S C Vora & Co.
Chartered Accountants

Update: 14/26-27
Date: 20/08/2026
Prep by: CA Pankaj Shrivastav



Supreme Court Decision on Rule 96(10) Goodluck India Ltd.

S C Vora & Co | Strictly Private & Confidential. All rights reserved



S C Vora & Co.
Chartered Accountants

Goodluck India Ltd vs Union of India

Order No. [(2026) 45 Centax 171 (S. C.)] dt 06.08.2026

- Rule 96(10) of the CGST Rules, 2017 restricted refund of IGST paid on exports in cases where exporter had availed benefits under the relevant exemption/concessional notifications.

- Rule 96(10) was omitted with effect from 08/10/2024, without any specific comment on its applicability i.e. prospective or retrospective.

- Several High Courts had held that the omission would apply to pending proceedings as on the date of omission, thereby allowing such proceedings to be decided without applying the restriction contained in Rule 96(10).

- The Union of India challenged these decisions before the Supreme Court.

S C Vora & Co. | Strictly Private & Confidential. All rights reserved



- The Revenue relied on 54th GST Council meeting held on 09.09.2024, which had recommended that Rule 96(10), along with Rules 89(4A) and 89(4B), be omitted with prospective effect".

- The Hon'ble Supreme Court held that the GST Council's recommendation was advisory in nature and did not bind the rule-making authority. of Accordingly, the recommendation for prospective operation could not alter the legal effect of the Notification.

- Further, in absence any saving clause the omission ought to have a retrospective effect.

- Upholding the High Court rulings, the Supreme Court dismissed the Revenue's appeals and held that the omission applies to pending proceedings as well.

S C Vora & Co.
Chartered Accountants

S C Vora & Co. | Strictly Private & Confidential. All rights reserved



S C Vora & Co.
Chartered Accountants

Our Comments:

- The judgment provides significant relief to exporters having pending proceedings involving Rule 96(10) as on date. Since all such proceedings may now be considered without applying the restriction contained in the erstwhile provision of Rule 96(10).

- The Supreme Court has reaffirmed that where a rule is omitted without a saving provision, it should bear a retrospective effect.

- Based on above, exporters having pending assessments, appeals or refund proceedings involving Rule 96(10) may consider relying upon this judgment before the concerned authority and seek consequential relief, as applicable

S C Vora & Co. | Strictly Private & Confidential. All rights reserved



S C Vora & Co.
Chartered Accountants

THANK YOU

D-723/ 724, Neelkanth Business Park,
Vidyavihar (West), Mumbai 400086

+91 9152729402 | +91 9152729403 |
+91 8291466022

www.scvora.com

PARTNERS

Subodh Vora

M: +91-9821151467 | E: subodh@scvora.com

Kush Vora

M: +91-9821305187| E: kush.vora@scvora.com

Bhakti Vora

M: +91-9821362481| E: bhakti.vora@scvora.com

Strictly Private & Confidential. All rights reserved