Arya
Date: 28-05-2026
17:08:15

(Arunabh Kumar Arya)
Assistant Commissioner (Legal)

2. In the aforesaid backdrop, *Mr. Ojha* submits that the postal authorities can certify that the parcels which were booked with it by the petitioner were exported.

3. Learned counsel appearing for the Postal Authorities submits that the Postal Authorities shall do so in terms of the postal receipt which are issued by them and that such certification that the parcel was dispatched was duly issued.

4. In such circumstances, we permit the petitioner to appear before the Superintendent, Foreign Post Office, Kotla Marg, Maulana Azad Medical College Campus, New Delhi–110002, on Monday, *i.e.*, 01st June, 2026, at 11:00 A.M. The said authority shall issue an appropriate certificate, addressed to the respondent-Customs Authorities, within a period of 72 hours from the said date and, in any case, not later than 03rd June, 2026.

5. *Mr. Ojha*, learned counsel for the customs submits that based on such certification that the parcel booked by the petitioner was exported, the Customs Department shall process the request of the petitioner within a period of 4 weeks thereafter.

6. In the aforesaid backdrop, we accept the statements made by the learned counsel for the respective parties, on instructions, as an undertakings given to this Court.

7. Let the matter be posted for reporting compliance on 13th July, 2026.

8. We further observe that in view of the statutory mandate provided under Section 16 of Integrated Goods and Services Tax Act, 2017 and Rule 96 of the CGST Rules, it was for the Central Board of Indirect Taxes and Customs to frame appropriate policy in the matter which they have not done till this date.

9. Let the Chairman of the Board look into the same and also report the steps taken by the next date of hearing.

10. List on 13th July, 2026.

11. Order be uploaded on the website of this Court.

NITIN WASUDEO SAMBRE, J

AJAY DIGPAUL, J

MAY 29, 2026/*sky/sk*