

**GST UPDATE**  
**MAY 2023**

---

---

**NOTIFICATIONS**

**INDEX**

<b>S. NO.</b>	<b>PARTICULARS</b>	<b>PAGE NO.</b>
A	NOTIFICATIONS UNDER CENTRAL TAX	2
B	NOTIFICATIONS UNDER CENTRAL TAX (RATE)	6
C	NOTIFICATIONS UNDER INTEGRATED TAX (RATE)	7
D	INSTRUCTION UNDER CENTRAL TAX	8

**A NOTIFICATIONS UNDER CENTRAL TAX**

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.1	10.05.2023	10/2023 – CT	Implements e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 5 Cr from 01st August 2023.	31	48(4)
A.2	24.05.2023	11/2023 – CT	Extends the due date for furnishing FORM GSTR-1 for April, 2023 for registered persons whose principal place of business is in the State of Manipur.	37(1)	59
A.3	24.05.2023	12/2023 – CT	Extends the due date for furnishing FORM GSTR-3B for April, 2023 for registered persons whose principal place of business is in the State of Manipur.	39(6)	61
A.4	24.05.2023	13/2023 – CT	Extends the due date for furnishing FORM GSTR-7 for April, 2023 for registered persons whose principal place of business is in the State of Manipur.	39	61

**A.1 Notification No. 10/2023 – CT ; dated 10.05.2023**

G.S.R.....(E). - In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017, the Government, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 13/2020 –Central Tax, dated the 21st March, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 196(E), dated 21st March, 2020, namely:-

In the said notification, in the first paragraph, with effect from the 1st day of August, 2023, for the words “ten crore rupees”, the words “five crore rupees” shall be substituted.

[F. No. CBIC-20021/1/2023-GST]

(Alok Kumar)  
Director

Note: The principal notification No. 13/2020 –Central Tax, dated the 21st March, 2020 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 196(E), dated the 21st March, 2020 and was last amended vide notification No. 17/2022-Central Tax, dated the 1st August, 2022, published vide number G.S.R. 612(E), dated the 1st August, 2022.

\*\*\*\*\*

**A.2 Notification No. 11/2023 – CT ; dated 24.05.2023**

G.S.R. ....(E).— In exercise of the powers conferred by the proviso to sub-section (1) of section 37 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 83/2020 –Central Tax, dated the 10th November, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 699(E), dated the 10th November, 2020, namely: —

In the said notification, after the third proviso, the following proviso shall be inserted, namely:-

“Provided also that the time limit for furnishing the details of outward supplies in **FORM GSTR-1** of the said rules for the tax period April, 2023, for the registered persons required to furnish return under sub-section (1) of section 39 of the said Act whose principal place of business is in the State of Manipur, shall be extended till the thirty-first day of May, 2023.”.

2. This notification shall be deemed to have come into force with effect from the 11th day of May, 2023.

[F. No. CBIC-20006/10/2023-GST]

(Alok Kumar)  
Director

Note: The principal notification No. 83/2020-Central Tax, dated the 10th November, 2020 was published in the Gazette of India, Extraordinary vide number G.S.R. 699(E), dated the 10th November, 2020 and was last amended by notification No. 25/2022-Central Tax, dated the 13th December, 2022, published in the Gazette of India, Extraordinary vide number G.S.R. 877(E), dated the 13th December, 2022.

\*\*\*\*\*

**A.3 Notification No. 12/2023 – CT ; dated 24.05.2023**

G.S.R.....(E).—In exercise of the powers conferred by sub-section (6) of section 39 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Commissioner, on the recommendations of the Council, hereby extends the due date for furnishing the return in **FORM GSTR-3B** for the month of April, 2023 till the thirty-first day of May, 2023, for the registered persons whose principal place of business is in the State of Manipur and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017.

2. This notification shall be deemed to have come into force with effect from the 20th day of May, 2023.

[F. No. CBIC-20006/10/2023-GST]

(Alok Kumar)  
Director

\*\*\*\*\*

**A.4 Notification No. 13/2023 – CT ; dated 24.05.2023**

G.S.R.....(E).—In exercise of the powers conferred by sub-section (6) of section 39 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Commissioner hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 26/2019-Central Tax, dated the 28th June, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.452(E), dated the 28th June, 2019, namely:—

In the said notification, in the first paragraph, after the fourth proviso, the following proviso shall be inserted, namely: –

“Provided also that the return by a registered person, required to deduct tax at source under the provisions of section 51 of the said Act in **FORM GSTR-7** of the Central Goods and Services Tax Rules, 2017 under sub-section (3) of section 39 of the said Act read with rule 66 of the Central Goods and Services Tax Rules, 2017, for the month of April, 2023, whose principal place of business is in the State of Manipur, shall be furnished electronically through the common portal, on or before the thirty-first day of May, 2023.”.

2. This notification shall be deemed to have come into force with effect from the 10th day of May, 2023.

[F.No.CBIC-20006/10/2023-GST]

(Alok Kumar)  
Director

Note: The principal notification No. 26/2019 –Central Tax, dated the 28th June, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 452(E), dated the 28th June, 2019 and was last amended by notification No. 20/2020–Central Tax, dated the 23rd March, 2020, published in the Gazette of India, Extraordinary vide number G.S.R. 203(E), dated the 23rd March, 2020.

\*\*\*\*\*

**B NOTIFICATIONS UNDER CENTRAL TAX (RATE)**

S. N.	Date	Notification No.	Subject	Sec.
B.1	09.05.2023	05/2023 – CT(R)	Amends notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 so as to extend last date for exercise of option by GTA to pay GST under forward charge.	9

**B.1 Notification No. 05/2023 – CT(R) ; dated 09.05.2023**

G.S.R.....(E). - In exercise of the powers conferred by sub-section (1), sub-section (3) and sub-section (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15, sub-section (1) of section 16 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 11/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 690(E), dated the 28th June, 2017, namely:-

In the said notification, in the Table, against serial number 9, in item (iii), in sub-item (b), in the entries under column (5), in condition (2), after the second proviso, the following provisos shall be inserted, namely:-

“Provided also that the option for the Financial Year 2023-2024 shall be exercised on or before the 31st May, 2023:

Provided also that a GTA who commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later.”.

[F. No. -CBIC-190354/63/2023-TO (TRU-II)-CBEC]

(Rajeev Ranjan)

Under Secretary to the Government of India

Note: -The principal notification number 11/2017-Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, vide number G.S.R. 690 (E), dated the 28th June, 2017 and last amended vide notification number 03/2022-Central Tax (Rate), dated the 13th July, 2022 published in the official gazette vide number G.S.R. 541(E), dated the 13th July, 2022.

\*\*\*\*\*

**C NOTIFICATIONS UNDER INTEGRATED TAX (RATE)**

S. N.	Date	Notification No.	Subject	Sec.
C.1	09.05.2023	05/2023 – IT(R)	Amends notification No. 08/2017-Integrated Tax (Rate) dated 28.06.2017 so as to extend last date for exercise of option by GTA to pay GST under forward charge.	5

**C.1 Notification No. 05/2023 – IT(R) ; dated 09.05.2023**

G.S.R.....(E). - In exercise of the powers conferred by sub-sections (1), (3) and (4) of section 5, subsection (1) of section 6 and clauses (iii), (iv) and (xxv) of section 20 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), read with sub-section (5) of section 15, sub-section (1) of section 16 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, and on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 8/2017-Integrated Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 683(E), dated the 28th June, 2017, namely:-

In the said notification, in the Table, against serial number 9, in item (iii), in sub-item (b), in the entries under column (5), in condition (2), after the second proviso, the following provisos shall be inserted, namely:-

“Provided also that the option for the Financial Year 2023-2024 shall be exercised on or before the 31st May, 2023:

Provided also that a GTA who commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later.”.

[F. No. -CBIC-190354/63/2023-TO (TRU-II)-CBEC]

(Rajeev Ranjan)

Under Secretary to the Government of India

Note: -The principal notification number 08/2017-Integrated Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, vide number G.S.R. 683 (E), dated the 28th June, 2017 and last amended vide notification number 03/2022-Integrated Tax (Rate), dated the 13th July, 2022 published in the official gazette vide number G.S.R. 542(E), dated the 13th July, 2022.

\*\*\*\*\*

(7)

**D INSTRUCTION UNDER CENTRAL TAX**

S. N.	Date	Instruction No.	Subject	Sec.	Rule
D.1	04.05.2023	Instruction No. 01/2023-GST	Guidelines for Special All-India Drive against fake registrations - regarding	25, 29	-
D.2	26.05.2023	Instruction No. 02/2023-GST	Standard Operating Procedure for Scrutiny of Returns for FY 2019-20 onwards	61	99

**D.1 Instruction No. 01/2023-GST; dated 04.05.2023**

To,

All the Principal Chief Commissioners / Chief Commissioners / Principal Commissioners / Commissioners of Central Tax

All the Principal Directors General/ Directors General of Central Tax

Madam/Sir,

**Subject: Guidelines for Special All-India Drive against fake registrations—regarding.**

During the National Co-ordination Meeting of the State and Central GST officers held at New Delhi on 24th April 2023, the issue of unscrupulous elements misusing the identity of other persons to obtain fake/ bogus registration under GST, with an intention to defraud the Government exchequer, was deliberated. Such fake/ non-genuine registrations are being used to fraudulently pass on input tax credit to unscrupulous recipients by issuing invoices without any underlying supply of goods or services or both. This menace of fake registrations and issuance of bogus invoices for passing of fake ITC has become a serious problem, wherein fraudulent people engage in dubious and complex transactions, causing revenue loss to the government.

2. Various modus operandi of obtaining such fake registrations have been detected by Central and State Tax administrations. In some cases, forged documents, such as forged electricity bills, property tax receipts, rent agreements, etc. are being used as proof of principal place of business to obtain GST registration. In one of such recent cases detected by Gujarat State Tax authorities, it has been found that a few fraudsters have obtained fake GST registrations on the basis of PAN and Aadhaar number of persons from economically weaker sections without their knowledge. It was revealed that phone number on the Aadhaar cards of these persons were got fraudulently modified at the nearest Aadhaar Seva Centre, by taking these persons to the said Aadhaar Seva Centre by giving a nominal cash amount under guise of a government scheme and getting their Aadhaar Cards linked to a dummy mobile number by using their thumb impression.



3. In the National Co-ordination Meeting on 24th April 2023, it was discussed that while various system based and policy measures are being taken to address this problem of fake registration and fake input tax credit, there is a need of concerted and coordinated action on a mission mode by Central and State tax authorities to tackle this menace in a more systematic manner. It was agreed that a nation-wide effort in the form of a Special Drive should be launched on All-India basis to detect such suspicious/ fake registrations and to conduct requisite verification for timely remedial action to prevent any further revenue loss to the Government. It was decided that common guidelines may be issued to ensure uniformity in the action by the field formations and for effective coordination and monitoring of the action taken during this Special Drive. Accordingly, the following guidelines are issued for such concerted action on fake dealers/ fake billers in a mission mode:

- (i) **Period of Special Drive:** A Special All-India Drive may be launched by all Central and State Tax administrations during the period 16th May 2023 to 15th July 2023 to detect suspicious / fake GSTINs and to conduct requisite verification and further remedial action to weed out these fake billers from the GST eco-system and to safeguard Government revenue.
- (ii) **Identification of fraudulent GSTINs:** Based on detailed data analytics and risk parameters, GSTN will identify such fraudulent GSTINs for State and Central Tax authorities. GSTN will share the details of such identified suspicious GSTINs, jurisdiction wise, with the concerned State/ Central Tax administration (through DGARM in case of Central Tax authorities) for initiating verification drive and conducting necessary action subsequently.

Besides, field formations may also supplement this list by data analysis at their own end using various available analytical tools like BIFA, ADVAIT, NIC Prime, E-Way analytics, etc, as well as through human intelligence, Aadhar database, other local learnings and the experience gained through the past detections and modus operandi alerts. GSTN may separately provide a note to the field formations, regarding the tools available in BIFA which may be useful during this drive.

- (iii) **Information Sharing Mechanism:** Successful implementation of the Special Drive would require close coordination amongst the State Tax administrations, and between State and Central tax administrations. For this purpose, a nodal officer shall be appointed immediately by each of the Zonal CGST Zone and State to ensure seamless flow of data and for coordination with GSTN/ DGARM and other Tax administrations. The name, designation, phone number/ mobile number and E-mail Id of such Nodal officer(s) appointed by CGST Zones and States must be shared by the concerned tax authority with GST Council Secretariat within three days of issuance of this letter. GST Council Secretariat will compile the list of the Nodal officers after procuring the details from all the tax administrations and will make the compiled list available to all the tax administrations, as well as GSTN and DGARM immediately.

The Nodal officer of the State/ CGST Zone will ensure that the data received from GSTN/ DGARM/ other tax administrations is made available to the concerned jurisdictional formation within two days positively. The Nodal officer shall also ensure that any cooperation required by other jurisdictions under his control is promptly provided.

- (iv) **Action to be taken by field formations:** On receipt of data from GSTN/DGARM through the Nodal Officer, a time bound exercise of verification of the suspicious GSTINs shall be undertaken by the concerned jurisdictional tax officer(s). If, after detailed verification, it is found that the taxpayer is non-existent and fictitious, then the tax officer may immediately initiate action for suspension and cancellation of the registration of the said taxpayer in accordance with the provisions of section 29 of CGST Act, read with the rules thereof.

Further, the matter may also be examined for blocking of input tax credit in Electronic Credit Ledger as per the provisions of Rule 86A of CGST Rules without any delay. Additionally, the details of the recipients to whom the input tax credit has been passed by such non-existing taxpayer may be identified through the details furnished in FORM GSTR-1 by the said taxpayer. Where the recipient GSTIN pertains to the jurisdiction of the said tax authority itself, suitable action may be initiated for demand and recovery of the input tax credit wrongly availed by such recipient on the basis of invoice issued by the said non-existing supplier, without underlying supply of goods or services or both. In cases, where the recipient GSTIN pertains to a different tax jurisdiction, the details of the case along with the relevant documents/ evidences, may be sent to the concerned tax authority, as early as possible, in the format enclosed as **Annexure-B**, through the Nodal Officer referred in para (ii) above.

Action may also be taken to identify the masterminds/ beneficiaries behind such fake GSTIN for further action, where ever required, and also for recovery of Government dues and/ or provisional attachment of property/ bank accounts, etc. as per provisions of section 83 of CGST Act. Further, during the investigation/ verification, if any linked suspicious GSTIN is detected, similar action may be taken/ initiated in respect of the same.

- (v) **Feedback and Reporting Mechanism:** An action taken report will be provided by each of the State as well as CGST Zones to GST Council Secretariat on weekly basis on the first working day after completion of the week in the format enclosed as **Annexure-A**. If any novel modus operandi is detected during the verification/ investigation, the same may also be indicated in the said action taken report. On conclusion of the drive, GSTIN-wise feedback on the result of verification of the shared suspicious GSTINs, will be provided by the field formations to GSTN/ DGARM, as per the format enclosed in **Annexure-C**.

- (vi) **National Coordination Committee:** A National Coordination Committee headed by Member [GST], CBIC and including Principal Chief Commissioners/ Chief Commissioners Delhi and Bhopal CGST Zones and Chief Commissioners/ Commissioners of State Tax of Gujarat, West Bengal and Telangana shall monitor the progress of this special drive. National Coordination Committee will meet periodically for this purpose. GST Council Secretariat will act as the secretariat of this National Coordination Committee. The Committee will also be assisted by GSTN and Principal Commissioner, GST Policy Wing, CBIC.

4. GST Council Secretariat will compile the reports received from various formations and make it available to the National Coordination Committee immediately. The unique modus operandi found during this special drive will be compiled by GST Council Secretariat and presented before National Coordination Committee, which will be subsequently shared with Central and State Tax administrations across the country.

5. These guidelines are being issued as per the decision of the National Coordination Committee.

6. Difficulties, if any, in implementation of these instructions may be informed to the Board (gst-cbec@gov.in).

**Sanjay Mangal**  
**Principal Commissioner (GST)**

Enclosure: As above

**Copy to:**

1. The Joint Secretary, GST Council Secretariat, New Delhi for information and necessary action. She is also requested to for immediately take up with the Chief Commissioners/ Commissioners of State Tax of various States/ UTs for similar action at their end.

Copy for information and necessary action to:

1. The CEO, GSTN, New Delhi
2. The Additional Director General, DGARM, New Delhi

GST by Rakesh Garg & Sandeep Garg – Monthly Update – May 2023

Annexure-A

Weekly Report on Action taken in Special All-India Drive against Fake Registrations

Name of the State/ CGST Zone:  
Week ending: .....

(Amount in Rs Lakhs)

S. No	No. of GSTINs shared by GSTN/ DGAR M	No. of GSTINs identified locally	Total no. of GSTINs to be verified	No. of GSTINs for whom verification conducted	No. of Non-existing GSTINs found	Action taken					Total Amount of evasion of tax/ ITC detected	Total Amount recovered from GSTINs in the jurisdiction of tax authority	No. of recipients (GSTINs) of such non-existing GSTINs to whom credit has been passed on		Number of recipient's GSTINs located outside jurisdiction, details of which have been shared with the concerned jurisdictional tax authority	Remarks
						No of GSTINs suspended	No of GSTIN cancelled	ITC Blocked under Rule 86 A		No of GSTINs where Provisional attachment made under section 83 of CGST Act			Within jurisdiction	Outside Jurisdiction		
								Total no. of GSTINs	Total amount of ITC blocked							
1	2	3	4(2+3)	5	6	7a	7b	7c	7d	7e	8	9	10a	10b	11	12

Note:

1. The report is to be given for action taken up to week, i.e. for the period from start of the drive up to the end of the week, for which report is being sent.
2. A separate note may be enclosed in respect of any special modus operandi noticed during the week.

**Annexure-B**

**Intimation about details of the recipients of the non-existent suppliers detected during the special All-India drive against fake registrations:**

A. Tax administration of the non-existent supplier:

B. Tax administration of the recipient:

C. Details of the supplier, recipients and the tax amount involved:

GSTIN of the non-existent supplier, along with Name & Address	GSTIN of the recipient	Name & Address of the recipient(s)	Tax amount/ ITC involved (in Rs Lakhs)				
			CGST	SGST	IGST	Cess	Total
1	2	3	4	5	6	7	8 (4+5+6+7)

D. Other relevant details, if any:

E. Details of enclosures (Panchnama/ Inspection report/ PV report/ Other relevant documents or evidences):

Place:

Date:

(Signature)  
Name:  
Designation:  
Email address:

Enclosures: As above

**Annexure – C**

**GSTIN-wise feedback regarding the outcome of the action against the suspicious GSTINs**

Name of the State/ CGST Zone:  
Date of submission:

S. No.	GSTIN	Legal Name/ Trade Name	Tax involved as estimated by GSTIN/ DGARM/ tax administration (Rs. In Lakhs)	Was the lead correct? (Y/N)	If lead not correct, reason. (Choose one from - a/ b/ c/d) #	Action on GSTIN Registration (Suspended/ Cancelled/ No Action)	Detected tax amount (Rs. In Lakhs)	Recoveries made till date (Rs.)	Remarks
1	2	3	4	5	6	7	8	9	10

Note- Details are to be provided for each GSTIN covered in the drive, whether in the initial list or added subsequently

# For Column 6 - Reason for lead not correct - Please choose one of the following-

- Data incorrect
- Data correct but taxpayer had reasonable explanation
- Data correct but taxpayer had complied before enforcement action
- Case already investigated before enforcement action

\*\*\*\*\*

**D.2 Instruction No. 02/2023-GST; dated 26.05.2023**

To,

All the Principal Chief Commissioners/Chief Commissioners/ Principal Commissioners / Commissioners of Central Tax

All the Principal Directors General/ Directors General of Central Tax

Madam/Sir,

**Subject: Standard Operating Procedure for Scrutiny of Returns for FY 2019-20 onwards–reg.**

Attention is invited to the Instruction No. 02/2022-GST dated 22nd March, 2022, wherein a Standard Operating Procedure (SOP) was provided for scrutiny of returns under section 61 of Central Goods and Services Tax Act, 2017 (hereinafter referred to as “the CGST Act) read with rule 99 of Central Goods and Service Tax Rules, 2017 (hereinafter referred to as “the CGST Rules”) for FY 2017-18 and 2018-19. It was mentioned in the said instruction that the said SOP was issued as an interim measure till the time a Scrutiny Module for online scrutiny of returns is made available on the ACES-GST application.

**1.2** In this regard, it is to inform that DG Systems has developed functionality “Scrutiny of Returns”, containing the online workflow for scrutiny of returns in the CBIC ACES-GST application. Advisory No. 22/2023-Returns dated 16.05.2023 has also been issued by DG Systems in this regard, along with a User Manual providing for the detailed workflow of the said functionality. The GSTINs selected for scrutiny for the Financial Year 2019-20 have also been made available on the scrutiny dashboard of the proper officers on ACES-GST application.

**1.3** The functionality provides for the detailed workflow for communication of discrepancies noticed, in relation to the details furnished in the returns, by the proper officer in **FORM GST ASMT-10** to the registered person, receipt of reply from the registered person in **FORM GST ASMT-11**, issuance of order in **FORM GST ASMT-12** or taking further action for issuance of show cause notice under Section 73 or 74 of CGST Act, 2017 or for referring the matter for Audit or investigation, as the case may be.

**2.** In view of this, the SOP for scrutiny of returns provided in the Instruction No. 02/2022-GST dated 22nd March 2022 stands modified to the following extent in respect of scrutiny of returns for financial years 2019-20 onwards:

**3. Selection of returns for scrutiny and communication of the same to the field formations:**

**3.1** Selection of returns for scrutiny will be done by the Directorate General of Analytics and Risk Management (DGARM) based on various risk parameters identified by them. DGARM will select the GSTINs registered with the Central Tax authorities, whose returns are to be scrutinized for a financial year, based on identified risk parameters. The details of GSTINs selected for scrutiny for a financial year will be made available by DGARM through DG Systems on the scrutiny dashboard of the concerned proper officer of Central Tax on ACES-GST application.

**3.2** The details of the risk parameters, in respect of which risk has been identified for a particular GSTIN, and the amount of tax/ discrepancy involved in respect of the concerned risk parameters (i.e. likely revenue implication), will also be shown on the scrutiny dashboard of the proper officer for their convenience. It is re-emphasized that as the data made available on the dashboard has been generated at a particular point of time for calculation of risk parameters, this data may undergo change at the time of scrutiny of returns, due to subsequent compliances carried out by the taxpayer or by the suppliers of the taxpayer. The proper officer shall, therefore, rely upon the latest available data.

**4. Scrutiny Schedule:**

**4.1** Once the details of GSTINs selected for scrutiny for a financial year are made available on the scrutiny dashboard of the concerned proper officer of Central Tax on ACES-GST application, the proper officer, with the approval of the divisional Assistant/ Deputy Commissioner, shall finalize a scrutiny schedule in the format specified in **Annexure A of Instruction 02/2022-GST dated 22nd March 2022**. Such scrutiny schedule will specify month-wise schedule for scrutiny in respect of all the GSTINs selected for scrutiny. While preparing the scrutiny schedule, the scrutiny of the GSTINs, which appear to be riskier based on the likely higher revenue implication indicated on the dashboard, may be prioritized. The

Principal Commissioner/ Commissioner of the concerned Commissionerate will monitor and ensure that the schedule identified in Scrutiny Schedule is adhered to by the officers under his jurisdiction.

**4.2** The proper officer shall conduct scrutiny of returns pertaining to minimum of **4 GSTINs** per month. Scrutiny of returns of one GSTIN shall mean scrutiny of all returns pertaining to a financial year for which the said GSTIN has been selected for scrutiny

**5. Process of scrutiny by the Proper Officer:**

**5.1** The Proper Officer shall scrutinize the returns and related particulars furnished by the registered persons to verify the correctness of the returns. Information available with the proper officer on the system in the form of various returns and statements furnished by the registered person and the data/ details made available through various sources like DGARM, ADVAIT, GSTN, E-Way Bill Portal etc. may be relied upon for this purpose.

**5.2** As mentioned in Para 3.2 above, for the convenience of proper officers, details of the risk parameters involving risk/ discrepancies in respect of the GSTIN, along with the amount of tax/ discrepancy involved in respect of the concerned risk parameters (i.e. likely revenue implication), will be made available in the scrutiny dashboard of the proper officer. Besides, DGARM will also make available to the field formations the details of all the risk parameters taken into consideration by them for the selection of GSTINs for scrutiny of returns for the particular financial year. In addition to these parameters, proper officer may also consider any other relevant parameter, as he may deem fit, for the purpose of scrutiny.

**5.3** It may be noted that at this stage, the proper officer is expected to rely upon the information available with him on records. As far as possible, scrutiny of return should have minimal interface between the proper officer and the registered person and, there should normally not be any need for seeking documents/ records from the registered persons before issuance of **FORM GST ASMT-10**.

**5.4** The proper officer shall issue a notice to the registered person in **FORM GST ASMT-10** through the scrutiny functionality on ACES-GST application, informing him of the discrepancies noticed and seeking his explanation thereto. There may be cases where the registered person may already have made additional payment of tax, cess, interest, etc. after filing of the returns for the relevant tax period, through FORM DRC-03. The payments thus made through **FORM DRC-03** may also be taken into consideration while communicating discrepancies to the taxpayer in **FORM GST ASMT-10**. The notice in FORM GST ASMT-10, issued by the proper officer through scrutiny functionality on ACES-GST application, shall be communicated by the system to the concerned registered person on the common portal and therefore, there will be no need for sending any manual communication of notice in **FORM GST ASMT-10** by the proper officer to the registered person separately. While issuing such notice, the proper officer may, as far as possible, quantify the amount of tax, interest and any other amount payable in relation to such discrepancies. It may also be ensured that the discrepancies so communicated should, as far as possible, be specific in nature and not vague or general. In this regard, the user manual issued by DG Systems may be referred to regarding the detailed procedure for issuance of **FORM GST ASMT-10** on scrutiny functionality on ACES-GST application. The proper officer shall mention the parameter-wise details of the



discrepancies noticed by him in **FORM GST ASMT-10** and shall also upload the worksheets and supporting document(s)/ annexures, if any

**5.5** For each GSTIN identified for scrutiny, the proper officer is required to scrutinize all the returns pertaining to the corresponding Financial Year under consideration and a single compiled notice in **FORM GST ASMT-10** may be issued to the registered person for that financial year.

**5.6** On receipt of such notice in **FORM GST ASMT-10** on common portal, the registered person may accept the discrepancy mentioned in the said notice, and pay the tax, interest and any other amount arising from such discrepancy and inform the same or may furnish an explanation for the discrepancy in **FORM GST ASMT-11**, through the common portal, to the proper officer within the time period prescribed under rule 99 of CGST Rules.

**5.7** The reply furnished by the registered person in **FORM GST ASMT-11** on the common portal shall be made available to the concerned proper officer in the scrutiny dashboard on ACES-GST application. Where the explanation furnished by the registered person or the information submitted in respect of acceptance of discrepancy and payment of dues is found to be acceptable by the proper officer, he shall conclude the proceedings by informing the registered person in **FORM GST ASMT-12** through the scrutiny functionality on ACES-GST application.

**5.8** In case no satisfactory explanation is furnished by the registered person in **FORM GST ASMT-11** within a period of thirty days of being informed by the proper officer or such further period as may be permitted by him or where the registered person, after accepting the discrepancies, fails to pay the tax, interest and any other amount arising from such discrepancies, the proper officer, may proceed to determine the tax and other dues under section 73 or section 74 of CGST Act. Needless to mention, for proceedings under section 73 or section 74 of CGST Act, monetary limits as specified in **Circular No. 31/05/2018-GST dated 9th February 2018** shall be adhered to. The user manual issued by DG Systems may be referred to for the procedure for initiating proceedings under section 73 or 74 of the CGST Act on the scrutiny functionality on ACES-GST application.

**5.9** However, if the proper officer is of the opinion that the matter needs to be pursued further through audit or investigation to determine the correct liability of the said registered person, then he may take the approval of the jurisdictional Principal Commissioner / Commissioner through the divisional Assistant/ Deputy Commissioner, through e-file or other suitable mode, for referring the matter to the Audit Commissionerate or anti-evasion wing of the Commissionerate, as the case may be. The copy of the said approval needs to be uploaded while referring the matter to the concerned formation through the scrutiny functionality, as per the procedure detailed in the user manual issued by DG Systems.

**6. Timelines for scrutiny of returns:**

**6.1** Scrutiny of returns is to be conducted in a time bound manner, so that the cases may be taken to their logical conclusion and that too expeditiously. In this regard, the following timelines may be observed by all concerned:

GST by Rakesh Garg & Sandeep Garg – Monthly Update – May 2023

S. no.	Process/Event	Timeline/ Frequency
(i)	Communication of GSTINs selected for scrutiny by DGARM on ACES GST Application for a financial year	From time to time.
(ii)	Finalization of scrutiny schedule with the approval of the concerned Assistant/ Deputy Commissioner	Within seven working days of receipt of the details of the concerned GSTINs on ACES-GST application
(iii)	Issuance of notice by the proper officer for intimating discrepancies in <b>FORM GST ASMT-10</b> , where required	Within the month, as mentioned in scrutiny schedule for scrutiny for the said GSTIN
(iv)	Reply by the registered person in <b>FORM GST ASMT-11</b>	Within a period of thirty days of being informed by the proper officer in <b>FORM GST ASMT-10</b> or such further period as may be permitted by the proper officer
(v)	Issuance of order in <b>FORM GST ASMT-12</b> for acceptance of reply furnished by the registered person, where applicable	Within thirty days from receipt of reply from the registered person in <b>FORM GST ASMT-11</b>
(vi)	Initiation of appropriate action for determination of the tax and other dues under section 73 or section 74, in cases where no reply is furnished by the registered person	Within a period of fifteen days after completion of the period of thirty days of issuance of notice in <b>FORM GST ASMT-10</b> or such further period as permitted by the proper officer
(vii)	Initiation of appropriate action for determination of the tax and other dues under section 73 or section 74, in cases where reply is furnished by the registered person, but the same is not found acceptable by the proper officer	Within thirty days from receipt of reply from the registered person in <b>FORM GST ASMT-11</b>
(viii)	Reference, if any, to the Audit Commissionerate or the anti-evasion wing of the Commissionerate for action, under section 65 or section 66 or section 67, as the case may be.	Within thirty days from receipt of reply from the registered person in <b>FORM GST ASMT-11</b> or within a period of forty-five days of issuance of <b>FORM GST ASMT-10</b> , in case no explanation is furnished by the registered person.

**6.2** It may also be ensured that the requisite actions must be initiated well ahead of the time limits as specified in section 73 or section 74 of the CGST Act, as the case may be, in respect of a return identified for scrutiny for a financial year.

**7. Reporting and Monitoring:**

**7.1** The details of action taken by the proper officer in respect of GSTINs allocated to him for scrutiny will be available in the form of two MIS reports in the scrutiny dashboard on the ACES-GST application. MIS report '**Monthly Scrutiny Progress Report**' (in the format specified in **Annexure-D of Instruction No.02/2022 dated 22.03.2022**) displays summary information of the status of scrutiny of returns for the selected month of a financial year for the selected formation. Besides, the GSTIN-wise details of action taken in respect of scrutiny of returns in respect of allotted GSTINs is made available in the MIS report '**Scrutiny Register**' (in the format specified in **Annexure-C of Instruction No.02/2022 dated 22.03.2022**) on the scrutiny dashboard.

**7.2** In view of this, the requirement of compiling and sending the Monthly Scrutiny Progress Report by the CGST zones to DGGST is hereby dispensed with for the Financial Year 2019-20 onwards. However, the CGST zones will continue to send Monthly Scrutiny Progress Reports to DGGST in respect of the Financial Years 2017-18 and FY 2018-19 till the completion of scrutiny of returns for these financial years, as per the timelines mentioned in Instruction No. 02/2022-GST dated 22nd March, 2022.

**7.3** It is also added that the progress of the scrutiny exercise as per the scrutiny schedule shall be monitored by the jurisdictional Principal Commissioner/ Commissioner on regular basis.

**8.** It is clarified that since the scrutiny functionality has been provided on ACES-GST application only for the Financial Year 2019-20 onwards, the procedure specified in **Instruction No. 02/2022 dated 22.03.2022** shall continue to be followed for the scrutiny of returns for the financial years 2017-18 and 2018-19.

**9.** The online scrutiny functionality on ACES-GST application will further boost the efforts of the department to leverage technology and risk-based tools to encourage self-compliance and to conduct scrutiny of returns with minimal interaction with the registered person. All Principal Chief Commissioners (PCCs)/ Chief Commissioners (CCs) of CGST Zones are requested to closely monitor timely scrutiny of returns of the selected GSTINs within their jurisdictions.

**10.** Difficulties, if any, in implementation of these instructions may be informed to the Board (gst-cbec@gov.in).

Sanjay Mangal  
Principal Commissioner (GST)

\*\*\*\*\*