

GST Compliance – Action Points - September 2022

**SINGHVI
DEV & UNNI LLP**
CHARTERED ACCOUNTANTS
|||||

August 2022

Outward Supplies

Sr. No.	Particulars	Action Points
1.	Reconciliations of supplies as per Books of Accounts vs Monthly GST Returns	<ul style="list-style-type: none"> • To reconcile outward supplies and taxes between books of accounts, GSTR-1 and GSTR-3B for FY 2021-22. Invoices to be issued or amendments to be made for the differences, if any in the Form GSTR-1 and Form GSTR-3B of Sept 2022. • For the goods that were sent to job work without payment of taxes, the return should be within 1 or 3 years, as the case may be – to ensure that invoices are issued and taxes are paid if the timelines have exceeded.
2.	Issue of Credit Notes (CNs) for F.Y 2021-22	<ul style="list-style-type: none"> • To declare <u>GST credit notes issued in FY 2021-22</u> in Form GSTR 3B of Sept 2022 and file the same by 20.10.2022. If Annual Return for FY 2021-22 is filed before the filing of Form GSTR-3B of Sept 2022, the benefit of such credit notes will be lost. • To issue <u>GST credit notes pertaining to FY 2021-22</u> before 30.09.2022 and declare the same in Form GSTR-1 / Form GSTR 3B of Sept 2022 (to be filed by 20.10.2022). Issuance of such credit notes after Sept 2022 will disentitle the supplier from claiming the benefit of such credit notes. <p>Note: Amendments made vide Finance Act, 2022 i.e., extension of time limit for issuance of credit notes from 'due date for Sept Return' of the following FY to '30th November' of the following FY is NOT YET NOTIFIED and hence, not applicable to CNs to be issued for F.Y 2021-22.</p>

Outward Supplies

Sr. No.	Particulars	Action Points
3.	Cross Charge of shared / other services to 'Related Parties' or 'Distinct Persons'	<ul style="list-style-type: none">• Invoices relating to cross charge of shared / other services for the FY 2021-22 should be raised before the end of Sept 2022• Issuance of invoices pertaining to FY 2021-22 after Sept 2022 will disentitle the recipient from claim of ITC.
4.	Amendments in Form GSTR-1 for FY 2021-22	<ul style="list-style-type: none">• Rectification of any errors / omissions in respect of details furnished in Form GSTR-1 for the FY 2021-22 especially those which result in reduction of output tax payable for FY 2021-22, to be done in Form GSTR-1 of Sept 2022.• Impact of such reduction in output tax, if not corrected in any of the earlier Form GSTR 3Bs; to be corrected in Form GSTR-3B of Sept 2022 without fail.
5.	Other Notes	<ul style="list-style-type: none">• To discharge any unpaid RCM liability pertaining to FY 2021-22 in Form GSTR-3B• Reconcile details of invoices raised vs e-way bill declarations vs IRN generation

Inward Supplies

Sr. No.	Particulars	Action Points
1.	Reconciliation of ITC as per Books of Accounts vs GSTR-2A / GSTR-2B with GSTR-3B	<ul style="list-style-type: none"> • Undertake a thorough reconciliation of ITC availed in GSTR 3B with Form GSTR-2A / 2B and Books of Accounts for FY 2021-22. • Out of the ITC appearing in Form GSTR-2A / 2B, eligible ITC not yet availed in Form GSTR-3B to be claimed in Form GSTR 3B of Sept 2022 by filing it on or before 20.10.2022. • Follow up with vendors to ensure the credits claimed in GSTR 3B is reflected in GSTR 2A / 2B. • Net ITC claimed in Form GSTR-3B to be matched with ITC recorded in the Books of Accounts. • Review to ensure ineligible ITC is not availed. If availed and utilised, ITC to be reversed along with interest.
2.	Last chance to avail ITC for the FY 2021-22	<ul style="list-style-type: none"> • Last date to avail ITC pertaining to invoices / debit notes of FY 2021-22 is 20.10.2022 i.e. as part of Form GSTR 3B of Sep 2022. • To discharge any unpaid RCM liability pertaining to FY 2021-22 in Form GSTR-3B of Aug 2022 and claim such credit in GSTR 3B of Sept 2022 by filing it on or before 20.10.2022. <p>Note: Amendments made vide Finance Act, 2022 i.e., extension of time limit for claim of ITC from 'due date for Sept Return' of the following FY to '30th November' of the following FY is NOT YET NOTIFIED and hence, not applicable to claim of ITC for F.Y 2021-22.</p>

Inward Supplies

Sr. No.	Particulars	Action Points
3.	Annual computation of reversal of common ITC for the FY 2021-22 – Rule 42 & 43	<ul style="list-style-type: none"> • If you have availed ITC which is commonly used for providing both, taxable and non-taxable (including exempt) outward supplies, ITC to the extent it relates to non-taxable supplies should be recomputed annually considering total turnovers for the FY 2021-22. • On comparison with the ITC reversals made during the FY 2021-22: <ul style="list-style-type: none"> ○ Excess reversals to be reclaimed as ITC in Form GSTR-3B for Sept 2022 ○ Short reversals to be paid through Form GSTR-3B for Sept 2022 or DRC-03. Interest to be computed from 1st April 2022 till the date of reversal.
4.	Other notes to secure ITC claimed in the year 2021-22	<ul style="list-style-type: none"> • Ensure that ITC is not claimed over and above 105% of Eligible ITC appearing in Form GSTR-2A & 2B for the FY 2021-22 (Effective 01.01.2022, ITC to be availed as per GSTR 2B only). • Review of vendor accounts to ensure invoices are paid within 180 days – else, ITC to be reversed. • Check if the supplier is registered under Composition Scheme and has collected GST. Reverse such ITC along with interest and recover from vendor (management call). • Have you looked at your vendor registered places? Do they exist at that place?

SINGHVI DEV & UNNI LLP

CHARTERED ACCOUNTANTS



**29/4, 6th Floor, Trade Centre,
Race Course Road,
Bengaluru -560 001**

**Unit No. 1B, 5th Floor,
Kaledonia, Sahar Road,
Off Western Express Highway, Andheri (East),
Mumbai - 400 069**

+91 (80) 2226 1371 | www.sduca.com | info@sduca.com

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