

GOVERNMENT OF NAGALAND
OFFICE OF THE COMMISSIONER OF STATE TAXES
NAGALAND: DIMAPUR

Dated Dimapur, the 18th September, 2017

CIRCULAR-05/7/2017-GST

Ref-CBIC Circular No.7/7/2017-GST dated 01-09-2017

Subject: **System based reconciliation of information furnished in FORM GSTR-1 and FORM GSTR-2 with FORM GSTR-3B - regarding**

Sections 37, 38 and section 39 of the NGST Act, 2017 (hereinafter referred to as 'the Act') read with rules 59, 60 and 61 of the NGST Rules, 2017 (hereinafter referred to as 'the Rules') require every registered person to furnish details of outward supplies made in a month in **FORM GSTR-1**, details of inward supplies received in a month in **FORM GSTR-2** and a return in **FORM GSTR-3** by the 10th, 15th and 20th of the next month respectively. Keeping in view that taxpayers may face certain issues in the initial days after the introduction of GST, the GST Council extended the date for filing of **FORM GSTR-1** and **FORM GSTR-2** for the months of July and August, 2017 and approved the filing of a simplified return in **FORM GSTR-3B** for these two months by the notified due dates after making the due payment of tax.

2. Registered persons opting to utilize transitional credit available under section 140 of the Act read with the rules made there under for discharging the tax liability for the month of July, 2017 were required to file **FORM GST TRAN -1** on or before 28th August, 2017. This transitional credit was to be credited to the electronic credit ledger and be available for discharging the tax liability.

3. As per the provisions of sub-rule (5) of rule 61 of the Rules, the return in **FORM GSTR-3B** was required to be furnished when the due dates for filing of **FORM GSTR-1** and **FORM GSTR-2** have been extended. After the return in **FORM GSTR-3B** has been furnished, the process of reconciliation between the information furnished in **FORM GSTR3B** with that furnished in **FORM GSTR-1** and **FORM GSTR-2** would be carried out in accordance with the provisions of sub-rule (6) of rule 61 of the Rules.

4. The detailed procedure for reconciliation of information furnished in **FORM GSTR-3** and **FORM GSTR-3B** is detailed in succeeding paras.

Furnishing of information in FORM GSTR- 1 & FORM GSTR-2:

5. It may be noted that after the registered person has filed his return in **FORM GSTR-3B** and the statement of outward supplies in **FORM GSTR-1**, the inward supplies shall be auto drafted for all registered persons (corresponding recipients of supply) and made available to them in **FORM GSTR-2A** as per sub-rule (3) of rule 59 of the Rules. **FORM GSTR-2A** is the exact replica of **FORM GSTR-2** containing only those details that are auto-populated from the details furnished in **FORM GSTR-1** by the corresponding suppliers. Based on the details communicated in **FORM GSTR-2A**, the registered person shall prepare the statement of inward supplies in **FORM GSTR-2** by:-

a. adding, deleting or modifying the invoice level details communicated in **FORM GSTR-2A**;

b. adding information pertaining to details that are required to be furnished in **GSTR-2** but are not part of **FORM GSTR-2A** like details of imports, details of supplies attracting reverse charge that have been received by registered person;

c. providing details of supplies received from composition suppliers and exempt, nil-rated & non GST inward supplies;

d. providing details of advances paid on inward supplies attracting reverse charge, if any, along with adjustments; e. providing details of reversal of ITC as per the provisions of rules 37, 39, 42 and 43 of the Rules, if any; and

f. providing HSN wise summary details of inward supplies.

Correction of erroneous details furnished in FORM GSTR-3B:

6. In case the registered person intends to amend any details furnished in **FORM GSTR3B**, it may be done in the **FORM GSTR-1** or **FORM GSTR-2**, as the case may be. For example, while preparing and furnishing the details in **FORM GSTR-1**, if the outward supplies have been under reported or excess reported in **FORM GSTR-3B**, the same maybe correctly reported in the **FORM GSTR-1**. Similarly, if the details of inward supplies or the eligible ITC have been reported less or more than what they should have been, the same maybe reported correctly in the **FORM GSTR-2**. This will get reflected in the revised output tax liability or eligible ITC, as the case may be, of the registered person. The details furnished in **FORM GSTR-1** and **FORM**

