

KARNATAKA STATE FINANCIAL CORPORATION
No.1/1, Thimmaiah Road, Near Cantonment Railway Station
Bangalore 560052

No. KSFC/HO/DGM(C)/2021-22

CIRCULAR - 1017

27.09.2021

Sub: Verification of uploading of GST bills by the supplier of Goods and Services and availability of Input Tax credit to KSFC.

It is observed that some of the suppliers of Goods and services to KSFC are issuing GST bills and collecting GST amount from KSFC but they are not uploading the same in the GST portal which has resulted in non receipt of Input Tax credit by the Corporation. To avoid the above, following instructions are issued for verification of uploading of the GST invoices by the suppliers.

- 1. Before Procurement of any Goods and Services, the supplier credentials should be verified. The supplier should be registered GST holder and he should file GST returns regularly and discharge his tax liability. He should not be Composite dealer and also unregistered dealer. Any GST holder status can be verified by logging on to GST portal through Google website (gstlogin).*
- 2. Each bill passing Officer/official in the branch office and Head office should verify whether the supplier has uploaded the previous bill before passing the present bill. If previous bill is not uploaded, then present bill should be withheld until the previous bill is uploaded and GST paid on the same.*
- 3. If the supplier is one time supplier, then, only bill amount excluding GST should be paid and GST amount should be released only after obtaining proof for having filed R1 and 3B return declaring the supply to KSFC and GST paid on the same.*

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4. *Statement of Input Tax Credit received by the Corporation in form 2A in soft copy will be sent to all branches from 1.4.2021 to 31.8.2021 for verification of the ITC. 2A soft copy will be sent on weekly basis for regular verification henceforth.*
5. *All Internal Audit Cells of the Corporation in their quarterly audit of branches should verify the uploading of GST bills by the supplier. A Para should be included in their audit report on non filing of return by the supplier and branches should be instructed to follow up. If the supplier fails to file the return, action should be initiated to collect GST paid to such supplier by the concerned branch manager.*
6. *Since KSFC has only one GST registration, single Login ID and password are given by the Department. Hence these cannot be shared with branches and Internal Audit Cells. Required information by the branches and IACs will be furnished by the Head Office.*

The above instructions should be followed meticulously by all the concerned. The Head of all Internal Audit Cells of the circles should monitor the verification process. All bills paid from 1.4.2021 should be verified and confirm the availability of ITC to the Corporation.



Executive Director II

CC to:

1. *Office of the Managing Director- for kind information.*
2. *Executive Director 1- HO,KSFC for information*
3. *All General Managers- HO,KSFC for information*
4. *All A grade and B grade branch managers- for information and necessary action.*
5. *All section heads at HO,KSFC- for information*
6. *All IAC Heads- for information and compliance.*