

## Automated Intimation of ITC mismatch in Form GST DRC-01C

- A functionality to generate automated intimation in Form GST DRC-01C, which enables the taxpayer to explain the difference in Input tax credit available in GSTR-2B statement & ITC claimed in GSTR-3B return was made available on GST Portal for the taxpayers.
- This functionality compares the ITC claimed in GSTR-3B/3BQ with the ITC available in GSTR-2B/2BQ for each return period. If the claimed ITC in GSTR 3B exceeds the available ITC in GSTR-2B by a predefined limit or the percentage difference exceeds a pre-defined threshold, the taxpayer will receive an intimation in the form of DRC-01C.
- Upon receiving an intimation, the taxpayer must file a response using Form DRC-01C Part B. The taxpayer has the option to either provide details of the payment made to settle the difference using Form DRC-03, or provide an explanation for the difference, or even choose a combination of both options.
- In case, no response is filed by the impacted taxpayers in Form DRC-01C Part B, such taxpayers would not be able to file their subsequent period GSTR-1/IFF.