

Amendments in GST Return for FY 2024-25

Invoice

Dear Mr. Customer Name,
I authorized myself to issue following Invoice

Sl. No.	Qty	Unit	Actual Rate	Goods/Service	Net Price	IGST
1	1	pc	20000	Food photography for business menu. Also design two photos for display to attract customers. (GST 18%)	20000	3600
2	10	pc	2000	Single portrait photos with background	20000	3600
3	1	pc	10000	Photo album for customers	10000	1800
Total					50000	8400
IGST 18%						8400
Total Amount Payable						58400

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CHARTERED ACCOUNTANTS



Amendments in GST return of FY 2024-25

Dear all,

According to the GST Act, there is no provision for filing revised returns. Consequently, once GSTR-1 and GSTR-3B are filed, they cannot be revised. Any necessary corrections, additions, or reductions in outward supplies, Input Tax Credit (ITC) claims, and other fields such as the customer's GSTIN or the type of tax (IGST, CGST, or SGST) must be made through subsequent returns.

These amendments can be made even after the close of the financial year, but they must adhere to specified deadlines. For the financial year 2024-25, the government permits such corrections in subsequent regular returns until the last date for filing returns for October 2025 as the last date for corrections is 30th November, 2025.

CORRECTIONS, AMENDMENTS, ADDITION DELETIONS:

1. Sales/Services (Outward Supply) [Section 37(3) of CGST Act,2017]

Additions /Amendment in Sales/Services for the period April 2024 to March 2025 can be done **till 30th day of November 2025.**

- a. If you have not given details of any sales invoice or credit/debit note in the returns filed or
- b. Have erroneously given such details, i.e. Invoice no/GSTN etc./HSN/SAC code/ or
- c. Short payment/ Non-payment of taxes, or
- d. Taxes have not been paid on advances received against services etc., or
- e. Supply made to the registered party (B-2-B) but wrongly shown as unregistered party (B-2-C).or
- f. Also kindly check if the e-invoices have been duly prepared in all cases as it was applicable
 - w.e.f.1st Oct, 2020 if the turnover exceed 500 crores,
 - w.e.f.1st Jan. 2021 if the turnover exceeds 100 crores,
 - w.e.f.1st April 2021 if the turnover exceeds 50 Crores,
 - w. e. f. 1st April 2022 if the turnover exceeds 20 Crores,
 - w. e. f 1st October 2022 if the turnover exceeds 10 Crores,
 - w. e. f. 1st Aug 2023 if the turnover exceeds 5 Crores.

2. Reverse Charge Mechanism (RCM) and Availment of ITC:

In case of the some supplies of **goods** / **services** on which recipient is liable to pay tax under RCM, but same have not been discharged during the F.Y. 2024-25, indicative list of RCM supplies is as below,

- a. Goods Transport Agency.
- b. Import of Services with consideration or in case of related party, without consideration.
- c. Royalty paid to the Government.
- d. Security Services by entity other than Body corporate.
- e. Legal Fees paid to Advocates.
- f. Rent-a-cab/ Hiring of Motor vehicle.
- g. Payment to Directors other than salary where TDS is deducted u/s 194J of Income Tax Act, 1961.
- h. Renting of Residential property/ commercial Property.
- i. Any Sponsorship services

The Input tax credit on above stated list (a-h) RCM liability paid can be availed latest **till thirtieth day of November** only, post which such ITC may lapse. Kindly make sure you pay the RCM and avail the ITC latest by **thirtieth day of November 2025**.



3. Re-classification of Place of Supply: -

It may happen that, at the time of original invoicing , supply has been classified as Intra-State and local tax (CGST+SGST)levied thereon, whereas later on it turnout to be Inter-state and liable for IGST or vice a versa, so as per the provision of the act in such cases,

- IGST is required to be paid and
- Also we have to claim the refund of CGST / SGST which was wrongly paid.

However, there will not be any interest implication on both the activities.

4. Credit Notes [Section 34(2) of CGST Act,2017]

A. Already issued Credit notes-

Credit Notes which have been issued from April 2024 to March 2025 and have not yet been declared in the returns filed can be declared **latest in the return for the month of October 2025.**

B. Issuance of Credit notes relating to supply made in F Y 2024-25.

The credit note relating to the invoices for FY 2024-25 can be latest issued up till October 2025 and reported by 30 Nov 2025 i.e. In case credit note has been issued for such invoices after October 2025, the credit by way of reversal in tax liability shall not be available.

5. ITC on Inward Supply [Proviso to Section 38(5) of CGST Act,2017]

To claim the ITC, it is also important equally that supplier have paid taxes thereon, and if liability is not discharged, then it may not only result into additional demand of tax but also **Interest and Penalty** at the time of assessment.

Therefore, as per recent amendment w.e.f. 01.01.2022 ITC can be claimed only when same is reflected in the **GSTR 2B**, Further recently CBIC issued advisory for claiming the **ITC from GSTR 2B only**.

In this connection, IMS (Invoice management system) facility is also made available on the portal and related ITC can be claimed by accepting the invoices from Portal (IMS Tab).

In this connection reconciliation between GSTR -2B (ITC declared by vendor) & GSTR-3B (ITC Claimed by us) for the relevant period has to be done so as to find out whether,

- Suppliers who has not reported the GST invoices in his / It's returns. Or
- Suppliers reported in the Transaction in GSTR 2B but corresponding invoices are not booked for the year.
- Credit notes issued, resulting in reduction in ITC, but same are either not related to our company or not accounted for by our company.

In all such above circumstances it will have impact on ITC of the company and has to be claimed / reversed in the books of account:

The Input Tax Credit of Purchase/ Expenses / Capital Goods for F.Y.2024-25 can be claimed latest in the return for the month of October 2025.

If any ITC has not been claimed in the return already filed, or wrongly excess ITC has been claimed, now is the last chance to correct the mistake and claim the balance ITC.

6. **Obtaining the E-Invoice copies for inward supply, whenever applicable**

In addition, also check if e-invoice has been duly obtained in case the vendors are liable to generate the same. In case if any vendor having prescribed limit of turnover (above Rs.500 crores/100 crores/50 Crores /20Crores /10Crores /5Crores) and not issued e-invoice during the year 2024-25 / copies of E-invoices (Bearing IRN) are not available on records, then claim of ITC is not allowed on non-e-invoice.

In such cases, it is very important to follow up from the supplier for E –invoices.



7. ITC Reversal-

Input tax credit has to be reversed in the following cases:

- A. ITC Reversal as per Rule 42 and Rule 43 of CGST Rules, 2017.
- B. ITC Reversal as per Rule 37 of CGST Rules, 2017: due to non-payment within 180 days to creditors.
- C. Nonpayment of Tax by Supplier on the invoices issued by supplier Rule 37(A).
- D. ITC reversal on account of Excess claim of Input tax credit.
- E. ITC Claimed, however the nature of Input/Input services / Capital Goods, is in nature of Blocked Credit. Etc.

ITC reversed in the some of the above categories can be reclaimed, in subsequent period, subject to fulfillment of conditions.

Detailed discussion on the issues, is in subsequent slides.

A. ITC Reversal as per Rule 42 and Rule 43 of CGST Rules, 2017:

In case of Input tax credit taken against exempt outward supply (sales), then ITC will be reversed in the proportion of exempt supplies (sales) to total outward supplies (sales).

For Example: If total outward supplies (sales) are Rs.100 and exempt supplies (Sales) are Rs.40 i.e.40% of the total sales is exempt. In this case, 40% of the common ITC will be reversed. (Rule 42 & Rule 43 of CGST Rules, 2017).

This calculation has to be done on month-on-month basis and reversal of ITC is to be effected in the regular GSTR 3B. Further on annual basis same is need to recomputed on the basis of annual ratios, and

- In case of additional reversal of ITC is required on the basis of annual ratios, same has to be done by the 20th Oct 2025.
- In case of Excess ITC was reversed during the year, re-credit of ITC can be done by the 20th Oct 2025.

B. ITC Reversal as per Rule 37 of CGST Rules, 2017: Due to non-payment within 180 days to creditors.

If payment to supplier/creditors is not made within 180 days from the date of issuance of the tax invoice, the ITC on the unpaid amount has to be reversed, with interest @18%.

In order to do this, careful scrutiny of the creditors has to be carried out and the same has to be reported latest till the October, 2025 return.

It is also important to note that, though ITC is reversed due to not payment within 180 days, ITC can be reclaimed in future at any time once the payment is done to the supplier. And there is no time limit applicable for the same.

C. Nonpayment of Tax by Supplier on the invoices issued by supplier Rule 37(A)

In case of Invoices issued by the supplier and reported in the GSTR 1, so that invoices are reflecting in our GSTR 2B, but corresponding tax on the same is not paid by 30th Sep 2025. In this scenario ITC is need to be reversed along with Interest @ 18% by 30th Nov 2025.

It is important to note that, once the tax is paid by the supplier, re-credit of the previously reversed ITC Can be claimed back.

D. ITC reversal on account of Excess claim of Input tax credit

ITC reversal is also to be made in case of Excess Input Tax credit taken. Interest @18% is applicable. E.g. ITC of one purchase bill has been taken twice by clerical error. This excess ITC has to be reversed along with interest @18%.

E. Latest list of Ineligible Input Tax Credit in case of certain Purchases/ Expenses u/s 17(5).

1. Motor vehicle and other conveyance less than 13 seater capacity, except when they are used for similar line of business or training activities or Passenger transport business,
2. **Supply of goods and/or services such as –**
 - a. Food and beverages,
 - b. Outdoor catering,
 - c. Beauty treatment,
 - d. Health services,
 - e. Cosmetic and plastic surgery
 - f. Membership of a club, health and fitness Centre
 - g. Rent-a-cab,
 - h. Expenses related to such vehicle like insurance, Repairs & maintenance etc. for Passenger vehicle with seating capacity less than 13 persons and

- i. Life insurance, health insurance except where it is notified by the Government
- j. Travel benefits to employees on vacation i.e. leave or home travel concession.
- k. Works contract services when supplied for construction of immovable property, other than plant and machinery, except where it is for further supply of works contract service
- l. Goods or services received by a taxable person for construction of an immovable property on his own account, other than plant and machinery, even though it is used in course or furtherance of business.
- m. Goods or services or both on which the tax is paid under composition scheme, CSR Activities.
- n. Goods or services or both received by a non-resident taxable person except on goods imported by him.
- o. Goods or services or both used for personal consumption.
- p. Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples.

E. Re-claim of ITC reversed in F Y 2023-24 or any previous Financial Year.

If any ITC has been reversed in 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 or 2023-24 on account of payment not made to vendors within 180 days and this amount is now paid to the vendor during 2024-25, the ITC can be reclaimed in 2024-25 upon making the payment of invoices unpaid.

In case if the payment made to vendors but Re-claim is not made in returns during 2024-25, then, the said Reclaim can be made till Nov 2025.

8. Export related compliances.

A. Export of Goods with payment of Tax (Without LUT).

- If the goods are exported outside India with payment of Tax option and refund of the same is received directly (after matching mechanism of ICEGATE),
- It is important to check whether the export proceeds are realized within the time limit prescribed as per FEMA.
- In case proceeds are not realized, refund received is need to return back within period of 30 days from the date of expiry of time limit of FEMA, along with interest @18% from the date of receipt of refund.
- It is important to note that, refund application again can be filed once the export proceeds are realized subsequently.

B. Export of Goods or services under LUT (Without payment of IGST).

- If the goods are exported outside India under LUT and refund of accumulated ITC is claimed, it need to check whether the export proceeds are realized within the time limit prescribed as per FEMA.
- In case proceeds are not realized, refund received is need to return back within period of 30 days from the date of expiry of time limit of FEMA, along with interest @18% from the date of receipt of refund.
- It is important to note that, refund application again can be filed once the export proceeds are realized subsequently.

c. Supply to SEZ (with payment of IGST / under LUT

- As per the recent amendment made in IGST Act, benefit of ZERO Rated supply will be available for the goods supplied to SEZ, only if, the Goods / services are supplied for the authorized operation of SEZ units / SEZ Developer.
- In this connection, in case goods / services are supplied to SEZ unit/ SEZ Developer during the F Y 2024-25, authorization letter (endorsement copy) is need to be taken.

Conclusion: Navigating the GST landscape requires diligence and foresight, especially during the transition into a new financial year. By adhering to compliance deadlines, claiming / reversal of ITC, RCM Related compliances, preparing for e-invoicing, Export related claims etc. businesses can ensure a smooth assessment of FY 2024-25 and set a solid foundation for FY 2025-26.

Additionally, understanding and applying rules around job work, real estate sector regulations, and export-related compliances are essential for maximizing benefits and minimizing liabilities under GST. With careful planning and compliance, businesses can look forward to a successful and financially sound new fiscal year.

Thank You !

OUR TEAM

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