

GST Alert 15/2023-24

Date 04.03.2023

### GST Compliances to be done before year end

Since we are inching towards the end of this Financial Year, here is check-list of GST tasks that should be taken care of before you file February / March 23 GSTR 3B & GSTR 1:

- 1. Filing of all the pending GST Returns for April 2022 till January/ February 2023**
- 2. Reconciliation: GSTR 3B v/s GSTR 1 v/s Books for outward supplies including taxable supplies, Zero rated supplies, exempt supplies, Nil rated supplies, No supplies etc. and give the impact of the same in GSTR-1/GSTR-3B respectively.**
  - a. In case of outward supplies made, you need to take care of provision of Section 34(2) of the CGST act, which states "Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than November following the end of the financial year in which such supply was made and the tax liability shall be adjusted in such manner as may be prescribed"
  - b. Similarly the Proviso to sub-section (3) to Section 37 states "Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of November following the end of the financial year to which such details pertain".
  - c. Therefore, in case of outward supplies (which includes invoices, debit notes, credit notes and revised invoices issued in relation to outward supplies made during any tax period), kindly make sure that, any reporting / rectification in relation to Outward Supplies of FY 2022-23, are duly reported / corrected in the GSTR-1 of Feb'23 / Mar'23, so that your buyers' ITC gets reflected correctly in their GSTR-2A/2B within the FY 2022-23
  - d. If counter party is not able to find our sales invoice in his GSTR 2A/2B, then there might be chances that you have filed GSTR 1 wherein you have shown sales in B2CS but it was



actually B2B sales. In such case amendment of B2CS is required and also you have to upload the bill in B2B afresh

- e. Make sure that the adjustment of Output Tax reported, if any, in Table 10 and Table 11 of GSTR-9 for FY 2021-22 have been duly reconciled vis a vis with the Output Tax of FY 2022-23
- f. If mistakenly Nil or wrong or incomplete GSTR 1 is uploaded where invoices pertaining to some months not uploaded or uploaded to wrong GSTIN of buyer or you have uploaded on some of sheets of GSTR1, then Amendments are required to be made in GSTR-1
- g. In case there has been any disposal of Fixed Assets during the period Apr'22 to till date, make sure that the applicable GST is discharged and duly record in Books, GSTR-1 and GSTR-3B

**3. Reconciliation : GSTR 3B v/s GSTR 2A or 2B v/s Books for Inward credit for the period of Apr'22 to Mar'23 and give the impact of the same in GSTR-3B and accordingly, where eligible credit not reflected in GSTR 2A/2B take follow up of your suppliers.**

- a. Please take a note that as per provision of Section 16(4) of the CGST Act, "A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of November following the end of financial year to which such invoice or invoice relating to such debit note pertains
- b. Therefore, in case there is a credit which pertains to FY 2022-23 as per your books of account, but the same has not yet the taken/availed in your GSTR-3B returns filed, kindly make sure to avail this credit in GSTR-3B of Feb'23/Mar'23 and so that it is not required to separately track it for correct reporting in the GST Annual Return (GSTR-9 of FY 2022-23)
- c. Kindly reconcile the ITC claimed in FY 2022-23 vis a vis the credits available as per GSTR-2A/2B and in case of discrepancies, kindly follow-up with your relevant vendors for



making appropriate correction in their GSTR-1s, so that the Credits correctly reflect in your GSTR-2A/2B within the FY 2022-23. Please note that Table 8A of GSTR-9 is auto-populated on the basis of ITC reflecting in GSTR-2A, hence so far as rectification pertaining to FY 2022-23 are done on or before filing GST Returns for Mar'23, it would have as much less discrepancies to reconcile

- d. Make sure that the adjustment of ITC reported in Table 12 and Table 13 of GSTR-9 for FY 2021-22 have been duly reconciled vis a vis the ITC of FY 2022-23
  - e. Make sure that in case of vendors invoices against which ITC has been availed during the FY 2022-23 have been either paid with-in 180 days of the booking of the Invoice or the ITC is reversed and accounted for in control account, which shall be re-availed upon payment to the vendor
  - f. Make sure that in case of RCM is applicable for Inward supplies availed during the FY 2022-23 has been paid and eligible ITC against the same has been claimed. You may kindly refer our RCM circular for details on this link <https://njain.com/wp-content/uploads/2017/07/GST-Alert-8-RCM-Circular-Updated-3.01.2020.pdf>
  - g. Please make sure that GST Credit Ledger balance & GST Cash Ledger balance as per books of account agree with Electronic Credit ledger/ Cash ledger available on GST Portal
- 4. File GST TDS Returns if applicable u/s 51 for Apr'22 to Feb'23**
  - 5. Do check if your supplier is government organization, whether deducting TDS under GST and if yes do reconcile TDS deducted by them April 2022 till February 2023 with TDS reflected on your account and accepted and filed.**
  - 6. Do apply for LUT for F. Y. 2023-24, if you wish to make zero rated outward supplies without payment of tax**
  - 7. Apply on or before 31st March, if you wish to opt for composition scheme for F. Y. 2023-24**
  - 8. Check status of Inputs Goods (1 year) / Capital Goods (3 years) sent to Job Worker for purpose of ITC reversal where the timelines have been exceeded**
  - 9. Check status of Goods sent on approval basis**



### 10. Reconcile E-way bill data with GSTR-1 for FY 2022-23

11. Reconcile E-Invoice data with GSTR-1 / Books for FY 2022-23 and making sure that IRN is generated for every B2B Invoice/ B2B Credit Note/ B2B Debit Note/Export Invoice for the period applicable

### 12. Applicability of E-Invoicing

Kindly take a note that E-invoice system for B2B transactions is made mandatory for businesses having Turnover above 10 Cr from 1st October 2022. In case E-Invoice system was not applicable to you up to FY 2022-23 as your turnover up to FY 2021-22 was below 10 Cr, kindly check if your turnover in FY 2022-23, is likely to cross 10 Cr, so as to ensure that you begin E-Invoicing from 1st Apr'23. You may kindly refer this link for more details on E-Invoicing → [GST Alert 14 - E-Invoicing for FY 2023-24](#)

Trust you shall find the above checklist useful. Happy Accounting!!!!

Formulated by:

N J Jain & Associates

Chartered Accountants

**CA Nitesh Jain**

Managing Partner

**CA Praveen Maheshwari**

Partner

**CA Gaurav Khetan**

Partner

**CA Jay Dalwadi**

Partner

### Disclaimer

*This GST Alert is only for the purpose of information and does not constitute or purport to be an advise or opinion in any manner. The information provided is not intended to create advisor-client relationship and is not for advertising or soliciting. N J Jain & Associates do not intend in any manner to solicit work through this Tax Alert. The Tax Alert is only to share information based on recent developments and regulatory changes. N J Jain & Associates is not responsible for any error or mistake or omission in this Tax Alert or for any action taken or not taken based on the contents of this Tax Alert. Business decisions are best taken in close consultation with the advisors.*

