

GST COURSE FOR CA STUDENTS Conducted by –**WIRC OF ICAI**

Date : Wednesday, 31st May 2017

Venue : ICAI Tower, Plot No. C-40, 'G' Block, BKC, Bandra (E), Mumbai 51.

Time : 10.00 AM to 01.00 Pm

GST

Goods &
Services
Tax



CA Gopal Kedia



What is GST ?

Doctor

Glucagon Stimulation Test



Alia Bhat: Goodnyt Sweetdreams Takecare!

Haryanvi

Ghano Sara Tax



shayarifrommyheart.myfsg.in

It is a **destination based tax** on consumption of goods and services. It is proposed to be **levied at all stages** right from manufacture up to final consumption with credit of taxes paid at previous stages available as setoff. In a nutshell, only value addition will be taxed and **burden of tax is to be borne by the final consumer.**

With the 101st Constitution Amendment Act coming into force on 8th September, 2016 and notification of the GST Council on 15th September – the road to GST rollout is clear. Government is keen on introducing GST the biggest indirect tax reform, with effect from 01 April 2017.

Topics to be covered

S.No.	Topics	Covered in
1	Accounts & Records	Sec 35 & 36
2	Accounting Entries	
3	Returns	Sec 37 to 48 & Draft Return Rules
4	Matching Concept	Sec 42 & 43
5	Mismatch Report	Sec 42 & 43



ACCOUNTS & OTHER RECORD



Accounts & other Records - Sec 35

Every registered person shall keep and maintain, at his **principal place of business**, as mentioned in the certificate of registration, a true and correct account of—

- a) production or manufacture of goods;
- b) inward and outward supply of goods or services or both;
- c) stock of goods;
- d) input tax credit availed;
- e) output tax payable and paid; and
- f) such other particulars as may be prescribed

Place of Accounts & Records- Sec 35

Provided that where **more than one place of business** is specified in the certificate of registration, the **accounts** relating to each place of business **shall be kept at such places of business.**

Principal place of business : means a place specified as the principal place of business in the certificate of registration.

- Unless proved otherwise, if **account** belonging to a registered person **are found at any premises** other than those mentioned in the certificate of registration, **they shall be presumed to be maintained by the said registered person. Rule 1 (11)**

Electronic Form - Sec 35 (1)

Electronic form : Provided further that the registered person may keep and maintain such accounts and other particulars in **electronic form** in such manner as may be prescribed.

➤ The records may be maintained in electronic form and the record so maintained **shall be authenticated by means of a digital signature.**

Rule- 1 (16)

➤ Proper electronic back-up of records shall be maintained and preserved in the **event of destruction** of such records **due to accidents or natural causes**, the information can be **restored** within reasonable period of time. **Rule- 2 (1)**

➤ The registered person maintaining **electronic records shall produce, on demand**, the relevant records or documents, duly authenticated by him, in hard copy or in any electronically readable format **Rule- 2 (2)**

Accounts & other Records - Sec 35

Production Or Manufacture Of Goods	Inward Supply Of Goods Or Services Or Both;	And Outward Supply Of Goods Or Services Or Both;	Stock Of Goods	Input Tax Credit Availed	Output Tax Payable And Paid
<ul style="list-style-type: none"> •Production Chart •Batch Chart •Job Chart •Bill Of Material •Production Slip 	PO-purchase Order/ Grn-goods Received Note/ Purchase Invoice Of The Supplier/ Bank Book	Order-sales/ Outward Challan/ Fright Receipt/ Sales Invoice/ Bank Book Debit And Credit Note	GRN-goods Received Note, Goods Issued Slip, Challan, Invoice Of The Supplier, Other Inventory Records	Purchase Register, accounting Ledger, bank Book And Cash Book, journal	Sales Register Accounting Ledger, bank Book And Cash Book, journal

Accounts & Records Rule 12

Registered person shall maintain in addition to sec 35 (1)

- ✓ account of the goods or services imported or exported
- ✓ supplies attracting payment of tax on reverse charge invoices,
- ✓ bills of supply,
- ✓ delivery challans,
- ✓ credit notes,
- ✓ debit notes,
- ✓ receipt vouchers,
- ✓ payment vouchers,
- ✓ refund vouchers and
- ✓ e-way bills.

Accounts & Records Rule 12

Separate Accounts for



Manufacturing



Trading



Provision of Services

accounts of stock - Rule -1 (3)

- ✓ opening balance
- ✓ Receipt
- ✓ Supply
- ✓ goods lost, stolen, destroyed, written off
- ✓ disposed of by way of gift or free samples
- ✓ balance of stock (including RM, FG, Scrap etc)

Separate account of **advances received**, paid and adjustments made thereto.

Accounts & Records Rule 12

(6) Every registered person shall keep the particulars of –

- (a) names and complete addresses of **suppliers from whom** he has received the goods or services
- (b) names and complete addresses of **the persons to whom** he has supplied the goods or services
- (c) the complete addresses of the premises where the goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein.

Accounts & Records Rule 12

Agent

shall maintain accounts depicting the –

- (a) particulars of **authorization received by him from each principal;**
- (b) **particulars** including description, value and quantity (wherever applicable) of **goods or services received on behalf** of every principal;
- (c) particulars including description, value and quantity (wherever applicable) of goods or services **supplied on behalf of every principal**
- (d) details of accounts furnished to every principal; and
- (e) **tax paid** on receipts or on supply of goods or services effected **on behalf of every principal.**

Accounts & Records Rule 13-14

Manufacturer

Maintain monthly **production accounts**, Showing

- the quantitative details of raw materials
- services used in the manufacture &
- quantitative details of the goods so manufactured
- including the waste and by products thereof.

Service Providers

maintain the accounts showing

- the quantitative details of goods used in output service,
- input services utilised &
- the services supplied.

Accounts & Records Rule 15

Works Contractor

Keep separate accounts for **each** works contract showing –

- (a) the names and addresses of the persons on whose behalf the works contract is executed;
- (b) Details of goods or services **received** for the execution of works contract
- (c) Details of goods or services **utilized** in the execution of each works contract
- (d) the details of payment received
- (e) the names and addresses of suppliers from whom he has received goods or services.

Owner or operator of godown & transporter

- Sec 35 (2)

- Every owner
- operator of warehouse or godown
- every transporter,

irrespective of whether he is a registered person or not,

shall maintain records of

- ✓ the consigner,
- ✓ consignee and
- ✓ other relevant details of the goods in such manner as may be prescribed

Owner or operator of godown & Transporter

Owner or operator of godown

Transporter

submit the details regarding his business electronically on the Common Portal in **FORM GST ENR-01**, and **Unique enrollment No** shall be generated

Records to be maintained

In relation to goods

- ✓ Dispatch
- ✓ Movement
- ✓ receipt,
- ✓ disposal of such goods.

Records to be maintained

- ✓ goods transported
- ✓ Delivered
- ✓ goods stored in transit

Accounts & other Records - Sec 35

Maintenance of additional accounts

The Commissioner may notify a class of taxable persons to maintain additional accounts or documents for such purpose as may be specified therein.

- Purpose is proper determination of tax
- Banking, insurance company may required to maintain additional records

Power of Commissioners/ Chief Commissioner

Where the **Commissioner considers** that

any class of taxable **persons is**

not in a position to keep and maintain accounts in accordance with the provisions of this section,

he may, **permit** such class of taxable persons **to maintain accounts in such manner** as may be prescribed.

Accounts & other Records - Sec 35

Auditing of Accounts

Every registered person whose **turnover** during a financial year **exceeds the prescribed limit i.e. Rs. 1.00 Crore** shall get his **accounts audited** by a **CA or cost accountant &** shall submit a copy of the audited annual accounts, reconciliation statement and such other documents as may be prescribed.

Return Rule 21(2) provides that every registered person whose aggregate turnover during a financial year exceeds **Rs. 1 Crore**, then he shall get the accounts audited under sub-section (5) of Section 35 of the GST Act

Accounts & other Records - Sec 35

Accounting of Lost / destroy Goods :

- Subject to the provisions of clause (h) of sub-section (5) of section 17, where the registered person fails to account for the goods or services or both in accordance with the provisions of sub-section (1), the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of section 73 or section 74, as the case may be, shall, mutatis mutandis, apply for determination of such tax.

Period of retention of accounts Sec-36

Retention in Normal Case

- Until expiry of 72 month from the **due date** of filing of Annual Return.

Retention in case of appeal, revision or any proceeding

- Upto 1 year after final disposal of such appeal: **or**
- upto 72 month from the due date of filing of Annual Return.
- (*Whichever is later*)

Example:-

Accounts and Records for the period 2017-2018

(a) last date of filing the return is 31.12.2018.

(b) the records shall be maintained up to Dec- 2024

© (seventy two months there from expires on 31.12.2024).

Consequences of Non Maintenance- Sec- 122

Where a person,

Fails to keep, maintain or retain books of accounts and other documents in specified in act

Shall be liable to pay a penalty higher of

- a) 10,000/-
- b) Amount equal to tax evaded
- c) Tax not deducted / collected u/s 51/ 52 or short deducted or deducted but not deposited
- d) ITC availed of or passed on
- e) Distributed irregularly
- f) the refund claimed fraudulently

FAQ

Question :- Does the law require any unregistered person to maintain books of account?

Answer:- Yes, every owner or operator of warehouse or godown or any other place used for storage of goods (whether registered or not) shall maintain records of consigner, consignee and other relevant details of the goods as may be prescribed.

Question : Will GSTN be providing mobile based Apps to view ledgers and other accounts?

Answer:- The GST portal is being designed in such a way that it can be seen on any smart phone. Thus ledgers like cash ledger, liability ledger, ITC ledger etc. can be seen on a mobile phone using compatible browsers.

FAQ

Question :- Who is responsible for the maintenance of proper accounts related to job work?

Answer:- It is completely the responsibility of the principal to maintain proper accounts of job work related inputs and capital goods.

Current year Block buster



GST

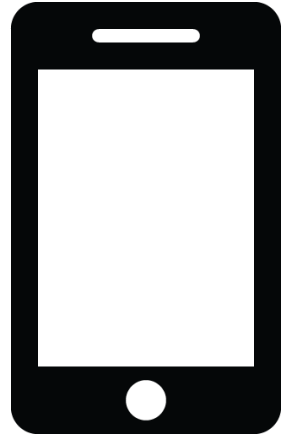
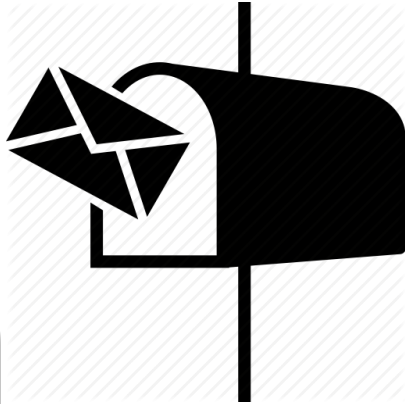
GOODS AND SERVICES TAX





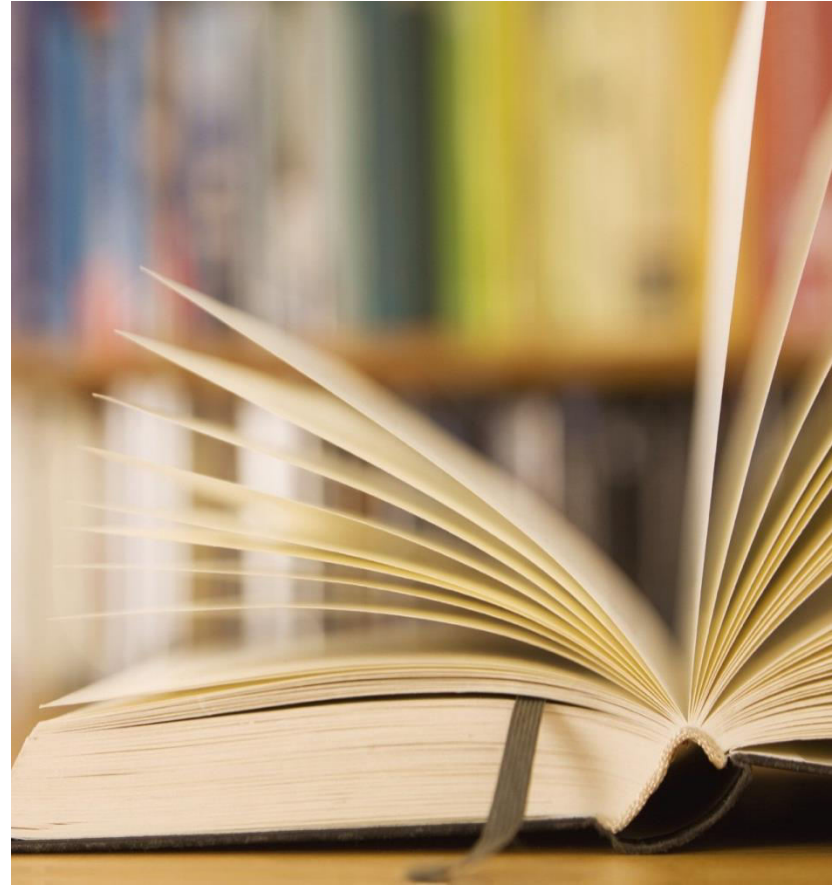
ACCOUNTING ENTRIES







RETURNS



- ✓ A Section 8, non-Government, private limited company.
- ✓ Eq. hold by Govt & non govt financial Institution
- ✓ set up primarily to provide IT infrastructure and services to the Central and State Governments, tax payers and other stakeholders



GOODS AND SERVICES TAX NETWORK

Role assigned to GSTN

Harmonization of Business Processes and Formats

Autonomy of back-end systems of States and Centre

Common & Shared IT Infrastructure



IT Interfaces



Centre/States Tax IT Systems

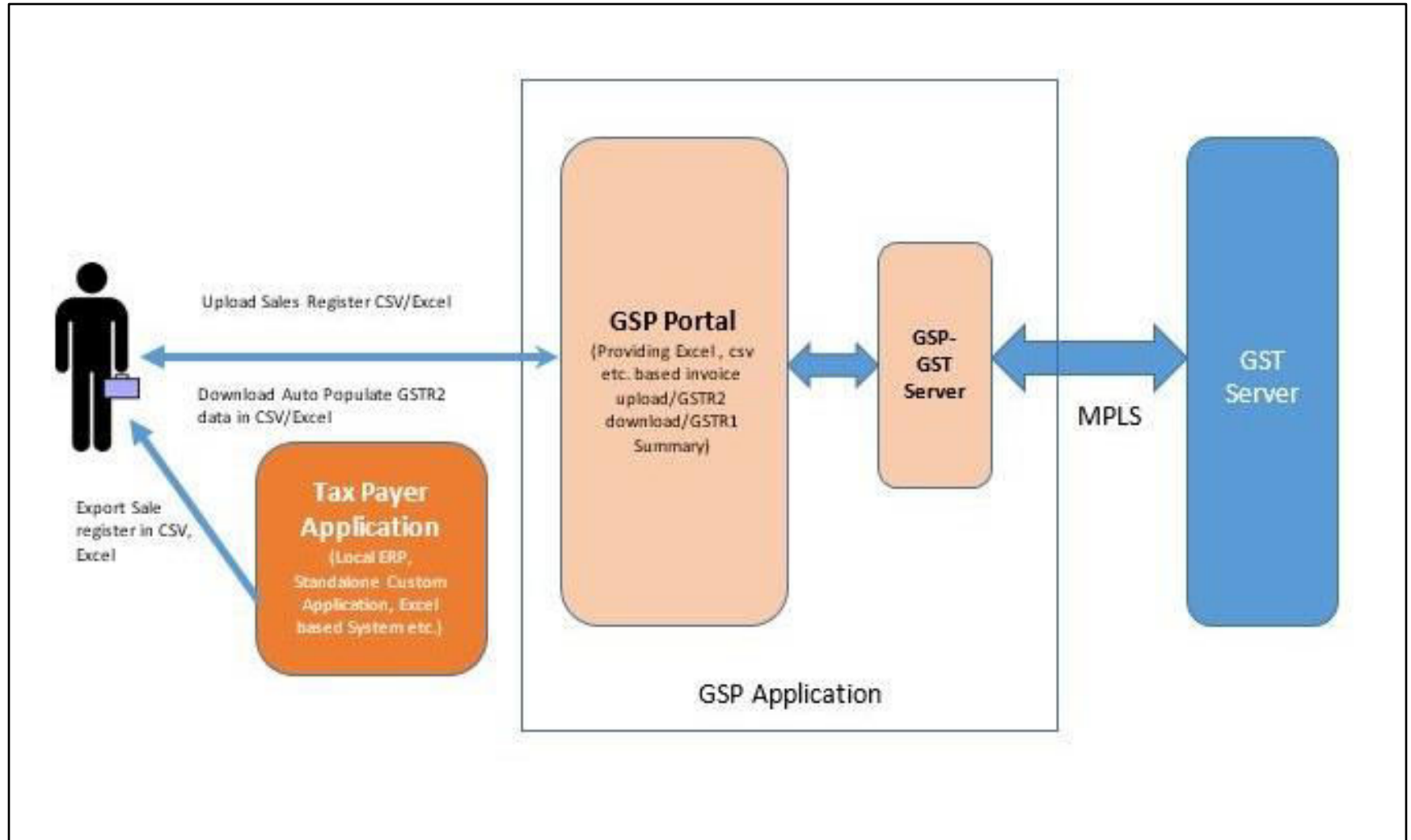


- Core Services
 - Registration
 - Returns
 - Payments
- Helpdesk support
- Information on Inter-State supply and cross-credit utilization
- Analytics
- IGST Settlement

Non-Statutory Functions

Statutory Functions

- Approval of Registration
- Assessment
- Refunds
- Audit and Enforcement
- Adjudication
- Internal workflows to support above functions
- Recovery
- Analytics and BI



Returns

Introduction –
GST Returns

Who need to
file

Process to be
followed

GST Return –
Important to
Note

ITC- Matching,
Reversal, Re-
credit

First & Final
Return

Late fees for
delay in filing
of Returns

Other
important
Provision

Type of Returns

S.No	Form	Description
1	GSTR -1	Outward supplies of taxable goods and/or services
2	GSTR -2	Inward supplies
3	GSTR -3	Monthly return
4	GSTR -4	Quarterly return for Compounding dealer
5	GSTR -5	NRI
6	GSTR -6	ISD
7	GSTR -7	TDS
8	GSTR -8	TCS
9	GSTR -9	Annual Return
10	GSTR -10	Final Return
11	GSTR -11	Details of inward supply by person having UIN



- Dashboard
- Services ▾
- Notifications & Circulars ▾
- Acts & Rules ▾
- Downloads ▾

Ledger Balance

26/08/2016 [Download](#)

CGST (₹)		SGST (₹)		IGST (₹)	
Liability	1,15,000	Liability	90,000	Liability	1,15,000
Cash	20,000	Cash	40,000	Cash	20,000
Input Tax Credit	80,000	Input Tax Credit	70,000	Input Tax Credit	80,000
	-15,000		+20,000		-15,000

- [FILE RETURNS >](#)
- [PAY TAX >](#)
- [UTILIZE ITC / CASH >](#)

Summary for Current Period [Supplier](#) [Receiver](#)

[Your Upcoming Events and Tasks Timeline](#)

* GANESH HARVEST SOLUTIONS *

Ganesh Harvest Solutions
29APPCK7465F1Z1

[View Profile](#)

[Notices/Orders](#) [Saved Forms](#)

Received Show cause notice for cancellation of Registration from Commissioner, Bangalore

Receiver Mismatch Reports

[Download](#)

Total Invoices
3

Total Taxable Amount
₹ 4,60,000

Total Mismatched Credit
₹ 12,000



Supplier Mismatch Reports

[Download](#) 15 May, 2017

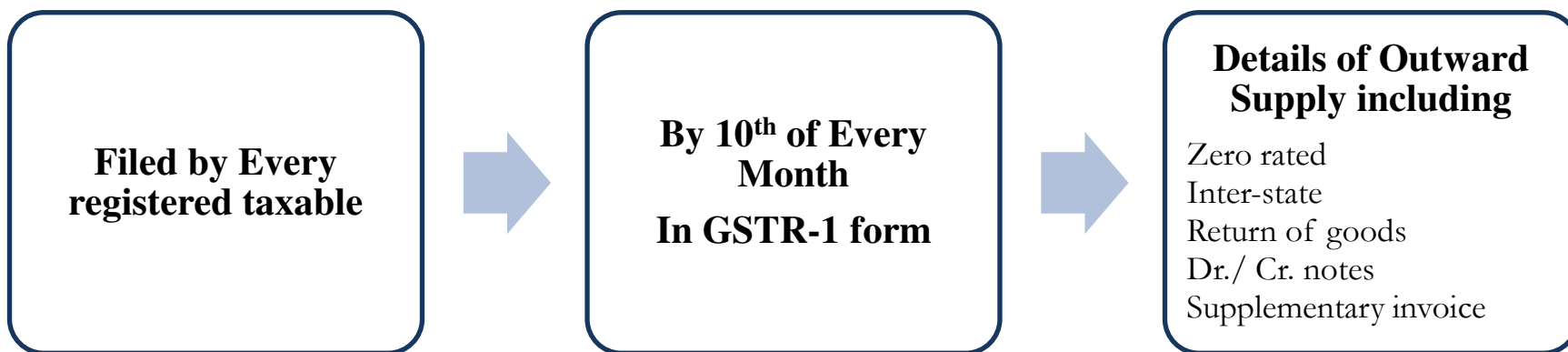
Total Invoices
3

Total Taxable Amount
₹ 4,50,000
CA. Gopal Reddy

Output Tax Liability to be Added
₹ 3,400



Return of Outward Supplies - Sec 37



Notes:

1. Not applicable to Composition, NRI Person, TDS, TCS and ISD
2. No revision of “Original” return – Errors/ Omissions whenever discovered will be corrected in the return to be filed of that period
3. Corrections to be filed on/ before:
 - ✓ Filing of Annual return
 - ✓ Due date of filing of O/w supplies return for month of September following the end financial year to which the details pertain

Content of GSTR-1

Rule 1(2) of Return Rules

Details of outward supplies shall include :-

- (a) invoice wise details of all –
 - (i) inter-State and intra-State supplies made to **registered persons**;
 - (ii) inter-State supplies with invoice value more than two and a half lakh rupees made to unregistered persons;
- (b) consolidated details of all –
 - (i) intra-State supplies made to unregistered persons for each rate of tax; and
 - (ii) **State wise** inter-State supplies with invoice value less than two and a half lakh rupees made to unregistered persons for each rate of tax; and
- (c) debit and credit notes, if any issued during the month for invoices issued previously.

CONTENTS OF GSTR-1

S No.	Particulars
	Basic details of the Taxpayer like registration no , UID etc
	HSN and Service Accounting Code (SAC) <ul style="list-style-type: none">• HSN (4 digit)/ SAC mandatory for taxpayers with turnover > 5 crore in preceding F.Y.• turnover Rs 1.5 Crores ~ Rs 5 Crores in the preceding financial year – HSN (2 digit)• Composition dealer – may not have to report HSN• 8 digit HSN/ SAC mandatory for imports/ export
	Place of Supply : Where the place of supply is different from location of recipient
	Reverse Charge : If tax is payable by the recipient of service, same need to be reported
	Provisional Assessment – related details
	Details of supplied made through e-commerce

	Advances received against future supplies
	Taxes paid on advances for which tax invoices issued in current period
	Supplies exported (including deemed exports) with/ without payment of IGST
	revisions in relation to outward supply invoices pertaining to previous tax periods (Debit/ Credit note)
	Separate table for effecting modifications/correcting errors in the returns submitted earlier, generally suffixed with ‘A’
	separate table for submitting details in relation to NIL rated, Exempted and Non-GST outward supplies to registered tax payers and consumers
	Details of Supplies made through e-commerce portals



- Dashboard
- Services
- Notifications & Circulars
- Acts & Rules
- Downloads

Dashboard > Returns > GSTR-1

English

GSTR-1 - Outward Supplies made by the Taxpayer

GSTIN - 29ADEC9084R5Z4	Business Name - Stark Pvt Ltd.	Status - Pending	Due Date - 10/05/2016
FY - 2016-17	Return Period - April		
Gross Turnover of the taxpayer in the previous financial year	<input type="text" value="2,00,000.00"/>	<input type="button" value="SAVE"/>	Total Tax Liability ₹1,84,32,522

GSTR-1 - Invoice Details

B2B Invoices 11
Section 5

Pending for Action **0**

₹45,01,660	₹37,51,383	₹7,50,277
Invoice Value	Taxable Value	Tax Liability

Amended B2B Invoices 1
Section 5A

Pending for Action **0**

₹2,42,810	₹2,02,342	₹40,468
Invoice Value	Taxable Value	Tax Liability

B2C (Large) Invoices 3
Section 6

Pending for Action **NA**

₹99,97,000	₹8,33,083	₹1,66,617
Invoice Value	Taxable Value	Tax Liability

Amended B2C (Large) Invoices 1
Section 6A

Pending for Action **NA**

₹58,07,600	₹58,07,600	₹5,80,760
Invoice Value	Taxable Value	Tax Liability

Credit / Debit Notes 3
Section 8

Pending for Action **0**

(₹5,000)	(₹1,000)
Differential Value	Tax Liability

Amended Credit / Debit Notes 1
Section 8A

Pending for Action **0**

(₹50,000)	(₹10,000)
Differential Value	Tax Liability

Exports Invoices 3
Section 10

Pending for Action **NA**

₹12,50,000	-	-
Invoice Value	Taxable Value	Tax Liability

Amended Exports Invoices 1
Section 10A

Pending for Action **NA**

₹6,50,000	₹5,41,667	-
Invoice Value	Taxable Value	Tax Liability

GSTR-1 - Other Details

B2C (Small)**6**

Section 7

Pending for Action [NA](#)

₹1,47,60,000 ₹29,52,000

Taxable Value Tax Liability

Amended B2C (Small) Details**1**

Section 7A

Pending for Action [NA](#)

₹54,03,800 ₹10,80,760

Taxable Value Tax Liability

Nil Rated Supplies

Section 9

Pending for Action [NA](#)

₹9,26,480

Invoice Value

Tax Liability (Advance Payment)**3**

Section 11

Pending for Action [NA](#)

₹1,60,000

Amount of Tax to be Paid on Advance

Amended Tax Liability (Advance Payment)**1**

Section 11A

Pending for Action [NA](#)

₹52,080

Amount of Tax to be Paid on Advance

Tax already paid on invoices issued in the current period**2**

Section 12

Pending for Action [NA](#)

₹1,08,957

Advance Tax Paid

Supplies paid through e-commerce portals of other companies**6**

Section 13

Pending for Action [NA](#)

₹15,05,000

Gross Value Of Supplies

HSN / SAC summary of outward supplies

Section 14

Pending for Action [NA](#)

₹6,43,63,198 ₹1,28,72,640

Taxable Value Tax Liability

BACK

PREVIEW

FILE GSTR-1

11. Tax liability arising on account of Time of Supply without issuance of Invoice in the same period.

(figures in Rs)

GSTIN/UIN/ Name of customer	State Code	Document No.	Date	Goods/ Services	HSN/SAC of supply	Amount of advance received/ Value of Supply provided without raising a bill	TAX					
							IGST		CGST		SGST	
							Rate	Tax	Rate	Tax	Rate	Tax
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)

11A. Amendment to Tax liability arising on account of Time of Supply without issuance of Invoice in the same tax period.

(figures in Rs)

Original Details			Revised Details						Amount of advance received/ Value of Supply provided without raising a bill	TAX					
GSTIN/ UIN/Na me of custome r	Docum ent Numbe r	Date	GSTI N/UI N/ Name of custo mer	Stat e Cod e	Docu ment No.	Date	Goods /Servi ces	HSN/S AC of supply to be made		IGST		CGST		SGST	
										Rate	Tax	Rate	Tax	Rate	Tax
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)

12. Tax already paid (on advance receipt/ on account of time of supply) on invoices issued in the current period

(figures in Rs)

Invoice No.	Transaction id (A number assigned by the system when tax was paid)	TAX Paid on receipt of advance/on account of time of supply					
		IGST		CGST		SGST	
		Rate	Tax	Rate	Tax	Rate	Tax
(1)	(2)	(4)	(5)	(6)	(7)	(8)	(9)

FAQ

Q 4. Is the scanned copy of invoices to be uploaded along with GSTR-1?

Ans. No scanned copy of invoices is to be uploaded. Only certain prescribed fields of information from invoices need to be uploaded.

Q 5. Whether all invoices will have to be uploaded?

Ans. No. It depends on whether B2B or B2C plus whether Intra-state or Inter-state supplies.

FAQ

Q 6. Whether description of each item in the invoice will have to be uploaded?

Ans. No. In fact, description will not have to be uploaded. Only HSN code in respect of supply of goods and Accounting code in respect of supply of services will have to be fed. The minimum number of digits that the filer will have to upload would depend on his turnover in the last year.

Q 7. Whether value for each transaction will have to be fed? What if no consideration?

Ans. Yes. **Not only value but taxable value** will also have to be fed. In some cases, both may be different.

In case there is no consideration, but it is supply by virtue of schedule 1, the taxable value will have to be worked out as prescribed and uploaded.

Return of Inward Supplies – GSTR 2

Recipient shall verify, validate, modify or delete the details furnish by the outward supplier in **GSTR-2A (Auto Population)**



He shall furnish details of inward supply
In Form GSTR-2



Not applicable to :
ISD
NRI
Person paying tax under RCM
TDS/ TCS deductor

Information Auto populated in GSTR-2A

Sr. No	Part No	Sub - Rule	Nature of Information
1	A	1(3)	Inward supply of Goods & Services includes a) Invoice wise details of all interstate and intra state supplies received from registered and unregistered persons b) Imports of Goods & services c) Dr. / Cr. Notes
2	B	2(5)	Distribution of credit by ISD
3	C	2(6)	TDS
4	D	2(7)	TCS

Information need to be included in GSTR-2 (Sec 38(2))

Sr. No	Nature of Information need to be included
1	Inward supply of Goods & Services or both
2	inward supplies on which the tax is payable on reverse charge basis
3	inward supplies taxable under the IGST Act
4	inward supplies on which integrated goods and services tax is payable under section 3 of the Customs Tariff Act, 1975
5	credit or debit notes received

This return need to be furnish between 11th to 15th day of the following month



- Dashboard
- Services
- Notifications & Circulars
- Acts & Rules
- Downloads

Dashboard > Returns > GSTR-2

English

GSTR-2 - Inward Supplies received by the Taxpayer

GSTIN 28AAACM1090A1Z1

Business Name Manuj Industries Ltd.

FY 2016-17

Return Period April

Status Pending

Due Date 15/05/2016

Gross Turnover

SAVE

GSTR-2 - Invoice Details

B2B Invoices

6

Section 4

Pending for Action 5

₹21,97,404	₹4,39,480.80	₹3,99,218
Total Taxable Value	Tax Paid	ITC Availed

Amended B2B Invoices

2

Section 4A

Pending for Action 1

₹7,04,432	₹1,24,150	₹1,24,150
Total Taxable Value	Tax Paid	ITC Availed

Import Of Goods/Capital Goods

2

Section 5

Pending for Action NA

₹29,16,925	₹5,83,385	₹4,85,470
Total Taxable Value	Tax Paid	ITC Availed

Amended Import Of Goods

1

Section 5A

Pending for Action NA

₹48,39,667	₹9,67,933	₹7,25,950
Total Taxable Value	Tax Paid	ITC Availed

31st May, 2017

Import Of Services

2

Section 6

Pending for Action NA

₹4,43,060	₹76,124	₹76,124
Total Taxable Value	Tax Paid	ITC Availed

CA. Gopal Kedia

Amended Import Of Services

1

Section 6A

Pending for Action NA

₹2,02,133	₹40,428	₹40,428
Total Taxable Value	Tax Paid	ITC Availed

46

Credit/Debit Notes**2**

Section 7

Pending for Action **1**

₹20,000	₹4,000	₹4,000
Differential value	Differential tax	ITC Availed

Amended Credit / Debit Notes

Section 7A

Pending for Action **NA**

₹50,000	₹10,000	₹10,000
Differential value	Differential tax	ITC Availed

ISD Credit Received**2**

Section 9

Pending for Action **NA**

₹1,78,130
Tax Credit Received

GSTR-2 - Other Details**Nil Rated****5**

Section 8

Pending for Action **NA**

₹38,10,440
Total

TDS Credit Received**5**

Section 10(1)

Pending for Action **NA**

₹11,800
TDS Received

TCS Credit Received**3**

Section 10(2)

Pending for Action **NA**

₹43,439
TCS Received

ITC Received**6**

Section 11

Pending for Action **NA**

₹1,94,640	₹1,61,140
ITC Availed Earlier	ITC Availed This Month

Tax Liability Under Reverse Charge**2**

Section 12

Pending for Action **NA**

₹3,01,410	₹60,282
Total Taxable Value	Tax Paid

Amended Tax Liability Under Reverse Charge**1**

Section 12A

Pending for Action **NA**

₹3,36,000	₹67,200
Total Taxable Value	Tax Paid

Tax Paid Under Reverse Charge**6**

Section 13

Pending for Action **NA**

₹1,52,740
Advance Tax paid

ITC Reversal**3**

Section 14

Pending for Action **NA**

₹1,52,000
Total ITC Reversed

HSN /SAC Summary Of Inward Supplies

Section 15

Pending for Action **NA**

₹3,13,10,853	₹62,55,684
Total Taxable Value	Tax Paid

FAQ

Q 8. Can a recipient feed information in his GSTR-2 which has been missed by the supplier?

Ans. Yes, the recipient can himself feed the invoices not uploaded by his supplier. The credit on such invoices will also be given provisionally but will be subject to matching. On matching, if the invoice is not uploaded by the supplier, both of them will be intimated. If the mismatch is rectified, provisional credit will be confirmed. But if the mismatch continues, the amount will be added to the output tax liability of the recipient in the returns for the month subsequent to the month in which such discrepancy was communicated.

FAQ

Q 9. Does the taxable person have to feed anything in the GSTR-2 or everything is auto-populated from GSTR-1?

Ans. While a large part of GSTR-2 will be auto-populated, there are some details that only recipient can fill like details of imports, details of purchases from non-registered or composition suppliers and exempt/non-GST/nil GST supplies etc.

Monthly Return – GSTR 3

Every Registered Person shall furnish

For every calendar month by 20th of following month
In form **GSTR-3** electronically

Containing :

- Inward Supply
- Outward Supply
- ITC available
- Tax payable
- Tax Paid
- Other particulars

1. Net tax liability as per above return should be paid by 20th of following month.
2. Nil return to be filed - Sec 39 (8)
3. **Without payment invalid return – 39(7) :** Due date of payment of taxes shall be 20th otherwise return will not be considered as a valid return.

CONTENTS OF GSTR-3

S.No.	Table No. GSTR-3	Description	Auto populated from
1	6	Outward Supplies <ul style="list-style-type: none">✓ Inter state supply to Regd person✓ Intra state supply to Regd person✓ Inter state supply to consumer✓ Intra state supply to consumer✓ Exports✓ Revision of supply Invoice, Dr/ Cr Notes Total Tax liability of outward supply	GSTR-1
2	7	Inward Supplies <ul style="list-style-type: none">✓ Inter state supply✓ Intra state supply✓ Imports✓ Revision of purchase Invoice, Dr/ Cr Notes✓ total tax liability on reverse charge basis✓ ITR reversal	GSTR-2

CONTENTS OF GSTR-3

S.No.	Table No. GSTR-3	Description	Auto populated from
3	8	Total tax liability for the month	GSTR-3
	9A	TDS	GSTR-2
	9B	TCS	GSTR-2
	10	Total ITC received during the month	GSTR-3
	11	Tax, interest, Penalty (Auto populated from cash ledger & ITC ledger)	
	12	Refunds claimed from cash ledger	



GSTR-3 - Monthly Return

GSTIN ♦ 28AAACM1090A1Z1

Business Name ♦ Manuj Industries Ltd.

FY ♦ 2016-17

Return Period ♦ April

Status ♦ Pending

Due Date ♦ 20/05/2016

Turnover Details

Section 5

₹5,81,00,940	₹34,79,740
Gross Turnover	Net Taxable Turnover

Total Tax Liability

Section 8

₹53,87,890	₹25,35,893	₹25,35,893
IGST	CGST	SGST

Tax Paid

Section 11

₹35,53,759	₹35,32,674	₹35,32,674
IGST	CGST	SGST

Outward Supplies

Section 6

₹51,74,232	₹25,79,168	₹25,79,168
IGST	CGST	SGST

TDS Credit

Section 9

₹1,60,000	₹38,000	₹38,000
IGST	CGST	SGST

Refund Claim

Section 12

₹5,04,730	₹2,11,790	₹2,11,790
IGST	CGST	SGST

Inward Supplies

Section 7

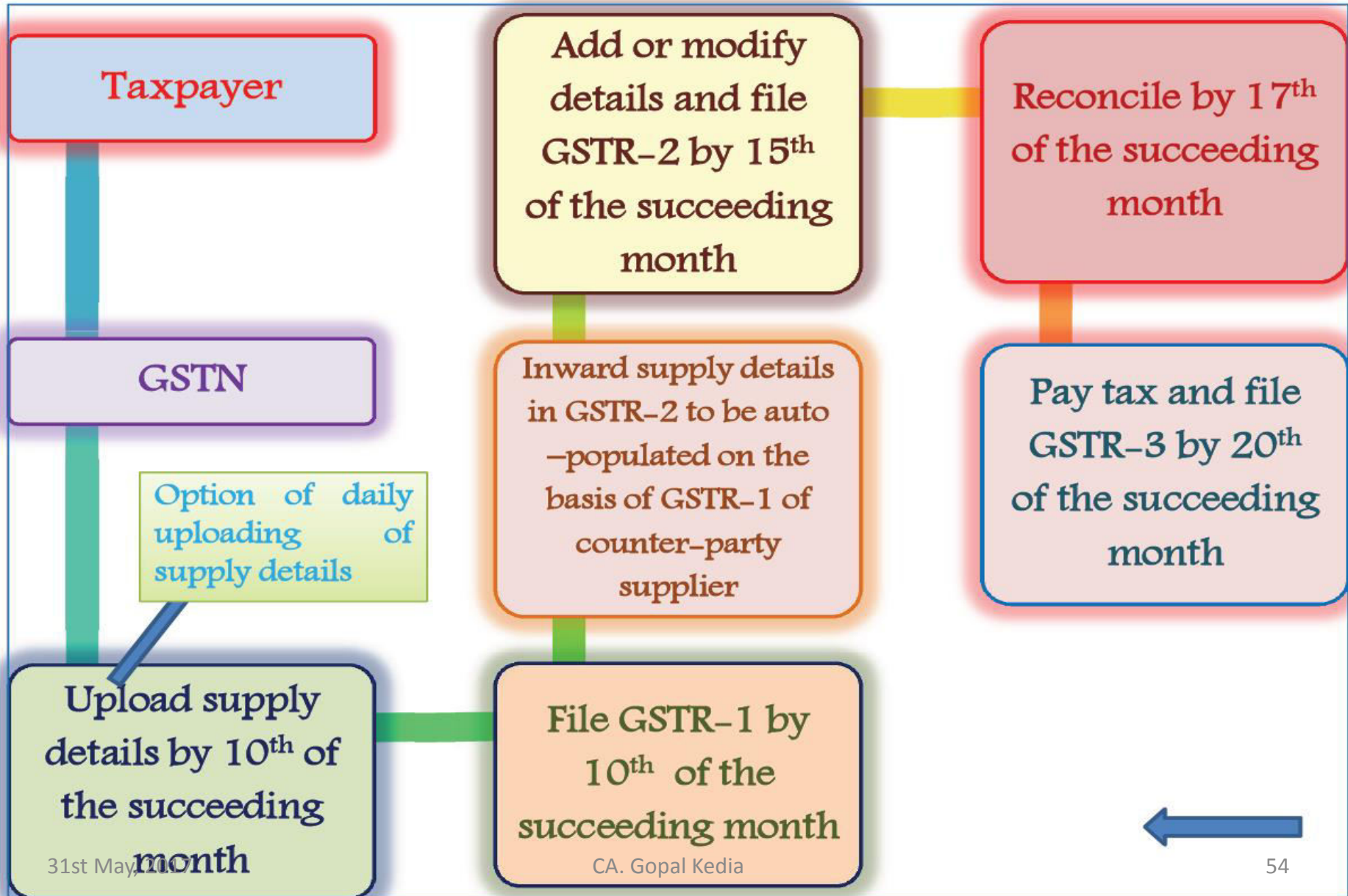
₹10,79,890	₹1,32,837	₹1,32,837
IGST	CGST	SGST

ITC Credit

Section 10

₹14,71,401	₹12,92,956	₹12,92,956
IGST	CGST	SGST

Process to be followed



Matching, reversal & reclaim of ITC– Sec 42

- 1) The details of every **inward supply** furnished by recipient **shall be matched—**
 - a) **with** the corresponding details of outward supply furnished by the supplier
 - in his **valid** return
 - for the same tax period or any preceding tax period
 - a) with the **IGST paid on imports** u/s 3 of the Customs Tariff Act, 1975 and
 - b) for duplication of claims of input tax credit.

Matching, reversal & reclaim of ITC– Sec 42

ITC claimed in excess of declared by supplier (e.g. – clerical error, non filing of return etc)



Communication to both - **Sec 42(3)**



Reversal: If not rectified by supplier then discrepancy shall be added to the output liability of recipient. **Sec 42 (5)**



Reclaim : If supplier accept output liability, then recipient shall reduce his output tax liability **Sec 42(7)**

Duplicate ITC Claim



Communication to recipient- **Sec 42(4)**



Reversal: duplicate claim shall be added to the output liability of recipient - **Sec 42(6)**

In case of reversal of ITC, interest u/s 50 shall be paid by the recipient.

Matching, reversal & reclaim of reduction in output tax liability - Sec 43

- 1) *The details of every credit note relating to outward supply furnished by a registered person (hereafter in this section referred to as the “supplier”) for a tax period shall,*
- in such manner and within such time as may be prescribed, be matched—
 - *(a) with the corresponding reduction in the claim for input tax credit by the*
 - corresponding registered person (hereafter in this section referred to as the “recipient”)
 - in his valid return for the same tax period or any subsequent tax period; and
 - *(b) for duplication of claims for reduction in output tax liability..*

Matching, reversal & reclaim of reduction in output tax liability - Sec 43

Reduction in output tax liability in excess of reduction by recipient or credit note not declared by recipient



Communication to both - **Sec 43(3)**



Reversal: If not rectified by recipient then discrepancy shall be added to the output liability of supplier. **Sec 43 (5)**



Reclaim : If recipient declare the details of credit note, then supplier shall reduce his output tax liability **Sec 42(7)**

Duplicate if claims of credit note



Communication to supplier - **Sec 43(4)**



Reversal: duplicate claim shall be added to the output liability of supplier- **Sec 42(6)**

In case of output liability is added, interest u/s 50 shall be paid by the supplier.

Person with Composition Scheme – Sec 39(2)

A registered person paying tax under the provisions of section 10 shall,

- for each **quarter**,
- Furnish a return in **GSTR-4** format
- **within 18 days** after the end of such quarter
- electronically, of turnover in the State or UT,

As per sec 17(5)(e) not entitle for ITC, hence **entire** amount of output tax **liability** shall be **payable in cash**.

Input service Distributor – Sec 39(4)

Every Input Service Distributor shall,

- for every calendar **month**
- Furnish return, electronically in **GSTR- 6**
- **within 13 days** after the end of such month.

Caution !!

ISD is separate registration, credits aren't interchangeable

Q 14. Do Input Service Distributors (ISDs) need to file separate statement of outward and inward supplies with their return?

Ans. No, the ISDs need to file only a return in Form GSTR-6 and the return has the details of credit received by them from the service provider and the credit distributed by them to the recipient units. Since their return itself covers these aspects, there is no requirement to file separate statement of inward and outward supplies.

First Return – Sec 40

Every registered person

- Shall furnish first return
- Covering all outward supplies
- Made from the date he become liable for registration till the end of month in which registration is granted

For e.g.

Date on which become liable for registration	02.07.2017
Date of application for registration	05.07.2017
Date of grant of registration	29.07.2017

Annual Return – Sec 44

(1) Every registered person,

- other than
 - an Input Service Distributor,
 - a person paying TDS / TCS
 - a casual / non-resident taxable person
- shall furnish an annual return for every financial year
- electronically in GSTR-9 format and GSTR-9A by composite dealer
- before 31st December following year

(2) If accounts are **required to be audited u/s 35(5)**

Then a **reconciliation statement in form 9B** required to submit with above return.

Annual Return – Sec 44

Contain of Annual return :

S.No.	Para No.	Description
1	5	Details of expenditure
2	6	Details of Income
3	7	Return reconciliation statement
4	8	Other accounts
5	9	Profit as per profit and loss account

Q 16. Which type of taxpayers need to file Annual Return?

Ans. All taxpayers filing return in GSTR-1 to GSTR-3, other than ISD's, casual/non-resident taxpayers, taxpayers under composition scheme, TDS/TCS deductors, are required to file an annual return. Casual taxpayers, non-resident taxpayers, ISDs and persons authorized to deduct/collect tax at source are not required to file annual return.

Final Return – Sec 44

Every registered person

- who is required to furnish a return under sub-section (1) of section 39 and
- whose **registration has been cancelled** shall
- furnish a **final return**
- **within three months** of the date of cancellation or date of order of cancellation, whichever is later,
- in **GSTR-10** form

FAQ

Q 17. Is an Annual Return and a Final Return one and the same?

Ans. No. Annual Return has to be filed by every registered person paying tax as a normal taxpayer. Final Return has to be filed only by those registered persons who have applied for cancellation of registration. The Final return has to be filed within three months of the date of cancellation or the date of cancellation order.

Other provision – Sec 46 to 48

Notice to return defaulter – Sec 46

Where a registered person fails to furnish a return under section 39 or section 44 or section 45, a notice shall be issued requiring him to furnish such return **within fifteen days** in such form and manner as may be prescribed.

<u>Levy of Late Fees – sec 47</u>	
Outward, inward , Monthly & Final return	Annual Return
Rs. 100 /- per day Or Maximum of Rs. 5000/-	Rs. 100/- per day Or Maxi of 0.25% of TO in the state

Tax Return Preparers

Manner of Approval

- appropriate Government may, by rules, prescribe the manner of approval of Tax Return Preparers

Responsibility

- responsibility for
- correctness of any particulars furnished in the return and/or other details filed by the Tax Return Preparer shall
- continue to rest with the registered taxable person



**GST we
thought about**



**Actual
GST**

*Arise, Awake,
Stop not
Until
Your Goal is
Achieved.*



Thank you

CA Gopal Kedia,