

**GIB/TN/TVL.MEHAR TEX/18.03.2021/HC-216**

**High Court Category :** ITC REFUND

**State :** Tamil Nadu

**Order No.:** GIB/TN/TVL.MEHAR TEX/18.03.2021/HC-216

**Name of Entry :**  
TVL.MEHAR TEX

**Date :** 18-03-2021

**Breif Issue :**

**FACTS OF THE CASE:**

In this case Tvl. Mehar Tex (“**the Petitioner**”) is an exporter and has made zero rated sales during the months of October 2017, November 2017 and February 2018. Accordingly, Petitioner stated that he is entitled to refund claim of SGST for the October month, CGST for the November month and CGST, SGST and IGST for the February month. However, when the refund applications were uploaded, the entire claim got consolidated and figured under the head SGST alone.

While considering the refund applications, the Assistant Commissioner of GST and Central Excise (“**the Respondent**”) restricted the refund claim to the extent of the Petitioner’s liability for the respective months only under the head of SGST under Rule 92 of the Central Goods and Services Tax Rules, 2017 (“**CGST Rules**”) and issued notice to show cause as to why refund of CGST and IGST should not be rejected. Subsequently the Petitioner replied to the above show cause notice stating that the entire refund claim got auto-populated under a single head of SGST.

However, the Respondent rejected the refund claims made in respect of CGST and IGST on the ground that the Petitioner has not furnished any documentary proof in support of his claims.

Being aggrieved with the order passed by the Respondent, this petition has been filed.

**ISSUE OF THE CASE:**

Whether the Petitioner’s claim for refund of CGST and IGST can be denied on the ground that the entire refund amount got consolidated under one head i.e. SGST, due to the technical error and new system of software in GSTN?

**Decision of Advance Ruling Authority :**

**DECISION:**

Noted that, as per the order passed by the Respondent, the supporting invoices and documents furnished as proof of exports by the Petitioner were in order, therefore, the Petitioner is eligible to get refund claim under all three heads namely IGST, CGST and SGST. Observed that, the Petitioner cannot be expected to produce some proof, due to error the error on the part of any software in GSTN, wherein, the entire refund amount of ITC got auto-populated under the head of SGST instead of SGST, CGST and IGST.

Further, noted that the Petitioner in reply to show cause notice had categorically stated that the entire refund amount got auto-population under single head of SGST. Moreover, the Petitioner had also filed the refund application manually. Held that, refund ought not to be denied only on the grounds of technical glitches and error that occurred due to auto-population. Nothing can be more unfair.

Set aside the order passed by the Respondent to the extent that rejected the refund claim of the Petitioner. Remanded back the matter to the Respondent directed the Respondent to verify the Petitioner's refund claim and accordingly refund the amount to the Petitioner within a period of 8 weeks.