

# Ashok Maheshwary & Associates LLP

344, Tower B2, Spaze I-Tech Park, Sector -49, Sohna Road, Gurgaon-122018

T: 91 124 4637530, F: 91 124 4148180

www.akmglobal.com

## GST AUDITS

Audit under GST is the process of examination of records, returns and other documents maintained by a taxable person. The purpose is to verify the correctness of turnover declared, taxes paid, refund claimed, and input tax credit availed, and to assess the compliance with the provisions of GST.

### 1. Annual GST Audit

#### Threshold Limit

Every registered person whose aggregate turnover<sup>1</sup> (all units having same PAN included) during a financial year exceeds **two crore rupees**, has to get its accounts audited by Chartered Accountant or Cost Accountant and shall furnish the copy of the following:

- a) an **annual return along with the reconciliation** statement **by 31<sup>st</sup> December** of the next Financial Year
- b) copy of audited annual accounts,
- c) a reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement, and
- d) Form GSTR 9C and 9D in the prescribed format.

#### Rectifications based on the results of audit under GST

If any taxable person, after furnishing a return discovers any omission/incorrect details from results of audit, he can rectify the mistake subject to the payment of interest. However, no rectification will be allowed after the due date for filing of return for the month of September or second quarter, (as the case may be), following the end of the financial year, or the actual date of filing of the relevant annual return, whichever is earlier.

This rectification will not be allowed where results are from scrutiny or audit by the tax authorities as mentioned below.

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<sup>1</sup> "Aggregate Turnover" means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-state supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes Central Tax, State Tax, Union Territory Tax, Integrated Tax and Cess

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## 2. Audit by Tax Authorities:

The Commissioner or any officer authorized by him may undertake audit of any registered person. The frequency and manner of the audit will be prescribed later.

A notice will be sent to the registered person at least 15 working days prior to the conduct of the audit in form GST ADT-01.

The audit shall be completed within a period of three months from the date of commencement of the audit. The period of 3 months can be further extended up to six months for any sufficient cause.

On conclusion of audit, the registered person shall be informed by proper office, within thirty days in Form GST ADT-02, about the findings, his rights and obligations and the reasons for such findings.

## 3. Special Audit:

The registered person can be directed by any officer not below the rank of Assistant Commissioner, in Form GST ADT -03 to get his records examined and audited (including books of account).

The special audit will be carried out by a chartered accountant or a cost accountant **nominated by the Commissioner** during any stage of scrutiny, inquiry, investigation or any other proceedings; depending upon the complexity of the case.

The chartered accountant or cost accountant **so nominated** shall, within the period of 90 days with extension of further 90 days for any sufficient reason, submit a report of such audit in Form GST ADT-04 duly signed and certified by him to the said Assistant Commissioner.

The expenses and remuneration of such chartered accountant or cost accountant shall be determined and paid by the Commissioner and such determination shall be final.

Where the audit conducted by tax authorities or special audit, results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilized, the proper officer may initiate action for demand and recovery under CGST Act 2017.

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C H A R T E R E D   A C C O U N T A N T S

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Ashok Maheshwary & Associates LLP is an accounting firm in India with International presence. Our core practice areas include: Corporate Finance, Joint Ventures & Restructuring, International Tax, Dispute Resolution, Transaction Advisory, Mergers & Acquisitions, Entry Strategy for Foreign Investors, Fund Structuring, Transactional support and structuring and Transfer Pricing.

## About Us

1. Offices in Gurgaon, New Delhi, Mumbai, Pune, Hyderabad, Bangalore and Singapore and a well spun net of local and international associates. **Over 37 years** of experience across varied industries.
2. Specialize in advising clients on complex transaction from tax and regulatory perspective integrated with industry expertise.
3. Our partner, **Amit Maheshwari**, is a part of taxation committee of **FICCI** and a Special invitee to the Delhi State Council of **CII**.
4. High level of service quality and focus on skill development, with partners regularly invited as speakers at international forums.
5. Long term personalized client relationships with the ability to assist them right from devising strategies to enter in the Indian market to managing their compliances and supporting them in complex tax litigation.
6. Our Financial Advisory firm, Financial Pundits LLP has inter-alia, been into large and complex Debt Syndication, Trade Finance, Private Equity Advisory, Merger & Acquisitions, Financial Restructuring Deals. We also assist our clients in making a road map for potential fund raising via IPO and Private Placements.
7. Dedicated Indo - US, Indo - German and Indo - Japanese corridors. Japanese corridor has Japanese nationals.
8. Member of reputed international alliances with excellent working relationships and extensive reach globally.
9. Clients include Fortune 1000, Fortune 500 companies, Listed Multinationals, Listed Companies, exciting start-ups and Large domestic corporate houses.

**Ashok Maheshwary & Associates LLP**

CHARTERED ACCOUNTANTS

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10. Our Partner, **Amit Maheshwari** was nominated for **Asia Transfer Pricing Practice Leader of the Year** in **Asia Tax Awards 2017** by International Tax Review.
11. Consistently ranked as a **Tier 3 firm** in India in **World Tax Guide 2017 & 2018**, International Tax Review's directory to the leading tax advisory practices, including law firms, around the world.
12. Consistently ranked as a **Tier 2 firm** for **Transfer Pricing** services in India in **World Transfer Pricing Guide 2017 & 2018**. Published by International Tax Review, World Transfer Pricing Guide is the comprehensive guide to the world's leading Transfer Pricing firms in each jurisdiction.
13. **Nominated by International Tax review for Asia Tax Award 2016** in "National Transfer Pricing Firm" and "Best Newcomer Asia" categories.
14. **Nominated by International Tax review for Asia Tax Awards 2018** in "National Transfer Pricing Firm", "National Tax Firm", "National Tax Litigation and Disputes Firm", "FATCA/Withholding Tax Team of the Year in Asia", "Global Executive Mobility Team of the Year in Asia", "Asia Tax Compliance and Reporting Firm of the Year" and "Asia Tax Transactions Firm of the year" categories.

## Initiatives

The partners in the firm contribute stories/articles for the media (electronic/ press like **Worldwide Tax by TaxAnalysts.com** of the US, **CNBC**, **ET NOW**, **The Financial Times** of the UK, **The Economic Times**, **Live Mint & The Wall Street Journal**, **The Financial Express**, **Press Trust of India**, **CCH**, etc.) on the International tax and Transfer Pricing matters (including latest developments) providing their views as to their impact on business environment in India.

Amit Maheshwari, managing partner at Ashok Maheshwary & Associates LLP has written a book titled "**Expatriate Taxation - Decoding the Complexity**" published by Wolters Kluwer (CCH) and currently in its second edition.

His second book, titled "**India Transfer Pricing Manual**" has been published by Lexis Nexis, one of the largest publishers in the legal arena in the world. The book aims to provide additional content and depth on Indian transfer pricing landscape that shapes many large MNCs.

His latest book titled "**NRI Regulations - Decoding the complexity**" which focuses on Indian legislative requirements applicable to NRIs has been published again by Wolters Kluwer (CCH).

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