

Seminar for CA Students on GST Annual Return

Raj Khona
B.COM, C.A.

ICAI Bhawan, BKC
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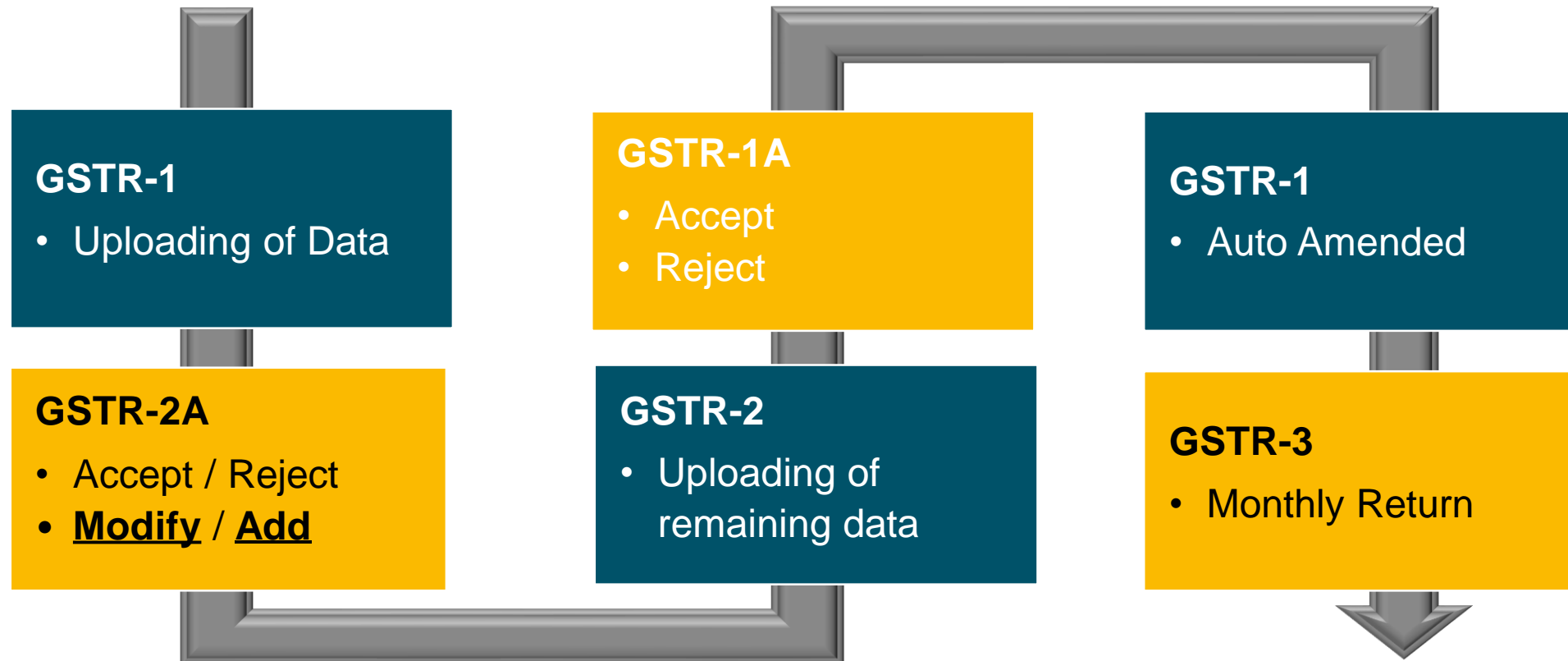
Agenda for Discussion

- Legal Provisions governing the topic for discussion
- Broad Structure and Connected Issues
- Clause by Clause Analysis of FORM GSTR-9
- Q & A Round

Legal Provisions governing the topic for discussion



Contemplated Flow of Returns



Present GST Returns Mechanism

Active GST Returns

- **Form GSTR 3B:** Consolidated return for inward & outward supplies filed on monthly basis [Rule 61(5) of CGST Rules, 2017]
- **Form GSTR 1:** Details of outward supplies to be filed on monthly/quarterly basis

Suspended GST Returns

- **Form GSTR 2:** Details of inward supplies
- **Form GSTR 3:** Monthly return

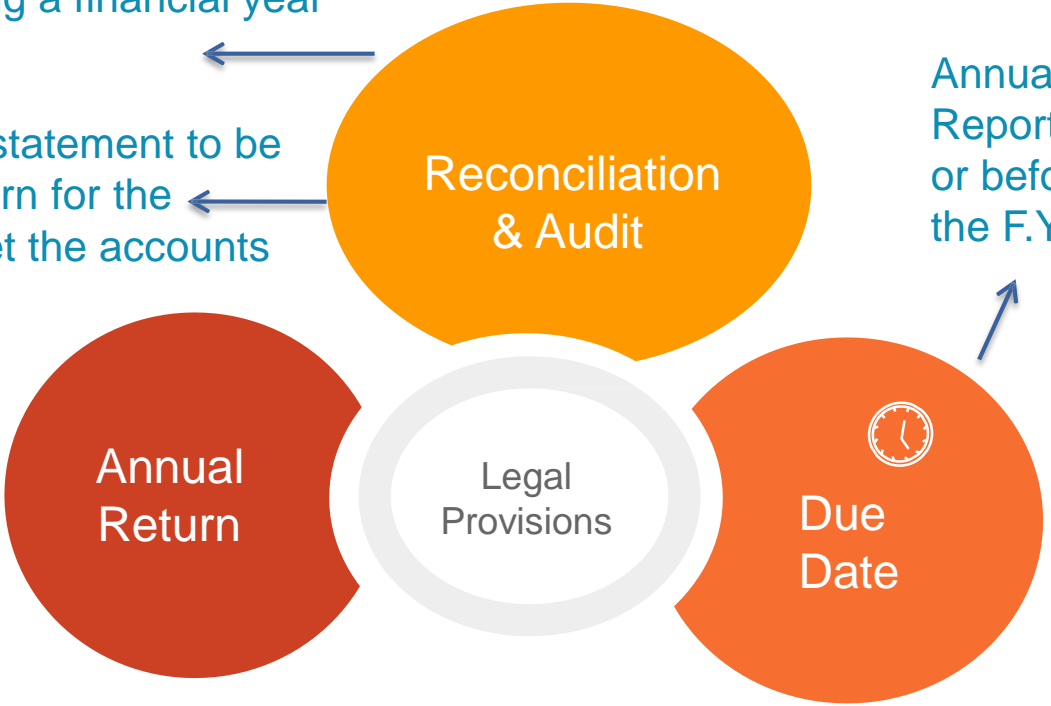
* **Filing of GSTR-2 has been suspended as of now. However, taxpayers can view the details of tax invoices uploaded by its supplier in Form GSTR -2A.**

Legal Provisions and Requirements

Section 35(5): Requirement to get accounts and other records audited by a CA/CWA if turnover during a financial year exceeds prescribed limit.

Section 44(2): A reconciliation statement to be furnished along with annual return for the registered person required to get the accounts audited.

Section 44(1): A registered person is required to furnish an annual return.



Annual Return and Audit Report to be furnished on or before 31.12.2019 for the F.Y. 2017-18.

FORMS

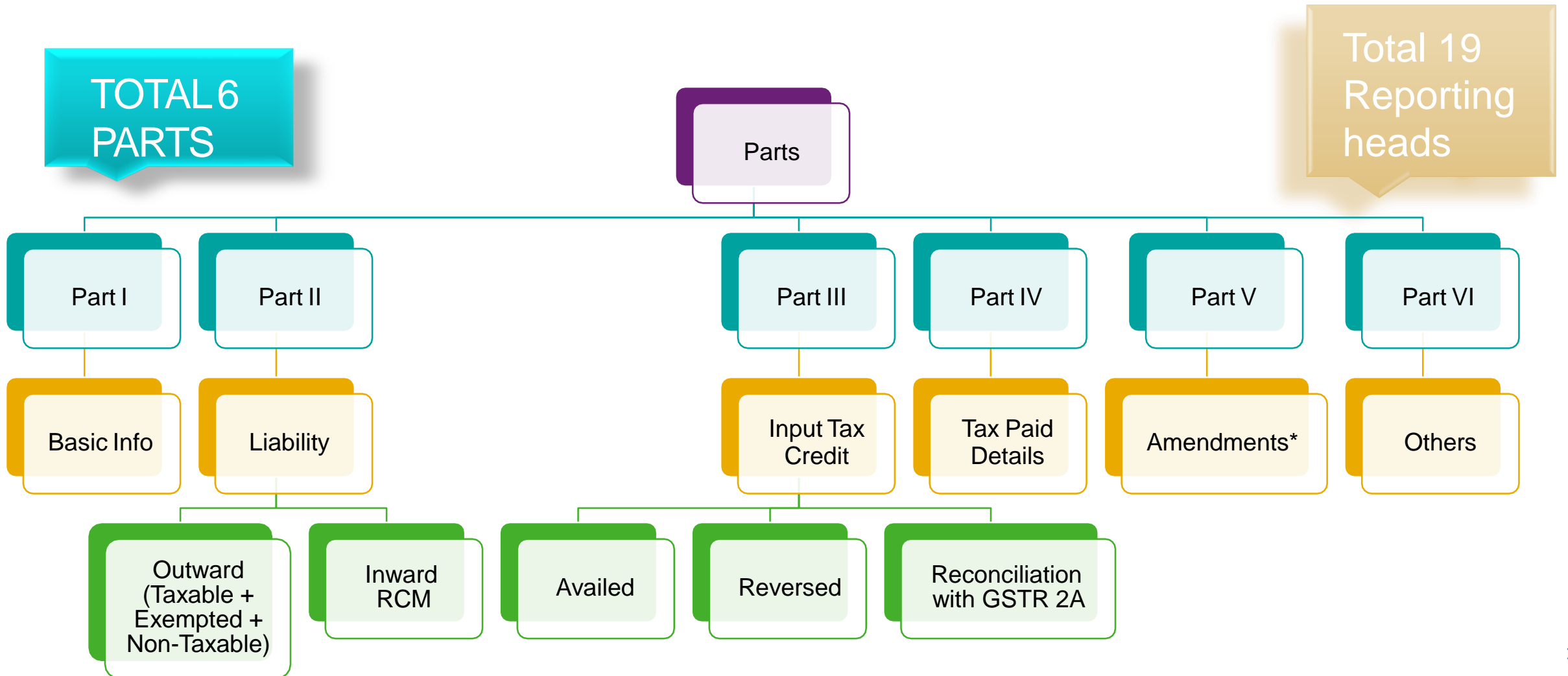
- Annual Returns
 - FORM GSTR-9 : Annual Return for normal taxpayers
 - FORM GSTR-9A : Annual Return for taxpayers under composition scheme

Annual Return : FORM GSTR 9

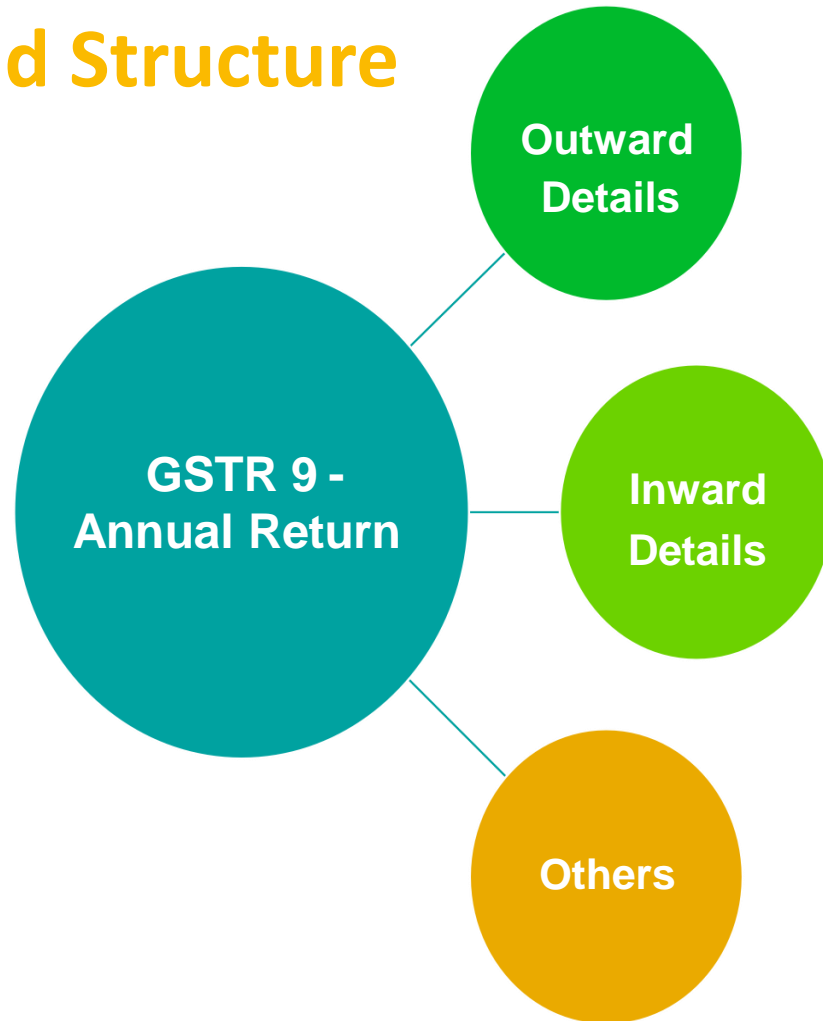
Broad Structure and Connected Issues



FORM GSTR 9 : Broad Structure



FORM GSTR 9 : Broad Structure



- **Table 4:** Details of Outward supplies & Inward Supplies on which tax is payable
- **Table 5:** Details of Outward supplies on which tax is not payable
- **Table 10 & 11:** Supplies/tax declared/reduced through Amendments

- **Table 6:** Details of ITC Availed
- **Table 7:** Details of ITC reversed
- **Table 8:** Reconciliation of ITC availed with GSTR 2A
- **Table 12 & 13:** Details of ITC availed/reversed through Amendments

- **Table 15:** Basic Details, Details of Taxes Paid, Details of Demands and Refunds
- **Table 16:** Information on supplies received from composition taxpayers, deemed supply under section 143 and goods sent on approval basis.
- **Table 17 & 18:** HSN wise summary of inward and outward supplies

Filing of annual return made optional for taxpayers having aggregate turnover below 2 crores

- **Notification No. 47/2019 – Central Tax New Delhi dated the 9th October 2019**

“.....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.”

- Meaning of the proviso – “...deemed to have been furnished ... if not furnished...”
- Circular No. 124/43/2019 - GST – Mandatory to file annual return before due date. Post due date GSTN will block filing by such taxpayers

Common Doubts about Annual Return

Whether Annual Return required to be furnished compulsorily?

Yes

Except ISD, Casual & Non-Resident TP, Persons with T/O less than 2 crores

Whether Annual Return to be filed separately for each registration?

Yes

Time Limit – Before 31.12.2019

Is Vendor Reconciliation required for annual return?

Yes

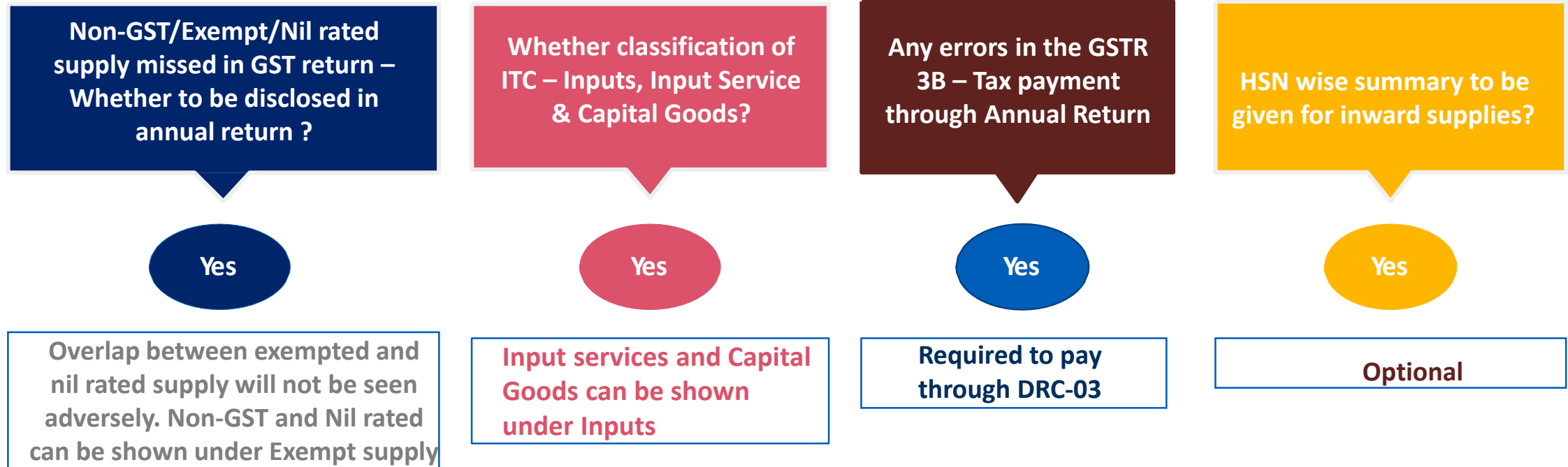
Before due date of March 2019 return

Can Annual Return be amended?

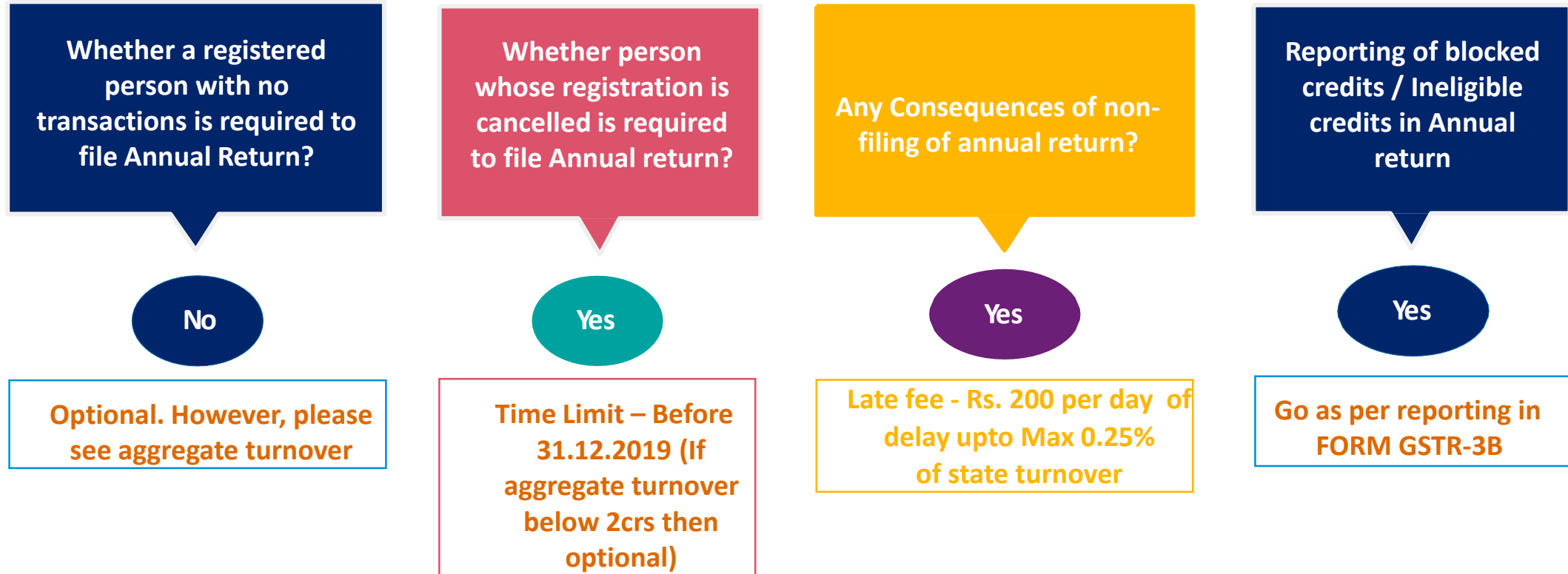
No

No provision to amend return

Common Doubts about Annual Return



Common Doubts about Annual Return



Clause by Clause Analysis of FORM GSTR-9



FORM GSTR-9 : FY 17-18 : Part I and Part II

"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 made 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 made during the financial year* on which tax is payable financial year						


FORM GSTR 9 : FY 17-18 : Part II

S.N	HEADING	COMMENTS
A	Supplies made to un-registered persons (B2C)	<ul style="list-style-type: none"> Reported from Table 5 (Large B2C category: POS is in different State & Value more than Rs. 2.5 lakhs), Table 7 (B2C Small category), Table 9 (Amendment of Table 5), Table 10 of GSTR 1 (Amendment of Table 7) Net of Debit / credit note to be reported
B	Supplies made to registered persons (B2B)	<ul style="list-style-type: none"> Reported from Table 4A(B2B) and Table 4C (Supply through E-commerce) of GSTR 1 Debit / credit note to be reported separately.
C	Zero rated supply (Export) on payment of tax (except supplies to SEZs)	<ul style="list-style-type: none"> Reported from Table 6A of GSTR 1 Export under LUT is not to be reported here. Debit / credit note to be reported separately.
D	Supply to SEZs on payment of tax	<ul style="list-style-type: none"> Reported from Table 6B of GSTR 1 Debit / credit note to be reported separately.
E	Deemed Exports	<ul style="list-style-type: none"> Reported from Table 6C of GSTR 1 (NN 48/2017-CT Supply against AA, EPCG etc) Debit / credit note to be reported separately.

FORM GSTR 9 : FY 17-18 : Part II

S.N	HEADING	COMMENT
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"> ▪ Here, case of advance received but invoice not issued during July 17 to Mar 18 are to be reported (Table 11A of GSTR 1) ▪ Advance against goods was taxable upto 15.11.17 (NN 66/2017CT) ▪ Detailed is to be compiled from Table 11 (11A & 11B) of GSTR-1. Net effect to be reported. Refund of advances not to be reported.
G	Inward supplies on which tax is to be paid on reverse charge basis	<ul style="list-style-type: none"> ▪ As Recipient - Cases where Sec 9(3), 9(4) is applicable to be reported.(It doesn't include Import of Goods). ▪ Reported from Table 3.1(d) of Form GSTR 3B ▪ Including Advances ▪ Net of Debit / credit note to be reported
H	Sub-total (A to G above)	
I	Credit Notes issued in respect of transactions specified in (B) to (E) above (-)	<ul style="list-style-type: none"> ▪ Reported from Table 9B of GSTR 1. ▪ Details of Credit note of B2C is to be mentioned in Para 4A above
J	Debit Notes issued in respect of transactions specified in (B) to (E) above (+)	<ul style="list-style-type: none"> ▪ Reported from Table 9B of GSTR 1. ▪ Details of Debit note of B2C is to be mentioned in Para 4A above
K	Supplies / tax declared through Amendments (+)	<ul style="list-style-type: none"> ▪ Details of amendment made to above Para 4B, Para 4C, Para 4D, Para 4E, Para 4I, Para 4J to be reported here. ▪ Reported from Table 9A and Table 9C of GSTR 1

FORM GSTR 9 : FY 17-18 : Part II

S.N	HEADING	COMMENT
L	Supplies / tax reduced through Amendments (-)	<ul style="list-style-type: none"> ▪ Details of amendment made to above Para 4B, Para 4C, Para 4D, Para 4E, Para 4I, Para 4J to be reported here. ▪ Reported from Table 9A and Table 9C of GSTR 1
M	Sub-total (I to L above)	
N	Supplies and advances on which tax is to be paid (H + M) above	 <p><i>Will be transferred in GSTR 9C to match with Financial Turnover</i></p>
5	Details of Outward supplies on which tax is not payable	
A	Zero rated supply (Export) without payment of tax	<ul style="list-style-type: none"> ▪ Reported from Table 6A of GSTR 1 ▪ Export under LUT is to be reported here.
B	Supply to SEZs without payment of tax	<ul style="list-style-type: none"> ▪ Reported from Table 6B of GSTR 1 ▪ Supplies under LUT is to be reported here.
C	Supplies on which tax is to be paid by the recipient on reverse charge basis	<ul style="list-style-type: none"> ▪ As Supplier - Cases where Sec 9(3), 9(4) is applicable to be reported. Reported from Table 4B of Form GSTR1. ▪ Debit / credit note to be reported separately

FORM GSTR 9 : FY 17-18 : Part II

S.N	HEADING	COMMENT
D	Exempted	<ul style="list-style-type: none"> Reported from Table 8 of Form GSTR 1
E	Nil Rated	<ul style="list-style-type: none"> Reported from Table 8 of Form GSTR 1
F	Non-GST supply (Includes "No Supply")*	<ul style="list-style-type: none"> Reported from Table 8 of Form GSTR 1. "No Supply" category is also be covered here.
G	Sub-total (A to F above)	
H	Credit Notes issued in respect of transactions specified in A to F above (-)	<ul style="list-style-type: none"> Reported from Table 9B of Form GSTR 1
I	Debit Notes issued in respect of transactions specified in A to F above (+)	
J	Supplies declared through Amendments (+)	<ul style="list-style-type: none"> Reported from Table 9A & Table 9C of Form GSTR 1
K	Supplies reduced through Amendments (-)	
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"> This will include advances on which tax is paid but invoice is not issued during the year (Unadjusted Advances).

FORM GSTR 9 : FY 17-18 : Part V

Part V	For FY 2017-18, particulars of the transactions for the FY 2017-18 declared in returns between April 2018 till March 2019	
S.N	HEADING	COMMENT
10	Supplies / tax declared through Amendments (+) (net of debit notes)	Amendment done in April 18 to March 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 March 19 may be used for filling these details.
11	Supplies / tax reduced through Amendments (-) (net of credit notes)	

FORM GSTR 9 : FY 17-18 : Part III

Pt. III	Details of ITC as declared for the financial year* filed during financial year'					
	Description	Type	CGST	SGST	IGST	Cess
	1	2	3	4	5	6
6	Details of ITC availed during the financial year*					
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	<ul style="list-style-type: none"> Table 4(A)(5) of GSTR 3B can be used for filing up these details Credit availed, but reversed and then re-claimed shall not be reported here. It is to be reported in below Para 6(H) 			
Capital Goods						
Input Services						

FORM GSTR 9 : FY 17-18 : Part III

S.N	HEADING	COMMENT
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"> ▪ Table 4(A)(3) of GSTR 3B can be used for filing up these details. ▪ Credit of tax paid as per Sec 9(4) is to be considered here ▪ It doesn't include import of service
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"> ▪ Table 4(A)(3) of GSTR 3B can be used for filing up these details. ▪ Credit of tax paid as per Sec 9(3) is to be considered here
E	Import of goods (including supplies from SEZs)	<ul style="list-style-type: none"> ▪ Table 4(A)(1) of GSTR 3B can be used for filing up these details. Entire credit availed on import of goods from July 2017 to March 2019 should be reported here.
F	Import of services (excluding inward supplies from SEZs)	<ul style="list-style-type: none"> ▪ Table 4(A)(2) of GSTR 3B can be used for filing up these details.
G	Input Tax credit received from ISD	<ul style="list-style-type: none"> ▪ Table 4(A)(4) of GSTR 3B can be used for filing up these details.

FORM GSTR 9 : FY 17-18 : Part III

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

FORM GSTR 9 : FY 17-18 : Part III

S. N.	HEADING	COMMENT
B	As per Rule 39	<ul style="list-style-type: none"> Table 4B of GSTR 3B may be used for reporting this. Reversal of excess ITC distributed credit by ISD as per Rule 39(1)(j), 39(2)
C	As per Rule 42	<ul style="list-style-type: none"> Table 4B of GSTR 3B may be used for reporting this. Reversal of ITC of Input/Input Services, if used for exempted supply
D	As per Rule 43	<ul style="list-style-type: none"> Table 4B of GSTR 3B may be used for reporting this. Reversal of ITC of CG, if used for exempted supply
E	As per section 17(5)	<ul style="list-style-type: none"> Table 4D of GSTR 3B may be used for reporting this. If value of Table 4D was not included in 4A, then no entry to be made.
F	Reversal of TRAN-I credit	<ul style="list-style-type: none"> Table 4B of GSTR 3B may be used for reporting this
G	Reversal of TRAN-II credit	
H	Other reversals (pl. specify)	<ul style="list-style-type: none"> ITC reversed through ITC 03, Sale of CG, Reversal due to closure of business or any other reversal may be reported here
I	Total ITC Reversed (A to H above)	
J	Net ITC Available for Utilization (6O - 7I)	

FORM GSTR 9 : FY 17-18 : Part III

S.N	HEADING	COMMENT
8	Other ITC related information	
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	This will be auto populated by system from GSTR 2A. Date on which data from GSTR 2A will be auto populated – 01.05.2019
B	ITC as per sum total of 6(B) and 6(H) above	It will be auto populated. (In form notified by govt, auto comment is mentioned only for CGST, and not for other. It might be typing mistake.
C	For FY 2017-18, 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, 2018 to March, 2019	Credit pertaining to July 17 to Mar 18, but availed in GSTR 3B of April 18 to March 19, shall be declared here. Table 4(A)(5) of Form GSTR 3B may be used for filling up these details
D	Difference [A-(B+C)]	The value in row 8D can be negative. (Instruction to Table 8D)
E	ITC available but not availed (out of D)	Amount of Para 8E + 8F = 8D
F	ITC available but ineligible (out of D)	
G	IGST paid on import of goods (including supplies from SEZ)	

FORM GSTR 9 : FY 17-18 : Part III

S.N	HEADING	COMMENT
H	IGST credit availed 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

Issues for discussion

- Mismatch of ITC – Difference between GSTR-2A vs. GSTR-3B
 - Supplier has not filed GST returns and does not respond.
 - Supplier has uploaded invoice as B2C instead of B2B.
 - Supplier has filed the return, but invoice is not appearing.
 - Supplier uploaded the invoice on different GSTIN number.
 - Supplier has saved the GSTR-1 and not submitted.
- **Bombay High Court in Mahalaxmi Cotton Ginning Pressing and Oil Industries vs. State of Maharashtra [2012 (051) VST 0001 BOM]**
- **Commissioner of Trade and Taxes Delhi vs. Arise India Limited (2018-VIL-01- SC)**
- **Section 155** - Where any person claims that he is eligible for input tax credit under this Act, the burden of proving such claim shall lie on such person.
- **Bharti Telemedia Ltd. Writ Petition No. 6293/2019 – Delhi High Court – Listed on 18.09.2019**

FORM GSTR 9 : FY 17-18 : Part IV

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			
				Central Tax	State Tax / UT Tax	Integrated Tax	Cess
	1	2	3	4	5	6	7
	Integrated Tax						
	Central Tax						
	State/UT Tax						
	Cess						
	Interest						
	Late fee						
	Penalty						
	Other						

Clarification: Payments made through FORM DRC-03 for any supplies relating to period between July 2017 to March 2018 will not be accounted for in FORM GSTR-9 but shall be reported during reconciliation in FORM GSTR-9C.

FORM GSTR 9 : FY 17-18 : Part V

Part V	For FY 2017-18, Particulars of the transactions for the FY 2017-18 declared in returns between April 2018 till March 2019	
S.N	HEADING	COMMENT
12	Reversal of ITC availed during previous financial year	Reversal of ITC / availment of ITC in April 18 to Mar 19 GSTR 3B, w.r.t ITC availed in July 17 to Mar 18/Document of July 17 to Mar 18, shall be reported here. Table 4(B) of GSTR 3B of April 18 to March 19 may be used for filling these details
13	ITC availed for the previous financial year	

Instruction to Table 13

- However, any ITC which was reversed in the FY 2017-18 as per second proviso to subsection (2) of section 16 but was reclaimed in FY 2018-19, the details of such ITC reclaimed shall be furnished in the annual return for FY 2018-19.

FORM GSTR 9 : FY 17-18 : Part VI

Pt. VI 15	Other Information							
	Particulars of Demands and Refunds							
	Details	Central Tax	State Tax / UT Tax	Integrated Tax	Cess	Interest	Penalty	Late Fee / Others
	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							

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	Central Tax	State Tax / UT Tax	Integrated Tax	Cess
	1	2	3	4	5	6
A	Supplies received from Composition taxpayers					
B	Deemed supply under Section 143					
C	Goods sent on approval basis but not returned					

FORM GSTR 9 : FY 17-18 : Part VI

17 HSN Wise Summary of outward supplies								
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	Central Tax	State Tax / UT Tax	Integrated Tax	Cess
1	2	3	4	5	6	7	8	9
18 HSN Wise Summary of Inward supplies								
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	Central Tax	State Tax / UT Tax	Integrated Tax	Cess
1	2	3	4	5	6	7	8	9
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

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

SECTION 171:

- Any reduction in rate of tax or
- the benefit of input tax credit

shall be passed on to the recipient by way of commensurate reduction in prices

Any Questions?



Presentation by
CA Raj Khona
Associate Director

Khimji Kunverji & Co. LLP
Chartered Accountants

M: +91 7208331470
E: raj@kkc.in

THANK YOU