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WP No. 22752 of 2



Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-09-2026

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THE HON'BLE MR.JUSTICE HEMANT CHANDANGOUDAR

WP No. 22752 of 2026



Case QR

And

WMP.No. 24687 of 2026

CNR: {HCMA011255772026}

M/s.Vatech Wabag Limited
A Company incorporated under Companies Act
having its registered office at Wabag House,
No- 17, 200, Ft Radial Road, Thoraipakkam-
Pallavaram Radial Road, Chennai 600 117.
Rep by its Chief Financial Officer
Mr. Skandaprasad Seetharaman

..Petitioner(s)

Vs

1. The Assistant Commissioner of Customs- GR-6
Office of the Commissioner of Customs
Chennai-II (Imports)
Custom House, No.60 Rajaji Salai
Chennai 600 001.
2. The Additional Commissioner of Customs
Office of the Commissioner of Customs
Chennai-II (Imports)
Custom House, No.60 Rajaji Salai
Chennai 600 001

..Respondent(s)



Writ Petition is filed under Article 226 of Constitution of India, praying for issuance of writ of certiorarified mandamus, calling for the records relating to the proceedings of the 1st Respondent bearing F.No. CUS/APR/PROJ/183/2025-PI dated 02.06.2026, quash the same and consequently direct the Respondents to extend the benefit of assessment under Heading 98.01 of the Customs Tariff Act, 1975 read with the Project Import Regulations, 1986 to the Bills of Entry covered in the petition, permit amendment of the registered Project Import Contract and grant consequential refund of excess customs duty paid, within a time frame fixed by this Court.

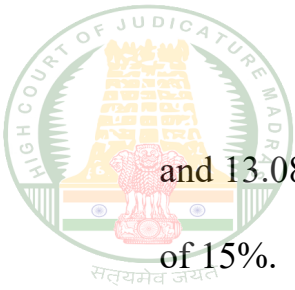
For Petitioner: Mr. K.Suresh Kumar

For Respondents: Mr. G.Meganathan, Standing Counsel

ORDER

The petitioner has approached this Court challenging the proceedings dated 02.06.2026 issued by the first respondent and seeking a direction to the respondents to extend the benefit of assessment under Heading 98.01 of the Customs Tariff Act, 1975, read with the Project Import Regulations, 1986, in respect of the Bills of Entry covered by the present writ petition.

2. The petitioner states that it is engaged in the field of total water management and was awarded a contract by the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) for execution of a 400 MLD seawater reverse-osmosis desalination plant at Perur. For implementation of the project, the petitioner imported five consignments of fasteners and one filter cartridge under five Bills of Entry dated 30.10.2024, 08.02.2025, 13.08.2025, 19.03.2025



and 13.08.2025. The goods were cleared on payment of customs duty at the rate of 15%.

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3. According to the petitioner, since the goods were imported for execution of a public project, they were eligible for assessment under Heading 98.01 of the Customs Tariff Act, 1975, in terms of the Project Import Regulations, 1986. The petitioner therefore submitted a representation seeking the said benefit. The representation was rejected by the impugned proceedings on the ground that the project contract had been registered with the Customs Department only after the purchase orders had been placed.

4. Learned counsel for the petitioner submitted that the project contract was registered on 05.06.2025 and that the goods covered by the two Bills of Entry dated 13.08.2025 were imported after such registration. It was therefore contended that the petitioner was entitled to the benefit of Heading 98.01 in respect of those consignments. Learned counsel further submitted that, notwithstanding the clearance of the goods, the Bills of Entry could be revised in terms of Section 18A of the Customs Act, 1962.

5. Per contra, learned counsel for the respondents submitted that the purchase orders had been placed before registration of the project contract and that the goods imported pursuant to those purchase orders were therefore not eligible for assessment under Heading 98.01. It was further submitted that, since



the goods had already been cleared for home consumption, the Bills of Entry could not be amended in view of Section 149 of the Customs Act, 1962.

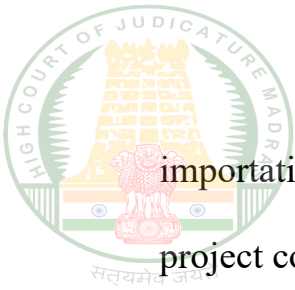
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6. This Court has considered the rival submissions and perused the materials placed on record.

7. The dates of the bills of entries relied upon by the respondents are 30.10.2024, 08.02.2025, 13.08.2025, 19.03.2025 and 13.08.2025. The project entrusted to the petitioner for execution of the desalination plant was registered with the Customs Department on 05.06.2025.

8. The mere fact that a purchase order was placed before registration of the project contract cannot, by itself, determine the date of importation. A purchase order placed with a foreign supplier is only a commercial transaction. It does not, by itself, constitute importation of the goods into India. The date relevant for the purposes of the Project Import Regulations is the date of importation of the goods.

9. Section 2(23) of the Customs Act, 1962, defines “import” to mean bringing into India from a place outside India. Section 2(27) defines “India” to include the territorial waters of India. The expression “importation” and the stage at which importation takes place have been considered by the Hon’ble Supreme Court in ***Garden Silk Mills Ltd. v. Union of India*, (1999) 8 SCC 744**. The date of a purchase order, therefore, cannot be treated as the date of



importation merely because the purchase order preceded the registration of the project contract.

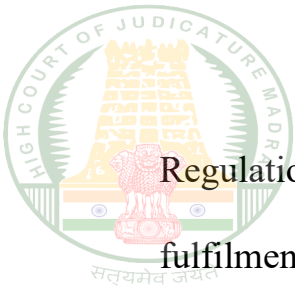
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10. Regulation 4 of the Project Import Regulations, 1986, provides that assessment under Heading 98.01 is available in respect of goods imported against one or more specific contracts registered with the appropriate Customs House in the manner prescribed under Regulation 5. The contract must be registered before an order is made by the proper officer permitting clearance of the goods for home consumption.

11. Regulation 5 further provides that an importer claiming the benefit of Heading 98.01 shall, on or before the importation of the goods, apply to the proper officer for registration of the contract.

12. Thus, what is material for determining eligibility under the Project Import Regulations is whether the goods were imported after the contract had been registered and before the order permitting clearance for home consumption was made. The date on which the purchase order was placed is not, by itself, determinative.

13. In the present case, the project contract was registered on 05.06.2025. The goods covered by the two Bills of Entry dated 13.08.2025 were imported after the registration of the contract. Therefore, insofar as those two consignments are concerned, the petitioner satisfies the requirement of



Regulation 5 and is entitled to seek assessment under Heading 98.01, subject to fulfilment of the other requirements under the Project Import Regulations.

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14. On the other hand, the remaining three consignments were imported before registration of the project contract. The petitioner is therefore not entitled to claim the benefit of Heading 98.01 in respect of those consignments.

15. The petitioner, after clearance of the goods, sought revision of the relevant Bills of Entry to avail the benefit of Heading 98.01. Section 149 of the Customs Act, 1962, generally deals with amendment of documents after their presentation before the Customs House. The proviso to the said provision restricts amendment of a Bill of Entry after clearance of the imported goods for home consumption.

16. However, Section 18A of the Customs Act, 1962, inserted with effect from 29.03.2025, begins with a non obstante clause and specifically enables an importer or exporter, notwithstanding anything contained in Section 149, to revise an entry already made in relation to the goods after clearance, in such form and manner, within such time and subject to such conditions as may be prescribed.

17. In view of the specific provision contained in Section 18A, the bar contained in the proviso to Section 149 cannot, by itself, prevent the petitioner from seeking revision of the Bills of Entry dated 13.08.2025. The petitioner's



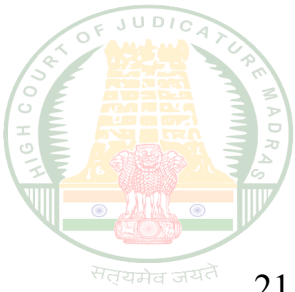
request is required to be considered under Section 18A, subject to fulfilment of the statutory and prescribed requirements.

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18. In view of the foregoing discussion, this Court is of the view that the petitioner is entitled to seek the benefit of Heading 98.01 in respect of the two consignments covered by the Bills of Entry dated 13.08.2025, bearing Nos. 3866403 and 3152579, since the project contract had already been registered on 05.06.2025. In respect of the remaining three consignments, which were imported before registration of the contract, the petitioner is not entitled to such benefit.

19. Accordingly, the writ petition is allowed in part. The impugned proceedings dated 02.06.2026 are set aside insofar as they relate to Bills of Entry Nos. 3866403 and 3152579 dated 13.08.2025. The first respondent is directed to consider and permit revision of the said Bills of Entry in accordance with Section 18A of the Customs Act, 1962, subject to fulfilment of the applicable statutory requirements and prescribed conditions.

20. Upon such revision, if otherwise permissible under law, the respondents shall extend the benefit of Heading 98.01 of the Customs Tariff Act, 1975, and process the claim for refund of the differential duty in accordance with law.



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21. Insofar as the remaining three Bills of Entry are concerned, the challenge fails and the claim for the benefit of Heading 98.01 is rejected.

22. Consequently, the connected miscellaneous petitions is closed. There shall be no order as to costs.

28-09-2026

Index: Yes/No

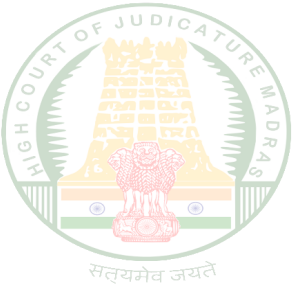
Speaking/Non-speaking order

Neutral Citation: Yes/No

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To

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HEMANT CHANDANGOUDAR, J.

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