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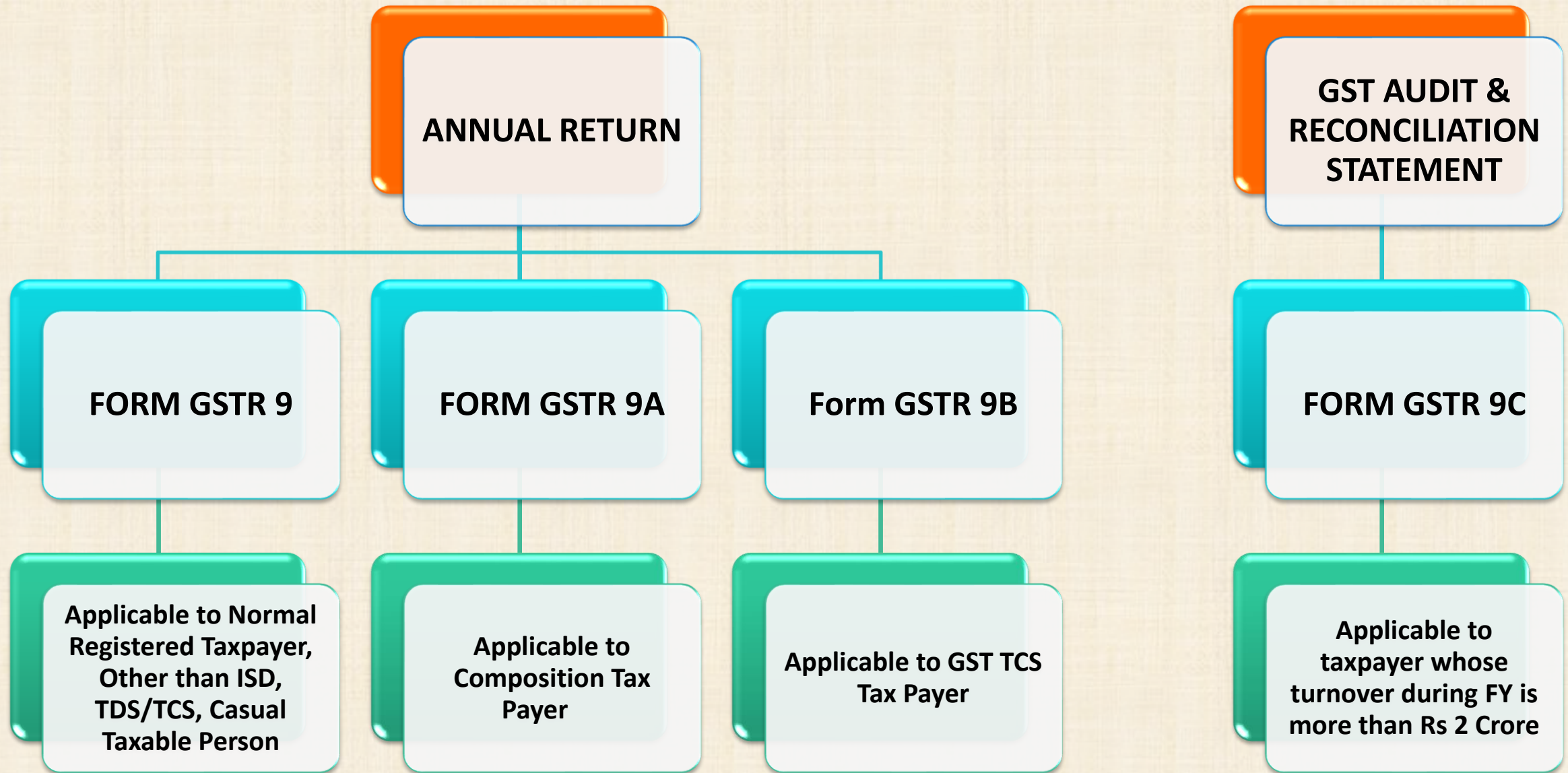
## Seminar on

*Issues, Practical Aspect and Challenges in  
GSTR 9 and GSTR 9C*

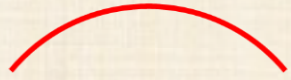
**ORGANIZED BY**  
*Pune Branch of WIRC of ICAI*

**GST** : Good and Simple Tax

# Applicability of Forms:



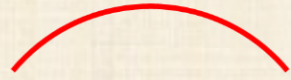
# IMPORTANT PROVISIONS:



**Audit Means**



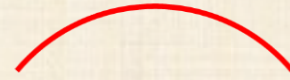
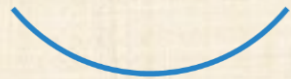
**Sec 2(13)**



**Audit Required for**



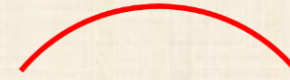
**Sec 35(5)**



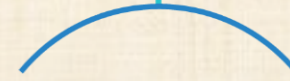
**Annual Return  
Required for**



**Sec 44**

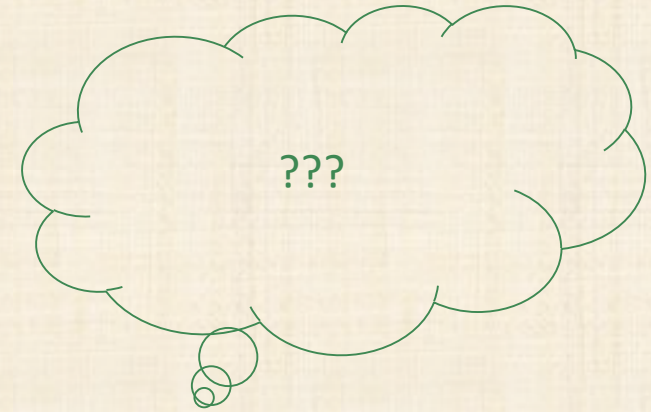


**Audit & Annual  
Return Regulation**



**Rule 80**





# Scope of GST Auditor

# What audit means under GST ?

- **Audit Means** [sec 2(13)] : “audit” means
  - The **Examination of records, returns and other documents** maintained or furnished by the registered person under this Act or the rules made thereunder or under any other law for the time being in force,
    - ✓ To **verify the correctness** of
      - **TURNOVER DECLARED**,
      - **TAXES PAID**,
      - **REFUND CLAIMED** and
      - **INPUT TAX CREDIT AVAILED**, and
    - ✓ To assess his **COMPLIANCE WITH THE PROVISIONS** of this Act or the rules made thereunder

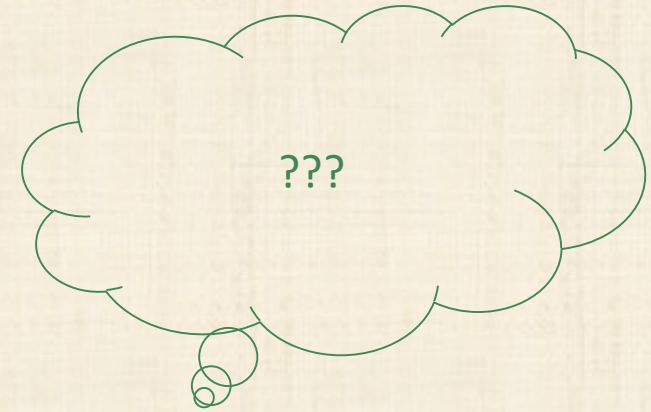
## **GST Audit Provision:**

- **Audit Required for [Sec 35(5)]** :Every registered person whose turnover during a financial year exceeds the prescribed limit shall
  - **Get his accounts audited** by CA/CMA and
  - **Shall submit**
    - **Copy of the audited annual accounts,**
    - **The reconciliation statement under Sec 44(2)** and
    - **Such other documents** in such form and manner as may be prescribed

## Clarification from Government:

- Press Release dated 3<sup>rd</sup> July 2019

h) Role of chartered accountant or a cost accountant in certifying reconciliation statement: There are apprehensions that the chartered accountant or cost accountant may go beyond the books of account in their recommendations under FORM GSTR-9C. The GST Act is clear in this regard. With respect to the reconciliation statement, their role is limited to reconciling the values declared in annual return (FORM GSTR-9) with the audited annual accounts of the taxpayer.



# Applicability



# Applicability of GST Annual Return:

Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs

Notification No. 47/2019 – Central Tax

New Delhi, the 9<sup>th</sup> October, 2019

G.S.R.....(E).— In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies those registered persons whose aggregate turnover in a financial year does not exceed two crore rupees and who have not furnished the annual return under sub-section (1) of section 44 of the said Act read with sub-rule (1) of rule 80 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules) before the due date, as the class of registered persons who shall, in respect of financial years 2017-18 and 2018-19, follow the special procedure such that the said persons shall have the option to furnish the annual return under sub-section (1) of section 44 of the said Act read with sub-rule (1) of rule 80 of the said rules:

Provided that the said return shall be deemed to be furnished on the due date if it has not been furnished before the due date.

# Applicability of GST Audit:

## ▪ Annual Return and Audit - Regulation [Rule 80] :

### 3) Every registered person

- whose **AGGREGATE TURNOVER** during a financial year **EXCEEDS RS 2 CRORE**
- shall get his accounts audited as specified under Sec 35(5) and
- He shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in **FORM GSTR-9C**, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.

## Applicability of GST Audit:

### ▪ **Whether Turnover for applicability of GST Audit is to be calculated :**

✓ From April 17 to Mar 18 or

✓ July 17 to Mar 18 ??

## Applicability of GST Audit:

- i) **Turnover for eligibility of filing of reconciliation statement:** It may be noted that the aggregate turnover i.e. the turnover of all the registrations having the same Permanent Account Number is to be used for determining the requirement of filing of reconciliation statement. Therefore, if there are two registrations in two different States on the same PAN, say State A (with turnover of Rs. 1.2 Crore) and State B (with turnover of Rs. 1 Crore) they are both required to file reconciliation statements individually for their registrations since their aggregate turnover is greater than Rs. 2 Crore. **The aggregate turnover for this purpose shall be reckoned for the period July, 2017 to March, 2018.**

## IMPORTANT PROVISIONS:

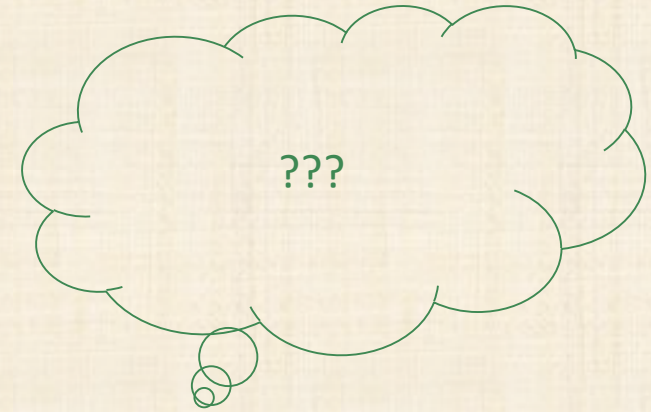
- **Whether Annual Return is required to be filed, in case :**
  - ✓ Registration is cancelled during F.Y. 17-18
  - ✓ Taxable person earlier registered as composition taxpayer, but later he switched over from composition scheme and his status as on 31st March 2018 is a regular taxpayer

## Late Fee Provisions:

- Annual Return and Audit - Levy of Late Fee [Sec 47] :



GSTR Form No	Late fee under CGST + SGST	Maximum amount under CGST + SGST
Form GSTR 9,	Rs 100 + Rs 100 per day	0.25% + 0.25% of Turnover in State/UT
Form GSTR 9A	Rs 100 + Rs 100 per day	0.25% + 0.25% of Turnover in State/UT
Form GSTR 9B	Rs 100 + Rs 100 per day	0.25% + 0.25% of Turnover in State/UT
Form GSTR 9C	Rs 100 + Rs 100 per day	0.25% + 0.25% of Turnover in State/UT
Form GSTR 10	Rs 100 + Rs 100 per day	Rs 5000 + Rs 5000



# What is the source for GSTR 9 – Annual Return ?

# WHAT IS SOURCE FOR GSTR 9 ?:

- If details as per Books are furnished in GSTR 9:

Points in favour of Reporting the details as per Books	Points against of Reporting the details as per Books
Revised Form GSTR 9, give the option to pay Tax liability, through DRC 03	Instructions ask to declare supply in GSTR 9, on which liability is paid by GSTR 3B
The auto populated details, in the forms are editable and therefore new liability/supply can be reported	If details as per books are reported ,then Part V of GSTR 9, will not have any use.
Revised Heading of various tables of GSTR 9, demonstrate that, actual supply details are to be furnished.	If details as per books are reported ,then GSTR 9 C will have very limited coverage.
In case of Non – Audit case, only option is, disclose the correct details in GSTR 9 and pay the differential liability, if any.	When everything as per books are reported, then there might be very less liability, which auditor will recommend in Form GSTR 9C
In verification part of return, Tax payer is required to declared that, GSTR 9 is giving true and correct details and nothing is concealed. If details as per books are not furnished, then it will amount to wrong disclosure	If in GSTR 9, details as per books are mentioned, then in most of GSTR 9C will go as Nil additional liability and then question may be raised on quality of audit undertaken.





## Press Release on GST Annual Return dated 3<sup>rd</sup> June 2019:

- **CLARIFICATION ISSUED:** It may be noted that irrespective of when the supply was declared in FORM GSTR-1, **the principle of declaring a supply in Pt. II or Pt. V is essentially driven by when was tax paid through FORM GSTR-3B in respect of such supplies.** If the tax on such supply was paid through FORM GSTR-3B between July 2017 to March 2018 then such supply shall be declared in Pt. II and if the tax was paid through FORM GSTR-3B between April 2018 to March 2019 then such supply shall be declared in Pt. V of FORM GSTR-9.

➔ **COMMENT:** *This clarification has given, emphasis to Instruction No 4 and 7 to Form GSTR 9. As per this, GSTR 3B will prevail over GSTR 1, for the purpose of reporting in Form GSTR 9. Therefore, if there is mismatch in Form GSTR 3B and GSTR 1, details as per GSTR 3B is to be considered for the purpose of reporting in Form GSTR 9. Welcome clarification*

## Press Release on GST Annual Return dated 3<sup>rd</sup> June 2019:

- **CLARIFICATION ISSUED:** Any additional outward supply which was not declared by the registered person in FORM GSTR-1 and FORM GSTR-3B shall be declared in Pt.II of the FORM GSTR-9. Such additional liability shall be computed in Pt.IV and the gap between the “tax payable” and “Paid through cash” column of FORM GSTR-9 shall be paid through FORM DRC-03.

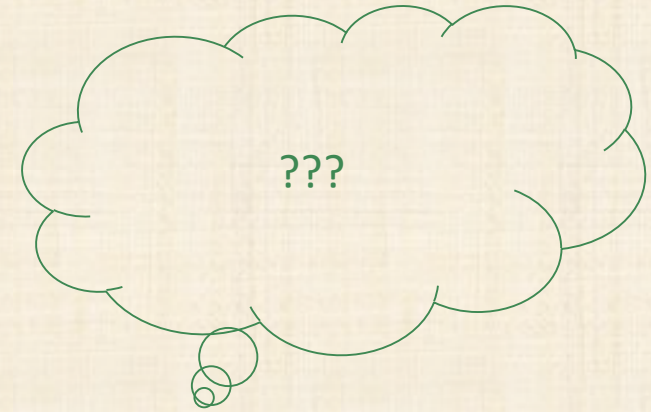
➔ **COMMENT:** *It clarifies that in Form GSTR 9 additional liability can be paid. However, then question arises, in, GST Audit cases, as to, what is importance of giving option of tax payment in GSTR 9C. Also, it is clarified that, any additional liability declared in Form GSTR 9, then same is to be considered in Tax Payable in Part IV. This clarification is to be read in line with Para (h) below.*

## Press Release on GST Annual Return dated 3<sup>rd</sup> June 2019:

- **CLARIFICATION ISSUED:** Many taxpayers have reported a mismatch between auto-populated data and the actual entry in their books of accounts or returns. One common challenge reported by taxpayer is in Table 4 of FORM GSTR-9 where details may have been missed in FORM GSTR-1 but tax was already paid in FORM GSTR-3B and therefore taxpayers see a mismatch between auto-populated data and data in FORM GSTR-3B. It may be noted that auto-population is a functionality provided to taxpayers for facilitation purposes, **taxpayers shall report the data as per their books of account or returns filed during the financial year.**

➔ **COMMENT:** *Some of Table row's in Form GSTR 9 is auto populated. However, as per structure of form, only details as per Table Entry 6A and Table Entry 8A is compulsory for government to provide for. Other auto populated details appearing in Form GSTR 9 is only for convenience. This fact is clarified now. However last line of clarification is again confusing. It says, in Form GSTR 9, "taxpayers shall report the data as per their books of account or returns filed during the financial year." So again, with this clarification, they have confused whether to fill GSTR 9 as per books of accounts or Returns. This clarification is of confusion nature.*





# Analysis of Form GSTR 9 – For F.Y. 17-18

# FORM GSTR 9

**TOTAL 6  
PARTS**

**DETAILS AS PER  
GSTR 1 AND GSTR  
3B FILED**

**TOTAL 19  
Reporting  
Heading**

**Details of taxable Outward and Inward Supply**

**Details of outward supply on which tax is not payable**

**Details of ITC availed**

**Details of ITC Reversed**

**Details of ITC as per GSTR 2A**

**Details of Tax Paid**

**Correction Done in April 18 to Mar 19 Return**

**Other Information**

# FORM GSTR 9 F.Y. 17-18 : IMPORTANT POINTS

- ✓ This form doesn't require certification.
- ✓ Information of July 17 to Mar 18 to be reported in this form, except Part V.
- ✓ No information of April 17 to June 17 is to be provided in this report.
- ✓ It is **mandatory to file** all FORM GSTR-1 and FORM GSTR-3B for the FY 2017-18 before filing annual return for F.Y. 17-18
- ✓ It may be noted that **additional liability for the FY 2017-18**, not declared in FORM GSTR-1 and FORM GSTR-3B, **may be declared in this return.**
- ✓ Taxpayers **cannot claim input tax credit** unclaimed during FY 2017-18 **through this return**
- ✓ **In short, Information Required in Annual Return for**

PERIOD	YES / NO
April 17 to June 17	<b>NO</b>
July 17 to Mar 18	YES
April 18 to Mar 19	<b>YES ( Only in Part V of Form GSTR 9) with respect to Correction of Current Financial Year</b>

# First step for starting GST Annual Return

- ✓ Check the summary of returns filed and compare with actuals.

Financial Year • 2019-20  
Return Filing Period • November  
SEARCH

**Details of outward supplies of goods or services**  
GSTR1  
Due Date - 11/12/2019  
PREPARE ONLINE PREPARE OFFLINE

**Auto Drafted details (For view only)**  
GSTR2A  
VIEW DOWNLOAD

**Monthly Return**  
GSTR3B  
Due Date - 20/12/2019  
PREPARE ONLINE PREPARE OFFLINE

**Comparison of liability declared and ITC claimed**  
VIEW

LIABILITY OTHER THAN EXPORT/REVERSE CHARGE  
LIABILITY DUE TO REVERSE CHARGE  
LIABILITY DUE TO EXPORT AND SEZ SUPPLIES  
ITC CREDIT CLAIMED AND DUE

Credit and Liability Statement				
Tax Period	Tax liability as per GSTR-1 and as per GSTR-3B		ITC claimed in GSTR-3B and accrued as per GSTR-2A	
	As per GSTR-1 (₹)	As per GSTR-3B (₹)	ITC Claimed in GSTR-3B (₹)	ITC as per GSTR-2A (₹)
April-19	31,790.76	31,791.00	24,212.00	-11,670.18

# FORM GSTR 9 : FY 17-18: Part I & II

- ✓ Part II consists of the details of all outward supplies & advances received during the financial year for which the annual return is filed.
- ✓ It may be noted that all the supplies for which payment has been made through FORM GSTR-3B between July 2017 to March 2018 shall be declared in this part

"FORM GSTR-9 (See rule 80) Annual Return							
Pt. I		Basic Details					
1	Financial Year						
2	GSTIN						
3A	Legal Name						
3B	Trade Name (if any)						
Pt. II		Details of Outward and inward supplies <del>made</del> <del>declared</del> during the financial year					
		(Amount in ₹ in all tables)					
		Nature of Supplies	Taxable Value	CGST	SGST	IGST	Cess
		1	2	3	4	5	6
4	Details of advances, inward and outward supplies <del>made on which tax is payable as declared in returns filed</del> during the financial year <b>on which tax is payable</b>						



# FORM GSTR 9 : FY 17-18: Part II


S.N	HAEDING	COMMENT
4	<b>Details of advances, inward and outward supplies <del>made on which tax is payable as declared in returns filed</del> during the financial year <b>on which tax is payable</b></b>	<ul style="list-style-type: none"><li>Only Tax Payable supplies/receipts to be mentioned under this Para</li></ul>
A	Supplies made to un-registered persons (B2C)	<ul style="list-style-type: none"><li>May be Reported from Table 5 (Large B 2 C category : POS is in different State &amp; Value more than Rs 2.5 lakhs), Table 7 ( B 2 C Small category), Table 9 ( Amendment of Table 5), Table 10 of GSTR 1 ( Amendment of Table 7 ) [This includes supplies made through E – Commerce Operator]</li><li>Net of Debit / credit note / amendment, is to be reported.</li></ul>
B	Supplies made to registered persons (B2B)	<ul style="list-style-type: none"><li>May be Reported from Table 4A ( B2B) and Table 4C ( Supply through E-commerce operator for B2B customer) of GSTR 1</li><li>Debit / credit note to be reported separately</li></ul>
C	Zero rated supply (Export) on payment of tax (except supplies to SEZs)	<ul style="list-style-type: none"><li>May be Reported from Table 6A of GSTR 1</li><li>Export under LUT is not to be reported here.</li><li>SEZ supply is not to be reported here</li><li>Debit / credit note to be reported separately</li></ul>
D	Supply to SEZs on payment of tax	<ul style="list-style-type: none"><li>May be Reported from Table 6B of GSTR 1</li><li>Supply to SEZ under LUT is not to be reported here</li><li>Debit / credit note to be reported separately</li></ul>



## FORM GSTR 9 : FY 17-18: Part II

S.N	HAEDING	COMMENT
E	Deemed Exports	<ul style="list-style-type: none"><li>▪ May be Reported from Table 6C of GSTR 1 ( Notification No 48/2017 CT Supply against Adv Authorisation, EPCG etc)</li><li>▪ Debit / credit note to be reported separately</li></ul>
F	Advances on which tax has been paid but invoice has not been issued (not covered under (A) to (E) above)	<ul style="list-style-type: none"><li>▪ Here, case of advance received but invoice not issued during July 17 to Mar 18 are to be reported. (unadjusted advances to be reported here)</li><li>▪ May be Reported from Table 11A of GSTR 1</li><li>▪ Advance against goods was taxable upto 15.11.17 ( Notification No 66/2017 CT)</li></ul>
G	Inward supplies on which tax is to be paid on reverse charge basis	<ul style="list-style-type: none"><li>▪ As Recipient - Cases where Sec 9(3), 9(4) is applicable to be reported.( It doesn't include Import of Goods).</li><li>▪ May be Reported from Table 3.1(d) of Form GSTR 3B</li><li>▪ Including Advances,</li><li>▪ Net of Debit / credit note to be reported</li></ul>
H	Sub-total (A to G above)	


## FORM GSTR 9 : FY 17-18: Part II

S.N	HAEDING	COMMENT
I	Credit Notes issued in respect of transactions specified in (B) to (E) above (-)	<ul style="list-style-type: none"><li>May be Reported from Table 9B of GSTR 1.</li><li>Details of Credit note of B2C is to be mentioned in Para 4A</li></ul>
J	Debit Notes issued in respect of transactions specified in (B) to (E) above (+)	<ul style="list-style-type: none"><li>May be Reported from Table 9B of GSTR 1.</li><li>Details of Debit note of B2C is to be mentioned in Para 4A above</li></ul>
K	Supplies / tax declared through Amendments (+)	<ul style="list-style-type: none"><li>Details of amendment made to above Para 4B, Para 4C, Para 4D, Para 4E, Para 4I, Para 4J to be reported here.</li><li>May be reported from Table 9A and Table 9C of GSTR 1</li></ul>
L	Supplies / tax reduced through Amendments (-)	<ul style="list-style-type: none"><li>Details of amendment made to above Para 4B, Para 4C, Para 4D, Para 4E, Para 4I, Para 4J to be reported here.</li><li>May be Reported from Table 9A and Table 9C of GSTR 1</li></ul>
M	Sub-total (I to L above)	
N	Supplies and advances on which tax is to be paid (H + M) above 	

# FORM GSTR 9 : FY 17-18: Part II

S.N	HAEDING	COMMENT
5	<b>Details of Outward supplies made on which tax is not payable as declared in returns filed during the financial year on which tax is not payable</b>	<ul style="list-style-type: none"> <li>Supplies on which tax is not payable, are to be mentioned under this Para</li> </ul>
A	Zero rated supply (Export) without payment of tax	<ul style="list-style-type: none"> <li>May be Reported from Table 6A of GSTR 1</li> <li>Export under LUT is to be reported here.</li> <li>SEZ supply is not to be reported here</li> </ul>
B	Supply to SEZs without payment of tax	<ul style="list-style-type: none"> <li>May be Reported from Table 6B of GSTR 1</li> <li>Supplies under LUT is to be reported here.</li> </ul>
C	Supplies on which tax is to be paid by the recipient on reverse charge basis	<ul style="list-style-type: none"> <li>As Supplier where Sec 9(3), 9(4) is applicable to be reported.( It doesn't include Import of Goods). May be Reported from Table 4B of Form GSTR1</li> <li>Debit / credit note to be reported separately</li> </ul>
D	Exempted	<ul style="list-style-type: none"> <li>May be Reported from Table 8 of Form GSTR 1</li> </ul>
E	Nil Rated	<ul style="list-style-type: none"> <li>May be Reported from Table 8 of Form GSTR 1</li> </ul>
F	Non-GST supply ( <b>includes 'no supply'</b> )	<ul style="list-style-type: none"> <li>May be Reported from Table 8 of Form GSTR 1.</li> <li>"No Supply" category is also be covered here. ( This is as per instruction to GSTR 9)</li> </ul>
G	Sub-total (A to F above)	

## FORM GSTR 9 : FY 17-18: Part II

S.N	HAEDING	COMMENT
H	Credit Notes issued in respect of transactions specified in A to F above (-)	<ul style="list-style-type: none"><li>May be Reported from Table 9B of Form GSTR 1</li></ul>
I	Debit Notes issued in respect of transactions specified in A to F above (+)	<ul style="list-style-type: none"><li>May be Reported from Table 9B of Form GSTR 1</li></ul>
J	Supplies declared through Amendments (+)	<ul style="list-style-type: none"><li>May be Reported from Table 9A &amp; Table 9C of Form GSTR 1</li></ul>
K	Supplies reduced through Amendments (-)	<ul style="list-style-type: none"><li>May be Reported from Table 9A &amp; Table 9C of Form GSTR 1</li></ul>
L	Sub-Total (H to K above)	
M	Turnover on which tax is not to be paid (G + L above)	
N	Total Turnover (including advances) (4N + 5M - 4G above) 	<ul style="list-style-type: none"><li>This will include all <b>taxable , Non taxable outward supplies.</b></li><li>This will include <b>advances</b> on which tax is paid but invoice is not issued during the year.</li><li>This will <b>not include</b> inward supplies on which tax paid under RCM</li></ul>

# FORM GSTR 9 : FY 17-18: Part III

- ✓ In Part III, only tax amount is required to be mentioned. Value of supplies is not required to be mentioned.
- ✓ Information in Sr. No. A below are going to be auto populated
- ✓ In this part, at some para's, bifurcation of information is required to be given
  - Between Inputs, Capital Goods and Input Services at Sr. No. 6B to 6D and
  - Between Inputs and Capital Goods at Sr. No. 6E

Pt. III	Details of ITC <del>for as declared in the returns filed during</del> the financial year					
	Description	Type	CGST	SGST	IGST	Cess
	1	2	3	4	5	6
<b>6</b>	<b>Details of ITC availed <del>as declared in returns filed</del> during the financial year</b>					
A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B)		<Auto>	<Auto>	<Auto>	<Auto>
B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	Inputs				
		Capital Goods				
		Input Services				

# FORM GSTR 9 : FY 17-18: Part III

S.N	HAEDING	COMMENT
B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	<ul style="list-style-type: none"><li>Table 4(A)(5) of GSTR 3B may be used for filing up these details</li><li>Credit availed, but reversed (may be due to time limit of 180 days for making payment to supplier) and then re-claimed ( after making payment to supplier) shall not be reported here. It is to be reported in below Para 6(H)</li></ul>
C	Inward supplies received from unregistered persons liable to reverse charge (other than B above) on which tax is paid & ITC availed	<ul style="list-style-type: none"><li>Table 4(A)(3) of GSTR 3B may be used for filing up these details.</li><li>Credit of tax paid as per Sec 9(4) is to be considered here</li><li>It doesn't include import of service</li></ul>
D	Inward supplies received from registered persons liable to reverse charge (other than B above) on which tax is paid and ITC availed	<ul style="list-style-type: none"><li>Table 4(A)(3) of GSTR 3B may be used for filing up these details.</li><li>Credit of tax paid as per Sec 9(3) is to be considered here</li></ul>
E	Import of goods (including supplies from SEZs)	<ul style="list-style-type: none"><li>Table 4(A)(1) of GSTR 3B may be used for filing up these details.</li></ul>
F	Import of services (excluding inward supplies from SEZs)	<ul style="list-style-type: none"><li>Table 4(A)(2) of GSTR 3B may be used for filing up these details.</li></ul>
G	Input Tax credit received from ISD	<ul style="list-style-type: none"><li>Table 4(A)(4) of GSTR 3B may be used for filing up these details.</li></ul>

# FORM GSTR 9 : FY 17-18: Part III

S.N	HAEADING	COMMENT
H	Amount of ITC reclaimed (other than B above) under the provisions of the Act	<ul style="list-style-type: none"><li>Amount of ITC claimed, reversed and reclaimed is to be reported here</li></ul>
I	Sub-total (B to H above)	
J	Difference (I - A above)	<ul style="list-style-type: none"><li>Ideally, this amount should be Zero. Figures as per para 6B to 6H are just detailed versions of amount mentioned in Para 6A above</li></ul>
K	Transition Credit through TRAN-I (including revisions if any)	
L	Transition Credit through TRAN-II	
M	Any other ITC availed but not specified above	<ul style="list-style-type: none"><li>For example : Details of ITC availed through ITC 01, ITC 02 to be reported here</li></ul>
N	Sub-total (K to M above)	
O	Total ITC availed (I + N above)	
7	<b>Details of ITC Reversed and Ineligible ITC for as declared in returns filed during the financial year</b>	
A	As per Rule 37	<ul style="list-style-type: none"><li>Table 4B of GSTR 3B may be used for reporting this.</li><li>Case of payment not made within 180 days</li></ul>





# FORM GSTR 9 : FY 17-18: Part III

S.N	HAEADING	COMMENT
B	As per Rule 39	<ul style="list-style-type: none"> <li>Table 4B of GSTR 3B may be used for reporting this.</li> <li>Reversal of excess ITC distributed credit by ISD as per Rule 39(1)(j), 39(2)</li> </ul>
C	As per Rule 42	<ul style="list-style-type: none"> <li>Table 4B of GSTR 3B may be used for reporting this.</li> <li>Reversal of ITC of Input/Input Services, if used for exempted supply</li> </ul>
D	As per Rule 43	<ul style="list-style-type: none"> <li>Table 4B of GSTR 3B may be used for reporting this.</li> <li>Reversal of ITC of CG, if used for exempted supply</li> </ul>
E	<b>As per section 17(5)</b>	<ul style="list-style-type: none"> <li>Table 4B of GSTR 3B may be used for reporting this. Reversal of block ITC</li> </ul>
F	Reversal of TRAN-I credit	<ul style="list-style-type: none"> <li>Table 4B of GSTR 3B may be used for reporting this</li> </ul>
G	Reversal of TRAN-II credit	
H	Other reversals (pl. specify)	<ul style="list-style-type: none"> <li>ITC reversed through ITC 03, Sale of CG, Reversal due to closure of business or any other reversal may be reported here</li> </ul>
I	Total ITC Reversed (A to H above)	
J	Net ITC Available for Utilization (6O - 7I)	<b>Referred in Audit Report</b>
<b>8</b>	<b>Other ITC related information</b>	
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	This will be auto populated by system from GSTR 2A
B	ITC as per sum total of 6(B) and 6(H) above	It will be auto populated.

## FORM GSTR 9 : FY 17-18: Part III

S.N	HAEADING	COMMENT
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during 2017-18 but availed during April to Mar, 2019	Credit pertaining to July 17 to Mar 18, but availed in GSTR 3B of April 18 to Sep 18, shall be declared here. Table 4(A)(5) of Form GSTR 3B may be used for filling up these details
D	<b>Difference [A-(B+C)]</b>	This difference, either can be positive or negative
E	ITC available but not availed <del>(out of D)</del>	Amount of Para 8E + 8F = 8D. Ideally, if 8D is positive, the sum of 8E and 8F shall be equal to 8D
F	ITC available but ineligible <del>(out of D)</del>	
G	IGST <b>paid</b> on import of goods (including supplies from SEZ)	
H	IGST credit <b>availed</b> on import of goods (as per 6(E) above)	This will be auto populated by system from para 6E above
I	Difference (G-H)	
J	ITC available but not availed on import of goods (Equal to I)	This should be equal to Para 8I above. This is credit not availed and ineligible credit. Unnecessary this extra row is there.
K	Total ITC to be lapsed in current financial year (E + F + J)	This is lapsed credit

## Press Release on GST Annual Return dated 3<sup>rd</sup> June 2019:

- **CLARIFICATION ISSUED:** Information contained in FORM GSTR-2A as on 01.05.2019 shall be auto-populated in Table 8A of FORM GSTR-9.

➔ **COMMENT:** *There is mismatch in GSTR 2A details appearing in download section on portal and appearing in Table 8A of Form GSTR 9. Now it is clarification that, both will match. Therefore, now tax payer should not worry. However, important thing is when they will match and how much time it will take. Hopefully it should be done before due date of 30<sup>th</sup> June 2019.*

## Press Release on GST Annual Return dated 3<sup>rd</sup> June 2019:

- **CLARIFICATION ISSUED:** Input tax credit on inward supplies shall be declared from April 2018 to March 2019 in Table 8C of FORM GSTR-9.

➔ **COMMENT:** *Currently as per heading of Table 8C, ITC of F.Y. 17-18 but availed in April 18 to Sep 18 is to be disclosed in this part. However, time limit to avail ITC for F.Y. 17-18 is already extended by ROD, upto due date of Mar 19 GST Return. Therefore, accordingly clarification is issued that, now in Table 8C, details from April 18 to Mar 19 is to be considered. However, this also requires amendment in Form GSTR 9 by way of notification.*

## FORM GSTR 9 : FY 17-18: Part IV

- ✓ **IGST/CGST/SGST/Cess Tax liability Paid:** Reported from Table 6.1 of GSTR 3B. Here details of actual tax paid during current FY as per GSTR 3B is required to be given. Even if there is difference as per GSTR 3B and GSTR 1, here details as per GSTR 3B are to be given.
- ✓ **Interest:** Actual Interest paid as disclosed only to be shown here.

Pt. IV	Details of tax paid as declared in returns filed during the financial year						
9	Description	Tax Payable	Paid through cash	Paid through ITC			
				CGST	SGST	IGST	Cess
	1	2	3	4	5	6	7
	Integrated Tax	<b>Referred in Audit Report</b>					
	Central Tax						
	State/UT Tax						
	Cess						
	Interest						
	Late fee						
	Penalty						
	Other						

# FORM GSTR 9 : FY 17-18: Part V

Pt. V	Particulars of the transactions for the previous FY 2017-18 declared in returns between April 2018 till March 2019					
	Description	Taxable Value	CGST	SGST	IGST	Cess

S.N	HAEADING	COMMENT
10	Supplies / tax declared through Amendments (+) (net of debit notes)	<p>Addition or Amendment done in April 18 to Mar 19 GSTR 1/Debit or Credit notes issued w.r.t supplies declared in GSTR 1 of July 17 to Mar 18, should be reported here. Table 9A, Table 9B, Table 9C of GSTR 1 of April 18 to Mar 19 to may be used for filling these details</p>
11	Supplies / tax reduced through Amendments (-) (net of credit notes)	
12	Reversal of ITC availed during previous financial year	<ul style="list-style-type: none"> <li>Reversal of ITC, which was availed in previous F.Y. but reversed in returns filed for April 18 to Sep 18 shall be declared here</li> <li>Table 4(B) of GSTR 3B of April 18 to Mar 19 may be used for filling these details</li> </ul>
13	ITC availed for the previous financial year	<ul style="list-style-type: none"> <li>ITC for goods received in previous F.Y. but ITC for the same availed in April 18 to Mar 19 GSTR 3B shall be declared here</li> <li>Table 4(A) of GSTR 3B of April 18 to Mar 19 may be used for filling these details</li> <li>ITC availed in F.Y. 17-18 → Payment not made to supplier within 180 days → Then ITC reversed → Afterwards payment made supplier in F.Y. 18-19 → ITC reclaimed in F.Y. 18-19 ==&gt; This reclaimed ITC will be part of annual Return of F.Y. 2018-19</li> </ul>

Referred in Audit Report



## FORM GSTR 9 : FY 17-18: Part V

14	Differential tax paid on account of declaration in 10 & 11 above		
	Description	Payable	Paid
	Integrated Tax, Central Tax, State/UT Tax, Cess, Interest		

### ▪ IMPORTANT NOTE FOR PART V:

- ✓ Part V consists of particulars of transactions for the previous financial year **but paid in the FORM GSTR-3B** of April to September of current FY or date of filing of Annual Return for previous financial year.
- ✓ Sr No. 10 and 11 are referred in GSTR 9C, whereas Sr. No. 12 and 13 are not referred in GSTR 9C

# FORM GSTR 9 : FY 17-18: Part VI

Pt. VI	Other Information							
15	Particulars of Demands and Refunds							
	Details	CGST	SGST	IGST	Cess	Interest	Penalty	Late Fee
		1	2	3	4	5		
A	Total Refund claimed							
B	Total Refund sanctioned							
C	Total Refund Rejected							
D	Total Refund Pending							
E	Total demand of taxes							
F	Total taxes paid in respect of E above							
G	Total demands pending out of E above							

Note: Only GST related Refund and demand details are to be mentioned here. This will not include non-GST refund claim or demand details





## FORM GSTR 9 : FY 17-18: Part VI

16	Information on supplies received from composition taxpayers, deemed supply under section 143 and goods sent on approval basis					
	Details	Taxable Value	CGST	SGST	IGST	Cess
	1	<b>COMMENT</b>				
A	Supplies received from Composition taxpayers	▪ Table 5 of Form GSTR 3B may be used for filling up these details. Only Taxable value is to be reported				
B	Deemed supply under Section 143	▪ Deemed supplies from principal to job worker shall be declared here				
C	Goods sent on approval basis but not returned	▪ Goods sent on approval but not returned within 180 days shall be declared here				

## FORM GSTR 9 : FY 17-18: Part VI

- ✓ **Sr. No 17 and 18:** It is optional for tax payer having turnover upto 1.5 crore. It is mandatory to report 2 digit level HSN Code for taxpayer having turnover in between 1.5 to 5 crore. It is mandatory to report 4 digit level HSN Code for taxpayer having turnover in more than 5 crore. UQC is to be reported only in case of goods
- ✓ **Sr. No. 18:** It may be noted that this summary details are required to be declared **only for those inward supplies, which in value, independently, account for 10 % or more of the total value of inward supplies**

17	HSN Wise Summary of outward supplies							
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	Central Tax	SGST	IGST	Cess

18	HSN Wise Summary of Inward supplies							
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	CGST	SGST	IGST	Cess

19	Late fee payable and paid		
	Description	Payable	Paid
	1	2	3
A	Central Tax		
B	State Tax		

# FORM GSTR 9 : FY 17-18: Verification

## ✓ No place to mention remark/reservation in Form GSTR 9

Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from and in case of any reduction in output tax liability the benefit thereof has been/will be passed on to the recipient of supply.

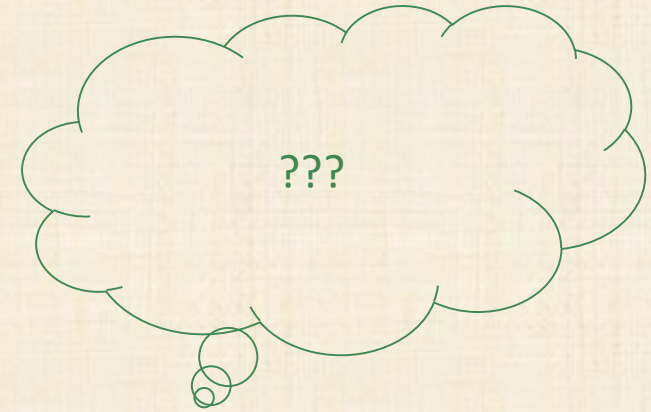
Place  
Signatory  
Date

Signature  
Name of Authorised  
Designation / Status

- ✓ **Option to pay additional tax liability:** Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select —Annual Return|| in the drop down provided in FORM DRC-03. It may be noted that such liability can be paid through electronic cash ledger only

# FORM GSTR 9 : FY 17-18: Payment of additional liability

- ✓ Whether additional liability as per GSTR 9 can be paid through ITC ?
  - **Option to pay additional tax liability:** Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select —Annual Return|| in the drop down provided in FORM DRC-03. It may be noted that such liability **can be paid through electronic cash ledger only**



# Analysis of Form GSTR 9C – For F.Y. 17-18

# FORM GSTR 9C

**TOTAL 5  
PARTS**

**Reconciliation of  
Audited Financial  
Statement with GSTR 9**

**TOTAL 16  
Reporting  
Heading**

**Reconciliation of Gross Turnover**

**Reconciliation of Taxable Turnover**

**Reconciliation of Rate Wise Liability and Amount  
Payable thereon**

**Additional Amount Payable due to above  
reconciliation but not paid**

**Reconciliation of Net ITC**

**Auditors Recommendation on additional Tax Liability**

**Verification**

**Audit Certification Report**

# FORM GSTR 9C : FY 17-18

## ✓ Information Required in Annual Return for

PERIOD	YES / NO
April 17 to June 17	<b>YES</b>
July 17 to Mar 18	YES
April 18 to Mar 19	<b>NO</b>

- ✓ In Form GSTR 9C, information of turnover of April 17 to June 17 is required to be given. Said details are also required to furnish in first GSTR 1 of F.Y. 17-18. Cross checking of said information with GSTR 1 is to be done.

# FORM GSTR 9C : FY 17-18: PART I

## “FORM GSTR-9C

See rule 80(3)

### PART – A - Reconciliation Statement

Pt. I	Basic Details	
1	Financial Year	
2	GSTIN	
3A	Legal Name	<Auto>
3B	Trade Name (if any)	<Auto>
4	Are you liable to audit under any Act?	<<Please specify>>
		(Amount in ₹ in all tables)

### COMMENT:

- Information of whole F.Y. 17-18 is required to be given in this form
- Financial Statements are to be divided
  - Into GSTIN wise, and
  - April 17 to June 17 and July 17 to Mar 18
- Particulars of audit under other Acts ( Companies Act 2013, Income Tax Act 1961, MVAT Act 2002 etc)
- It is mandatory to file all your FORM GSTR-1, FORM GSTR-3B and FORM GSTR -9 for the FY 2017-18 before filing this return

Name of Act, if you are liable to audit under any Act.	Companies Act 2013
Is the person making reconciliation statement (FORM GSTR-9C) is same person who had conducted the audit of mentioned GSTIN*	No



# FORM GSTR 9C : FY 17-18: PART II

## Pt. II Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)

5 Reconciliation of Gross Turnover	
A	Turnover (including exports) as per audited financial statements for the State / UT (For multi-GSTIN units under same PAN the turnover shall be derived from the audited Annual Financial Statement)
B	Unbilled revenue at the beginning of Financial Year (+)
C	Unadjusted advances at the end of the Financial Year (+)
D	Deemed Supply under Schedule I (+)
E	Credit Notes issued after the end of the financial year but reflected in the annual return (-)
F	Trade Discounts accounted for in the audited Annual Financial Statement but are not permissible under GST (+)

### COMMENT:

- **PARA 5A:**
  - There may be cases where multiple GSTINs (State-wise) registrations exist on the same PAN. This is common for persons / entities with presence over multiple States. Such persons / entities, will have to **internally derive their GSTIN wise turnover and declare the same here.**
  - It may be noted that reference to audited Annual Financial Statement **includes reference to books** of accounts in case of persons / entities having presence over multiple States
  - It include supply of goods and services , other income which is supply under GST.

- **PARA 5B:** It means, revenue booked in last F.Y. on accrual basis ( WIP etc), However invoice for the same is raised in F.Y. 17-18 and GST is charged on the same.
- **PARA 5C:** It means, advance on which GST is paid in FY 17-18 but invoice for the same is not raised in FY 17-18
- **PARA 5D:** It include adjustment on account of Schedule I Supply reported in GSTR 1, mainly: - Branch Transfer, Capital Goods transferred to under GSTIN unit etc
- **PARA 5E:** As per me, this para is not relevant and incorrect.
- **PARA 5F:** Trade discounts which are accounted for in the audited Annual Financial Statement but on which GST was leviable (being not permissible) shall be declared here

# FORM GSTR 9C : FY 17-18: PART II

## Pt. II Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)

G	Turnover from April 2017 to June 2017	(-)
H	Unbilled revenue at the end of Financial Year	(-)
I	Unadjusted Advances at the beginning of the Financial Year	(-)
J	Credit notes accounted for in the audited Annual Financial Statement but are not permissible under GST	(+)
K	Adjustments on account of supply of goods by SEZ units to DTA Units	(-)
L	Turnover for the period under composition scheme	(-)
M	Adjustments in turnover under section 15 and rules thereunder	(+/-)
N	Adjustments in turnover due to foreign exchange fluctuations	(+/-)

### COMMENT:

- **PARA 5G:** Turnover of F.Y. 17-18 are to be reported here.
- **PARA 5H:** Unbilled revenue (WIP) recorded on accrual basis in current FY but GST is not payable not the same. ( Tax invoice is also not raised in FY 17-18 and will be raised in next FY)
- **PARA 5I:** Value of all advances for which GST has not been paid but the same has been recognized as revenue in the audited Annual Financial Statement shall be declared here
- **PARA 5J:** Value of credit notes which have been accounted for in Financial Statement but were not admissible under Section 34 of the CGST Act shall be declared here
- **PARA 5K:** Value of goods supplied by SEZs to DTA for which the DTA units have filed bill of entry shall be declared here.

- **PARA 5L:** There may be cases where registered persons might have opted out of the composition scheme during the current financial year and its turnover as per the audited Financial Statement would include both turnover, as composition taxpayer as well as normal taxpayer. Therefore, turnover for which GST was paid under composition scheme shall be declared here.
- **PARA 5M:** Reporting under this para will be required when here the taxable value and the invoice value differ due to valuation principles under section 15

# FORM GSTR 9C : FY 17-18

## ✓ Example - Part II – Sr. No. 5B and 5C

<b>ADD ITEMS AT PART II (5) OF GSTR 9C</b>	<b>EXAMPLE</b>	<b>What It means for GSTR 9C of F.Y. 17-18</b>
5B. Unbilled Revenue at the beginning of F.Y. (+)	In F.Y. 16-17, in books, company has recognised some income as “Unbilled Revenue” of Rs 4 Crores . In Oct 17, company has raised invoice for said unbilled revenue and paid GST. Since this turnover is coming in GSTR Return of F.Y. 17-18 but not in Books of F.Y. 17-18, therefore it is to be added.	It means, for unbilled revenue of F.Y. 16-17, GST Invoice is raised in between July 17 to Mar 18
5C. Unadjusted Advances at the end of F.Y. (+)	In Sep 17, company has received advance of Rs 1 Crore. On said advance company has paid GST & disclosed in GST Return of Sep 17. Invoice for the same is raised in Jun 2018. Since this turnover is coming in GSTR Return of F.Y. 17-18 but not in Books for F.Y. 17-18, therefore it is to be added.	It means, advance received in F.Y. 17-18 on which GST is paid, but invoice for the same is raised on or after April 2018

# FORM GSTR 9C : FY 17-18

## ✓ Example - Part II – Sr. No. 5H and 5I

<b>LESS ITEMS AT PART II (5) OF GSTR 9C</b>	<b>EXAMPLE</b>	<b>What It means for GSTR 9C of F.Y. 17-18</b>
5H. Unbilled Revenue at the end of F.Y. (-)	In F.Y. 17-18, company has recognised some income as “Unbilled Revenue” of Rs 4 Crores. In Oct 18, company has raised invoice for said unbilled revenue and paid GST. Since this turnover is coming in Books of F.Y. 17-18 but not in GSTR Return of F.Y. 17-18, therefore it is to be deducted.	It means, unbilled revenue of F.Y. 17-18, GST Invoice is raised on or after April 18
5I. Unadjusted Advances at the beginning of F.Y. (-)	In Sep 17, company has received advance of Rs 1 Crore. On said advance company has paid GST and disclosed in GST Return. However invoice for the same is raised in June 2018. <u>GSTR 9C of F.Y. 18-19</u> : Since this turnover is coming in Books of 18-19 but GST is paid on the same in F.Y. 17-18 and therefore not having impact in GSTR 1 of June 18, ( in GSTR 1 of Jun 18, it will have Nil effect. Frist Entry in B2B and Second entry in adjustment of advance), therefore it is to be deducted in GSTR 9C of F.Y. 18-19	This will not come for F.Y. 17-18 GSTR9C. But it will come from F.Y. 18-19 onwards. It means, such advance on which GST is paid in last year, but invoice for the same is raised in current F.Y.

# FORM GSTR 9C : FY 17-18: PART II

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)		
O	Adjustments in turnover due to reasons not listed above	(+/-)	
P	Annual turnover after adjustments as above		<Auto>
Q	Turnover as declared in Annual Return (GSTR9)		
R	Un-Reconciled turnover (Q - P)		AT1
6	<b>Reasons for Un - Reconciled difference in Annual Gross Turnover</b>		
A	Reason 1	<<Text>>	
B	Reason 2	<<Text>>	
C	Reason 3	<<Text>>	

## COMMENT:

- **PARA 5O:** Residuary general para for reporting difference on some account. **Example:** Notice pay recovery, Sale of capital goods, Inputs and Capital Goods sent to job worker but not returned within the prescribed period, Incentive/rebate received from supplier
- **PARA 5P:** This amount will be auto reflected.
- **PARA 5Q:** This turnover may be derived from Sr. No. 5N, 10 and 11 of Form GSTR 9
- **PARA 5R and 6:** Reasons for non-reconciliation between the annual turnover declared in the audited Annual Financial Statement and turnover as declared in the Annual Return (GSTR 9) shall be specified here. Any liability arising therefrom must be disclosed at Table No.11 (Additional amount payable but not paid) & Part V as auditor's recommendation.

# FORM GSTR 9C : FY 17-18: PART II

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)	
7	<b>Reconciliation of Taxable Turnover</b>	
A	Annual turnover after adjustments (from 5P above)	<Auto>
B	Value of Exempted, Nil Rated, Non-GST supplies, No-Supply turnover	
C	Zero rated supplies without payment of tax	
D	Supplies on which tax is to be paid by the recipient on reverse charge basis	
E	Taxable turnover as per adjustments above (A-B-C-D)	<Auto>
F	Taxable turnover as per liability declared in Annual Return (GSTR9)	
G	Unreconciled taxable turnover (F-E)	<b>AT 2</b>
8	<b>Reasons for Un - Reconciled difference in taxable turnover</b>	
A	Reason 1	<<Text>>

## COMMENT:

- **PARA 7A:** It will be auto reflected
- **PARA 7B:** Amount net of Debit Note/ Credit Note to be reflected here.
- **PARA 7C:** Amount net of Debit Note/ Credit Note to be reflected here. SEZ Supplies under LUT are also be to be reflected here.
- **PARA 7D:** Amount net of Debit Note/ Credit Note to be reflected here.
- **PARA 7E:** It will be auto reflected
- **PARA 7F:** This turnover may be derived from Sr. No. [ ( 4N – 4G) + (10-11) ] of Form GSTR 9
- **PARA 7G and 8:** Reasons for non-reconciliation between adjusted annual taxable turnover as derived from Table 7E above and the taxable turnover declared in Table 7F shall be specified here.



# FORM GSTR 9C : FY 17-18: PART III

Pt. III	Reconciliation of tax paid					
9	Reconciliation of rate wise liability and amount payable thereon					
			Tax payable			
	Description	Taxable Value	Central tax	State tax / UT tax	Integrated Tax	Cess, if applicable
	1	2	3	4	5	6
A	5%					
B	5% (RC)					
C	12%					
D	12% (RC)					
E	18%					
F	18% (RC)					
L	Interest					
M	Late Fee					
N	Penalty					
O	Others					
P	Total amount to be paid as per tables above		<Auto>	<Auto>	<Auto>	<Auto>
Q	Total amount paid as declared in Annual Return (GSTR 9)					
R	Un-reconciled payment of amount				PT 1	
10	Reasons for un-reconciled payment of amount					
A	Reason 1	<<Text>>				
B	Reason 2	<<Text>>				
C	Reason 3	<<Text>>				
11	Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)					
			To be paid through Cash			
	Description	Taxable Value	Central tax	State tax / UT tax	Integrated tax	Cess, if applicable
	1	2	3	4	5	6
	5%					
	12%					
	18%					

## COMMENT:

- **PART III:** It is reconciliation of tax paid as per Form GSTR 9C and Form GSTR 9. Rate wise details are to be given. "RC" under this table means, Tax paid under RCM
- **PARA 9P:** It is total of 9A to 9O and it will be auto reflected
- **PARA 9Q:** Amount payable as declared in Table 9, Table 10, Table 11 of the Form GSTR9 shall be declared here.
- **PARA 10:** Reasons for non-reconciliation between payable / liability declared in Table 9P and the amount payable in Table 9Q shall be specified here
- **PARA 11:** It will be auto reflected
- **PARA 7F:** Amount which is payable due to reasons specified under Table 6, 8 and 10 shall be declared here

# FORM GSTR 9C : FY 17-18: PART IV

## IV 12 Reconciliation of Net Input Tax Credit (ITC)

A	ITC availed as per audited Annual Financial Statement for the State/ UT (For multi-GSTIN units under same PAN this should be derived from books of accounts)			
B	ITC booked in earlier Financial Years claimed in current Financial Year	(+)		
C	ITC booked in current Financial Year to be claimed in subsequent Financial Years	(-)		
D	ITC availed as per audited financial statements or books of account			<Auto>
E	ITC claimed in Annual Return (GSTR9)			
F	Un-reconciled ITC			ITC 1
13	Reasons for un-reconciled difference in ITC			
A	Reason 1	<<Text>>		
B	Reason 2	<<Text>>		
C	Reason 3	<<Text>>		
14	Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account			
	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	4
A	Purchases			

### COMMENT:

- **PARA 12A:** Total ITC availed amount is never disclosed on the face of Balance Sheet. Therefore, it is to be derived from Books of Accounts. Net ITC availed ( after reversal if any) is to be reported here.
- **PARA 12B:** ITC which was recorded in books in earlier FY, but availed in GSTR 3B of current FY shall be declared here. This includes Transitional Credit.
- **PARA 12C:** ITC which was recorded in books in current FY, but not availed in GSTR 3B of current FY shall be declared here.
- **PARA 12D:** It will be auto reflected
- **PARA 12E:** ITC available for utilization as declared in Table 7J of Form GSTR9 shall be declared here.
- **PARA 12F and 13:** Reasons for non-reconciliation of ITC to be shall be specified here
- **PARA 14A to 14R:** It is expenses wise ITC reco. of Financial Statement and Form GSTR 9. Expenses wise details are to be given for amount mentioned in Para 12D of Form GSTR 9C



# FORM GSTR 9C : FY 17-18: PART IV

	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	4
A	Purchases			
B	Freight / Carriage			
C	Power and Fuel			
D	Imported goods (Including received from SEZs)			
E	Rent and Insurance			
F	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples			
G	Royalties			
H	Employees' Cost (Salaries, wages, Bonus etc.)			
I	Conveyance charges			
J	Bank Charges			
K	Entertainment charges			
L	Stationery Expenses (including postage etc.)			
M	Repair and Maintenance			
N	Other Miscellaneous expenses			

O	Capital goods			
P	Any other expense 1			
Q	Any other expense 2			
R	Total amount of eligible ITC availed			<<Auto>>
S	ITC claimed in Annual Return (GSTR9)			
T	Un-reconciled ITC			ITC 2
15	Reasons for un - reconciled difference in ITC			
A	Reason 1	<<Text>>		
B	Reason 2	<<Text>>		
C	Reason 3	<<Text>>		
16	Tax payable on un-reconciled difference in ITC (due to reasons specified in 13 and 15 above)			
	Description	Amount Payable		
	Central Tax			
	State/UT Tax			

## COMMENT:

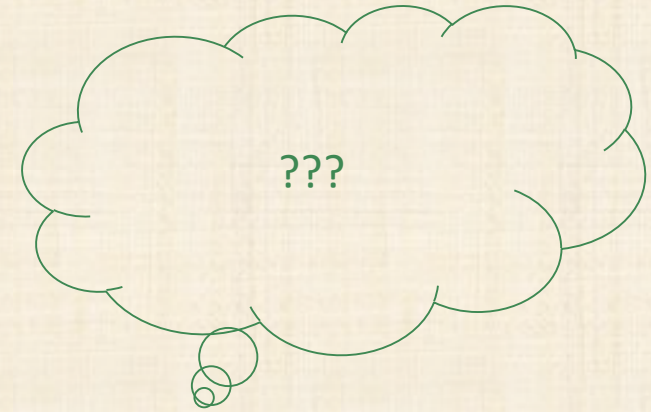
- **PARA 14F:** Goods given as Free sample are not recorded as expenses. This head is incorrect.
- **PARA 14R:** It will be auto reflected
- **PARA 14S:** ITC available for utilization as declared in Table 7J of Form GSTR9 shall be declared here.

# FORM GSTR 9C : FY 17-18: PART V

Pt. V	Auditor's recommendation on additional Liability due to non-reconciliation				
	To be paid through Cash				
Description	Value	Central tax	State tax / UT tax	Integrated tax	Cess, if applicable
1	2	3	4	5	6
5%					
12%					
18%					
28%					
3%					
0.25%					
0.10%					
Input Tax Credit					
Interest					
Late Fee					
Penalty					
Any other amount paid for supplies not included in Annual Return					
(GSTR 9)					
Erroneous refund to be paid back					
Outstanding demands to be settled					
Other (Pl. specify)					

## COMMENT:

- AUDITORS RECOMMENDATION:** Part V consists of the auditor's recommendation on the additional liability to be discharged by the taxpayer due to (a) non-reconciliation of turnover or ITC (b) supplies not included in GSTR 9 (c) Refund erroneously taken (d) any other outstanding demands which is recommended to be settled by the auditor shall be declared in this Table.
- TAX PAYABLE, DUE TO AUDIT OBSERVATION:** Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select — Reconciliation Statement, in the drop down provided in FORM DRC-03. It may be noted that such liability shall be paid through electronic cash ledger only.



# Auditor Recommendation

# FORM GSTR 9C : Auditor Recommendation

## ▪ Important Points:

- ✓ Interest Liability for late payment of tax, due to late filing of Return
- ✓ Interest liability for late disclosure of sales transaction [ Sales of Aug 17, disclosed in May 18 GST Return ]
- ✓ Other income
- ✓ Blocked ITC
- ✓ Recovery from Employee
- ✓ ITC compliance - Payment within 180 days to supplier
- ✓ RCM liability – GTA, Import of services, Advocate, ocean freight etc
- ✓ RCM liability – Specific attention to URD RCM upto its applicability
- ✓ ITC Reversal in case of Exempt supply
- ✓ Interest liability on wrong availment of ITC
- ✓ Tax is paid correctly as per place of supply provisions.
- ✓ ITC implications in case of Gift / Sample
- ✓ Tax is paid on advance received – if not, interest implications



# FORM GSTR 9C : FY 17-18: Verification

## ▪ VERIFICATION BY AUDITOR:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.

(Signature and stamp/Seal of the Auditor)

Place: ..... Name of the signatory ..... Membership No..... Date: ..... Full address  
.....

## ▪ VERIFICATION OF REGISTERED PERSON (TAX PAYER):

I hereby solemnly affirm and declare that I am uploading the reconciliation statement in FORM GSTR-9C prepared and duly signed by the Auditor and nothing has been tampered or altered by me in the statement. I am also uploading other statements, as applicable, including financial statement, profit and loss account and balance sheet etc.

Signature -----Place -----Date ----- Name of Authorized Signatory -----Designation/status

# FORM GSTR 9C : FY 17-18: Part B - Certification by Auditor

## I. Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up **by the person who had conducted the audit**

### ▪ **Certification Points:**

- ✓ I have examined the financial Statements
- ✓ Registered person has maintained the books of accounts required under the Act
- ✓ I have obtained all information / Explanation
- ✓ Financial Statement is in agreement with books of accounts
- ✓ Particulars given in the said Form No.GSTR-9C are true and correct subject to following observations/ qualifications / comments / discrepancies.

## II. Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up **by a person other than the person who had conducted the audit of the accounts**

### ▪ **Certification Points:**

- ✓ Registered person has maintained the books of accounts required under the Act
- ✓ Particulars given in the said Form No.GSTR-9C are true and correct subject to following observations/ qualifications



# GST ANNUAL RETURN AND AUDIT: KEY ISSUES

## ▪ Important Points:

- ✓ Pending ITC
- ✓ Pending RCM liability and its ITC
- ✓ Wrong payment of tax
- ✓ Is RCM invoices is prepared by auditee
- ✓ Payment of liability ( whether as per GSTR 9 or 9C ) through ITC
- ✓ Revision of GSTR 9 / 9C is not possible
- ✓ GSTIN wise trail balance to be obtained in case of mutli GSTIN tax payer
- ✓ GSTIN wise financial details and that too divided between April 17 to June 17 and July 17 to Mar 18

# GST ANNUAL RETURN AND AUDIT: Documentation

## ▪ **Important Points:**

- ✓ Audit Appointment letter
- ✓ Ensure your eligibility
- ✓ Audit working papers
- ✓ Management Representation letter –
  - It can not save you from your scope of work and expectation government have from auditor.
  - However, it will serve the purpose of how you conducted the audit and what reliance you put in.
  - ICAI format of MRM
- ✓ Audit Observation / Comments / Qualification – should be discussed with auditee



# INTERNAL AUDITOR CAN NOT BECOME GST AUDITOR

## Announcement

### **Sub. : Internal Auditor not to undertake Goods and Service Tax (GST) Audit simultaneously**

We have received enquiries from the members at large and other stakeholders as to whether an internal auditor of an entity can also undertake GST Audit of the same entity as required under the Central Goods and Service Act, 2017.

The Council of the Institute, while considering the issue at its 378<sup>th</sup> Meeting held on 26<sup>th</sup> and 27<sup>th</sup> September, 2018, noted its earlier decision taken at its 281st Meeting held from 3<sup>rd</sup> to 5<sup>th</sup> October, 2008, that internal auditor of an assessee, whether working with the organization or independently practising Chartered Accountant being an individual chartered accountant or a firm of chartered accountants, cannot be appointed as his Tax auditor (under the Income Tax Act, 1961).

Upon consideration, the Council has decided that based on the conflict in roles as statutory and internal auditor simultaneously, the bar on internal auditor of an entity to accept tax audit (under Income Tax Act, 1961) will also be applicable to GST Audit (under the Central Goods and Service Act, 2017).

**Accordingly, it is clarified that an Internal Auditor of an entity cannot undertake GST Audit of the same entity.**

28.9.2018

# CONTACT US

✂ GST UPDATES, E BOOK, ARTICLES ✂

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**If you fail to plan....., You are planning to fail .... !!**

**Thank You.**

**PRESENTED BY**

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