

Maintenance of Accounts & Records

ACCGST Session
Webinar

Rohit Kumar Singh
ACA, ACMA, FCS, LLB, DISA (ICAI)

Agenda Points



Introduction

Place of maintaining Accounts & records

List of Accounts and Records

Manner of maintenance

Provisions relating to Electronic Records

Period of Retention of Books of Accounts

Accounts and Records under GST

Chapter VIII of CGST Act, 2017 and Chapter VII of the CGST Rules, 2017 provides for maintenance of Accounts and Records

GST Law prescribes detailed procedure for maintenance of books of accounts and records for goods or services or both.

“Document” as defined under CGST Act, 2017 to ***include written or printed record of any sort and electronic record*** as defined in IT Act, 2000

In recent times, Government has enhanced its vigilance to curb the menace of ***excess claim of ITC or fake invoicing***. Department has stepped up investigation against such activities and in many cases genuine taxpayers also face the heat of notices for reversal of Input Tax Credit or payment of tax for fake invoicing.

During detailed investigation the taxpayer at time fail to furnish proper documents or records which is required to be maintained as per GST provisions and hence they engage in protracted litigation resulting in further agony and imposition of penalty.

1. Place of maintenance of Accounts and Records

Regd. Business Premises	Location of Records Retention
Single place of business	Principal Place of Business mentioned in its GST Registration Certificate
More than one Place of Business	Accounts for each place of business shall be kept at such places of business

2. Exhaustive list of Accounts and Records to be maintained

Category	Records to be maintained
Goods and Services	<ul style="list-style-type: none">✓ Details of Production or Manufacture of Goods✓ Inward and Outward Supply of goods or Services or both✓ Stock details of goods✓ ITC Availed on Goods or Services or both✓ Output Tax Payable and Paid✓ Import and export of goods or Services or both✓ Supplies attracting Reverse Charge Mechanism or Services or both✓ Details of Relevant Documents including Invoices, bill of supply, DC, CN, DN, Receipt Voucher, Payment Vouchers and Refund Vouchers

2. Exhaustive list of Accounts and Records to be maintained

Category	Records to be maintained
Details of Manufacture of Goods	<ul style="list-style-type: none">✓ Monthly production accounts showing quantitative details of raw materials or services used in the manufacture✓ Quantitative details of goods manufactured including the waste and by-products thereof
Details of supply of Service	<ul style="list-style-type: none">✓ Quantitative details of goods used in the provision of services✓ Details of input services utilized; and✓ Details of services supplied.
Stock Details	<ul style="list-style-type: none">✓ Account of Opening Balance, receipts, supplies, and closing balance of stock of raw materials, finished goods, scrap and wastage✓ Details of goods lost, stolen, destroyed, written off or disposed of by way of gift or free sample to be kept
Advances	Details of advance received, paid and adjustments made thereto
Supplier Details	Names and complete addresses of suppliers from whom he has received taxable goods or services

2. Exhaustive list of Accounts and Records to be maintained

Category	Records to be maintained
Customer Details	<ul style="list-style-type: none">✓ Names and complete addresses of the persons to whom he has supplied goods or services (Exception – If the customer is unregistered and value of supply is more than Rs 50,000 then name and address of recipient and address of delivery along with State Name and State Code is required)✓ If the Value of supply to an Unregistered Recipient is less than Rs 50,000, above details may be mentioned on tax invoice on request of such buyer.
Details of Storage Goods	<ul style="list-style-type: none">✓ Complete address of the premises where goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein <p><u>Note - If any taxable goods are found at any place(s) other than those declared above without any valid documents, Officer may determine tax payable on such goods, as if such goods have been supplied by the registered person.</u></p>

3. Manner of maintenance of Accounts and Records

Category	Records to be maintained
Place for keeping books of Accounts	<ul style="list-style-type: none">✓ Books of accounts to be kept at principal place of business and books of account relating to additional place of business mentioned in his GST registration certificate✓ Books of account shall include any electronic form of data stored on any electronic device
Manner of Entry and correction thereof (Manual)	<ul style="list-style-type: none">✓ Any entry in registers, accounts and documents - Not to be erased, effaced or overwritten✓ Any incorrect entries – (other than clerical nature) - to be scored out under attestation and there-after the correct entry shall be recorded✓ Each volume of books of account maintained manually shall be serially numbered
Entry and correction of Electronic records	<ul style="list-style-type: none">✓ A log of every entry edited or deleted shall be maintained✓ The records may be maintained in electronic form and shall be authenticated by means of a digital signature

3. Manner of maintenance of Accounts and Records

Category	Records to be maintained
If books are found at a place other than the place mentioned in GST Registered Certificate	✓ It shall be assumed that the Registered Person is maintaining the records at that place
Production on Demand	✓ The books of accounts which he is required to maintained shall have be produced on demand

4. Special provisions for Electronic Records

Category	Records to be maintained
Back up of Electronic Records and restoration thereof	Proper electronic back-up of records shall be maintained and preserved so that in the event of destruction due to accidents or natural causes, it can be restored within a reasonable period of time
Production of Electronic Records	<ul style="list-style-type: none">✓ The duly authenticated relevant records or documents may be produced on demand,✓ Same may be produced either, in hard copy, or in any electronically readable format.✓ Details of such files, passwords of such files and explanation for codes used, where necessary, for access and any other information which is required for such access along with a sample copy in print form of the information stored in such files is to be produced on demand

5. Period of Retention of Books of Accounts

Category	Records to be maintained
Period of retention (Other wise than in appeal or revision or proceedings pending)	72 (seventy-two) months from the due date of furnishing of annual return for the year pertaining to such accounts and records Example – Books of Accounts for 2017-18 is to be preserved till 31 st January 2026 (Since the due date for furnishing Annual Return for 2017-18 was 31 st January, 2020)
For any ongoing appeal or revision or any other proceedings	Accounts to be preserved for a period later of the two – <ul style="list-style-type: none">✓ 72 (seventy-two) months from the due date of furnishing of annual return for the year pertaining to such accounts and records; or✓ A period of one year after final disposal of such appeal or revision or proceedings or investigation

Thank you

Thanks for your Patience and Time