JORDENSKY.

YOUR FINANCE PARTNER

FY 2025-26 → FY 2026-27

Year-End Compliance Playbook

A founder-friendly guide to closing your books cleanly, staying compliant, and starting the new financial year right.

35 ACTION ITEMS · 3 PHASES · COMPLETE CHECKLISTS

PREPARED FOR JORDENSKY CLIENTS · MARCH 2026

25–26

WHAT'S INSIDE

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Organized into three phases — closing the current year, finalizing your books, and preparing for FY 2026–27. Each item has a clear deadline, owner, and actionable checklist.

15 MAR — Advance Tax | 31 MAR — Most Deadlines | 30 APR — TDS / QRMP | 01 APR — New FY Setup

01 MARCH-END COMPLIANCE ACTIONS

By 31 Mar 2026

02 BOOK CLOSURE & FINALIZATION

Mar-End / Early Apr

03 NEW FY 2026-27 SETUP

From 01 Apr 2026

PART 01

March-End Compliance Actions

19 items + 1 bonus · Most deadlines: 31 March 2026

1.1 Tax-Saving Investments & Deductions

Income Tax

DEADLINE **31 Mar 2026** WHO Individuals / HUFs (Old Regime)

If opting for the old tax regime, ensure all eligible investments and payments are completed before 31st March.

- [ ] Complete LIC, NPS, PPF, Mediclaim premium payments
- [ ] Verify eligibility under Sections 80C, 80D, 80G, etc.
- [ ] Collect and file all investment proofs
- [ ] Confirm regime choice — old vs new — before committing funds

> **Founder Tip:** Run both regime calculations before committing. The new regime may be better if your total deductions are below ~₹3.75 lakh.

1.2 Advance Tax — 4th Instalment

Income Tax

DEADLINE **15 Mar 2026** WHO All taxpayers with liability > ₹10,000

- [ ] Estimate total income for the year including Q4 projections
- [ ] Calculate total tax liability minus TDS already deducted
- [ ] Deduct advance tax already paid in Q1–Q3
- [ ] Pay balance via Challan before 15th March

> **Watch Out:** Interest u/s 234B and 234C applies if advance tax paid is less than 90% of assessed liability.

1.3 MSME Vendor Payments — Section 43B(h)

Income Tax

DEADLINE **31 Mar 2026** WHO All businesses with MSME vendors

Payments to Micro & Small Enterprise vendors must be within MSMED Act timelines — otherwise the expense is disallowed in the current year.

- [ ] Identify all Micro/Small enterprise vendors
- [ ] Clear outstanding payables — 45 days (written agreement) or 15 days
- [ ] GST angle: verify if payment is within 180 days (Rule 37) — ITC reversal + interest if not

Critical: This applies to both goods and services. Check your aged payables report now.

1.4 ESI / PF / PT — Monthly Payment Deadlines

Income Tax

ESI/PF `15th of next month` PT `15th of next quarter`

Under Section 36(1)(va), even a single day's delay in depositing employee contributions results in **permanent disallowance**.

- [ ] Verify all monthly ESI/PF deposits are made by the 15th
- [ ] Confirm PT payments are current
- [ ] Cross-check with payroll records for any missed months

1.5 Other Statutory Liabilities — Section 43B

Income Tax

DEADLINE Before ITR due date

Employer's share of GST payable, loan interest from financial institutions, and employer PF/ESI/PT contributions must be paid before ITR due date to claim deduction.

- [ ] List all pending statutory liabilities (employer's share)
- [ ] Ensure payments are made and challans organized for audit

1.6 TDS / TCS — March Payments & Q4 Returns

Income Tax

TCS 7 Apr TDS 30 Apr RETURNS 15 May (TCS) · 31 May (TDS)

- [ ] Identify all March expenses requiring TDS deduction
- [ ] Catch up on any missed TDS from Q1–Q3 (deduct in March, pay with interest in April)
- [ ] Check TDS u/s 194Q if last year turnover > ₹10 Cr and purchases > ₹50L
- [ ] Note: TDS on purchases above ₹50L applicable if last year turnover crossed ₹10 Cr

> **New — Section 194T:** Partnership firms & LLPs must deduct TDS on partner remuneration, salary, bonus, and interest if combined exceeds ₹20,000. Finalize books in April, pay TDS by 30th April 2026.

1.7 Form 15G / 15H — Consolidated Upload

Income Tax

DEADLINE 30 Apr 2026

- [ ] Collect all 15G/15H declarations received during FY 2025–26
- [ ] Upload consolidated file to Income Tax portal by 30th April

1.8 Updated Returns (ITR-U) — Last Filing Window

Income Tax

DEADLINE 31 Mar 2026 COVERS AY 2021-22 to AY 2025-26

ITR-U allows filing or updating returns for the last 5 assessment years with late fees and additional tax. This is your last chance for the oldest years.

- [ ] Review if any original ITR was pending for AY 2021–22 to AY 2025–26
- [ ] Check for undeclared income (interest, capital gains, etc.)
- [ ] File ITR-U before 31st March 2026 with applicable additional tax

1.9 GSTR-2B Reconciliation & Pending ITC

GST

ACTION BY **March GSTR-3B filing**

Compare your yearly GSTR-2B with books. Claim any unclaimed ITC in the March return — bank charges, C&F, shipping, telephone, etc.

- [ ] Download annual GSTR-2B and match against purchase register
- [ ] Identify and claim all pending eligible ITC in March GSTR-3B

1.10 Missing Invoices & Supplier ITC Issues

GST

ITC requires the supplier to have uploaded the invoice in GSTR-1 and paid tax in GSTR-3B. Reverse any ITC where these conditions aren't met.

- [ ] Identify invoices not appearing in your GSTR-2B
- [ ] Follow up with suppliers to file/correct their GSTR-1
- [ ] Reverse ITC where supplier hasn't paid tax
- [ ] Check for suppliers with cancelled/suspended registrations

> **Rule 37A:** If supplier hasn't filed GSTR-3B by 30th September following the FY, buyer must reverse ITC by 30th November or pay with interest.

1.11 ITC Reversal — Blocked Credit & Rule 42/43

GST

- [ ] **Blocked ITC (Sec 17(5)):** Food, outdoor catering, beauty, health, motor vehicles (except goods vehicles), club memberships, travel concession, personal expenses
- [ ] Check for duplicate ITC, wrong tax type (IGST vs CGST+SGST)
- [ ] Reverse ITC on sales returns misclassified as purchases
- [ ] **Rule 42/43:** Annual proportional reversal for exempted turnover
- [ ] Reverse ITC on capital goods sold within 5 years
- [ ] Reverse ITC on goods lost, stolen, destroyed, or given as gifts

1.12 RCM Payment — Pending Liability

GST

- [ ] Check RCM on: security, sponsorship, import of services, transport, advocates, rent, cab services, agriculture goods, metal scrap from URD
- [ ] If transporter uploaded as inter-state in GSTR-1 → discharge RCM under IGST
- [ ] URD supplier self-invoice must be issued within 30 days of supply

1.13 Sales Reconciliation — Books vs GSTR-1 vs GSTR-3B

GST

- [ ] Match sales register ↔ GSTR-1 monthly totals
- [ ] Match GSTR-1 ↔ GSTR-3B outward tax figures
- [ ] Ensure GST paid on: other income, sale of fixed assets, commercial rent, freight by supplier, commission income
- [ ] Check for purchase returns wrongly recorded as sales

1.14 GTA Forward Charge Option for FY 2026-27

GST

DEADLINE **31 Mar 2026** WHO **Goods Transport Agencies**

- [ ] Submit Annexure V on GST portal to opt for forward charge
- [ ] To withdraw: file Annexure VI between 1st Jan – 31st March

1.15 Composition Scheme — Opt In or Out

GST

DEADLINE **31 Mar 2026** TURNOVER LIMIT **₹1.5 Crore**

- [ ] Evaluate if composition scheme benefits your business for FY 2026–27
- [ ] Opt in or out on GST portal before 31st March
- [ ] Remember: composition dealers cannot collect GST or claim ITC

1.16 ITC-4 Filing for Job Work

GST

- [ ] File ITC-4 — half-yearly if turnover > ₹5 Cr, yearly if ≤ ₹5 Cr
- [ ] Clear any pending filings for FY 2025–26 or earlier

1.17 Rule 86B — Mandatory 1% Cash Payment

GST

APPLIES IF **Monthly taxable supply > ₹50 Lakh**

- [ ] Maximum 99% ITC utilization; minimum 1% via Electronic Cash Ledger
- [ ] Check cumulative compliance across FY 2025–26
- [ ] Verify if Rule 86B exceptions apply to you

1.18 Hotel Premises Declaration

GST

DEADLINE **31 Mar 2026** WHO **Hotels/restaurants with room rent < ₹7,500/day**

- [ ] File Annexure-VII to declare premises as "specified premises"
- [ ] Restaurant services will attract 18% GST with ITC for FY 2026–27
- [ ] Room rent > ₹7,500 = automatically "specified premises"

1.19 Credit / Debit Notes for FY 2025–26

GST

- [ ] Issue credit/debit notes for sales returns, price revisions, discounts
- [ ] Issue in March to include in FY 2025–26 books
- [ ] Match debtor/creditor ledger with counterparty balances

1.20 GSTAT Tribunal — Extended Appeal Window

BONUS

DEADLINE **30 Jun 2026** FOR **Orders before 01 Apr 2026**

Extended window for filing appeals before GST Appellate Tribunal. For orders after 01-04-2026, standard 3-month window applies.

- [ ] Review all GST orders received before 01-04-2026
- [ ] Identify orders worth challenging
- [ ] File appeal before 30th June 2026 — right is permanently lost after

PART 02

Book Closure & Finalization

8 tasks · Complete by end of March or first week of April

2.1 Opening Balance Verification

Accounts

- [ ] Compile files for purchases, sales, expenses, investments, bank statements up to March 2026
- [ ] Match FY 2024–25 audit report closing balances with FY 2025–26 opening balances
- [ ] Verify across all ledgers — no mismatch should carry forward

2.2 Bank Reconciliation

Accounts

- [ ] Match all bank / CC / term loan closings with books of accounts
- [ ] Ensure all entries recorded up to 31-03-2026
- [ ] Prepare BRS for differences
- [ ] Account for term loan / CC / OD loan interest up to March 2026

2.3 Expense Provisions for March

Accounts

Accrue all known expenses even if invoices haven't arrived — ensures your P&L reflects true cost of operations.

- [ ] Interest on deposits, unsecured loans, partner interest
- [ ] Partner remuneration and depreciation
- [ ] Salary, rent, audit fees, accounting fees, utilities
- [ ] Statutory liabilities — GST, ESI, PF

> **CFO Tip:** These must be genuine and supportable. Document your basis — auditors will ask.

2.4 Year-on-Year Data Comparison

Accounts

- [ ] Pull comparative P&L — FY 2024–25 vs FY 2025–26
- [ ] Investigate significant variances (±15% or more)
- [ ] Verify closing stock valuation as on 31-03-2026

- [ ] Check GP% and NP% against prior year

2.5 GST Ledger Reconciliation

GST

- [ ] Reconcile GST credit ledger & cash ledger with books
- [ ] Match portal balances with books after March GSTR-3B filing

2.6 Physical Stock Verification

Accounts

- [ ] Conduct physical stock count on 31st March
- [ ] Investigate discrepancies — loss, over/under consumption, missed sales
- [ ] Document closing stock valuation method
- [ ] Keep records for IT audit and GST audit

2.7 AIS / TIS / 26AS Income Matching

Income Tax

- [ ] Book all investment income — dividends, FD interest, deposit interest, SB interest
- [ ] Verify correct reporting by banks & institutions in 26AS/AIS/TIS
- [ ] Match TDS deducted in 26AS with your books
- [ ] Full data available after 31st May — flag for follow-up

2.8 Suspense Account Clearance

Accounts

- [ ] Resolve all unidentified receipts and payments
- [ ] Clear missing details for debtors and creditors
- [ ] Zero out all suspense accounts before year-end

Book Closure — Quick Summary

8
Tasks to Complete

31 Mar
Target Completion

Key
Bank Recon + Stock + Provisions

Goal
Clean books ready for audit

PART 03

New Financial Year 2026-27 Setup

8 checks to configure before you start transacting

These depend on your FY 2025–26 turnover and entity type. Review each with your finance team and configure systems from 1st April 2026.

3.1 TDS Applicability — Check Turnover Thresholds

Income Tax

ENTITY TYPE	THRESHOLD	WHAT HAPPENS
Individual / HUF with business	₹1 Crore	General TDS/TCS sections become applicable on all payments
Partnership / Company / LLP	Any turnover	TDS applicable from first year of operation
Individual/HUF (audit applicable)	₹1 Crore	TDS deduction required irrespective of audit

- [ ] Calculate FY 2025–26 turnover and determine applicable TDS sections
- [ ] Update accounting system with new TDS rate chart

3.2 TDS on Purchases — Section 194Q

Income Tax

- [ ] Check if FY 2025–26 turnover crossed ₹10 Crore
- [ ] If yes → TDS @ 0.1% on purchases exceeding ₹50L from any single supplier
- [ ] Configure purchase workflow to track supplier-wise thresholds

3.3 HSN / SAC Code Requirements

GST

ANNUAL AGGREGATE TURNOVER	REQUIREMENT FROM 01-04-2026
Up to ₹5 Crore	4-digit HSN/SAC on all invoices
Above ₹5 Crore	**6/8-digit HSN/SAC mandatory** (B2B + B2C)

- [ ] Update invoice templates with correct-digit HSN/SAC codes

3.4 E-Invoice Applicability

GST

If aggregate turnover exceeded ₹5 Crore in any FY from 2017–18 to 2025–26, e-invoicing is mandatory from 01-04-2026.

- [ ] Check turnover across all years from FY 2017–18
- [ ] Configure accounting system with E-invoice portal API
- [ ] Generate tax invoices with IRN
- [ ] Train billing team on the new workflow

3.5 QRMP Filing Frequency for FY 2026–27

GST

OPT-IN BY 30 Apr 2026 ELIGIBILITY Turnover ≤ ₹5 Crore

File GSTR-1 and GSTR-3B quarterly instead of monthly. Fewer filings but delayed ITC visibility for your customers.

- [ ] Evaluate if QRMP suits your business
- [ ] Opt in or out on GST portal by 30th April 2026

3.6 Letter of Undertaking (LUT) for Exporters

GST

- [ ] Apply for LUT in Form GST RFD-11 for FY 2026–27
- [ ] Required for zero-rated exports and SEZ supplies without GST
- [ ] File before making first export of the new year

3.7 New Invoice & Billing Series

Both

- [ ] Start fresh, unique, consecutive series from 01-04-2026
- [ ] Applies to: tax invoices, debit/credit notes, bills of supply, self-invoices
- [ ] Max 16 characters, alphanumeric with special characters allowed
- [ ] Update billing software before first transaction

3.8 Customs / IEC Updates

Exporters

- [ ] Update IEC on DGFT portal (mandatory before June 2026)
- [ ] RODTEP claims > ₹1 Cr in FY 2023-24: file Annual Return (ARR) by 31-03-2026

Your Complete Compliance at a Glance

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March-End Compliance Items

8

Book Closure Tasks

8

New FY Setup Checks

15 Mar

First Critical Deadline

JORDENSKY.

Your finance team doesn't need to navigate year-end alone. We're here to make compliance simple, structured, and stress-free.

TALK TO YOUR JORDENSKY TEAM

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