



# GST Course for CA Students organized by WIRC of ICAI

Presented by:

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June 24, 2017

# Topics to be Covered

Registration & Related Transitional Provisions

Returns

E-way Bills

Payments and Accounts

Audit by Professional (Annual Reconciliation Statement)

# Basis of Discussion

## Act

- Central Goods and Services Tax Act, 2017
- State Goods and Services Tax Act, 2017
- Integrated Goods and Services Tax Act, 2017
- Union Territory Goods and Services Tax Act, 2017

## Rules (Yet to be notified)

- Rules on Registration
- Rules on Returns
- Rules on Accounts and Records
- Rules on Payment of Tax
- E-way Bills



# *Registration*

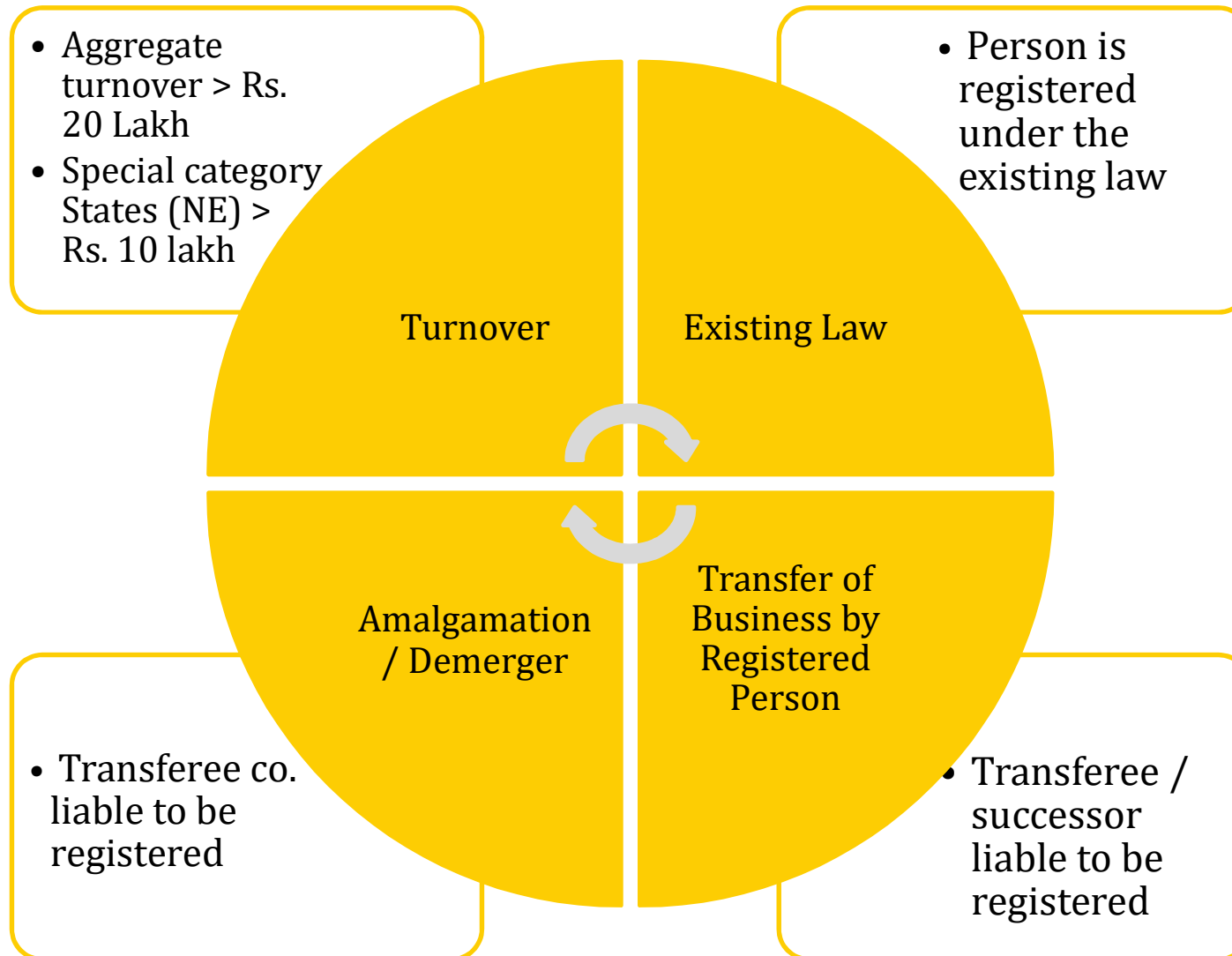
# Importance of Registration

## Why is GST Registration Important?

GST registration is critical because it will enable you to avail various benefits that are available under the GST regime.:

- One such benefit is to avail seamless input tax credit.
- Multiple taxes are being clubbed under GST and thus the cascading of taxes that is prevailing currently will no longer be the case.
- Also, timely registration will help you avoid any kind of interface with tax authorities.

# Registration – Sec 22



# Sec 22 - Registration

## **Taxable Supply –**

Supply of Goods or services or both which is leviable to tax under this Act

## **Aggregate Turnover –**

It includes all Supplies made by the taxable person, whether made on his own account or made on behalf of all his principals.

Aggregate Turnover = Taxable Supplies + Exempt Supplies + Export – Taxes / Cess

# Registration – Sec 23

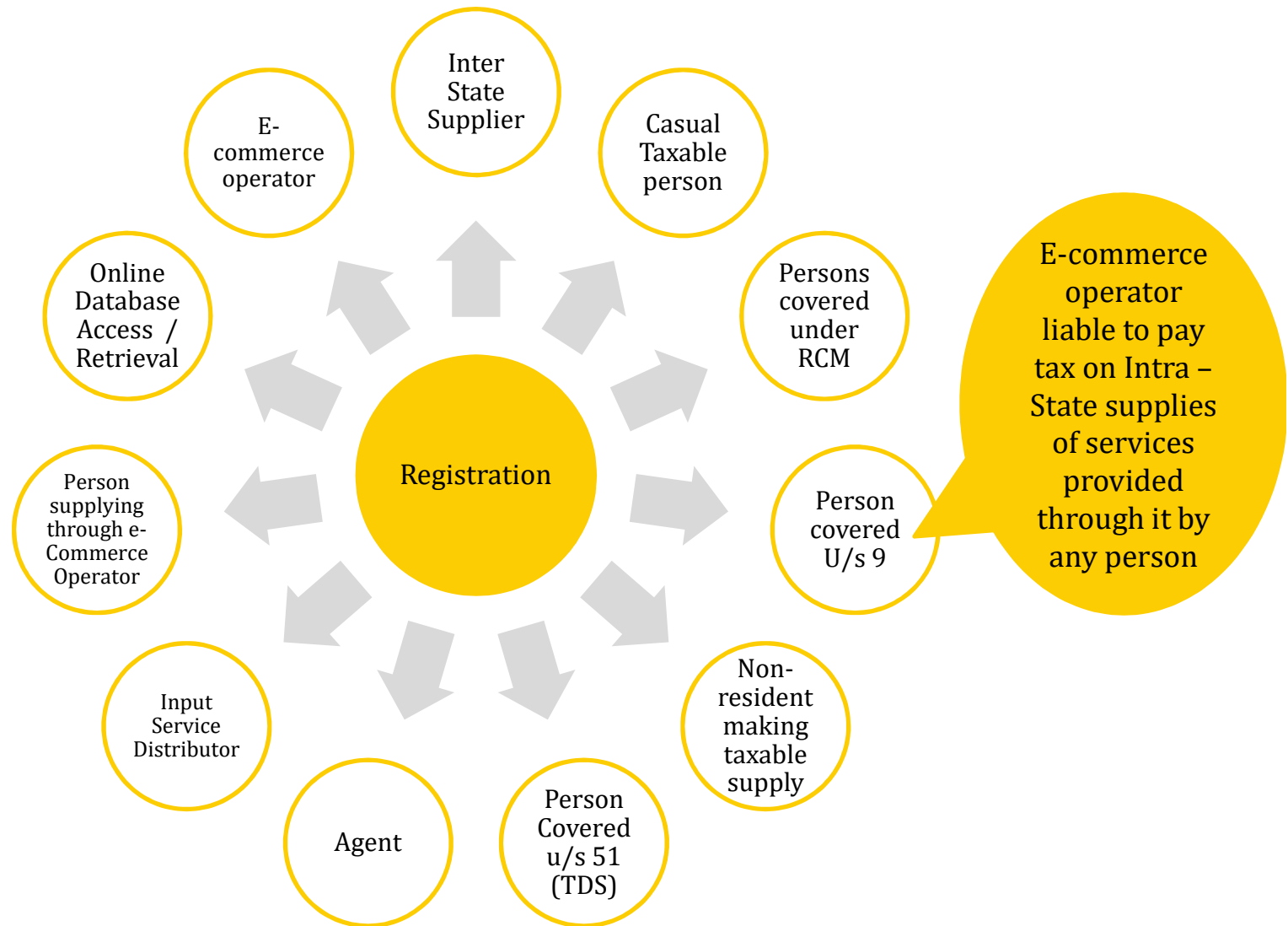
Following Persons not liable for Registration

any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under IGST

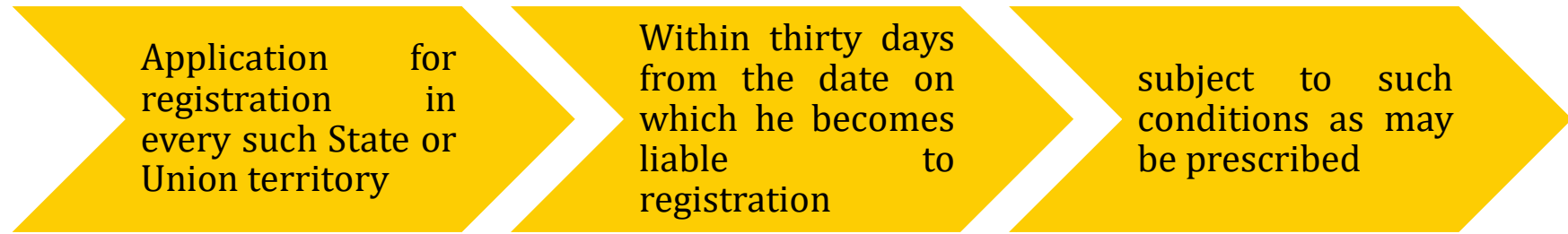
an agriculturist, to the extent of supply of produce out of cultivation of land



# Compulsory Registration - Sec 24



# Procedure for Registration – Sec 25(1)



If supplier located in territorial water the application for registration shall be mad in the State / UT whose baseline is nearest.

# Procedure for Registration Casual and Non-Resident Taxable person

## When to apply

5 Days prior to commencement of business

## Validity of Registration

Period mentioned in application or 90 days whichever is earlier.  
(further extension upto 90 days allowed)

## When can supply?

Supplies can be made only after registration

## Tax Payment?

Tax payment shall be made in advance.

# Procedure for Registration – Business Vertical

Section 25(2)

Single registration to a person

Separate Registration to a business vertical may be granted

Business vertical should have risks and rewards separate from the other business verticals

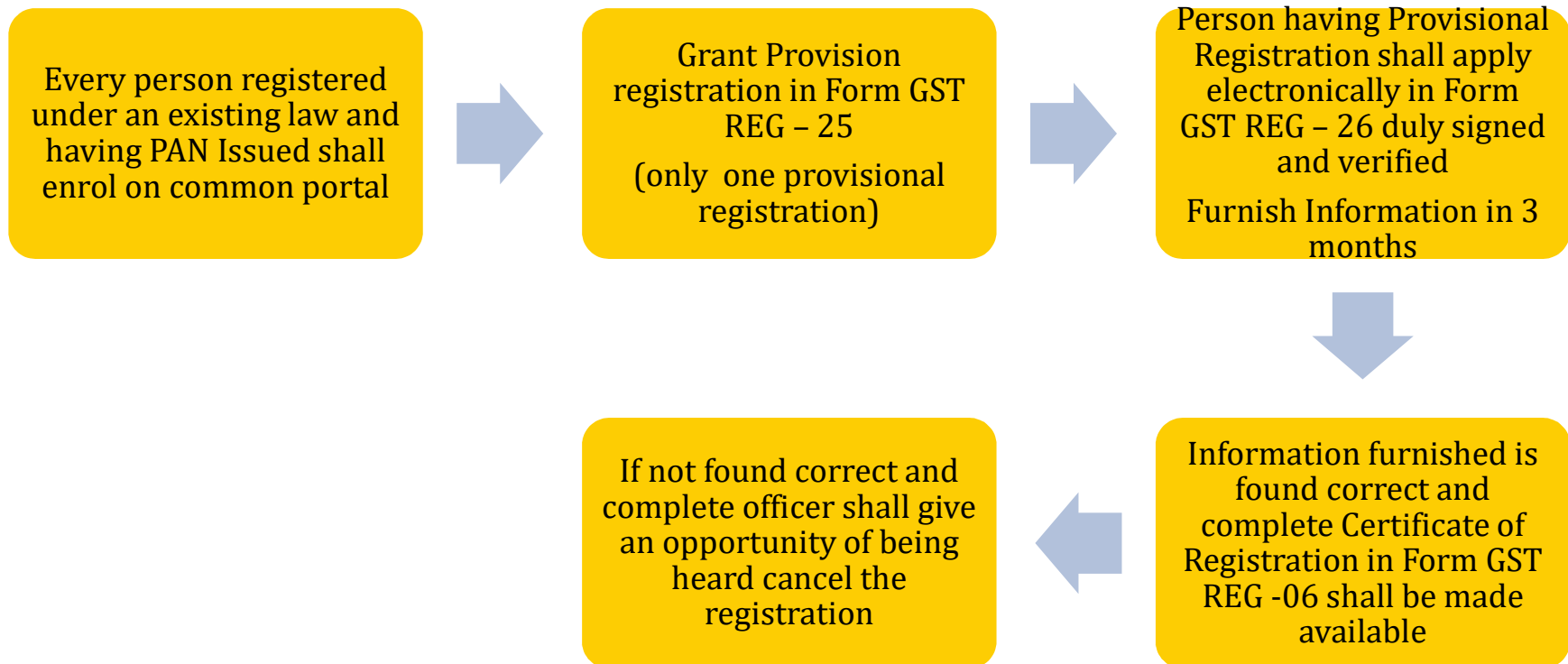
If any one vertical is out of the Composite levy scheme (u/s 10) then none of the vertical can avail the Composite levy scheme.

Transfer from one vertical to another shall also attract levy of tax.

# Procedure for Registration

	<p>Voluntary registration</p>	<ul style="list-style-type: none"> <li>• A person not liable to registration can apply for registration voluntarily</li> </ul>
	<p>Distinct Person</p>	<ul style="list-style-type: none"> <li>• A person having registration in more than one state or UT or of different business verticals shall be considered as different person</li> </ul>
	<p>PAN / TAN</p>	<ul style="list-style-type: none"> <li>• Shall have a PAN Number issued under Income Tax Act 1961</li> <li>• In case of person covered U/s 51 it shall have TAN Number</li> </ul>
	<p>Registration by Officer</p>	<ul style="list-style-type: none"> <li>• If the person liable has not registered himself proper officer may proceed to register such person</li> </ul>
	<p>Unique Identity Number (UIN)</p>	<ul style="list-style-type: none"> <li>• For UN Organisation, Multilateral Financial Institutions, Embassy, Consulate, organisation notified under United Nations (Privileges and Immunities) Act, 1947</li> </ul>

# Registration - Transitional Provision



If the person registered under existing law, but not liable to be registered under any of the GST Acts, shall file an application within 30 days from the appointed date for cancellation of registration.

# Rules - Registration

Form No.	Description
GST REG-01	Application for Registration (Other than a non-resident taxable person, a person supplying online information and data base access or retrieval services from a place outside India to a non-taxable online recipient)
GST REG-02	Acknowledgement
GST REG-03	Notice for Seeking Additional Information / Clarification / Documents relating to Application
GST REG-05	Order of Rejection of Application
GST REG-06	Registration Certificate
GST REG-07	Application for Registration as Tax Deductor at source or Tax Collector at source
GST REG-08	Order of Cancellation of Registration as Tax Deductor at source or Tax Collector at source
GST REG-09	Application for Registration of Non Resident Taxable Person
GST REG 10	Application for registration of person supplying online information and data base access or retrieval services from a place outside India to a person in India, other than a registered person
GST REG-11	Application for extension of registration period by casual / non-resident taxable person

# Rules - Registration

Before applying for registration, person will have to declare his PAN, mobile number, e-mail address, State or Union territory in Part A of Form GST REG-01

On successful verification of all the above a **Temporary Reference Number** would be generated and the same to be used by applicant to electronically submit an application

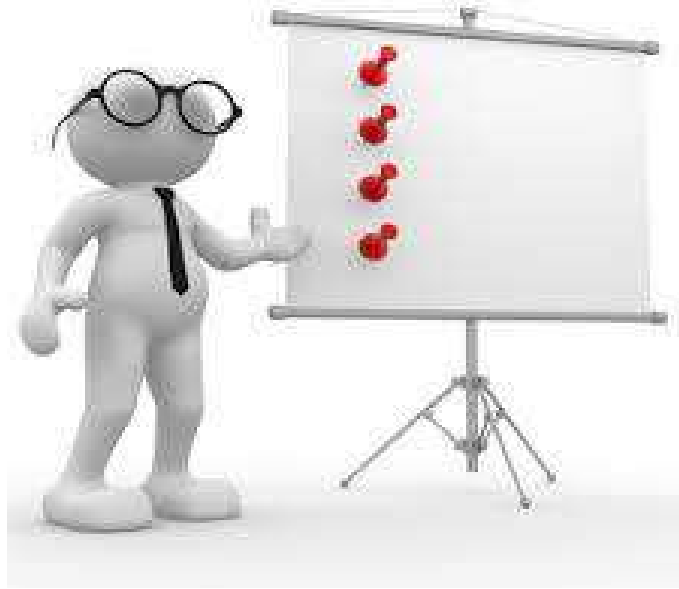
The applicant shall electronically submit an application in Part B of Form GST REG-01

The Officer shall registration to the applicant within three working days from the date of submission of application

Registration Certificate shall be issued in Form GST REG-06

Casual Taxable Person and Non Resident Person will also get Temporary Reference No. for making advance deposit of tax





# *Returns*

# Return

*“An act of coming or going back to a place or activity”*

# Introduction - Returns

GST is a self-assessed destination based taxation system. The submission and processing of return is an important link between the taxpayer and tax administration as it is an important tool for:

Providing seamless flow of tax credits, avoid cascading effects

Finalization of the tax liabilities of the taxpayer within stipulated period of limitation

Compliance verification program & compliance ratings of Tax Payer

Providing necessary inputs for taking policy decision

Management of audit and anti-evasion programs of tax administration

## Definition

*2(97) return* : any return prescribed or otherwise required to be furnished by or under this Act or the rules made thereunder

*2(117) valid return* : a return furnished under subsection (1) of section 39 on which self-assessed tax has been paid in full

# Significance of filing Return

## Section 16(2)(d)

- Claim credit of any input tax only if return is filed

## Section 16(4)

- Maximum time allowed to Claim missed out input tax credit is Date of Filing of annual return or return filling due date of September month following the Year to which claim pertains

## Section 18(2)

- Claim Input tax credit within one year of Issue of Tax Invoice for Supply of Goods or Service

## Section 29(2)

- Cancellation of Registration if Returns for 6 Months are not being Filled.
- In case of Composition scheme returns have not being filled for 3 quarters

# Significance of filling Return

E.g.

ABC Ltd. has not taken credit of Invoice raised by XYZ Ltd. dated July 30, 2017 during the Financial Year 2017-18.

Scenario 1: ABC Ltd wants to Claim this credit in return being filled for the month of September 2018.

Scenario 2: ABC Ltd. has filled Annual Return on June 15, 2018. They realized about this invoice in July and want to claim this credit in the Month of July 2018 Return.

Scenario 3: ABC Ltd. has not filled its return since November 2017. They realized about this invoice in July and want to claim this credit in the Month of July 2018 Return.

# Returns

Sec 37

- Furnishing Details of Outward Supplies

Sec 38

- Furnishing Details of Inward Supplies

Sec 39

- Furnishing of Returns

Sec 44

- Annual Return

Sec 52

- Returns by E-commerce operators

# Returns - Law at a Glance

**Section 37** Return of Outward Supplies  
Last date of Filing is 10<sup>th</sup> of Succeeding Month  
Not allowed to furnish this details from 11<sup>th</sup> to 15<sup>th</sup>  
The recipient of goods or service can accept / modify / delete till 15<sup>th</sup>

**Section 38** recipient shall Verify, Validate, modify or delete details furnished u/s 37  
Recipient may add details of Inward supplies received by him in respect of such supplies that may not have been declared by the supplier u/s 37  
Updating is allowed from 11<sup>th</sup> till 15<sup>th</sup>

**Section 39(1)** furnish electronically a return of inward and outward supplies, Input tax credit availed, tax payable, tax paid and such other details before the 20<sup>th</sup> of succeeding month.

Rectification of error / omissions can be claimed as and when identified subject to limitations discussed earlier.



# Returns - Law at a Glance

For the Purpose of Section 37 and 38 Registered persons not covered under this scope are:

- Input Service Distributor
- Non Resident Taxable Person
- Registered Person Covered Under Composition Levy (Section 10)
- Persons Liable to Collect tax at source (Section 51)
- Electronic Commerce Operator Liable to Collect tax at source (Section 52)

The above persons are covered under Section 39 (2) to (5) and Section 52.

# Returns - GSTR 1

## Form GSTR-1

[See Rule ----]

### Details of outward supplies of goods or services

Year				
Month				

1.		GSTIN																	
2.	(a)	Legal name of the registered person																	
	(b)	Trade name, if any																	
3.	(a)	Aggregate Turnover in the preceding Financial Year																	
	(b)	Aggregate Turnover - April to June, 2017																	

### 4. Taxable outward supplies made to registered persons (including UIN-holders) other than supplies covered by Table 6

(Amount in Rs. for all Tables)

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State)
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11
4A. Supplies other than those (i) attracting reverse charge and (ii) supplies made through e-commerce operator										
4B. Supplies attracting tax on reverse charge basis										
4C. Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)										
GSTIN of e-commerce operator										

This table contains all the Invoices raised during the period

# Returns – GSTR 1

5. Taxable outward inter-State supplies to **un-registered persons** where the invoice value is more than Rs **2.5 lakh**

Place of Supply (State)	Invoice details			Rate	Taxable Value	Amount	
	No.	Date	Value			Integrated Tax	Cess
1	2	3	4	5	6	7	8
5A. Outward supplies (other than supplies made through e-commerce operator, rate wise)							
5B. Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)							
GSTIN of e-commerce operator							

Mandatory

6. Zero rated supplies and Deemed Exports

GSTIN of recipient	Invoice details			Shipping bill/ Bill of export		Integrated Tax		
	No.	Date	Value	No.	Date	Rate	Taxable value	Amt.
1	2	3	4	5	6	7	8	9
6A. Exports								
6B. Supplies made to SEZ unit or SEZ Developer								
6C. Deemed exports								

# Returns – GSTR 1

## 7. Taxable supplies (Net of debit notes and credit notes) to **unregistered persons** other than the supplies covered in Table 5

Inter-state > 2.5lakhs

Rate of tax	Total Taxable value	Amount			
		Integrated	Central Tax	State Tax/UT Tax	Cess
1	2	3	4	5	6
<b>7A. Intra-State supplies</b>					
7A (1). Consolidated rate wise outward supplies [including supplies made through e-commerce operator attracting TCS]					
7A (2). Out of supplies mentioned at 7A(1), value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)					
GSTIN of e-commerce operator					
<b>7B. Inter-State Supplies where invoice value is upto Rs 2.5 Lakhs</b>					
7B (1). Place of Supply (Name of State)					
7B (2). Out of the supplies mentioned in 7B (1), the supplies made through e-Commerce Operators (operator wise, rate wise)					
GSTIN of e-commerce operator					

State wise Sales to be given

## 8. Nil rated, exempted and non GST outward supplies

Description	Nil Rated Supplies	Exempted (Other than Nil rated/non-GST supply)	Non-GST supplies
1	2	3	4
8A. Inter-State supplies to registered persons			
8B. Intra- State supplies to registered persons			
8C. Inter-State supplies to unregistered persons			
8D. Intra-State supplies to unregistered persons			

# Returns – GSTR 1

## 9. Amendments to taxable outward supply details furnished in returns for earlier tax periods in Table 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]

Details of original document			Revised details of document or details of original Debit/Credit Notes or refund vouchers					Rate	Taxable Value	Amount				Place of supply	
GSTIN	Inv. No.	Inv. Date	GSTIN	Invoice		Shipping bill				Value	Integrated Tax	Central Tax	State / UT Tax		Cess
1	2	3	4	5	6	7	8	9	10					11	
9A. If the invoice/Shipping bill details furnished earlier were incorrect															
9B. Debit Notes/Credit Notes/Refund voucher [original]															
9C. Debit Notes/Credit Notes/Refund voucher [amendments thereof]															

# Returns – GSTR 1

## 10. Amendments to taxable outward supplies to unregistered persons furnished in returns for earlier tax periods in Table 7

Rate of tax	Total Taxable value	Amount			
		Integrated	Central Tax	State/UT Tax	Cess
1	2	3		5	6
<b>Tax period for which the details are being revised</b>		<Month>			
10A. Intra-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]					
10A (1). Out of supplies mentioned at 10A, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)					
GSTIN of e-commerce operator					
10B. Inter-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]					
Place of Supply (Name of State)					
10B (1). Out of supplies mentioned at 10B, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)					
GSTIN of e-commerce operator					

Unregistered  
red <= 2.5lakhs

# Returns – GSTR 1

## 11. Consolidated Statement of Advances Received/Advance adjusted in the current tax period/ Amendments of information furnished in earlier tax period

Rate	Gross Advance Received/adjusted	Place of supply (Name of State)	Amount			
			Integrated	Central	State/UT Tax	Cess
1	2	3	4	5	6	7
<b>I Information for the current tax period</b>						
11A. Advance amount received in the tax period for which invoice has not been issued (tax amount to be added to output tax liability)						
11A (1). Intra-State supplies (Rate Wise)						
11A (2). Inter-State Supplies (Rate Wise)						
11B. Advance amount received in earlier tax period and adjusted against the supplies being shown in this tax period in Table Nos. 4, 5, 6 and 7						
11B (1). Intra-State Supplies (Rate Wise)						
11B (2). Inter-State Supplies (Rate Wise)						
<b>II Amendment of information furnished in Table No. 11[1] in GSTR-1 statement for earlier tax periods [Furnish revised information]</b>						
Month					Amendment relating to information furnished in S. No.(select)	11A(1) 11A(2) 11B(1) 11B(2)

# Returns – GSTR 1

## 12. HSN-wise summary of outward supplies

Sr. No.	HSN	Description (Optional if HSN is provided)	UQC	Total Quantity	Total value	Total Taxable Value	Amount			
							Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11

## 13. Documents issued during the tax period

Sr. No.	Nature of document	Sr. No.		Total number	Cancelled	Net issued
		From	To			
1	2	3	4	5	6	7
1	Invoices for outward supply					
2	Invoices for inward supply from unregistered person					
3	Revised Invoice					
4	Debit Note					
5	Credit Note					
6	Receipt voucher					
7	Payment Voucher					
8	Refund voucher					
9	Delivery Challan for job work					
10	Delivery Challan for supply on approval					
11	Delivery Challan in case of liquid gas					
12	Delivery Challan in cases other than by way of supply (excluding at S no. 9 to 11)					

Optional for turnover upto Rs. 1.50 crores but description of goods mandatory;  
HSN at 2 digits for turnover upto Rs. 5 crores &  
HSN at 4 digits for turnover above Rs. 5 crores



# Returns – GSTR 2

Table 3, 4 & 5 shall be auto populated

## Form GSTR-2 [See Rule.....]

### Details of inward supplies of goods or services

Year				
Month				

<b>1.</b>	GSTIN																		
<b>2.</b>	(a)	Legal name of the registered person				Auto populated													
	(b)	Trade name, if any				Auto populated													

### 3. Inward supplies received from a registered person other than the supplies attracting reverse charge

(Amount in Rs. for all Tables)

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available				
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	

### 4. Inward supplies on which tax is to be paid on reverse charge

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available				
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
<b>4A. Inward supplies received from a registered supplier (attracting reverse charge)</b>																
<b>4B. Inward supplies received from an unregistered supplier</b>																
<b>4C. Import of service</b>																

# Returns – GSTR 2

## 5. Inputs/Capital goods received from Overseas or from SEZ units on a Bill of Entry

GSTIN of supplier	Details of bill of entry			Rate	Taxable value	Amount		Whether input / Capital goods (incl. plant and machinery)/ Ineligible for ITC	Amount of ITC available	
	No.	Date	Value			Integrated Tax	Cess		Integrated Tax	Cess
1	2	3	4	5	6	7	8	9	10	11
5A. Imports										
5B. Received from SEZ										
Port code +No of BE=13 digits						Assessable Value				

# Returns – GSTR 2

## 6. Amendments to details of inward supplies furnished in returns for earlier tax periods in Tables 3, 4 and 5 [including debit notes/credit notes issued and their subsequent amendments]

Details of original invoice /Bill of entry No			Revised details of invoice				Rate	Taxable value	Amount				Place of supply	Whether input or input service/ Capital goods/ Ineligible for ITC)	Amount of ITC available			
GSTIN	No.	Date	GSTIN	No.	Date	Value			Integrated Tax	Central Tax	State/UT Tax	Cess			Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
6A. Supplies other than import of goods or goods received from SEZ [Information furnished in Table 3 and 4 of earlier returns]-If details furnished earlier were incorrect																		
6B. Supplies by way of import of goods or goods received from SEZ [Information furnished in Table 5 of earlier returns]-If details furnished earlier were incorrect																		
6C. Debit Notes/Credit Notes [original]																		
6D. Debit Notes/ Credit Notes [amendment of debit notes/credit notes furnished in earlier tax periods]																		

# Returns – GSTR 2

## 7. Supplies received from composition taxable person and other exempt/Nil rated/Non GST supplies received

Description	Value of supplies received from			
	Composition taxable person	Exempt supply	Nil Rated supply	Non GST supply

1	2	3	4	5
7A. Inter-State supplies				
7B. Intra-state supplies				

## 8. ISD credit received

GSTIN of ISD	ISD Document Details		ISD Credit received				Amount of eligible ITC			
	No.	Date	Integrated Tax	Central Tax	State/UT Tax	Cess	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11
8A. ISD Invoice										
8B. ISD Credit Note										

# Returns - GSTR 2

## 9. TDS and TCS Credit received

GSTIN of Deductor / GSTIN of e- Commerce Operator	Gross Value	Sales Return	Net Value	Amount		
				Integrated Tax	Central Tax	State Tax /UT Tax
1	2	3	4	5	6	7
9A. TDS						
9B. TCS						

When an advance is paid to URD, Liability under RCM needs to be computed and paid as output tax liability.

## 10. Consolidated Statement of Advances paid/Advanced

Rate	Gross Advance Paid	Place of supply (Name of State)				
			Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7
(I) Information for the current month						
10A. Advance amount paid for reverse charge supplies in the tax period (tax amount to be added to output tax liability)						
10A (1). Intra-State supplies (Rate Wise)						
10A (2). Inter -State Supplies (Rate Wise)						
10B. Advance amount on which tax was paid in earlier period but invoice has been received in the current period [ reflected in Table 4 above]						
10B (1). Intra-State Supplies (Rate Wise)						
10B (2). Intra-State Supplies (Rate Wise)						

# Returns – GSTR 2

## 11. Input Tax Credit Reversal / Reclaim

Description for reversal of ITC	To be added to or reduced from output liability	Amount of ITC			
		Integrated Tax	Central Tax	State/UT Tax	CESS
1	2	3	4	5	6
<b>A. Information for the current tax period</b>					
(a) Amount in terms of rule 2(2) of ITC Rules	To be added				
(b) Amount in terms of rule 4(1)(j)(ii) of ITC Rules	To be added				
(c) Amount in terms of rule 7 (1) (m) of ITC Rules	To be added				
(d) Amount in terms of rule 8(1) (h) of the ITC Rules	To be added				
(e) Amount in terms of rule 7 (2)(a) of ITC Rules	To be added				
(f) Amount in terms of rule 7(2)(b) of ITC Rules	To be reduced				
(g) On account of amount paid subsequent to reversal of ITC	To be reduced				
(h) Any other liability (Specify)	.....				
<b>B. Amendment of information furnished in Table No 11 at S. No A in an earlier return</b>					
Amendment is in respect of information furnished in the Month					
Specify the information you wish to amend (Drop down)					

# Returns – GSTR 2

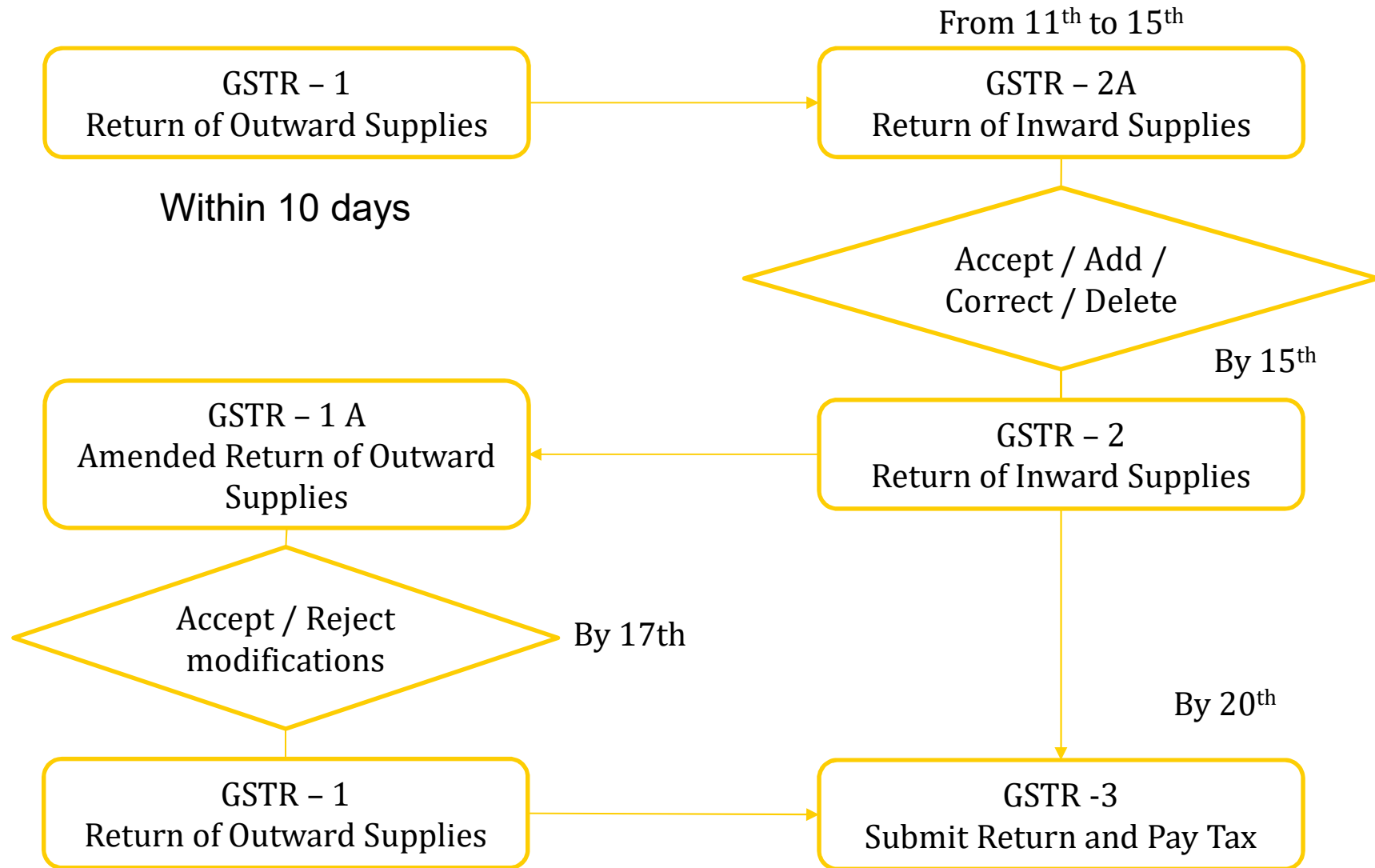
## 12. Addition and reduction of amount in output tax for mismatch and other reasons

Description		Add to or reduce from output liability	Amount			
			Integrated Tax	Central Tax	State / UT Tax	CESS
1		2	3	4	5	6
(a)	ITC claimed on mismatched/duplication of invoices/debit notes	Add				
(b)	Tax liability on mismatched credit notes	Add				
(c)	Reclaim on account of rectification of mismatched invoices/debit notes	Reduce				
(d)	Reclaim on account of rectification of mismatched credit note	Reduce				
(e)	Negative tax liability from previous tax periods	Reduce				
(f)	Tax paid on advance in earlier tax periods and adjusted with tax on supplies made in current tax period	Reduce				

## 13. HSN summary of inward supplies

Sr. No.	HSN	Description (Optional if HSN is furnished)	UQC	Total Quantity	Total value	Total Taxable Value	Amount			
							Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11

# Returns





# First Return

Every registered person who has made outward supplies

In the period between the date on which he became liable to registration till the date on which registration has been granted shall

Declare the same in the first return furnished by him after grant of registration

# Provisional Acceptance of ITC

Registered person entitled to take credit of eligible input tax in his return

Credit shall be credited on provisional basis to his ECL, as per conditions and restrictions

Credit to be utilised only towards payment of self assessed output tax and not against any demand raised.

# Other Returns and Provisions

## Section 44 Annual Return

- The return shall be filed by December 31, following the end of Financial Year (GSTR – 9)

## Section 45 Final Return

- Within 3 months from the date of cancellation of Registration or order of cancellation whichever is later (GSTR – 10)

## Section 46 Notice to defaulters

- Where assessee has not filed returns u/s 39, 44, 45 as mentioned above the notice shall be issued to furnish return within 15 days (Form GSTR – 3A)

## Section 47 Levy of late Fee

- Delay of return U/s 37, 38, 39 and 45 (periodic return) late fee of Rs. 100/- per day and maximum upto Rs. 5,000/- per return
- Delay of return U/s 44 (annual return) late fee of Rs. 100/- per day and maximum 0.25% of the turnover in the State or Union Territory

# Returns

Succeeding  
Month

Section	Particulars	Return	Frequency	Monthly	Quarterly	Annually
37	Outward Supplies	GSTR 1	Monthly	10th		
38	Inward Supplies	GSTR 2	Monthly	17th		
39(1)	Consolidated Return by normal registered person	GSTR 3	Monthly	20th		
39(2)	Registered Person Covered Under Composition Levy (Section 10)	GSTR 4 GSTR 9A	Quarterly Annually		18 <sup>th</sup>	December31
39(3)	Persons Liable to Deduct tax at source (Section 51)	GSTR 7	Monthly	10th		
39(4)	Input Service Distributor	GSTR 6	Monthly	13th		
39(5)	Registered Non-Resident Taxable person	GSTR 5	Monthly	20th		
44 35(5)	Annual Return Annual Audit	GSTR 9 GSTR 9C	Annual Annual			December31
52	E-Commerce Operator	GSTR 8 GSTR 9B	Monthly Annually	10 <sup>th</sup>		December31

# Late Fees - Example

E.g.

ABC Limited failed to upload Form GSTR – 1, Form GSTR – 2 and Form GSTR – 3 for the month of November 2017 within due date and filled all the returns on December 31, 2017.

Ans:

- For GSTR – 1 delay is 21 days ( $21 * \text{Rs. } 100/- = \text{Rs. } 2,100/-$ )
- For GSTR – 2 delay is 14 days ( $14 * \text{Rs. } 100/- = \text{Rs. } 1,400/-$ )
- For GSTR – 3 delay is 11 days ( $11 * \text{Rs. } 100/- = \text{Rs. } 1,100/-$ )

Total Rs. 4,600/-

# Return - Highlights

Minimum 37 returns for every assessee (except composition tax payer) per annum

GST Practitioner can be authorised to file Returns

Revision of Returns NOT ALLOWED

RECTIFICATIONS allowed for errors discovered later on

Common e-Return for CGST, SGST & IGST with different fields

Separate Data Input fields for Debit / Credit Notes / TDS / ISD

# Return - Highlights

Notice to Defaulters u/s 45 to furnish return within 15 days

Annual Return u/s 44 - Reconciliation Statement to be filed & Audit accounts required for crossing prescribed turnover of Rs. 2 crore

Meticulous adherence to returns provisions shall be a key area for GST Compliance Ratings u/s 149

File return even if no supplies is made

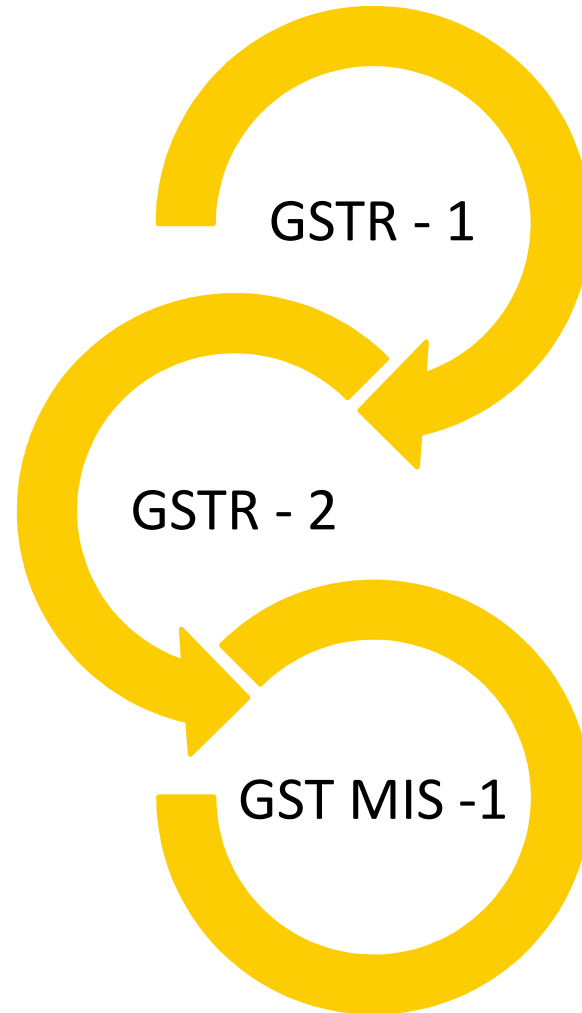
If a return for any Month or quarter is pending than the subsequent returns cannot be filled.



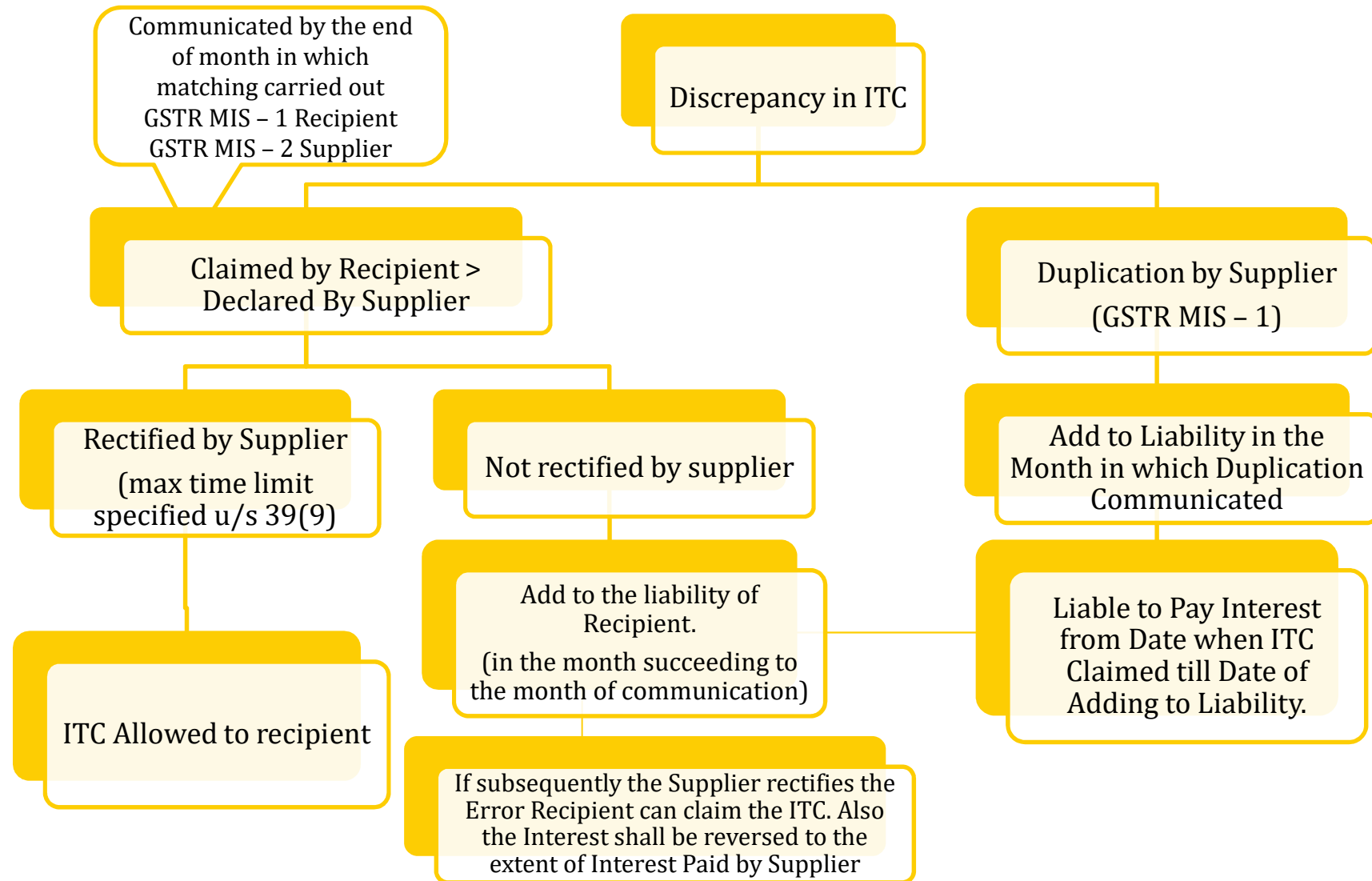
# *Mismatch Reversal & Reclaim*



# Matching of Input Tax



# Matching, Reversal & Reclaim of ITC



# Matching, Reversal & Reclaim of ITC

Modi Enterprises raised an Invoice on Jaitely Associates for Rs. 10 lakhs on August 1, 2017. The rate of Tax was 18%. Thus the credit available with Jaitely Associates was Rs. 1.80 lakhs.

## **While filling Return:**

1. Modi Associate didn't add the above invoice in GSTR 1, Ignored GSTR 1A and Filled GSTR 3
2. Jaitely Associates Added the above details in GSTR 2 and claimed credit and filled GSTR 3.

The matching was done by the GSTN portal in October 2017 and the above Mismatch was informed to:

Jaitely Associates in GSTR MIS 1 and Modi Associates in GSTR MIS 2 by October 30, 2017

**Scenario 1:** Modi Associates gets the invoice considered while filing November 2017 return and will pay liability along with Interest, then Jaitely Associates will get the Input Credit

**Scenario 2:** Modi Associates does not accept the Invoice, then Jaitely Associates will have to reverse Input Credit claimed in November 2017 and pay Interest from the date of claiming ITC till date of addition to Liability.

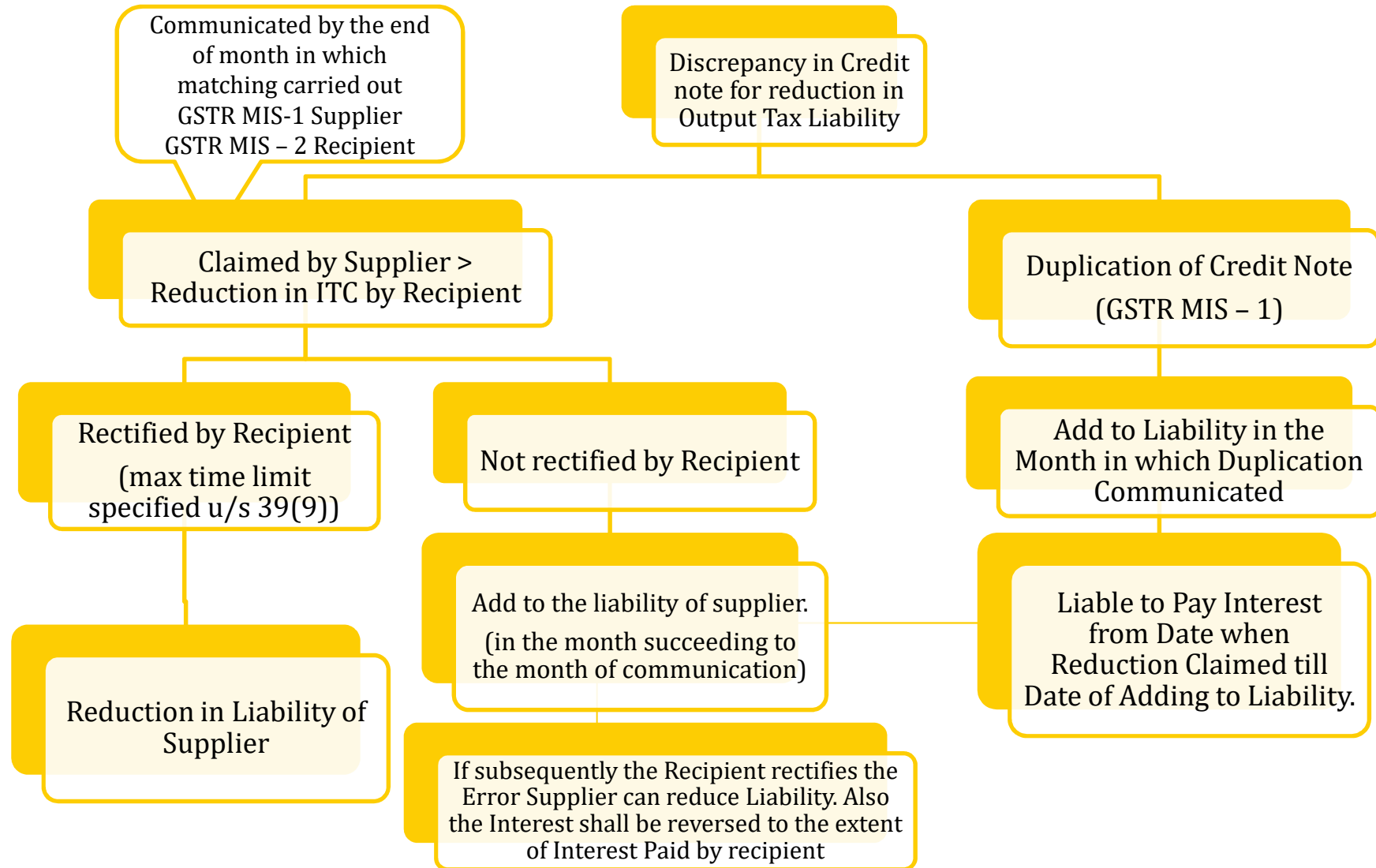
**Scenario 3:** If before September 2018 or filing of Annual Return whichever is earlier (for F.Y. 2017-18), Modi Associates realises that the Invoice was raised by it, then Modi Associates will pay tax along with Interest & Jaitely Associates can reclaim Input Credit. Also Interest paid by Jaitely Associates will also be refunded back subject to interest paid by Modi Enterprises.

# Returns – GSTR 2

## 11. Input Tax Credit Reversal / Reclaim

Description for reversal of ITC	To be added to or reduced from output liability	Amount of ITC			
		Integrated Tax	Central Tax	State/UT Tax	CESS
1	2	3	4	5	6
<b>A. Information for the current tax period</b>					
(a) Amount in terms of rule 2(2) of ITC Rules	To be added				
(b) Amount in terms of rule 4(1)(j)(ii) of ITC Rules	To be added				
(c) Amount in terms of rule 7 (1) (m) of ITC Rules	To be added				
(d) Amount in terms of rule 8(1) (h) of the ITC Rules	To be added				
(e) Amount in terms of rule 7 (2)(a) of ITC Rules	To be added				
(f) Amount in terms of rule 7(2)(b) of ITC Rules	To be reduced				
(g) On account of amount paid subsequent to reversal of ITC	To be reduced				
(h) Any other liability (Specify)	.....				
<b>B. Amendment of information furnished in Table No 11 at S. No A in an earlier return</b>					
Amendment is in respect of information furnished in the Month					
Specify the information you wish to amend (Drop down)					

# Matching, Reversal & Reclaim of Output Tax Liability



# *e-Way Bills*

## *e-Way Bills*

Provision under the Act – Section 146 Common Portal

The Government may, on the recommendations of the Council, notify the Common Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns, computation and settlement of integrated tax, electronic way bill and for carrying out such other functions and for such purposes as may be prescribed.

# *e-Way Bills*

## Applicability

- To Registered person
- For movement of goods value more than Rs. 50,000/-
- For Supply, reasons other than supply and inward supply from Unregistered person

Unregistered person is moving goods either he or transporter can generate e-way bill

## When should the e-Way bill be generated?

- Before commencement of movement

The transporter or registered person can voluntarily generate e-way bill even if the consignment value is < Rs. 50,000/-

## Where and What form?

- PART A : Form GST INS 01
- Electronically on Common Portal



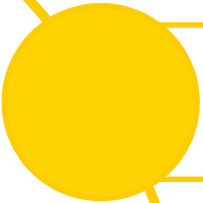
# *e-Way Bills*

In case of goods sent on Consignment basis?

- Consignor (a registered person) / Consignee (Recipient of Supply) transporting goods either in its own vehicle / hired shall generate in Part B of GST INS 01
- If not generated then the registered person shall furnish information in Part B of Form GST INS – 1 electronically and transporter shall generate e-way bill on the basis of Information furnished by registered person in Part A of Form GST INS – 01

The E-Way Bill Number  
(EBN) shall be Unique

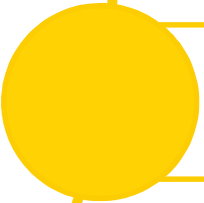
# E-Way Bill - Transporter



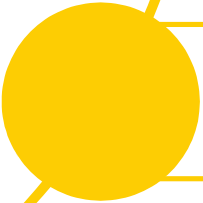
Generate fresh E-way bill before transferring from one Conveyance to another for further transport



Multiple consignments being transported in One Conveyance generate consolidated E-Way Bill in Form GST INS – 02



If Consignor has not generated and Value > Rs. 50,000/- then transporter shall generate based on Invoice / Delivery Challan / Bill of Supply



Where the Conveyance has been detained for more than 30 minutes transporter may upload information in Form GST INS - 04

# *e-Way Bills*

## **Other Points**

- Information filled in Part A of FORM ITNS – 01 shall be made available to registered supplier on common portal which can be utilized for furnishing details of GSTR – 01.
- If furnished by URD then the same shall be communicated electronically if email or mobile number is available
- If goods are not being transported then the E- Way bill needs to be cancelled within 24 hours of generation
- The details of the E-Way bill shall be communicated to the recipient and he shall communicate acceptance / rejection
- If the same is not communicated within 72 hours then the same shall be deemed to be accepted
- The E-Way bill generation facility shall be made available through SMS

## *e-Way Bills*

<b>Sr. no.</b>	<b>Distance</b>	<b>Validity period</b>
1	Less than 100 km	1 day
2	100 km or more but less than 300km	3 days
3	300 km or more but less than 500km	5 days
4	500 km or more but less than 1000km	10 days
5	1000 km or more	15 days

# *e-Way Bills*

## **Responsibility of Person – in – charge of the Conveyance:**

- Carry a copy of Invoice / Bill of Supply / Delivery Challan
- Carry copy of E-Way bill, E-Way bill number or mapped to a Radio Frequency Identification Device (RFID) on the conveyance
- Registered person may obtain Invoice Reference Number from common portal by uploading tax invoice Issued by him in FORM GST INV – 1 and produce the same for verification. The same shall be valid for 30 days from date of uploading
- Where registered person uploads invoice as mentioned above the details of the same shall be auto populated in Part A of FORM GST INS - 01

# *e-Way Bills*


## **Verification & Inspection**

- Commissioner / Authorised officer may intercept conveyance to verify the e-way bill / e-way bill number
- Physical verification may be conducted by proper officer
- Summary report of inspection shall be recorded online by proper officer on Part A of Form GST INS – 03 within 24 hours and Final report in Part B of Form GST INS – 03 shall be recorded within 3 days
- If Inspection done within one state / other state than no further Inspection shall be carried out unless information on evasion of tax is made available subsequently



# Payment of Tax - Sec 49


Payment made using Internet Banking / Debit Card / Credit Card / NEFT / RTGS shall be credited to Electronic Cash Ledger (ECL)



Self Assessed ITC Credit shall be credited to Electronic Credit Ledger



The amount available in Electronic Cash Ledger can be used to make payment of Tax, Interest, Penalty Fees or any other amount.



The amount available as credit in Electronic Credit Ledger can be used to make payment of output tax



# Utilisation of Amount in Electronic Credit Ledger

## IGST Input Credit

- Against IGST Liability
- Against CGST Liability
- Against SGST/UTGST Liability

## CGST Input Credit

- Against CGST Liability
- Against IGST Liability

## SGST Input Credit

- Against SGST Liability
- Against IGST Liability

## UGST Input Credit

- Against UGST Liability
- Against IGST Liability

# Payment of Tax – Sec 49

Balance in ECL after payment of Tax, Interest, Penalty and other fees can be claimed as refund in accordance with Sec. 54

Liabilities towards Output tax, Interest, Penalty and Late fee shall be maintained in **Electronic Liability Register**

The liability shall be discharged in the following order:

1. Self Assessed tax of Previous periods
2. Self Assessed tax of Current periods
3. Other amount payable including demand raised

Person who has paid tax is deemed to have passed on the full incidence of tax to recipient unless proved contrary

# Interest on delayed payment of Tax - Sec 50

## Subsection (1)

A person who fails to pay the tax or any part thereof within the period prescribed shall pay interest at the rate not exceeding 18% till the time the liability is discharged.

## Subsection (2)

The interest under subsection (1) shall be calculated, in such manner as may be prescribed, from the day succeeding the day on which such tax was due to be paid.

## Subsection (3)

In case of excess claim of input tax credit or excess reduction in output tax liability, Interest shall be paid at the rate not exceeding 24%

## Tax Deduction at Source – Sec 51

- The persons covered are Department / Establishment of CG / SG, Local authority, Governmental Agencies and other persons as may be notified
- This section applies to the transaction where the above agency, location of supplier and Place of supply are in Same State / UT
- Deduct Tax at Source (TDS) @1% from the payment to Supplier (excluding CGST, SGST, IGST, UTGST and any other Cess)
- Total Value of supply > Rs. 2.50 lakh
- Pay this TDS to Government with 10 days after the end of the month
- Furnish certificate to Deductee within 5 days containing Contract Value Rate of Deduction, Amount of Deduction, Amount paid to Govt.

# Tax Collected at Source – Sec 52

Electronic Commerce operator shall collect tax at source at the rate not exceeding 1% on supplies made through it (net of returns) by other suppliers.

TCS shall be paid within 10 days from the end of the month

Electronic commerce operator shall file the return of TCS :

1. Monthly : 10<sup>th</sup> of Subsequent month
2. Annually : 31<sup>st</sup> December subsequent to the end of the Financials Year

The supplier shall claim the credit of this TCS and it shall be credited to ECL of the supplier

In case of Mismatch of TCS furnished by Electronic commerce operator and Supplier the same shall be communicated to both.

If Outward supplies furnished by Operator > Supplier : Add to the output tax liability of supplier

# Rules – Payment of Tax

Form No.	Description
GST PMT-01	Electronic Liability Register
GST PMT-02	Electronic Credit Ledger
GST PMT-03	Order for re-credit of the amount to cash or Credit Ledger on rejection of Refund Claim
GST PMT-05	Electronic Cash Ledger
GST PMT-06 (Challan)	Any person, or a person on his behalf, shall generate a challan and enter the details of the amount to be deposited towards tax, interest, penalty, fees or any other amount

- Where the payment is made by way of NeFT or RTGS mode from any bank, the **mandate form shall be generated along with the challan** on the Common Portal and the same shall be submitted to the bank from where the payment is to be made. The **mandate form is valid for the period of fifteen days.**
- On successful credit of the amount to the concerned government account maintained in the authorised bank, a **Challan Identification Number (CIN)** will be generated and the same shall be indicated in the challan.
- On receipt of CIN from the collecting Bank, the said amount shall be **credited to the electronic cash ledger** of the person



# *Accounts & Records*

# Accounts & Records





# Accounts & Records

Account/ Record	Information Required	By Whom?
<b>Register of Goods Produced</b>	Account should contain detail of goods manufactured in a factory or production house	Every assessee carrying out manufacturing activity
<b>Purchase Register</b>	All the purchases made within a tax period for manufacturing of goods or provision of services	All Assessee
<b>Sales Register</b>	Account of all the sales made within a tax period must be maintained	All Assessee
<b>Stock Register</b>	This register should contain a correct stock of inventory available at any given point of time	All Assessee

# Accounts & Records

Account/ Record	Information Required	By Whom?
<b>Input Tax Credit Availed</b>	This register should maintain the details of Input Tax Credit availed for a given tax period	All Assessee
<b>Output Tax Liability</b>	This register should maintain the details of GST liability outstanding to be adjusted against input credit or paid out directly	All Assessee
<b>Output Tax Paid</b>	This register should maintain the details of GST paid for a particular tax period	All Assessee
<b>Other Records Specified</b>	Government can further specify by way of a notification, additional records and accounts to be maintained	Specific Businesses as notified by the government

## Other Provisions

### More than one place of Business

- More than one place of business is specified in the certificate of registration
- Books of accounts, including electronic records, relating to each place of business shall be kept separately at such places of business

### Different activities undertaken

- The account or records specified shall be maintained separately for each activity like:
  - Manufacturing
  - Trading
  - Provision of services; etc.

### Power with the Commissioner

- Power is vested with the Commissioner for relaxation as well as for prescribing additional records for certain classes of taxable persons.

Records may be maintained in electronic form and it shall be authenticated by a digital signature

## Other Provisions

Registered Person needs to maintain

- Separate Account of Advances received, paid and adjustments made thereto
- Goods or services imported/exported or supplies covered under reverse charge
- Register of tax invoice, credit note, debit note, delivery challan issued or received.
- Names and complete addresses of suppliers or recipient, from/to whom goods or services have been received/supplied , complete address of the premises where the goods are stored by him including goods stored during transit along with particulars of the stock.

Taxable Goods found to be stored at a place other than those declared without the cover of valid documents

- The proper officer shall determine the amount of tax payable on such goods as if such goods have been supplied by the registered person.

## Other Provisions

Registered Person other than Person covered under composition levy i.e. section 10) shall keep and maintain details of

- Tax Payable
  - Tax collected and paid
  - Input Tax,
  - Input Tax Credit Claimed,
  - Register of Tax Invoice,
  - Credit Note,
  - Debit Note,
  - Delivery Challan Issued or Received

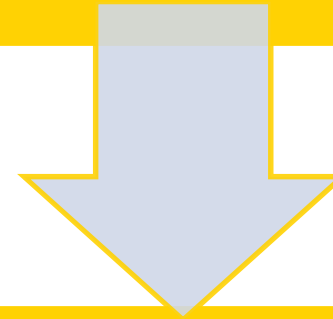
Registered Person other than Person covered under composition levy i.e. section 10) shall keep and maintain account of stock in respect of each commodity received and supplied along with particulars of

- Opening Balance
- Receipt
- Supply
- Goods Lost
- Stolen
- Destroyed
- Written off or disposed of by way of gift or free samples
- Balance of Stock including Raw Materials, Finished Goods, Scrap and Wastage

## Sec. 36 - Period for which Records to be maintained

**72 months from the due date of furnishing of Annual Return (i.e. 6 years)**

Due date of furnishing of annual return in December 31, after the end of Financial Year.



**Under Special Cases i.e.,** Appeal, Revision, Any other proceedings before appellate authority / revisional authority / appellate tribunal / court or Under investigation for an offence

**Maintain records for one year from the date of disposal of the such appeal or revision or as discussed above whichever is later.**

## **Sec. 36 - Period for which Records to be maintained**

**Example 1:** For F. Y. 2017-18 due date of filling annual return shall be December 31, 2018 so records are to be maintained till December 31, 2024

**Example 2:** For F. Y. 2017-18 due date shall be December 31, 2018, there was some dispute with respect to the liability and the issue got disposed off on December 1, 2024.

Date of maintaining records will end on November 30, 2025

# Accounts and Records – Specific Cases

## Warehousing Agents and Transporters

- irrespective of whether he is registered person or not,
- maintain records of the Consigner, Consignee and other relevant details of the goods in such manner

## Manufacturing Activity (Production Accounts)

- Quantitative details of Raw Material / Services Consumed
- Quantitative details of Finished Goods so Manufactured
- Waste and by products Produced

## Supply of Services

- Quantitative details of Goods used in the provision of each service
- Details of Input Services utilised and services supplied



# Accounts and Records – Specific Cases

## Works Contractor

- the names and addresses of the persons on whose behalf the works contract is executed;
- description, value and quantity (wherever applicable) of goods or services received for the execution of works contract;
- description, value and quantity (wherever applicable) of goods or services utilized in the execution of each works contract;
- the details of payment received in respect of each works contract; and
- the names and addresses of suppliers from whom he has received goods or services.

## Particulars to be maintained by Agent

- particulars of authorization received by him from each principal to receive or supply goods or services on behalf of such principal separately;
- particulars including description, value and quantity (wherever applicable) of goods or services received on behalf of every principal;
- particulars including description, value and quantity (wherever applicable) of goods or services supplied on behalf of every principal
- details of accounts furnished to every principal; and
- tax paid on receipts or on supply of goods or services effected on behalf of every principal

# Accounts and Records – Specific Cases

## Agent owner or operator of godown or warehouse and transporters (refer Section 35(2)):

- If owner or operator of godown or warehouse and transporters is not already registered shall submit the details regarding his business electronically on the Common Portal in FORM GST ENR-01.
- If enrolled in any state or union territory then He shall be deemed to be enrolled in state or union territory.
- Transporter shall maintain record of Goods transported, delivered and goods stored in transit by him and each of his branches
- Operator of Warehouse or godown shall maintain books of accounts with respect to **period** for which goods remained in his warehouse or godown, dispatch, movement, receipt and disposal.
- Maintain goods in godown in such manner that they the goods can be identified item wise and owner wise and shall facilitate physical verification or inspection

# Accounts and Records – Specific Cases

## Clearing and Forwarding Agent

- True and Correct records in respect of such goods handled by him on behalf of Registered Person.

# Accounts and Records – Specific Cases

## Stock Records

- Opening Balance,
- Receipt,
- Supply,
- Goods Lost,
- Goods Stolen,
- Goods Destroyed,
- Goods Written-off,
- Goods Disposed – off by way of Gift / Free Samples
- Balance Stock ( Raw Material, Finished Goods, Scrap and Wastage)

## Tax Payable (Other than Registered Person covered under composition levy i.e. section 10):

- Tax collected and Paid,
- Input Tax,
- Input Tax Credit Claimed,
- Register of Tax Invoice,
- Credit Note,
- Debit Note,
- Delivery Challan Issued or Received

# Accounts and Records

## **Correction in Books**

Any entry in registers, accounts and documents shall not be erased, effaced or overwritten, and all incorrect entries shall be scored out under attestation and thereafter correct entry shall be recorded, and where the registers and other documents are maintained electronically, a log of every entry edited or deleted shall be maintained.

## **Serially Numbered**

Each volume of books of account maintained by the registered person shall be serially numbered.

## **Back up**

Proper electronic back up of records to be maintained to restore the / retrieve the same in the event of destruction.

## **Produce records**

In Hard copy or electronic form including audit trail and inter – linkages including source documents



# *Audit & Reconciliation*

## Section 44 -Annual Return

**Every registered person** shall furnish an annual return for every financial year electronically on or before the thirty-first day of December following the end of such financial year.

Every registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35

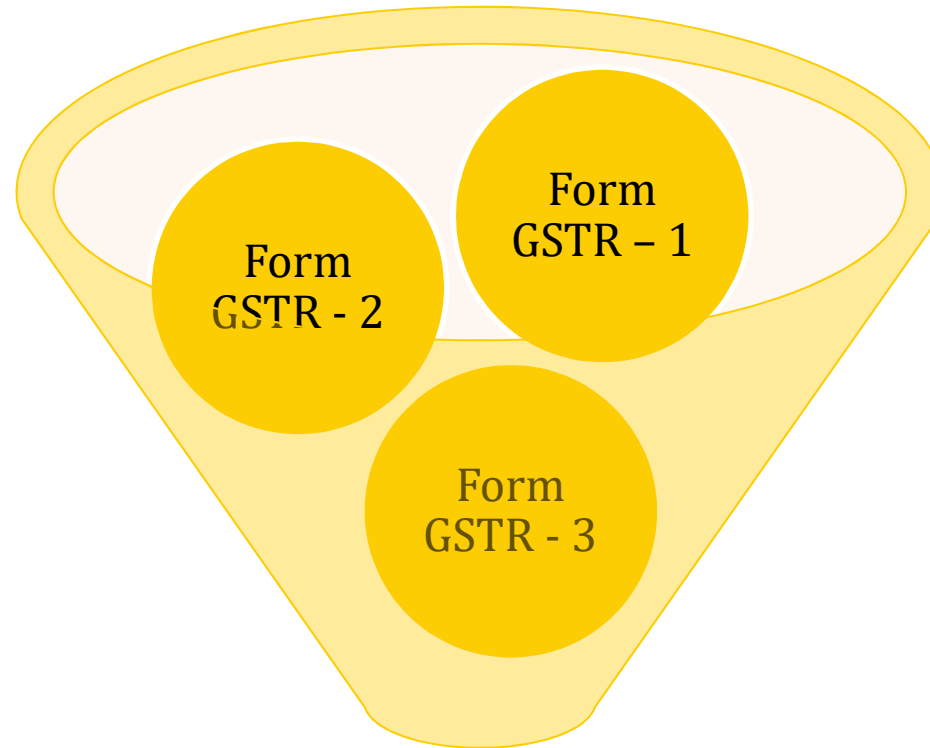
➤ shall furnish, electronically, the annual return along with a copy of the audited annual accounts and a

➤ reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement

Persons not covered here are :

1. Input Service Distributor,
2. a person paying tax under section 51 or section 52,
3. a casual taxable person and a non-resident taxable person,

# Points to be kept in mind for annual reconciliation statement



Annual Return (Form GSTR 9)

If turnover more than Rs. 2 crore Reconciliation Statement duly certified in Form GSTR – 9C



# Points to be kept in mind for annual reconciliation statement

This return is to be filed annually. It is intended to **provide 360 degree view** about the activities of the taxpayer.

Ensure that returns for all months is filled

Maintain Separate ledgers for the Exempt and Taxable supplies and Input credit claimed i.e. IGST, CGST, SGST

Three way matching needs to be done i.e. Monthly returns v/s Annual Return v/s Financial Statements

Ensure tax is paid on all expenses whether from Registered or Unregistered Dealer

# Points to be kept in mind for annual reconciliation statement

Input Credit appearing under Electronic Cash Ledger, Amount Deposited and appearing under the Electronic Cash Ledger is matching with the amount as appearing under the Financials.

Ensure Year end procedures have been followed and all Sales and Purchases (Including expenses) have been accounted in relevant year

Reconcile all the Debit & Credit Notes, Sale & Purchase Voucher, Receipt and Payment Voucher with the actual vouchers in hand as at the reporting date.

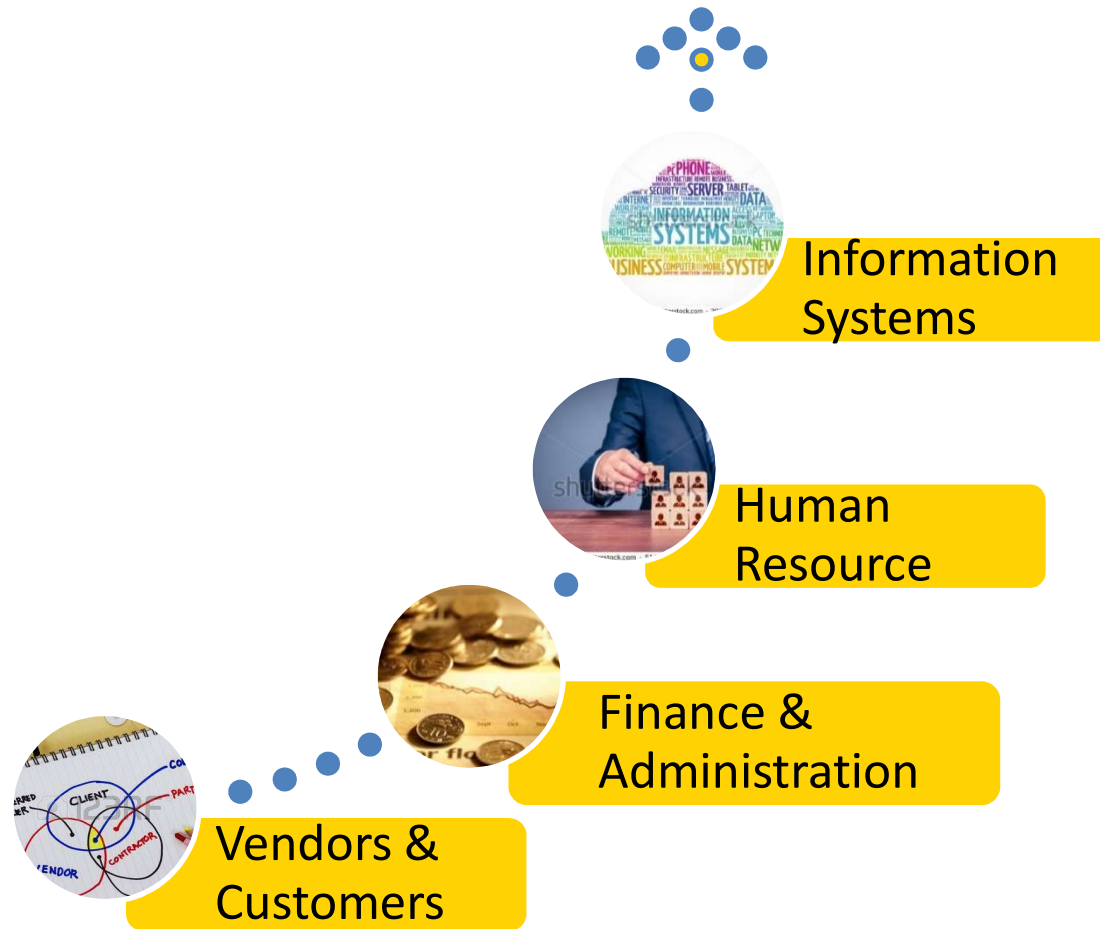
Interest on taxes paid under GST, if any, paid should be recorded in separate ledger under accounts.

To verify Ageing of Creditors to ensure that all payments are made before the time line specified as per GST Act, which is 180 days or else Input Tax Credit claimed is reversed and Tax on the same is paid.



# *Implementation*

# Getting ready for GST



# Preparation for GST



## Vendors

Collect GSTIN  
Whether Migrated  
Sincerity & Honesty to pay taxes to be verified



## Customers

Taxes Collection shall be crucial  
Credit Policy to be redefined  
Collect GSTIN  
Whether Migrated

# Preparation for GST



- ❖ Change in Working Capital Requirements
- ❖ Credit Blockage due to separate registrations in multiple states / verticals
- ❖ Credit unavailability due to default by Vendors
- ❖ Late Filing Fees, automatic through system
- ❖ Default Levy of Interest
- ❖ Cancellation of GST

# Preparation for GST



## Human Resource & Accounts

Increased Compliances

Continuous Internal  
Trainings

Higher requirement for  
human resource for  
handling GST Compliances



## Information Systems

Robust System  
requirements

Modifications w.r.t. to  
Current Systems

Invoicing, Accounting and  
Filing of Returns must be  
synchronised





**Any Questions?**



## Contact Details

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**THANK YOU !**