

**Refund rightly rejected as zero rated supply not shown in GSTR-3B
return & no documentary evidence produced: HC**

Facts of the case - CTC (India) (P.) Ltd. v. Commissioner (Appeals), CGST & Central Excise - [2022] (Jharkhand)

The petitioner was 100 percent export oriented unit, exporting its products to countries like USA, China, Germany and other countries. The petitioner filed an application for refund of accumulated ITC. The department rejected the refund claim on the ground that value of zero rated supply was shown as 'zero' in GSTR-3B return. The petitioner filed appeal and it was rejected. Thereafter, it filed writ petition against the order of rejection of refund claim.

Decision of the case:

- The Honorable High Court observed that the value of zero rated supply was inadvertently mentioned to be 'zero' in GSTR-3B return although zero rated supplies was correctly shown in GSTR-1 return.
- However, no documentary evidence was produced by petitioner to substantiate his claim of refund either before Adjudicating Authority or before Appellate Authority though personal hearing was afforded to petitioner.
- Therefore, the Court held that the writ application was liable to be dismissed and didn't interfere with the impugned orders.