

Hello!

*Two Days Mega Conference On GST
organised by: STAR*

Errors in Returns and Audit

[23rd August 2018] Ashu Dalmia



Issues to be Covered

- Implications of non rectification of error within available time.
- Excess turnover shown in return and tax paid in earlier months.
- Implications of wrongly reported items which cannot be rectified like document number details, non GST supplies etc.
- Issues in Exporter returns



Time Limit for Correction and impact



Standard on Auditing (SA) 250 (Revised)

Consideration of Laws and Regulations in an Audit of financial Statements

- The auditor shall obtain sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations generally recognised to have a direct effect on the determination of material amounts and disclosures in the financial statements.....





Is March 2018 was last return for correction of errors for 2017-18?

CASE STUDY

- ✓ A Company has filed Form GSTR - 3B and discharged liability from Jul 2017 to March 2018.
- ✓ The company has not claimed input tax credit (ITC) during the year although such credits can be seen in Form 2A.

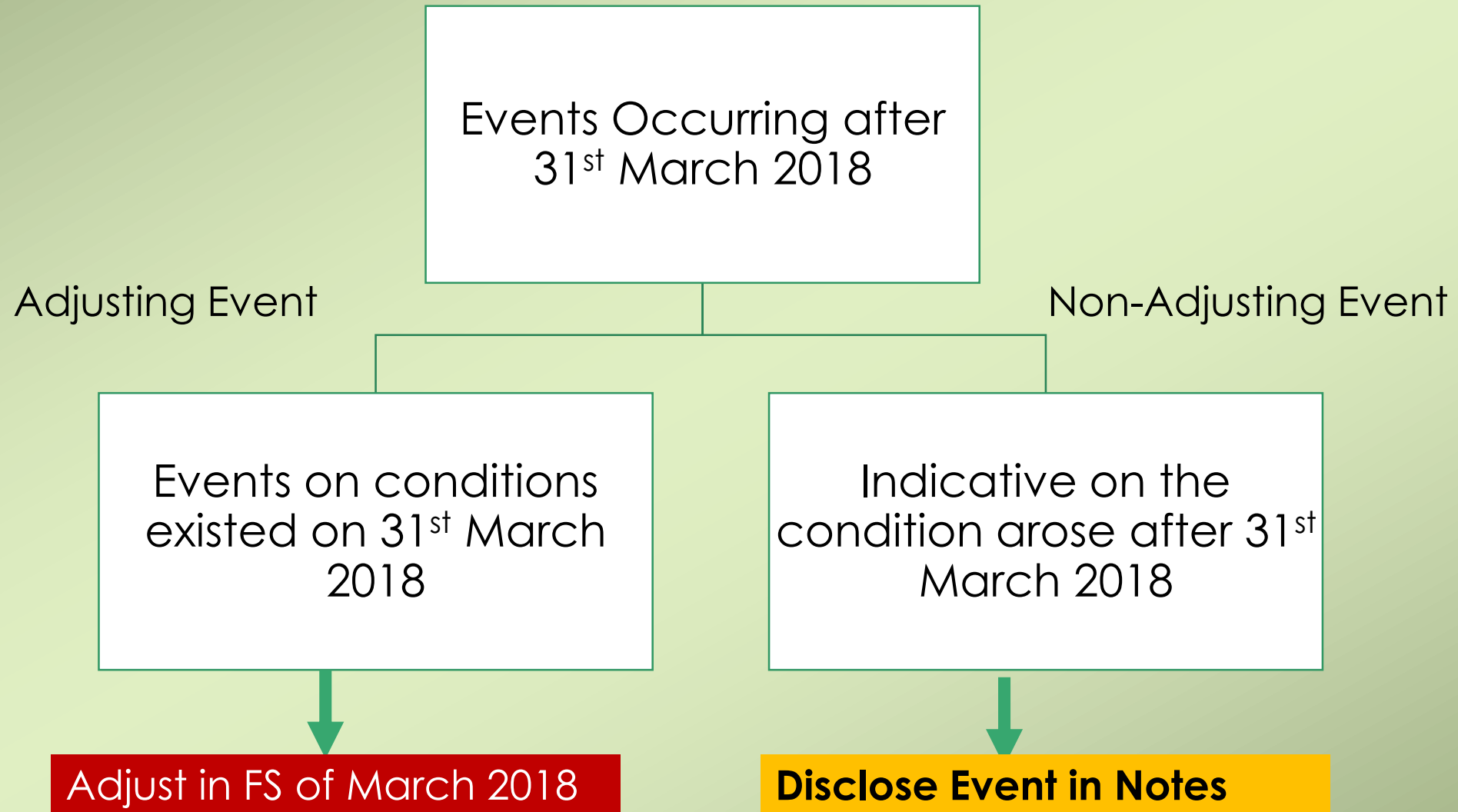
Now Can the eligible input tax credit of previous FY be set off against tax liability in the month of April 2018 or onwards and till when , and if yes, how to report the same in Form GSTR - 3B what all other steps are required?

Time limit to Claim Input Tax credit for 2017-18

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 September following the end of financial year** to which such invoice or invoice relating to such debit note pertains **or furnishing of the relevant annual return, whichever is earlier.**



IND AS -10



Excess turnover Declared



Errors

Output tax

Excess

Short

Input Tax

Excess

Short

Refund

No Tax
impact

How to Correct
errors as Revision
is not
permissible



Circular No.
26/2017 dated
29th Dec 2017

Refund



Refund –Possible Scenarios

- refund of tax paid on zero-rated supplies of goods or services or both or on inputs or input services used in making such zero-rated supplies;
- refund of unutilised input tax credit under sub-section (3);
- refund of tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued, or where a refund voucher has been issued;
- refund of tax in pursuance of section 77;
- the tax and interest, if any, or any other amount paid by the applicant, if he had not passed on the incidence of such tax and interest to any other person;
or
- the tax or interest borne by such other class of applicants as the Government may, on the recommendations of the Council, by notification, specify.



Impact if Correction not possible





Dashboard

Services

GST Law

Search Taxpayer

Help

e-Way Bill System

Dashboard > Returns > GSTR-1 > Documents Issued

English

Documents issued during the tax period



Note: Kindly click on save button after any modification(add, edit, delete) to save the changes

No.	Sr. No.		Total number	Cancelled	Net issued	Action
	From	To				
1						

ADD DOCUMENT

1. Invoices for outward supply

2. Invoices for inward supply from unregistered person

3. Revised Invoice

4. Debit Invoice

5. Credit Note

6. Receipt Voucher

7. Payment Voucher

8. Refund Voucher

9. Delivery Challan for Job work

10. Delivery challan for supply on approval

11. Delivery Challan in case of liquid gas

12. Delivery Challan in cases other than by way of supply (excluding at S. no. 9 to 11)

Returns 2017-18

GSTR 3B

GSTR 1

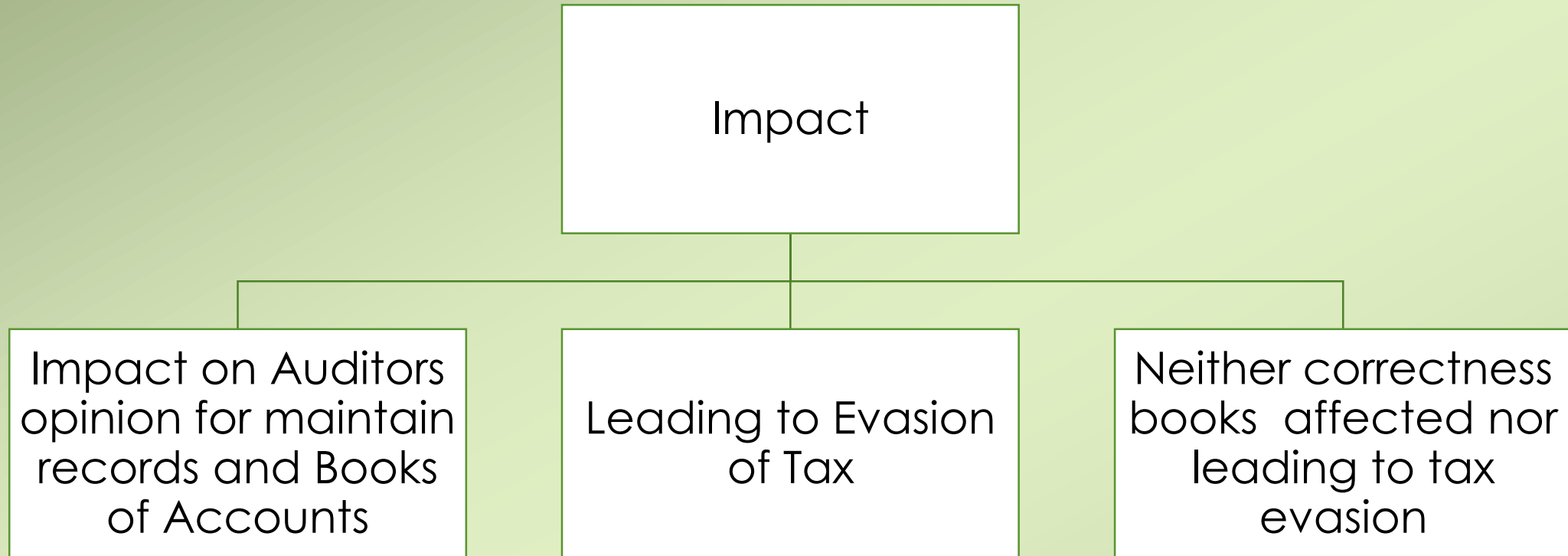
RFD 01

ITC 04

Annual return



Impact if Correction not possible



Explanation 2. to Section 74 of the CGST Act—"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** -----"

Errors in Export Return



Refund –Export-Against Payment of IGST-Goods

Application for Refund:

- Shipping Bill
- EGM
- Form 3B



Validation of IGST Refund and Error

GSTN level –validation failure

- Non filing of GSTR 3B /GSTR 1 –table 6A.
- All invoices not entered in GSTR-1.
- Shipping No not/wrongly provided in GSTR-1
- IGST paid in column 3.1 (b) of the GSTR 3B is less than IGST in table 6A of the GSTR-1

ICEGAT-validation Error

- Shipping Bill Mismatch-SB0001
- EGM not available-SB0002
- GSTIN Mismatch-SB0003
- Invoice No Mismatch-SB0005
- Gate Way EGM not available-SB0006



Errors done in GSTR 3B /GSTR-1

Shipping No not provided in GSTR-1

- Correction to be done through GSTR of subsequent months.

IGST paid in column 3.1 (b) of the GSTR 3B is less than IGST in table 6A of the GSTR-1

- Correction through GSTR 1 and GSTR 3B of the subsequent months.



IGST paid in 3.1 (b) of the GSTR 3B is less than IGST in table 6A of the GSTR-1

Correction through GSTR 1 and GSTR 3B of Subsequent months

In case 3.1(a) and 3.1(B) combined figures are more than Table 6A figures-

1. Deposit of short payment
2. Challan to be submitted-self certified/CA certified
3. CA certificate to be Submitted by 31st October'2018

In case 3.1(a) and 3.1(B) combined figures are more than Table 6A figures-

- CA certificate to be Submitted by 31st October'2018



Circulars Relevant for Refund on Exports

- Circular 42/2017 Customs-7th Nov'2017
- Circular No. 26/2017-CGST dated 29th Dec 2017
- Circular No. 37/2018-CGST-15th March 2018
- Circular 5/2018 Customs-23rd Feb 2018
- Circular 6/2018 Customs- 16th March 2018
- Circular 8/2018 Customs-23rd March 2018
- Circular No. 12/2018-Customs dated 29th May 2018
- Circular 15/2018 Customs-6th June 2018
- Circular 22/2018 Customs -18th July 2018



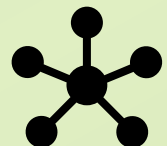
Thank you



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