airtel business

Accounts & Business Records To Be Maintained Under GST

Under GST Law, a registered person needs to keep prescribed accounts and records. Accounts and records of all taxable supplies, exempt supplies, zero rated supplies, and other goods and/or services which are received or supplied in the course of business, have to be kept and maintained.

LIST OF BUSINESS RECORDS AND ACCOUNTS TO BE MAINTAINED

A GST registered person must maintain the following business records/accounts at their principal place of business

Accounts to be maintained	Details to be covered
Register of goods manufactured	This register should contain details of goods manufactured in a factory or production house.
Register of goods/ services purchased	This register should contain all the purchases made within a tax period for manufacturing of goods or provision of services.
Register of sale of goods/services	All the sales made within a tax period must be maintained in this register.
Register for stock of goods	This register should contain a correct stock of inventory available at any given point of time.
Input Tax Credit availed	Details of Input Tax Credit availed for a given tax period should be maintained in this register.
Output tax liability	This register should maintain the details of GST liability outstanding to be adjusted against input credit or paid out directly.
Output tax paid	This register should maintain the details of GST paid for a particular tax period.
Other records specified	Government can further specify by way of a notification, additional records and accounts to be maintained.

FAQs on Business Records and Accounts

Do you need to maintain these Accounts and Records separately for each activity?

Yes, accounts and records mentioned above need to be maintained separately for each activity including manufacturing, trading and provision of services.

What is electronic ledger and how does it work?

E-ledger or electronic ledger is statement of cash and input tax credit in respect of a registered taxpayer. Once a registered person makes GST tax payment by cash, cheque, internet banking, RTGS or NEFT, the amount is credited in their respective electronic ledgers namely:

- Electronic Cash Ledger
- Electronic Credit Ledger

These two e-ledgers are generated once after registering with common portal of GST called GSTN by a taxpayer

What is the benefit of maintaining records in Electronic Format?

If records are maintained electronically, proper electronic back-up of records shall be maintained and preserved so that in case of accidents or natural calamities, the information can be restored within reasonable period of time.
Registered person maintaining electronic records has an option to produce on demand, the relevant records or documents either in hard copy or in electronically readable format. Accounts and records should be accessible at every related place of business where such accounts and documents are maintained digitally.

What is the period of retention of Accounts and Records?

Period of retention means the period for which books of accounts and other records have to be retained by the business entity. As per the GST law, every registered person is required to retain accounts and records until the expiry of seventy-two months from the last date of filing of annual return for the year related such accounts and records.
Example:
If the annual return for the FY 2018-19 is filed on say 30.12.2019, then the books of account and other records are to be maintained till 30.12.2025.

What shall be the consequences for non-maintenance of Accounts and Records?

Non-maintenance of accounts and records is an offence under GST law. If a registered person does not maintain accounts and records for the goods/services, then he is liable to pay the penalty at a flat rate of INR 10,000/-.