PR. COMMISSIONER, CGST & CX, SILIGURI COMMISSIONERATE v. AGARWALA'S BITUMEX PRIVATE LIMITED

Eligibility of refund of accumulated ITC under Section 54 of the CGST Act, 2017, and genuineness of movement of exported goods. Whether discrepancies in transportation records and irregularities relating to upstream suppliers can defeat ITC eligibility un

Date of Order:	August 8, 2026
Case Law No:	GIB-GSTAT-2026-85
Source:	GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

BACKGROUND

The taxpayer had exported goods and claimed refund of accumulated ITC. The original authority rejected the refund claims on alleged deficiencies, while the First Appellate Authority allowed the refund claims and set aside the original orders. The Revenue challenged the appellate orders before the Tribunal.

The Revenue relied, inter alia, upon alleged absence of toll-plaza movement in the State from which the goods were stated to have been dispatched and alleged cancellation of registrations of suppliers further up the supply chain. The goods, however, had been received at the ship-to location and subsequently exported.

COURT OBSERVATION

The Tribunal observed that the goods were transported under the Bill-to-Ship-to model and the documents produced included e-way bills, bilty copies, shipping bills, EGM details, transporter certificate and banking records. The Tribunal found that these documents substantiated the movement and subsequent export and that the Revenue had not disputed them. The conditions under Section 16(2) were therefore satisfied.

The Tribunal held that toll-plaza receipts are not mandatory documents for establishing transportation of goods or for availing ITC. It also held that the taxpayer could not be denied refund merely because of irregularities relating to a second-line supplier with whom it had no direct transaction.

The Tribunal further held that the additional grounds raised by the Revenue for the first time before the Tribunal could not be considered as additional evidence in the absence of the documents/investigation material required under Rule 45(1) of the GSTAT (Procedure) Rules, 2025 and Rule 112(1) of the CGST Rules, 2017.

FINAL VERDICT

The Tribunal dismissed both Revenue appeals and upheld the impugned appellate orders allowing the refund claims.

CASE REFERRED BY COURT

Raghuvansh Agro Farms Ltd. v. State of U.P. — Allahabad High Court — 17.12.2025.