



सीमा शुल्क(अपील) आयुक्त का कार्यालय, अहमदाबाद

OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD,

चौथी मंज़िल 4th Floor, हडको भवन HUDCO Bhawan, ईश्वर भुवन रोड़ Ishwar Bhuvan Road
नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad - 380 009
दूरभाष क्रमांक Tel. No. 079-26589281

DIN - 20260371MN000000CE67

क	फ़ाइल संख्या FILE NO.	S/49-375/CUS/MUN/2024-25
ख	अपील आदेश संख्या ORDER-IN- APPEAL NO. (सीमा शुल्क अधिनियम, 1962 की धारा 128क के अंतर्गत)(UNDER SECTION 128A OF THE CUSTOMS ACT, 1962)	MUN-CUSTM-000-APP-891-25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	12.03.2026
ङ	उदभूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER-IN- ORIGINAL NO.	Letter F. No. VIII/48-06/REF/MISC/22-23 dated 31.12.2024
च*	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	12.03.2026
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	M/s. Anar Chemicals LLP, Chitrakoot, Opp. Reliance Petrol Pump B/h Shakuntal Complex, Ambawadi, Ahmedabad-380006



1	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है।
	This copy is granted free of cost for the private use of the person to whom it is issued.
2.	सीमाशुल्क अधिनियम 1962 की धारा 129 डी डी (1) (यथा संशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकते हैं।
	Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order.
	निम्नलिखित सम्बन्धित आदेश/Order relating to :
(क)	बैगेज़ के रूप में आयातित कोई माल.
(a)	any goods exported
(ख)	भारत में आयात करने हेतु किसी वाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे न गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे न जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो.
(b)	any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
(ग)	सीमाशुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी.
(c)	Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
3.	पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उस के साथ निम्नलिखित कागजात संलग्न होने चाहिए :
	The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by :
(क)	कोर्ट फी एक्ट, 1870 के मद सं.6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए.
(a)	4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870.
(ख)	सम्बद्ध दस्तावेज़ों के अलावा साथ मूल आदेश की 4 प्रतियां, यदि हो
(b)	4 copies of the Order-in-Original, in addition to relevant documents, if any
(ग)	पुनरीक्षण के लिए आवेदन की 4 प्रतियां
(c)	4 copies of the Application for Revision.
(घ)	पुनरीक्षण आवेदन दायर करने के लिए सीमाशुल्क अधिनियम, 1962 (यथा संशोधित) में निर्धारित फीस जो अन्य रसीद, फीस, दण्ड, जब्ती और विविध मदों के शीर्ष के अधीन आता है में रु. 200/- (रूपए दो सौ मात्र) या रु. 1000/- (रूपए एक हजार मात्र), जैसा भी मामला हो, से सम्बन्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दो प्रतियां. यदि शुल्क, मांगा गया ब्याज, लगाया गया दंड की राशि और रूपए एक लाख या उससे कम हो तो ऐसे फीस के रूप में रु. 200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु. 1000/-
(d)	The duplicate copy of the T.R.6 challan evidencing payment of Rs.200/- (Rupees two Hundred only) or Rs.1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the

	amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs.200/- and if it is more than one lakh rupees, the fee is Rs.1000/-.
4.	मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमाशुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमाशुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं
	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :
	सीमाशुल्क, केन्द्रीय उत्पाद शुल्क व सेवा कर अपीलिय अधिकरण, पश्चिमी क्षेत्रीय पीठ
	Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench
	दूसरी मंज़िल, बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016
	2 nd Floor, Bahumali Bhavan, Nr.Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साथ निम्नलिखित शुल्क संलग्न होने चाहिए-
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -
(क)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उससे कम हो तो एक हज़ार रूपए.
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;
(ख)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पांच हज़ार रूपए
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;
	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हज़ार रूपए.
	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees
	इस आदेश के विरुद्ध अधिकरण के सामने, मांगे गए शुल्क के 10% अदा करने पर, जहां शुल्क या शुल्क एवं दंड विवाद में है, या दंड के 10% अदा करने पर, जहां केवल दंड विवाद में है, अपील रखा जाएगा।
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.
6.	उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील :- अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal-
	(a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or
	(b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.



ORDER-IN-APPEAL

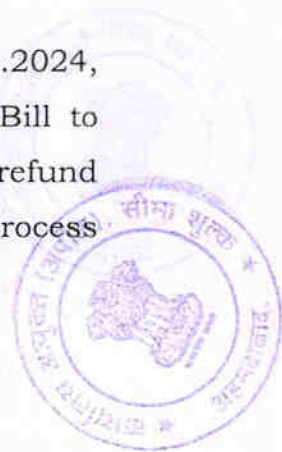
Appeal has been filed by M/s. Anar Chemicals LLP, Chitrakoot, Opp. Reliance Petrol Pump, B/h Shakuntal Complex, Ambawadi, Ahmedabad-380006 (hereinafter referred to as the 'Appellant') in terms of Section 128 of the Customs Act, 1962, challenging the decision conveyed vide Letter F. No. VIII/48-06/REF/MISC/22-23 dated 31.12.2024 (hereinafter referred to as 'the impugned order') issued by the Deputy Commissioner, Custom House, Mundra (hereinafter referred to as 'the adjudicating authority/sanctioning authority').

2. Facts of the case, in brief, are that the appellant filed refund application amounting to Rs. 1,76,200/-. The Deputy Commissioner, vide impugned letter dated 31.12.2024, informed the appellant that the EDI system is showing that IGST Amount paid is Rs. 10,76,200/- for Shipping Bill No. 8308132 dated 17.10.2018. The total amount Rs.9,00,000/- has already been refunded vide Scroll dated 22.11.2018 for Rs.1,76,000/- again vide Supplementary Scroll dated 12.04.2019 for Rs.7,23,800/- i.e for total amounting to Rs.9,00,000/- scroll has been generated and the same amount has been refunded. For remaining amount to Rs. 1,76,000/- supplementary scroll is not allowed by the system once supplementary scroll is generated no further pending IGST will be disbursed through EDI system.

2.1 As per para 7 of Circular No. 40/2018-Customs dated 24.10.2024, Exporter can avail the facility only once for each eligible Shipping Bill to sanction the revised IGST amount to enable sanction of balance refund amount. In view of above, the Deputy Commissioner was unable to process request for refund of Rs.1,76,000/-.

SUBMISSIONS OF THE APPELLANT:

3. Being aggrieved with the impugned order, the Appellant has filed the present appeal against the order passed by the Deputy Commissioner, Customs, Mundra. The appellant have submitted that they have received Short Refund against the amount of IGST paid in GSTR-3B. They have submitted that with



their representation to the Mundra Customs Authority they received Short amount and that their Second Representation has also been rejected citing the Para 7 of Circular No. 40/2018-Customs dated 24.10.2024, that Shipping Bills Once scrolled and paid, can be only one time manually scrolled again towards RRR form filed. In this matter as the Scrolling is done for two times already, this appeal has arisen.

PERSONAL HEARING:

4. Personal hearing was granted to the Appellant on 13.01.2026, following the principles of natural justice wherein Shri Dhaval Joshipura, Dy. Manager-Accounts & Admin, appeared for the hearing and re-iterated the submissions made at the time of filing the appeal.

DISCUSSION AND FINDINGS:

5. I have carefully gone through the case records, impugned order and the defense put forth by the Appellant in their appeal.

5.1 Under the GST regime, specifically Section 16(3) of the IGST Act, 2017, an exporter is entitled to claim a refund of integrated tax paid on goods exported. Rule 96 of the CGST Rules, 2017, provides that the Shipping Bill filed by an exporter shall be deemed to be an application for refund. The system is designed to be automated, matching the data between the GSTN (GSTR-1/3B) and the Customs ICEGATE system. In the instant case, there is no dispute regarding the following facts:

- The goods were exported under Shipping Bill No. 8308132 dtd. 17.10.2018.
- The IGST of ₹11,07,497/- was actually paid to the Government exchequer.
- The full export proceeds (BRC) have been realized.
- The only reason for the short-refund is a typographical error in the GSTR-1 data entry.

5.2 The Hon'ble Gujarat High Court, in the landmark case of **Amit Cotton Industries vs. Principal Commissioner of Customs [2019 (29) G.S.T.L. 200 (Guj.)]**, held that once it is established that the IGST was paid and the goods were exported, the refund cannot be denied on technical or procedural grounds. The Court emphasized that a government circular or a system



limitation cannot override a statutory right. Similarly, in **Sunlight Cable Industries vs. Union of India [2023 (8) TMI 534 - BOMBAY HIGH COURT]**, the Court observed that clerical errors in filing returns should not lead to the loss of a legitimate refund. The Court directed the authorities to manually process the refund where the electronic system faced glitches or limitations.

5.3 The Adjudicating Authority has rejected the claim primarily by placing strict reliance on Para 7 of Circular No. 40/2018-Customs dated 24.10.2018. The said paragraph stipulates that the facility for revising the IGST amount can be used "only once" for each eligible Shipping Bill. The authority concludes that since the RRR facility was already utilized to generate a second scroll on 12.04.2019, any further revision or "third scroll" is technically and legally prohibited. I find this interpretation to be legally incorrect and procedurally unjust for the many reasons.

5.4 Circular No. 40/2018-Customs was issued by the Board with the singular objective of providing an "alternate mechanism" to resolve invoice mismatches and typographical errors that were causing legitimate refunds to be stuck in the EDI system. It is a beneficial circular. It is a settled principle of law, as held in **Paper Products Ltd. vs. Commissioner of Central Excise 1999 (112) E.L.T. 765 (S.C.)**, that circulars are binding on the department to the extent they are beneficial to the assessee, but they cannot be used to restrict or extinguish a statutory right granted by the Act itself.

5.5 In the present case, while the initial error was a typographical one made by the Appellant, the subsequent failure to release the full amount was a direct result of an arithmetic error by the Mundra Customs authorities during the second scroll generation. The department erroneously deducted the already-refunded ₹1,76,200/- from the remaining shortfall of ₹9,00,000/-, instead of adjusting it against the total eligible claim. To deny a correction of this departmental error by citing a "one-time" limit in a circular is to allow the department to benefit from its own mistake, which is a violation of the principle of *Nullus commodum capere potest de injuria sua propria* (no man can take advantage of his own wrong).

5.6 The Hon'ble Gujarat High Court, in the recent case of **Messrs Macro Polymers Private Ltd. vs. Union of India 2025 (11) TMI 391 - GUJARAT HIGH COURT**, reaffirmed the constitutional principle that the State has no authority to retain tax which is not due to it. The IGST of ₹11,07,497/- was paid on a zero-



rated supply. By law, the entire amount must be refunded. If the State retains ₹1,76,200/- solely because of a "scroll count" limit in a circular or a software constraint, such retention amounts to the collection of tax without the authority of law, directly violating Article 265 of the Constitution of India. The Court held that "procedural law cannot be allowed to act as a tyrant and defeat the substantive rights of the citizens."

5.7 The Adjudicating Authority's claim that "the system does not allow for a third scroll" is a technical limitation of the ICES software, not a legal prohibition. In **Sethi Sons (India) vs. Assistant Commissioner 2023 (12) TMI 1113 - DELHI HIGH COURT**, the Court held that the department cannot plead "system constraints" to deny a refund that is otherwise due. Software must be configured to comply with the law, not the other way around. If the EDI system cannot generate a third scroll, the proper officer is duty-bound to exercise their inherent powers under the Customs Act to process the refund manually, ensuring that the statutory mandate is fulfilled. Consequently, the "only once" provision in Para 7 of the Circular must be read as a guideline for automated processing and not as a bar for the department to rectify its own calculation errors or to fulfill its constitutional duty to refund taxes paid on zero-rated exports.

5.8 In summation of the findings above, it is evident that the rejection of the balance refund claim rests solely on procedural technicalities rather than on any lack of substantive merit. The Appellant has demonstrably satisfied the fundamental requirements for an IGST refund on zero-rated exports: the tax was undeniably paid to the exchequer, the goods were exported in accordance with the law, and the export proceeds have been realized in full. The "one-time" limitation stipulated in Para 7 of Circular No. 40/2018-Customs is a facilitative guideline for the ICES automated workflow and cannot be elevated to the status of a statutory bar that overrides the express provisions of the IGST Act, 2017.

5.9 Furthermore, the persistent denial based on the ICES system's inability to generate a "third scroll" constitutes a failure to recognize that administrative and software constraints must always yield to the rule of law and constitutional mandates. As observed by the Hon'ble Courts, the department cannot benefit from its own calculation errors—which directly led to this short-refund—by pleading technical helplessness. To permit the State to retain verified tax amounts belonging to an exporter under such circumstances would be a gross violation of Article 265 of the Constitution of India. Therefore, equity,

justice, and the overarching legal principles governing the GST regime necessitate that the department rectify this shortfall, if necessary through manual intervention, to ensure that the Appellant is not deprived of their legitimate statutory refund.

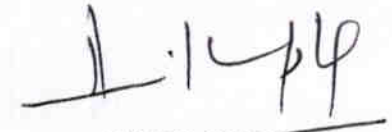
6. In view of the foregoing discussions and findings, and following the judicial discipline in view of above cited orders of Hon'ble High Courts, I pass the following order:

- a. The Appeal is allowed.
- b. The impugned order/letter dated 31.12.2024 is set aside.
- c. The Adjudicating Authority /Refund Sanctioning Authority is directed to sanction the balance IGST refund of ₹1,76,200/- along with applicable interest as per Section 56 of the CGST Act, 2017, from the date of the expiry of sixty days from the initial application until the date of actual payment.

7. The appeal filed by M/s. Anar Chemicals LLP stands disposed of accordingly.

सत्यापित/ATTESTED

 अधीक्षक/SUPERINTENDENT
 सीमा शुल्क (अपील्स), अहमदाबाद.
 CUSTOMS (APPEALS), AHMEDABAD


 (AMIT GUPTA)
 Commissioner (Appeals),
 Customs, Ahmedabad

F. No. S/49-375/CUS/MUN/2024-25

Date: 12.03.2026

By Speed post /E-Mail

To,
 M/s. Anar Chemicals LLP,
 Chitrakoot, Opp. Reliance Petrol Pump
 B/h Shakuntal Complex, Ambawadi,
 Ahmedabad-380006



Copy to:

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad.
2. The Principal Commissioner of Customs, Custom House, Mundra.
3. The Deputy Commissioner of Customs (Refund), Custom House, Mundra.
4. Guard File.