



GOVERNMENT OF KARNATAKA
Department of Commercial Taxes

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25-10-24

No.Adcom (Audit)/PA/CR-16/2024-25

Office of the
Commissioner of Commercial Taxes
(Karnataka), VTK-1, Gandhinagar,
Bengaluru, Dated: 22-10-2024

COMMISSIONER OF COMMERCIAL TAXES
CIRCULAR No.04/2024-25

- Sub: Guidelines regarding transfer of files to Large Tax Payers Unit under the KGST Act, 2017
- Ref: 1. Order No. EST-3/3F/CR-11/2024-25, Dated: 04.10.2024
2. Letter No: JCCT/LTU/P.A/CR-01/2024-25, Dated: 19-10-2024

Preamble-

The new division namely Large Taxpayers Unit (hereinafter referred to as LTU) has been created in compliance to the Budget announcement by Hon'ble Chief minister and to cater to the requirements of the large taxpayers of the State of Karnataka who contribute significantly to the economic growth of the state. Accordingly, 716 large Taxpayers registered in the offices of DGSTO 1 to 6 existed in Bangalore have been allocated to the jurisdiction of Large Taxpayers Unit (LTU). Suitable guidelines for seamless transfer of files and conducting effective Audit under section 65 and Adjudication under section 73/74 of the KGST Act, 2017 is required hence, following instructions are issued regarding transfer of files, completion of Audit, Adjudication and Recovery proceedings in the cases allocated to Large Taxpayers Unit (LTU)

Guidelines for completion of Audit, Adjudication and Recovery proceedings in the cases allocated to Large Taxpayers Unit (LTU)

- All Audit and Adjudication proceedings initiated under Section 65, 73 and 74 and Recovery proceedings initiated for the financial years from 2017 to 2020-21 shall be completed by the officers of concerned DGSTOs to whom the cases are already assigned and pending for proceedings under various stages.
- The cases where assignments are issued U/s 65 for the financial year 2021-22 and for subsequent years and pending for proceedings at various stages as on 22/10/2024, such cases shall be transferred to Large Taxpayers Unit (LTU) at such stage of proceedings they are currently pending.
- Wherever Audit observations are issued for the financial year 2021-22 as on 22/10/2024, audit report in GST ADT-2 shall be completed within one month from the date of issue of this circular and such cases shall be transferred to Large Taxpayers Unit (LTU).
- The cases where adjudication proceedings are initiated U/s 73/74 for the financial year 2021-22 and for subsequent years and adjudication orders are not

yet concluded, such cases shall be transferred to Large Taxpayers Unit (LTU) at the stage of proceedings they are currently pending.

- All proceedings related to the Recovery U/s 78 and 79, pending before adjudicating authority, First Appellate Authority, GSTAT, NCLT, Hon'ble High Courts, and Supreme Courts shall be continued by the officers of the concerned DGSTOs who have concluded the adjudication proceedings for the various financial years.

Instructions for the transfer of pending cases to Large Taxpayers Unit (LTU):

- All pending physical files, the documents submitted through mail and information submitted in other electronic forms shall be transferred to the Large Taxpayers Unit (LTU) as per the aforementioned guidelines.
- The Audit officer/LGSTOs shall send the physical files along with proper index for each file through the Joint Commissioner of Commercial Tax of concerned jurisdictional DGSTO to the office of Joint Commissioner of Commercial Tax, Large Taxpayers Unit (LTU).
- The Joint Commissioner of Commercial Tax of Large Taxpayers Unit (LTU) shall receive the pending files and allocate to the Audit officers of LTU for further proceedings.
- The closed files and files pending before, First Appellate Authority, GSTAT, NCLT, Hon'ble High Courts and Supreme Courts pertaining to any of the financial years shall be maintained by the concerned officers who have completed the audit/adjudication proceedings, till further instructions.
- The timeline set for transfer of aforementioned cases is three weeks from 22.10.2024.
- The Joint Commissioner of Commercial Tax of concerned jurisdictional DGSTOs and Joint Commissioner of Commercial Tax, Large Taxpayers Unit (LTU) shall be responsible to cause transfer and receipt of such cases respectively, where the proceedings are under process on as is where is basis.

For further clarifications required if any, a joint consultative meeting shall be held among the Joint Commissioner of Commercial Tax, Large Taxpayers Unit (LTU) and Joint Commissioner of Commercial Tax of concerned jurisdictional DGSTOs under the chairmanship of the Additional Commissioner of Commercial Taxes (HQ)-1.

The Additional Commissioner of Commercial Taxes (E-Gov) and Additional Commissioner of Commercial Taxes (Audit) are instructed to monitor and coordinate the transfer of pending assignments on Boweb portal.

The instructions above shall be strictly adhered to by all the officers concerned and any deviance or breach thereof will be viewed seriously.



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