



# ***GST Audit Notice Checklist***

## **IMMEDIATE RESPONSE ACTIONS**

### **Upon Receiving Notice**

- ☐ Note the audit notice date and compliance deadline
- ☐ Identify audit type: Scrutiny, Investigation, or Annual Audit
- ☐ Review notice details: Period covered, specific issues mentioned
- ☐ Acknowledge receipt within prescribed time limit
- ☐ Engage qualified CA/CMA immediately for representation
- ☐ Inform key stakeholders and finance team members

## **DOCUMENT PREPARATION & ORGANIZATION**

### **Core GST Records**

- ☐ GST Registration Certificate and amendments
- ☐ All GST Returns Filed (GSTR-1, GSTR-3B, GSTR-9, etc.)
- ☐ Filed vs System Reports comparison for discrepancies
- ☐ Payment challans and acknowledgments for all tax payments
- ☐ Refund applications and processing documentation
- ☐ Amendment returns and rectifications filed



## Financial Documentation

- ☐ Audited Financial Statements for audit period
- ☐ Trial Balance and General Ledger extracts
- ☐ Bank statements and reconciliations
- ☐ Cash flow statements and analysis
- ☐ Related party transaction details
- ☐ Fixed asset registers and depreciation schedules

## Transaction Records

- ☐ Purchase invoices and supporting documents
- ☐ Sales invoices and delivery challans
- ☐ Import/Export documentation and bills of entry
- ☐ Job work and consignment transaction records
- ☐ Credit/Debit notes issued and received
- ☐ Advance payment receipts and adjustments

## Input Tax Credit Documentation

- ☐ ITC claim working and supporting invoices
- ☐ Supplier GST compliance verification records
- ☐ ITC reversal calculations and entries
- ☐ Capital goods ITC distribution records
- ☐ Common credit apportionment workings



# COMPLIANCE VERIFICATION

## Return Filing Compliance

- ☐ Timely filing verification for all applicable returns
- ☐ Late filing fee payment confirmations
- ☐ Return amendments and corrections documentation
- ☐ Matching of GSTR-2A with books of accounts
- ☐ GSTR-9C reconciliation statement (if applicable)

## Tax Payment Compliance

- ☐ Tax liability calculations and working papers
- ☐ Interest calculations on delayed payments
- ☐ Penalty calculations and payment proofs
- ☐ Electronic cash ledger statements and utilization
- ☐ TDS/TCS credit utilization records

## Invoice and Documentation Compliance

- ☐ Invoice format compliance with GST rules
- ☐ Sequential numbering verification
- ☐ Mandatory field completeness check
- ☐ E-way bill generation and compliance records
- ☐ E-invoice implementation (if applicable)

# SPECIFIC AUDIT AREAS

## Revenue Recognition & Valuation

- ☐ Revenue recognition policy documentation
- ☐ Valuation methodology for goods and services
- ☐ Discount and incentive treatment records
- ☐ Related party pricing documentation
- ☐ Barter and non-monetary transactions

## Place of Supply Determination

- ☐ Interstate vs intrastate classification
- ☐ Service place of supply working papers
- ☐ Goods movement tracking and documentation
- ☐ SEZ and export transaction classification

## Exemption and Zero-Rated Supplies

- ☐ Exemption notification compliance
- ☐ Export documentation and proof
- ☐ Zero-rated supply conditions fulfillment
- ☐ Deemed export eligibility and documentation

# PREPARATION STRATEGIES

## Internal Review Process

- ☐ Conduct pre-audit self-assessment
- ☐ Identify potential risk areas and prepare explanations
- ☐ Prepare management representation letter
- ☐ Document internal control procedures
- ☐ Reconcile books with GST returns comprehensively



## Professional Assistance

- ☐ Engage experienced GST consultant/CA
- ☐ Prepare audit defense strategy
- ☐ Draft response letters for anticipated queries
- ☐ Organize supporting team for audit assistance
- ☐ Schedule regular review meetings

## DURING AUDIT PROCESS

### Audit Conduct

- ☐ Provide designated audit space and facilities
- ☐ Assign responsible personnel for audit coordination
- ☐ Maintain professional cooperation with audit team
- ☐ Document all interactions and discussions
- ☐ Seek clarifications on audit observations promptly

### Response Management

- ☐ Provide timely responses to audit queries
- ☐ Submit additional documents as requested
- ☐ Explain business processes and transaction rationale
- ☐ Address audit observations with supporting evidence
- ☐ Maintain detailed audit trail of all submissions



# POST-AUDIT ACTIONS

## Assessment Response

- ☐ Review draft assessment order thoroughly
- ☐ Prepare objections and appeals if necessary
- ☐ Calculate financial impact of proposed adjustments
- ☐ File appeals within statutory timeline
- ☐ Implement corrective measures for future compliance

## Compliance Improvement

- ☐ Update internal procedures based on audit findings
- ☐ Strengthen documentation systems
- ☐ Enhance GST compliance monitoring
- ☐ Train finance team on identified gaps
- ☐ Implement preventive controls for future audits

