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No. SGST/3602/2024-PLC6

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**Circular No. 13/2024 - Kerala SGST**

Subject: Clarification on the processing of scrutiny notices issued under section 61 of the Act - instructions - issued- reg.

Representations have been received from the field formations seeking clarification on different issues related to the scrutiny of returns and their further processing.

In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Commissioner of State Tax, in exercise of the powers conferred by section 168 (1) of the Kerala State Goods and Services Tax Act, 2017 (hereinafter referred to as “KSGST Act”), hereby clarifies the issues as under:

Sl. No.	Issue	Clarification
1	<b>Who will process the notice for intimating the discrepancies under section 61 (ASMT-10), issued by the Assistant Commissioners/State Tax Officers, before</b>	An enquiry has been received from the field formations regarding the processing and finalization of scrutiny of returns under section 61 of the KSGST Act, 2017 initiated by the Assistant Commissioners/State Tax Officers before the restructuring of the Department and subsequently transferred to Deputy State Tax Officers/Assistant State Tax Officers after restructuring.

	<p><b>restructuring?</b></p>	<p>In this regard, vide circular No.05/2023 dated 08.01.2023 it has already been clarified that the functions in respect of sub-sections (1) and (3) of Section 61 of the Act, are vested with the proper officers in the cadre of Deputy State Tax Officers/Assistant State Tax Officers and above. Currently the scrutiny functions are being dealt by the DSTO's/ASTO's in Taxpayer Services vertical. Hence, the scrutiny notices in ASMT-10, issued by the Assistant Commissioners/ State Tax Officers before the restructuring of the Department are to be further processed by the DSTO's/ASTO's.</p> <p>The pecuniary limit for the issuance of show cause notices and passing of orders as specified in Circular No.06/2023 dated 08.01.2023 is not applicable for scrutiny of returns or issuance of ASMT-10 and ASMT-12, as these are neither show cause notices nor orders. The pecuniary limits come into play only at the stage of issuance of SCN or issuance of Order in Original. Therefore, the ASTO/DSTO concerned shall complete the scrutiny and issue SCNs or put up draft SCNs to higher authorities depending upon the pecuniary limit.</p>
<p>2</p>	<p><b>Who will issue the Show Cause Notice (SCN) under section 73 or 74, in case the payment of tax has been made after the receipt of intimation?</b></p>	<p>In case any amount remains unpaid by the taxpayer even after, receipt of the scrutiny notice/intimation, then the DSTOs/ASTOs are required to proceed with section 73 or section 74 of the KSGST Act.</p> <p>The quantum of tax to be demanded in the show cause notices in cases of part payment of amount shall be worked out as per the instructions in Circular No.06/2024 dated</p>

		<p>06.04.2024.</p> <p>The DSTO's/ASTO's shall issue SCN, if the amount falls within their pecuniary limit; otherwise, they put up the draft SCN to the concerned officer for issuance.</p> <p>The amount of tax involved in the <b>draft SCN</b> shall decide the appropriate authority for issuance of SCN and adjudication. These limits are prescribed in the Circular 06/2023 dated 08.01.2023.</p>
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AJIT PATIL I A S  
**COMMISSIONER**

To

All the concerned