GST DEPARTMENTAL AUDIT

An audit by department can be conducted either at the place of business of the registered person or at the office of the tax authority

BY AMAR JEET SINGH

Relevant Sections and Rules related to GST Departmental Audit

Section 65 of CGST Act, 2017

65. Audit by tax authorities.—

(1) The Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed.

(2) The officers referred to in sub-section (1) may conduct audit at the place of business of the registered person or in their office.

(3) The registered person shall be informed by way of a notice not less than fifteen working days prior to the conduct of audit in such manner as may be prescribed.

(4) The audit under sub-section (1) shall be completed within a period of three months from the date of commencement of the audit:

Provided that where the Commissioner is satisfied that audit in respect of such registered person cannot be completed within three months, he may, for the reasons to be recorded in writing, extend the period by a further period not exceeding six months.

Explanation.—For the purposes of this sub-section, the expression ―commencement of audit‖ shall mean the date on which the records and other documents, called for by the tax authorities, are made available by the registered person or the actual institution of audit at the place of business, whichever is later.

(5) During the course of audit, the authorised officer may require the registered person,—

(i) to afford him the necessary facility to verify the books of account or other documents as he may require;

(ii) to furnish such information as he may require and render assistance for timely completion of the audit.

(6) On conclusion of audit, the proper officer shall, within thirty days, inform the registered person, whose records are audited, about the findings, his rights and obligations and the reasons for such findings.

(7) Where the audit conducted under sub-section (1) results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilised, the proper officer may initiate action under section 73 or section 74.

Section 73 of CGST Act, 2017

73. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful - misstatement or suppression of facts.—

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax.

(4) The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that the grounds relied upon for such tax periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice.

(5) The person chargeable with tax may, before service of notice under subsection (1) or, as the case may be, the statement under sub-section (3), pay the amount of tax along with interest payable thereon under section 50 on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment.

(6) The proper officer, on receipt of such information, shall not serve any notice under sub-section (1) or, as the case may be, the statement under sub-section (3), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder.

(7) Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(8) Where any person chargeable with tax under sub-section (1) or sub-section (3) pays the said tax along with interest payable under section 50 within thirty days of issue of show cause notice, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The proper officer shall, after considering the representation, if any, made by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent. of tax or ten thousand rupees, whichever is higher, due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date

(11) Notwithstanding anything contained in sub-section (6) or sub-section (8), penalty under sub-section (9) shall be payable where any amount of self-assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax.

Section 74 of CGST Act, 2017

74. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any wilful misstatement or suppression of facts.—

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty equivalent to the tax specified in the notice.

(2) The proper officer shall issue the notice under sub-section (1) at least six months prior to the time limit specified in sub-section (10) for issuance of order.

(3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax.

(4) The service of statement under sub-section (3) shall be deemed to be service of notice under sub-section (1) of section 73, subject to the condition that the grounds relied upon in the said statement, except the ground of fraud, or any wilful-misstatement or suppression of facts to evade tax, for periods other than those covered under subsection (1) are the same as are mentioned in the earlier notice.

(5) The person chargeable with tax may, before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 and a penalty equivalent to fifteen per cent. of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment.

(6) The proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder.

(7) Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(8) Where any person chargeable with tax under sub-section (1) pays the said tax along with interest payable under section 50 and a penalty equivalent to twenty-five per cent. of such tax within thirty days of issue of the notice, all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and penalty due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within a period of five years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within five years from the date of erroneous refund.

(11) Where any person served with an order issued under sub-section (9) pays the tax along with interest payable thereon under section 50 and a penalty equivalent to fifty per cent. of such tax within thirty days of communication of the order, all proceedings in respect of the said notice shall be deemed to be concluded.

Explanation 1.—For the purposes of section 73 and this section,—

the expression ―all proceedings in respect of the said notice‖ shall not include proceedings under section 132;

where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under section 73 or section 74, the proceedings against all the persons liable to pay penalty under sections 122, 125, 129 and 130 are deemed to be concluded.

Explanation 2.—For the purposes of this Act, the expression ―suppression‖ shall mean non-declaration of facts or information which a taxable person is required to declare in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.

Rule 101 of CGST Rules, 2017

101. Audit.-

(1) The period of audit to be conducted under sub-section (1) of section 65 shall be a financial year [or part thereof]244 or multiples thereof.

(2) Where it is decided to undertake the audit of a registered person in accordance with the provisions of section 65, the proper officer shall issue a notice in FORM GST ADT-01in accordance with the provisions of sub-section (3) of the said section.

(3) The proper officer authorised to conduct audit of the records and the books of account of the registered person shall, with the assistance of the team of officers and officials accompanying him, verify the documents on the basis of which the books of account are maintained and the returns and statements furnished under the provisions of the Act and the rules made thereunder, the correctness of the turnover, exemptions and deductions claimed, the rate of tax applied in respect of the supply of goods or services or both, the input tax credit availed and utilised, refund claimed, and other relevant issues and record the observations in his audit notes.

(4) The proper officer may inform the registered person of the discrepancies noticed, if any, as observed in the audit and the said person may file his reply and the proper officer shall finalise the findings of the audit after due consideration of the reply furnished.

(5) On conclusion of the audit, the proper officer shall inform the findings of audit to the registered person in accordance with the provisions of sub-section (6) of section 65 in FORM GST ADT-02.

244 Inserted vide Notf no. 74/2018-CT dt. 31.12.2018.

ANNEXURE – GSTAM - I

(Registered person's Master file – RPMF to be updated on regular intervals) Part I -

Registered person's Profile

1) Name of the Registered person

2) GSTIN

3) Address of the Registered person

Name of Principal place of business

(i) Flat/Door/Block No.

(ii) Road/Street/Lane

(iii) Village/Area/Locality

(iv) Block/Taluka/Sub-Division

(v) Town/City/District

(vi) State/Union Territory (*Please see instruction No. 6(a)*)

(viii) PIN Post office

1. Telephone Nos.: 2.

(x) Fax Nos. (xi) E-mail Address

.

4) Name and address of the Corporate/Registered Office of the Registered person

5) Web address of the company:

6) Permanent Account Number

7) Description of the goods/services supplied

8) Details of Additional Place of Business

Part II - Other information

1) Constitution of Business (Please Select the Appropriate)

Sl No	Proprietorship		ix	Unlimited Company	
i	Partnership		x	Limited Liability Partnership	

ii	Hindu Undivided Family		xi	Local Authority	
iii	Private Limited Company	√	xii	Statutory Body	
iv	Public Limited Company		xiii	Foreign Limited Liability Partnership	
v	Society/Club/Trust/Association of Persons		xiv	Foreign Company Registered (in India)	
vi	Government Department		xv	Others (Please specify)	
vii	Public Sector Undertaking				

Details of proprietor / partner / CEO / Chairman / Managing Director (as applicable). Details of Proprietor/Partners/CEO/Chairman /Managing Director/Member etc.

(a) Name

(b) Designation

(c) Residential address

(i) Name of Premises/Building

(ii) Flat/Door/Block No.

(iii) Road/Street/Lane

(iv) Village/Area/Locality

(v) Block/Taluka/Sub-Division

(vi) Town/City/District (vii) State/Union Territory

DELHI [redacted] [redacted]

(viii) PIN Post office

[redacted]

(ix) Telephone Nos.:

(a) office (b) residence

[redacted]

(x) Fax Nos. (*Please see instruction No. 6(a)*) (xi) E-mail Address

[redacted] [redacted]

Permanent Account Number (PAN)

(issued by the Income Tax Department)

In case of more names, please provide the information in the above format.

1) Details of registration with any other Government Department/Agency or Regulatory Authority as the case may be.

i. Customs registration No. (BIN No.) yes ☐ no ☐

if yes give details

ii. DGFT's IEC No. yes ☐ no ☐

if yes give details.

iii. Registrar of Company's CIN No. yes ☐ no ☐

if yes give details.

iv. Tour Operators with RTA yes ☐ no ☐

if yes give details.

v. Stock Brokers with SEBI yes ☐ no ☐

if yes give details.

2) Name and designation of the authorized person of the Registered Person.

(a) Name

(b) Designation

(c) Residential address

(i) Name of Premises/Building

(ii) Flat/Door/Block No.

(iii) Road/Street/Lane

(iv) Village/Area/Locality

(v) Block/Taluka/Sub-Division

(vi) Town/City/District (vii) State/Union Territory

(viii) PIN Post office

(ix) Telephone Nos.:

(a) office (b) residence

(x) Fax Nos. (xi) E-mail Address

In case of more names, please provide the information in the above format.

3) Name of the designated bank where the GST is deposited.

Name of the bank

Name of the branch

4) Details of the Bank accounts used for business transaction with name of the bank, its specific branch and account number.

(a) Account 1

(i) Name of the bank

(ii) Name of the branch

(iii) Account No.

Details of more Accounts used for business transactions yes ☐ no ☐

If yes,-

(b) Account 2

1. Name of the bank

2. Name of the branch

3. Account No.

Note: In case of more than two bank accounts, two major bank accounts may be entered above.

Part-III

Details of Supplies made and taxes paid

(a) HSN -wise details of value of goods supplied and ITC paid (for 3 years). – NOT APPLICABLE

Period	Name & Description of goods	Taxable Value of the goods	HSN Code	GST payable/paid	Total credit utilized				Net GST paid in cash (GST-PMT-06)			
Year 1					CGST	SGST/UTST	IGST	Cess	CGST	SGST/UTST	IGST	Cess
Year 2												
Year 3												

(b) GST Services code-wise details of value of services supplied and ITC paid (for 3 years) (As per table 9 of GSTR-9).

Period	Name & Description service	Taxable Value of the services	GST ST Code	GST payable /paid	Total credit utilized				Net GST paid in cash (GST-PMT-06)			
Year 1					CGST	SGST/UTST	IGST	Cess	CGST	SGST/UTST	IGST	Cess
2017-18												
Year 3												

(c) Details of Zero rated supplies and Deemed Exports made
Rs. In thousands

	Description of goods/services	HSN	Quantity	Value
Exports				
Supplies made to SEZ unit or SEZ developer				
Deemed Exports				

Note: Wherever, it is possible, the data may be downloaded from GSTIN while preparing the Master file.

ANNEXURE – GSTAM – IV

RATIO ANALYSIS OF DATABASE (PROCEDURE/FORMATS SEPARATE FOR GOODS AND SERVICES) PART –A: GOODS : Very nominal amount of ITC taken on Goods so Not Applicable

S. No.	Nature of Ratio / Method of calculation	Ratio Calculation	Source Data
1.	Input Tax Credit availed **(A) :** Total tax paid through (Electronic cash ledger + Input Tax Credit)**(B)** = **(A)/(B)**		
2.	Total inward supply cost**:** Total outward supply value		

3.	Input tax credit availed on Capital Goods purchased during the year **:** Addition to Capital Goods		
4.	Other Income: Sales		
5	Outward supply of Scrap: Total outward supplies made		
6	Value of exempted outward supply: value of total outward supplies made		
7	Input tax credit availed on inputs: Purchase price of inward supplies		
8	Value of Zero rated supply : Total supply		
9.	Non-GST Supply : Total supply		

PART-B FOR SERVICES RATIO ANALYSIS OF DATABASE

Source Documents	Ratio Calculation	Nature of Ratio / Method of calculation
GSTR-9 GSTR-9C		Total cost of inputs received (both Goods & Services) **:** Value of Taxable outward supply (say A) Credit availed: Total GST payable (say B)
GSTR-9 GSTR-9C		Other incomes not charged to GST **:** Value of taxable outward supply
Financials		Additions to plant and machinery / fixed assets during the year **:** Total value of assets at the beginning of the Year
GSTR-9 GSTR-9C		Amount of input tax credit availed on inward supply **:** Total tax liability on outward supply
GSTR-9 GSTR-9C -		Input Tax Credit **(A) :** Total Tax paid through (Electronic cash ledger + Input Tax Credit) **(B)** = **(A)/(B)**

GSTR-9C		Input tax credit availed on Capital Goods purchased during the year **:** Addition to Plant & Machinery
Financials		Other Income: Outward supplies

ANNEXURE – GSTAM- VI

QUESTIONNARE FOR REVIEW OF INTERNAL CONTROL SYSTEM AND WALK THROUGH.

PURCHASES – INWARD SUPPLIES

1. Whether all purchases are centralised or de-centralised. If all purchases are authorised by few key persons like owner or Managing Director etc, it may require in-depth study of purchases.
2. Whether all the purchases are made only by issue of purchase order and whether different series of purchase order are issued. Also, the issuance of series of purchase order is centralised in the purchase section. Are there any cases where purchases have been made without issue of purchase order?
3. Whether there is a system of authorised Vendor List. If not, what is the system of approving particular vendor? Are there instances where substantial purchases have been made through unauthorised vendors?
4. Whether rejected inward supplies are stored separately. What is the system of accounting for the rejected inward supplies/short quantity?
5. Whether for purchase returns, debit notes are issued?
6. Whether for rejected inward supplies any set procedure is followed.
7. At what stage ITC is availed, i.e. either before testing for rejection

or after testing for rejection?

8. On the inward supplies rejected or short quantity received, whether the ITC reversal is done on each invoice basis or on monthly basis.
9. Whether any item supplied free of cost by the customer.

OUTWARD SUPPLIES

1. What is marketing pattern - is it through depot, stockist, C&F agent related person or directly by the registered person?
2. How many series of outward supply /GST invoices are generated? For example, there can be different series for outward supplies, export supplies, scrap, other items and job work.
3. Whether all different series of invoices of out ward supplies are entered in one outward supply account or in different outward supply account.
4. Who authorises for despatch of outward supplies?
5. Whether any charges for erection/commissioning collected?
6. Whether Tax invoices are issued for composite supply of both goods and erection & Commissioning (which involves applicability of rate of tax of principal supply, viz., goods)?
7. Whether any materials supplied to the recipients at free of cost?
8. Any amount for marketing expenses, Advertisement, Royalty, Handling Charges, Packing Charges, Warranty, after sales service and Insurance received from recipient in any manner?
9. Whether commercial invoices and outward supply invoices (Tax

Invoices under GST) are same or different?

10. Who is authorised to fix the price of outward supplies and whether any printed price circulars are issued?
11. Who is authorised to make supplementary outward supply invoices or debit note for price variation/additional recoveries (advertisement, after sales service, additional packing, insurance, freight, depot charges)?
12. Whether outward supply figures mentioned in GSTR1 are tallying with the records maintained by the registered person?
13. Whether any goods were received for repair etc. on return by the recipients?
14. Types of discounts given and how are they accounted for in relevant records.
15. Whether recipients' accounts are debited with the net amount of invoice or gross amount?

STORES

1. Whether receipt in the stores record are shown only after inspection of inward supplies or before inspection.
2. What is the frequency of stock taking of all the items? How difference is accounted for and what reports are prepared.
3. What is the frequency of physical inventory for high value items (A category in ABC analysis) whether a report is prepared for stock verification and put-up to management and what is the frequency of reporting?
4. For inward supplies covered by insurance claim what is the procedure for filing the claim. Whether such inward supplies are

entered in the store register or these are shown in separate account. Whether any register or report is prepared for all such claims.

5. What are the records maintained for inward supplies sent out for Job Work? Whether scrap is received back or job work price is adjusted.
6. How the defective/ damaged inward supplies are reflected in the books of accounts?

TAX ACCOUNTING

1. Whether GST paid on inward supplies are shown separately in purchase account?
2. Whether all inward supply invoices are entered for full value and thereafter for rejected/stock quantity, credit note or sales return invoice is prepared.
3. Whether GST payable on outward supplies made and shown separately in outward supply account?
4. In case of capital goods whether full value including GST is debited in the books or net value is shown in the capital goods account.
5. In case of capital goods fully written off whether GST deducted from such expenditure account or not?
6. What is the system to check GST liability (payment through Electronic Cash ledger / Electronic Credit Ledger) as shown in the financial records with the GST records? Whether any reconciliation is made for the differences?

JOB WORK

1. Whether any input/output ratio has been determined for sending the input for job work.
2. What are the records maintained for sending inputs for job work (either directly from the supplier of inputs/ from the place of business of the registered person) and whether the records show quantity of inputs sent, quantity of final product to be received, actually received and variation?
3. Whether any monthly or periodic statements are prepared for each job work and at what level the statements are verified for taking corrective action?
4. What is the system of treatment of scrap generated at job worker? Whether it is brought back to the registered person's premises or allowed to be disposed off by job worker?
5. Whether the finished goods after job-work are being supplied from job-worker's premises.
6. When the finished goods are not received back from the job worker in time (180 days), what action is taken by the company and what accounting treatment is done for the same?
7. Whether the processed inward supplies after conversion into outward supplies are sold by the principal directly from the premises of Job-worker?
8. Whether outward supplies are made after transferring the same to any other place from the job-worker's premises?

ANNEXURE V

Only for those registrants who are required to file Annual return u/s 44 of the CGST Act .

Part-A-Goods (Not Applicable)

COMPARATIVE CHART OF ITEMS FROM FINANCIAL STATEMENTS/ RETURNS

Sl. No.	Item	Records/Registers/ Acco unts maintained U/S 35 CGST Act read with rule 56 of CGST Rules(+)	GSTR-9(++)	Cost Audit Report (Annual) #	Income Tax Audit Report (Annual) ##	Trial Balance (Annual)	Annual Report (Including Balance Sheet & P & L Account) (Annual) @	ITR 6 (Annual) @@
1	Quantity Manufactured	Production/manufacture account			28 b B (iii)		Schedule to Balance Sheet	Part A- QD (c) (5)
2	Goods Cleared							
	i) Quantity	inward & outward supply account of goods	**17(3)+18(3)**	Sl. No. 4 (8) of Annexure	28 b B (iv)		Schedule to Balance Sheet	Part A- QD (c) (6)
	ii) Value	Do	**17(4)+18(4)**	Sl. No. 8(1)			Schedule to	

				of Annexure			Balance Sheet	
3	**GST Paid**		**9**					
	(a) cash		**9(3)**					
	(b) ITC		**9(4+5+6+7)**					
	Credit Register			Sl. No. 11 of Annexure	22(a)			
	II) Cash Regigster			Sl. No. 11 of Annexure				
	Total GST Paid		**9(3)+9(4+5 + 6+7)**					
4	Exports (Value & Quantity)		**4(C+D+E)+ 5 (M)**	Sl. No. 4 (8) of Annexure				
	a) Under Bond							
	I) Quantity							
	b) Value						Schedule to Balance Sheet "(Earnings in Foreign Exchange- f.o.b of Exports)"	

	On payment of GST							
	(a) quantity							
	(b) value		**4(C+D)**					
5	**Details of ITC taken and utilised**							
a)	Opening Balance							
a)	ITC Taken		**6(O)**		22(a)			
b)	ITC Utilised		**9(4+5+6+7)**		22(a)			
c)	I) Payment of duty of goods							
d)	II) Payment of duty on Services							
e)	III) Removal of Inputs & Capital Goods as such							
6	**Consumption of major Raw material in manufacture**							

	a) Quantity				28(b)(A)(iii)		Schedule to Balance Sheet	Part A - QD (b) (4)
	b) Value						Schedule to Balance Sheet Schedules to P & L Account	
7	**Sale of Waste & Scrap**							
a)	Quantity							
b)	Value				28(b)(A)VIII 28(b)(B) VI	Under Head "Other Income"		
8	**Power & Fuel**					Under Expenditure- Power & Fuel	Annexure to Director's Report Schedules to P & L Account	
9	Written off stocks	Account of stock of goods			28(b)(A)VIII 28(b)(B) VI	Expenses for write off	Obsolete	

Note: Numbers mentioned in the blocks above denote S. No. of respective return/ financial statement

- Specified assessees among the notified industries under Cost Accounting Record Rules, under Section 233B of Companies Act, 1956. ## - Units whose turnover is more than Rs.40 Lakhs, return under Section 44AB of the Income Tax Act. 1961

@ - Under Section 211 of the Companies Act, 1956.

@@ - Companies other than the companies claiming exemption under Section 11 of the IT Act, 1961 @@@ - Units manufacturing Bulk Drugs & Formulations under Drugs (Prices Control) Order 2013

(+) Auditor to obtain the information from the auditee while forwarding GST ADT-01

(++) Annual Return to be filed by the Registered person, under Rule 80 of CGST Rules other than an Input Service Distributor, other than an Input Service Distributor, a person paying tax as TDS/TCS, a casual taxable person and a non-resident taxable person,

Note: Wherever it is possible, the data may be downloaded from GSTIN Portal

FORM GST ADT-01

[See Rule 101(2)]

प०स० : AUDC/10/2021-Gr 3-CGST-Adt Cir-3-Adt-GGM

सेवा में,

GSTIN: ……………
Name:
Address

महोदय**,**

SUB :Notice for conducting audit : Reg

The officers of Group 3C have been authorized and deputed by the Competent Authority to undertake audit of your books of account and records for the period FY 2017-18 and 2018- 19 in accordance with the provisions of Section 65 of the CGST Act, 2017. The undersigned through their representatives proposes to conduct the said audit at your place of business on any day after fifteen working days from the date on which all documents (as requested by this letter) received.

In accordance with the above, you are hereby required to furnish documents/records as mentioned below in prescribed format in person or through your authorized representative or through post/mail (………..@gmail.com) within 15 days from receipt of this letter

1. Filled and Attested GSTAM-I, GSTAM-IV, GSTAM-V and GSTAM-VI as shared by mail.
2. REG-06 in pdf.
3. Consolidated GSTR-2A , GSTR-9, GSTR-9C in Excel.
4. GSTR-3B, GSTR-1, GSTR-7 month wise in excel/pdf.
5. Trial Balance in Excel with opening balance, Debit, Credit and closing balance for FY 2017-18 and 2018-19. Please bifurcate figures for

period i.e. Apr-2017 to june-2017 and July-2017 to Mar-18 for FY 2017-18.

6. Copy of Balance Sheet, Profit and Loss Account statement, 3CEB, 3CD and other cost tax audit reports in pdf.
7. Copy of TRAN -1 return for verification in pdf/excel.
8. CCR and RCM register separately in excel in the format as below along-with all the invoices :

S. No	Supplier Regist-ration No.	Name of supplier	Nature of services	Inv. No.	Inv. Date	Payment Date to Supplier	Month in Which credit availed in GSTR-3B	Month in Which Invoice Is shown In GSTR-2A	Taxable Value	IGST	CGST	SGST	CESS	Remarks
									1					

9. Contracts, MOUs, Agreements with principals, clients, other group companies or any other person to whom any service is provided/ received
10. Purchase and sale register in Excel.
11. List of all Inputs/Goods/Service Supplier in Excel along-with HSN Codes and list of final goods/services supplied
12. Ledger of addition in Intangible assets and Goodwill (as shown in Balance sheet) and tax liability discharged in excel.
13. Income and Expenditure ledger dumps with all accounting explanation in Excel.

14. Notes of all the activities performed by the company along-with list of branch offices and registered premises under GST and Servcie tax earlier.
15. Revenue Reco of Balance-Sheet and reco of GSTR-9 with GSTR-3B in excel.
16. Extract of Debit and credit notes in Excel.
17. Ledger of expenditure in Foreign Currency ,if any, with tax-liability paid in RCM or not.
18. Complete dumps in Excel of Domestic Expenditure along-with explanation of all accounting codes used. Also provide segregation of Expenses into taken/availed/bought from registered GSTID and unregistered along-with tax-liability. Also keep all Invoices ready for crosschecking.
19. Export register in excel with details likes Invoice No., Vendor name, date of Invoice, payment received date as per BRC/FIRC, BRC/FIRC details, BRC/FIRC No etc along-with copies of LUT/BOND, all Invoices and its corresponding BRCs/FIRCs.
20. Electronic cash and credit ledger in excel.
21. 26AS and 26Q in Excel for FY 2017-18.
22. Ledgers of Exemptions ,if claimed, in Excel
23. All Directors/Key personnel ledgers along-with their Form-16 and ledger of the expenses in excel.
24. List of all SCNs along-with present status, last FAR/IAR, Anti-Evasion casese if any.

You are also requested to attend in person or designate a person [preferably a senior employee who is well conversant with the working and accounts of the establishment] for coordinating with the Audit team for timely completion of the audit. The name, designation, contact numbers and email id of the person so designated may also be communicated.

You are further requested to extend full cooperation with the officers deputed for audit and make available all the records as requested by the audit team. Further it should be noted that-a.The proposed audit is the statutory audit as per the Departmental instructions in regard to audit and has no relation to any audit conducted by CAG office (CERA), if any.

b. In case of failure to comply with this notice, it would be presumed that you are not in possession of such books of account and proceedings as deemed fit may be initiated as per the provisions of the CGST Act, 2017 and rules made thereunder against you without making any further correspondence in this regard.

d. In normal circumstances no waiver or deferment of audit is allowed. In case of extreme circumstances, the request for same may be addressed to the **Deputy/Assistant Commissioner (Circle-…), Address….**
at least 7 days before the scheduled date of audit.

भवदीय

Date-……

GST ASMT - 10

[See rule 99(1)]

Reference No.: ……………….
Date: 01/01/2021

To

GSTIN: ……………………….
Name: ………………………
Address:.……………………

Tax period: ………………   F.Y.: ………………
Type of Return: ……………..

Notice for intimating discrepancies in the return after scrutiny

This is to inform that during scrutiny of the return for the tax period referred to above, discrepancies noticed have been mentioned in the attached annexure..
You are hereby directed to explain the reasons for the aforesaid discrepancies by the date mentioned in the table below.
If no explanation is received by the said date, it will be presumed that you have nothing to say in the matter and proceedings in accordance with law may be initiated against you without making any further reference to you in this regard.

S.No	Description	Particulars
1	Section under which notice is issued	Section 61(1)
2	Date by which reply has to be submitted	Date-………
3	Date of personal hearing	NA
4	Time of personal hearing	NA
5	Venue where personal hearing will be held	NA

Signature
Name of commissioner
Designation: Assistant Commissioner
Address:

‘Annexure’

Excess ITC Claimed

Name……….

GSTIN-

Financial Year ………………

1. On scrutiny of returns for the F.Y. 2017-18 it appears that taxpayer has claimed excess ITC in GSTR-3B as per the

Tax Period	**ITC claimed in GSTR-3B during the month [as per table 4A(4)+4A(5)+4D (1)+4D(2)]**				**ITC auto-drafted in GSTR-2A during the month [as per PART-A, PART-B](Excluding RCM supplies)**				**Shortfall (-) /Excess (+) in ITC (GSTR-3B - GSTR-2A)**				**Cumulative Shortfall (-) /Excess (+) in ITC (GSTR-3B - GSTR-2A)**			
	IGST	**CGST**	**SGST/UTGST**	**CESS**	**IGST**	**CGST**	**SGST/UT GST**	**CESS**	**IGST**	**CGST**	**SGST/UT GST** 5	**CESS**	**IGST**	**CGST**	**SGST/UT GST**	**CESS**
Total																

2. In view of this you are requested to please explain the reasons of above

differences/excess ITC on the given date.

3. You are also requested to attend the office on ……. at ……. at Ward-202, 13th Floor Department of Trade & Taxes, Govt. of NCT of Delhi, Address….for personal hearing in the above matter.

Name of Commissioner

Assistant Commissioner
(Ward-)

Form GST ASMT-10

(See rule 99(1))

F.NO. ……………………
Date:-……………….

To,

GSTIN:-….
Trade Name:-…
Tax Period :- …

Notice for intimating discrepancies in the return after scrutiny

This is to inform you that during scrutiny of the return for the tax period referred to above, the following discrepancies have been noticed:-

Mismatch in liability Declared in GSTR-3B and GSTR-2A

GSTR-3B Details (ITC Detail) Figures in lacs	**FINCIAL YEAR**
……..	2017-18

GSTR-2A Details Figures in lacs	**FINCIAL YEAR**
………	**2017-18**

DIFFERENCE IN ITC (GSTR3B-GSTR1) Figures in lacs	**FINCIAL YEAR**
……….	**2017-18**

You are hereby directed to pay the differential tax with interest or explain the reasons for the aforesaid discrepancies by Date-…..

If no explanation is received by the aforesaid date, it will be presumed that you have nothing to say in the matter and proceedings in accordance with law may be initiated against you without making any further reference to you in this regard.

(commissioner)
GSTO WARD-

Reminder - 1

Reference No:…………..
Date: ……………..

To

GSTIN/ID: ………….
Name: ………………
Address : …………
SCN Reference No.: ……
Date: ………………
Previous reminder reference no: NA
Dated: NA

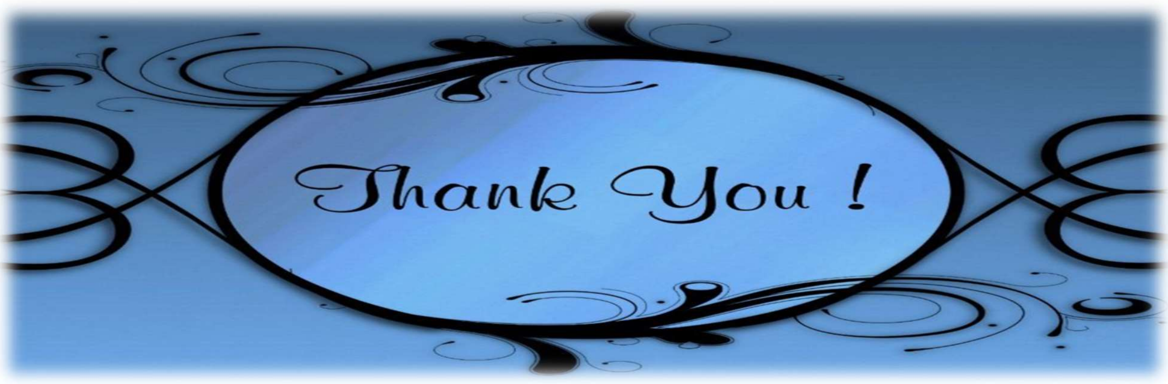
With reference to the show cause notice referred above, neither you have filed any reply, nor you have appeared on the date mentioned in the notice to explain the reasons for the charges mentioned therein.

You are once again requested to furnish the reply by the date mentioned in table below.

You may appear before the undersigned for personnel hearing either in person or through authorized representative for representing your case on the date, time and venue, if mentioned in table below.
You are also requested to bring documents mentioned in the attached annexure, if any, relating to case on the date of hearing and other information called therein.

Sr. No	Description	Particulars
1	Date by which reply has to be submitted	Date-…..
2	Date of Personal Hearing	NA
3	Time of Personal Hearing	NA
4	Venue where Personal Hearing will be held	NA

Signature
Name:
Designation:
Jurisdiction:



Prepared By:

AMAR JEET SINGH & ASSOIATES
CHARTERED ACCOUNTANTS

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