



Checklist to be followed in March 2024 for the GST Compliances of F.Y. 2023 – 24

**INTRODUCTION:**

‘A stitch in time saves nine’ is an old proverb that holds relevance even in the current times. As we embark with a new financial year i.e. FY 2024-2025, it marks the importance for businesses to consider the GST implications at the time of annual closure of books for FY 2023-24 and its consequent impact on new FY.

We have provided a checklist below which can be considered at the time of finalization of books of accounts for FY 2023-24.

**CHECKLIST FOR FY 2023-2024:**

**A. Activities Pertaining to Inward Supplies**

Particulars	Deliverables	Remarks
<b>Reconciliation of Input Tax Credit</b>	Final year-end reconciliation between ITC availed during the year and credit reversed in ‘Table 4(B)(2) i.e. Others’ of GSTR-3B and credit reflecting in GSTR-2B (net of credit notes)	Consolidate unreconciled ITC for necessary action
<b>Communication with Vendors</b>	Coordinate with vendors regarding supplies not reflecting in the GSTR-2B	Seeking confirmation from Vendors on timely basis
<b>Reversal of ITC for Exempt Income</b>	Re-calculate and adjust ITC reversals for exempt incomes, as per Rule 42 & 43 of CGST Rules. Consequently, report the same in GSTR-3B return.	Account the short/excess ITC reversal, if any
<b>Verification of Creditors Aging Report</b>	Review creditors aging report to identify invoices with overdue payments exceeding 180 days.  Reverse ITC for such supplies from such vendors in Table 4B and reclaim in the subsequent returns.	Reverse now & reclaim in subsequent year
<b>Identification and Treatment of Ineligible ITC</b>	Identify ineligible ITC recorded in books and determine whether to expense off or capitalize it.  If any ineligible credit is being availed/utilized, reverse ITC with interest of @24%. Further,	The said ineligible ITC to be reversed along with interest



	ensure accurate declaration of ineligible ITC in Table 4B (1) of GSTR 3B.	
<b>Verification of RCM transactions</b>	Verify transactions on which GST is paid under reverse charge and corresponding credit has been availed.  Validate whether time of supply provisions have been duly followed before claiming ITC.  Verify whether self-invoices have been issued.	Validate whether ITC pertaining to RCM transaction have been correctly depicted in GSTR-3B
<b>Reverse Charge Mechanism Supplies</b>	Verify all expenses subject to Reverse Charge Mechanism (RCM), such as director sitting fees and legal expenses, and reconcile them with the RCM liability discharged in GSTR-3B. Any variance should be paid along with applicable interest as per time of supply provisions.  Expenditures in foreign currency as per financial records, import details and amount reported in GST returns shall be reconciled	Validate transactions on which GST is liable to paid under RCM
<b>Validation of ITC balance</b>	Reconciliation of ITC balances as per electronic credit ledger and balances appearing in books of accounts	

**B. Activities pertaining to outward supplies**

<b>Particulars</b>	<b>Deliverables</b>	<b>Remarks</b>
<b>Reconciliation w.r.t outward supplies</b>	Reconciliation of Turnover, Tax amount, Credit Notes and Debit Notes reported in GSTR1/GSTR-3B with books of Accounts	In case of any discrepancy the same needs to identified
<b>Review of HSN summary</b>	Validate the HSN summary pertaining to outward supplies depicted in GSTR-1	
<b>Ensure the following: (1)</b>	Credit/Notes, Amendments pertaining to the outward supplies made during FY 2023-24 and reported in Apr'24 to Oct'24 are captured appropriately in GSTR-9 & GSTR-9C of FY 2023-24	Must be done till 30th November, 2024.



(2)	In case of exempt supplies, whether bill of supply has been issued and reported in the GST Returns. In case of export of goods, reconcile the shipping bill details with GSTR-1	Reconciliation of shipping bill details is critical for claiming the refund of unutilized ITC / GST paid on export
<b>E-invoicing</b>	In case of compulsory generation of e-invoices, check & reconcile whether all the tax invoices for B2B supplies have been duly reported on the dedicated e-invoice portal and IRN generated with QR code. If not, then kindly report the same on the e-invoice portal and take the necessary action in the subsequent month's GSTR 1 provided the period of 30 days from date of invoice has not lapsed	
<b>Reporting of E-way Bills</b>	Reconciliation of E-way bills generated during the FY 2023-24 with tax invoices reported in GSTR 1.	Intimate the department in case of any discrepancy

**CHECKLIST FOR FY 2024-25**

Requirements	Tools/Resources	Due Date
Reset Invoice Series Number	Start new Series	-
File LUT for zero-rated supplies	Application in Form GST RFD-11	31/03/2024
Opt-in for GST Composition Scheme, if you wish to, subject to fulfillment of criteria & conditions	File CMP-02	31/03/2024
Opt-in or out of Quarterly Report Monthly Payment (QRMP) Scheme,	In this scheme, registered persons having aggregate turnover up to Rs 5 Cr. are allowed to furnish their GST returns on a quarterly basis along with monthly payment of tax under QRMP Scheme	last date to opt-in or opt-out is 30/04/2024
For Transition to Composition Scheme (from a regular taxpayer to a composition taxpayer)	File ITC-03	on or before 30/05/2024



**CONCLUSION:**

Navigating the GST landscape requires diligence and foresight, especially during the transition into a new financial year. By adhering to compliance deadlines, such as filing for LUT for zero-rated supplies, considering the GST Composition Scheme, and preparing for e-invoicing, businesses can ensure a smooth closure of FY 2023-24 and set a solid foundation for FY 2024-25.

An expert advice is always recommended to help the businesses to sail through the GST compliance process smoothly.

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