IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 4373 of 2026
With
R/SPECIAL CIVIL APPLICATION NO. 4408 of 2026
With
R/SPECIAL CIVIL APPLICATION NO. 663 of 2026
With
R/SPECIAL CIVIL APPLICATION NO. 667 of 2026
With
R/SPECIAL CIVIL APPLICATION NO. 669 of 2026
With
R/SPECIAL CIVIL APPLICATION NO. 671 of 2026

FOR APPROVAL AND SIGNATURE:

HONOURABLE MR. JUSTICE A.S. SUPEHIA
and
HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI

==

Approved for Reporting	Yes	No
	✔	

==

KUEHNE NAGEL PVT. LTD. & ANR.
Versus
THE UNION OF INDIA & ORS.

==

Appearance:
DHRUV TOLIYA(9249) for the Petitioner(s) No. 1,2
MR RAJ TANNA, AGP in SPECIAL CIVIL APPLICATION No.4373 of 2026 and MS NIMISHA J PAREKH, AGP in SPECIAL CIVIL APPLICATION Nos.4408 of 2026, 663 of 2026, 667 of 2026, 669 of 2026 and 671 of 2026 for the Respondent(s) No. 2
MR ANKIT SHAH(6371) for the Respondent(s) No. 1,3

==

CORAM: **HONOURABLE MR. JUSTICE A.S. SUPEHIA**
and
HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI

Date : 02/07/2026
COMMON ORAL JUDGMENT
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. **Rule** returnable forthwith. Learned Assistant Government Pleader and learned Senior Standing Counsel waives service of

notice of Rule for and on behalf of the respective respondents in respective captioned writ petitions.

2. Since the issue involved in all the captioned petitions are identical, with consent of learned advocates appearing for the respective parties, are taken up for final disposal. The Special Civil Application No.4373 of 2026 is treated as the lead matter. For the purpose of passing the present order, the facts are incorporated from the said petition.

3. In the present petition, the petitioner has prayed for quashing and setting aside the impugned order dated 09.02.2026 passed by the respondent No.3 to the extent of denial of interest. The petitioner has been paid the amount of refund of Rs.2,29,32,535/- however, the interest claimed amounting to Rs.29,51,700/- is rejected by assigning the reason that the condition for accrual of interest under Section 56 of the Central Goods and Services Tax Act, 2017 (for short 'the CGST Act') are not satisfied.

4. It is not in dispute that the petitioner had filed the original refund application dated 14.10.2023, however, the said refund application was not accepted, which constrained the petitioner to file the writ petition being Special Civil Application No.12151 of 2025. By the judgment and order dated 06.11.2025, this Court set aside the action of the respondents in refusing the refund application. Thereafter, the respondent authority passed the impugned order sanctioning the refund however, denying the interest as mentioned herein above.

4.1 The original refund application filed by the petitioner on 14.10.2023 since was rejected and pursuant to the order passed by this Court, the petitioner again filed the refund application on 11.11.2025 however, the respondent authorities have denied the interest by invoking the provisions of Section 56 of the CGST Act. The respondent – Proper Officer has construed the date of subsequent filing of the refund application to deny the interest.

5. This Court in the judgment and order dated 06.11.2025 while allowing the writ petition being Special Civil Application No.12151 of 2025, has observed thus:

> *"7. It was, thus, held by this Court that the Chartered Accountant's Certificate produced by the petitioner was bound to be considered by the respondent. In view of the same and in view of the decision rendered by this Court in Special Civil Application No. 13427 of 2024, the respondent authorities are directed to process the refund claim of the petitioner filed for the period from July 2021 to September, 2021 and October 2021 to December 2021 in accordance with law within a period of twelve weeks from the date of receipt of copy of this order."*

6. Thus, the Court found the action of the respondents in denying the refund in processing the refund application, which was filed on 14.10.2023, and in fact, it is observed that the refund application ought to have been processed in view of the Chartered Accountant's Certificate produced by the petitioner.

7. Under the circumstances, we are of the considered opinion that the respondent authority was required to consider the date of initial refund application filed by the petitioner for calculating the interest instead of the subsequent application,

which was filed after the order passed by this Court, in wake of the fact that the initial action of the respondents in refusing the process the refund pursuant to the claim filed by the petitioner vide application dated 14.10.2023 was held illegal, upon setting aside the former action of denial of refund, the fresh application filed for refund satisfies the provisions of Section 56 of the Act and the claim of interest has to be processed by considering the date of earlier application. Thus, we direct the respondents to pass necessary orders on the respective claim of interest on refund filed by the petitioner in light of the observations made by this Court. The impugned orders to such extent are set aside. The same shall be done within a period of twelve (12) weeks from the date of receipt of this order. All the captioned writ petitions stand ***allowed,*** accordingly. Rule is made absolute to the aforesaid extent. No order as to costs.

(A. S. SUPEHIA, J)

(VAIBHAVI D. NANAVATI,J)

NEHA/17/18/110-113