



Office of the Commissioner,
State Tax, Uttar Pradesh
(GST Section)

Letter No. GST/2024-25/ (0) /State Tax
Lucknow: Dated: 08 November, 2024

To,

All Zonal Additional Commissioner,
Additional Commissioner Grade -2 (S.I.B.)
Joint Commissioner (Executive/Corporate Circle/ S.I.B)
State Tax, Uttar Pradesh.

**Subject: Processing of refund applications filed by Canteen Stores Department (CSD)
- regarding**

Vide Notification No. KA.NI.-2-852-/XI-9(47)/17-U.P.Act-1-2017-Order-(19)-2017 dated 30th June 2017, the Canteen Stores Department ("CSD" for short), under the Ministry of Defence, has been specified as a person who shall be entitled to claim a refund of fifty per cent of the applicable state tax paid by the CSD on all inward supplies of goods received by the CSD for the purposes of subsequent supply of such goods to their Unit Run Canteens or to their authorized customers. Further, vide Circular No. 1819040 dated 10.09.2018, the manner and procedure for filing and processing of such refund claims was specified so as to ensure that the CSD shall apply for refund by filing an application manually to the jurisdictional tax office till the time the online utility for filing such refund claim is made available on the common portal.

2. In order to enable such CSD to file application for refund electronically, a new functionality has been made available on the common portal which allows CSD to apply for refund by filing an application electronically on the common portal. Further, Uttar Pradesh Goods and Service Tax Rules, 2017 (hereinafter referred to as 'UPGST Rules') have been amended and a new rule 95B and FORM GST RFD-10A have been inserted in UPGST Rules vide Notification No. 721 dt 26.10.2024.

3. In order to ensure uniformity in the implementation of the provisions of law across field formations, the Commissioner, in exercise of its powers conferred by section 168 of the Uttar Pradesh Goods and Services Tax Act, 2017 (hereinafter referred to as "UPGST Act"), hereby lays down the following revised procedure for electronic submission and processing of refund application by CSD, in accordance with section 55 of CGST Act, in supersession of Circular No. 1819040 dated 10.09.2018.

4. Filing of refund application:

The CSD, who wants to file an application for refund under section 55 of UPGST Act, in cases where the refund is claimed of fifty per cent of the applicable state tax

paid by the said CSD on all inward supplies of goods received by it, for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers, shall file an application for refund in **FORM GST RFD-10A** electronically on the common portal and the same shall be processed electronically. The refund to be granted to the CSD shall be based on the invoices of the inward supplies of goods received by it for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers.

5. Filing of refund claim by CSD:

The CSD may apply for refund with the jurisdictional Central tax/ State tax authority to whom the CSD has been assigned. In terms of rule 95B of the UPGST Rules, the CSD is required to apply for refund once in every quarter. The CSD will also be allowed to file the refund application for multiple quarters, clubbing multiple FYs, as per their option. The refund of the tax paid by the CSD shall be available only if the inward supplies of goods were received from a registered person against a tax invoice and details of such supplies have been furnished by the said registered person in his details of outward supply in **FORM GSTR-1** and the said supplier has furnished his return in **FORM GSTR-3B** for the concerned tax period. The CSD while filing the refund application shall ensure that all the invoices declared by it have the GSTIN of the supplier and the GSTIN of the respective CSD clearly mentioned on them. The said refund application form shall be accompanied with the following documents:

- (i) An undertaking stating that the goods on which refund is being claimed have been received by the CSD for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers; and
- (ii) A declaration stating that no refund has been claimed earlier against the invoices on which the refund is being claimed.

6. Relevant date for filing of refund:

As per sub-section (2) of section 54 of the UPGST Act, a person notified under section 55 of the UPGST Act, can file the application for refund of tax paid by it on inward supplies of goods or services or both, before the expiry of two years from the last day of the quarter in which such supply was received. Therefore, as the CSD have been notified under section 55 of UPGST Act vide notifications No. KA.NI.-2-852-/XI-9(47)/17-U.P.Act-1-2017-Order-(19)-2017 dated 30th June 2017, as a person entitled to claim a refund of fifty per cent of the applicable state tax paid by it on all inward supplies of goods received for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers, the CSD can file the refund of fifty per cent of tax paid on such inward supplies of goods before expiry of two years from the last day of the quarter in which such supply was received.

7. Processing and sanction of the refund claim:

7.1 The proper officer shall process the refund claim filed by the CSD in a manner similar to the refund claims filed in **FORM GST RFD-01** under the provisions of rule 89 of UPGST Rules. The proper officer while processing the refund application shall validate the GSTIN details of the CSD on the common portal to ascertain whether all the returns in

FORM GSTR-1 and **FORM GSTR-3B**, which were due to be furnished on or before the date on which the refund application is being filed, have been filed. The proper officer may scrutinize the details contained in **FORM RFD-10A**, **FORM GSTR-3B** and **FORM GSTR-2B**, for processing the said refund claim. The proper officer shall also verify whether the details of the invoices for which refund has been claimed by the CSD, have been furnished by the concerned supplier in his details of outward supply in **FORM GSTR-1** and the said supplier has furnished his return in **FORM GSTR-3B** for the concerned tax period.

7.2 Further, the proper officer shall ensure that the amount of refund sanctioned is not more than 50 % of the central tax, state tax, Union territory tax and integrated tax paid on the supplies received by CSD. It may be noted that the invoices uploaded by the CSD while filing will be validated on the portal with **FORM GSTR 2B** of the applicant and only the validated invoices will be allowed in the application. The invoices for which refund has already been availed by the CSD will be flagged in the system and will not be allowed for the refund. The Table in Sl. No. 7 of **FORM GST- RFD 10A** will be auto-populated on the portal based on the 50 % of the amount of respective tax (central tax, state tax, Union territory tax and integrated tax) as per the Col 8, 9 and 10 of the Table in Sl. No. 6 of **FORM GST- RFD 10A**. The Table in Sl. No. 7 of **FORM GST- RFD 10A** shall be kept editable downwards, i.e., the CSD will be able to make a downward revision in the auto-populated amount in the said Table and cannot enhance the auto-populated amount in the said Table. The proper officer shall also verify whether the ITC in respect of such inward supplies of goods received for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers has been reversed by the CSD as clarified in Circular no. 2223029 dated 11-Jul-2022.

7.3 The proper officer shall scrutinize the application with respect to completeness and eligibility of the refund claim to his satisfaction and issue the order in **FORM GST RFD-06** accordingly. The proper officer shall also upload a detailed speaking order along with the said order in **FORM GST RFD-06**.

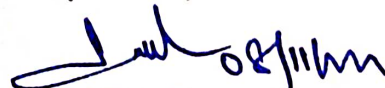
8. It is also mentioned that the provisions of the Circular No. 1819040 dated 10.09.2018 shall continue to apply for all refund applications filed manually before the amendments in CGST Rules mentioned in Para 2 above and before the said functionality being made available on the common portal. The said applications filed manually shall continue to be processed manually, according to the earlier circular.

9. This circular is being issued in pursuance of CBIC's Circular No. 227/21/2024 dt 11.07.2024.

10. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

11. Difficulty if any, in the implementation of this circular, may be brought to the notice of the Undersigned.

By Order,




(Dr. Nitin Bansal)

Commissioner, State Tax, U.P.

Copy To:

1. Joint Commissioner (I.T.), State Tax HQ, Lucknow for uploading the Circular on the Departmental Website.


Joint Commissioner(GST)
State Tax HQ, Lucknow.