

SEMINAR ON GST

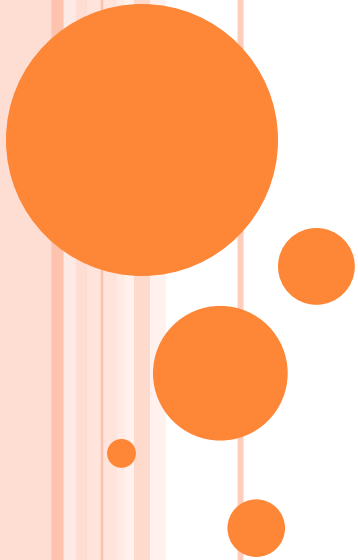
Date : 14th October 2017

JB Nagar Study Circle

GST Return filing and Disclosures

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TOPICS COVERED

- 1) Return filing under GST
- 2) Matching Concept
- 3) Issues and Practical Difficulties in Return filing



BRIEF OVERVIEW OF ACT AND RULES

Section of CGST Act	Corresponding Rule of CGST Act
37 –Details of outward supply	59
38 –Details of inward supply	60
39 –Returns	61
40 –First Return	
41 –Claim of input tax credit and provisional acceptance	
42 –Matching, reversal and reclaim of ITC	69,70,71
43 –Matching, reversal and reclaim of reduction in Output tax liability	73,74,75
44 –Annual return	80

GST RETURNS

➤ The various types of return are as follows:

Sr. No.	Return	Applicable for	Due date
1	GSTR-1	Details of outward supplies	10th of the next month
2	GSTR-1A	Details of outward supplies as added, corrected or deleted by the recipient	17th of the next month
3	GSTR-2	Details of inward supplies	15th of the next month
4	GSTR-2A	Details of inward supplies made available to the recipient	Auto generated
5	GSTR-3	Monthly Return	20th of the next month
6	GSTR-4	Quarterly Return for compounding taxable person	18th of the month succeeding the quarter
7	GSTR-4A	Details of Inward Supplies for compounding taxable person	Auto generated

Sr. No.	Return	Applicable for	To be filed by
9	GSTR-5	Return for Non-Resident foreign taxable person	20 th of the next month
10	GSTR-6	ISD Return	13 th of the next month
11	GSTR-7	TDS Return	10 th of the next month
12	GSTR-8	Details of supplies effected through e-commerce operator and the amount of TCS collected	10 th of the next month
13	GSTR-9	Annual Return	By 31st December of next FY
14	GSTR-9A	Annual Return for Compounding taxable persons	By 31st December of next FY
15	GSTR-10	Final Return	Within 3 months of the date of cancellation of registration or date of cancellation order, whichever is later
16	GSTR-11	Details of inward supplies to be furnished by a person having UIN	28 th of the next month

GSTR- 3B

As per Rule 61 (5) of CGST Rules, 2017 Where the time limit for furnishing of details in FORM GSTR-1 under section 37 and in FORM GSTR-2 under section 38 has been extended and the circumstances so warrant, return in FORM GSTR-3B, in lieu of FORM GSTR-3, may be furnished in such manner and subject to such conditions as may be notified by the Commissioner.

GSTR-3B DUE DATES

When to file GSTR – 3B

For July	For August	For September
Before 25 th or 28 th August	Before 20 th September	Before 20 th October

For October	For November	For December
Before 20 th November	Before 20 th December	Before 20 th January

Table 3.1 of GSTR-3B

3.1 Details of Outward Supplies and inward supplies liable to reverse charge

Nature of Supplies	Total Taxable value	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6
(a) Outward taxable supplies (other than zero rated, nil rated and exempted)					
(b) Outward taxable supplies (zero rated)					
(c) Other outward supplies (Nil rated, exempted)					
(d) Inward supplies (liable to reverse charge)					
(e) Non-GST outward supplies					

- There is no table to reflect supplies made by taxable person which falls under RCM (Ex. Sponsorship).
- Import of goods (liability) is not to be declared in this table.
- **Value of Taxable Supplies** = Value of invoices + Value of Debit Notes - value of credit notes + value of advances received for which invoices have not been issued in the same month - value of advances adjusted against invoices.

Table 3.2 of GSTR-3B

3.2 Of the supplies shown in 3.1 (a) above, details of inter-State supplies made to unregistered persons, composition taxable persons and UIN holders

	Place of Supply (State/UT)	Total Taxable value	Amount of Integrated Tax
1	2	3	4
Supplies made to Unregistered Persons			
Supplies made to Composition Taxable Persons			
Supplies made to UIN holders			

Information with respect to supplies made to Composition Taxable Person is usually not available

Table 4 of GSTR-3B

4. Eligible ITC

Details	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5
(A) ITC Available (whether in full or part)				
(1) Import of goods				
(2) Import of services				
(3) Inward supplies liable to reverse charge (other than 1 & 2 above)				
(4) Inward supplies from ISD				
(5) All other ITC				
(B) ITC Reversed				
(1) As per rules 42 & 43 of CGST Rules				
(2) Others				
(C) Net ITC Available (A) – (B)				
(D) Ineligible ITC				
(1) As per section 17(5)				
(2) Others				

Table 5 of GSTR-3B

5. Values of exempt, nil-rated and non-GST inward supplies

Nature of supplies	Inter-State supplies	Intra-State supplies
1	2	3
From a supplier under composition scheme, Exempt and Nil rated supply		
Non GST supply		

Table 6.1 and 6.2 of GSTR-3B

6.1 Payment of tax

Description	Tax payable	Paid through ITC				Tax paid TDS./TCS	Tax/Cess paid in cash	Interest	Late Fee
		Integrated Tax	Central Tax	State/UT Tax	Cess				
1	2	3	4	5	6	7	8	9	10
Integrated Tax									
Central Tax									
State/UT Tax									
Cess									

6.2 TDS/TCS Credit

Details	Integrated Tax	Central Tax	State/UT Tax
1	2	3	4
TDS			
TCS			

System mandatorily uses credit first and then cash for payment of taxes. Can't keep credit unutilized.

CASH/CREDIT ADJUSTMENT IN 3B - EXAMPLE

ITC Available

- IGST Credit = Rs. 1,50,000/-
- CGST & SGST Credit = Nil

Tax paid (In cash)

- CGST = Rs. 25,000/-
- SGST = Rs. 25,000/-

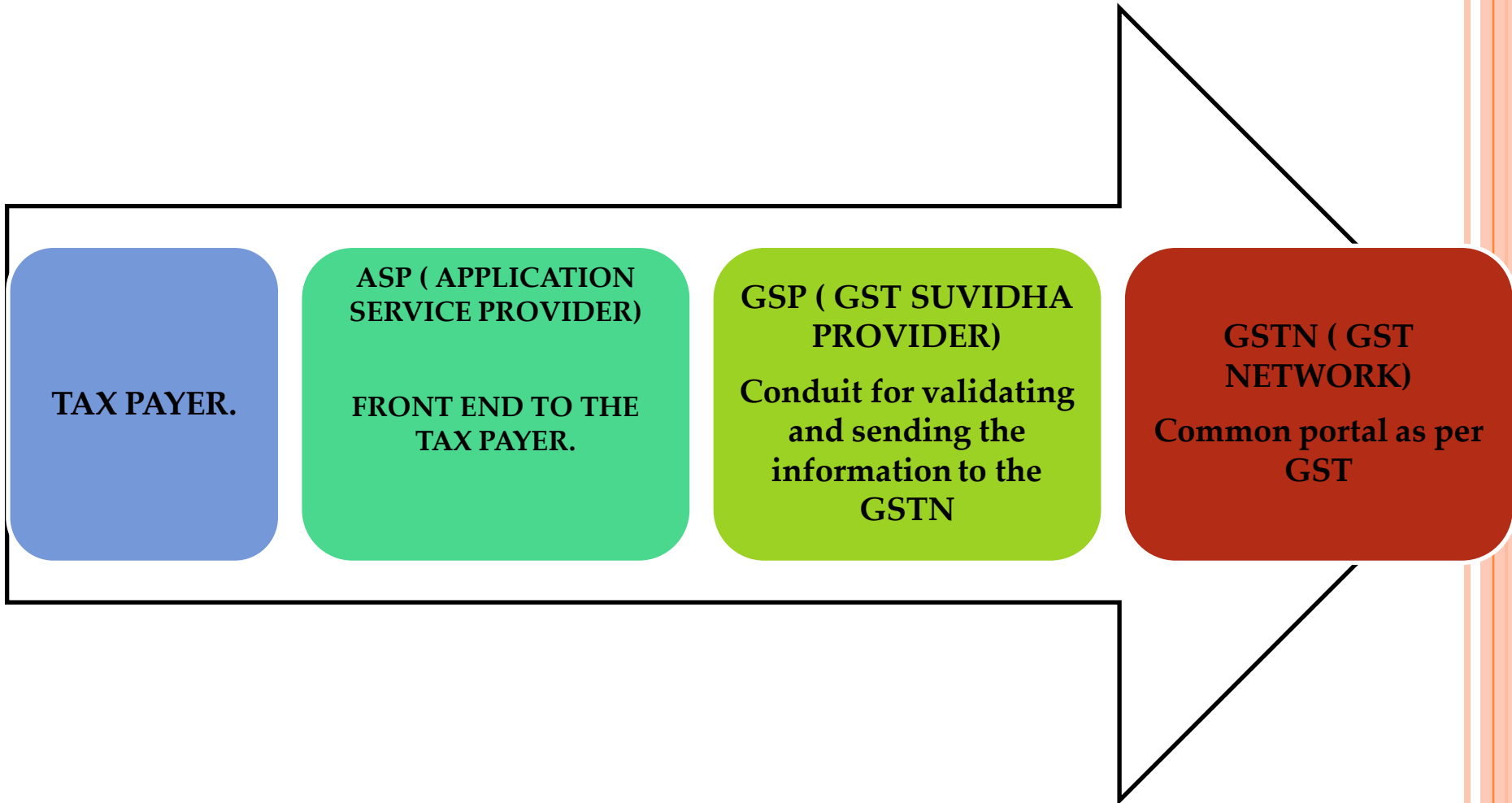
Tax Payable

- IGST Liability = Rs. 1,00,000/-
- CGST Liability = Rs. 50,000/-
- SGST Liability = Rs. 50,000/-

User intended to discharge liability as follows,

	Tax Payable	Through ITC	Through Cash
IGST	1,00,000	1,00,000	Nil
CGST	50,000	25,000	25,000
SGST	50,000	25,000	25,000
Total	2,00,000	1,50,000	50,000

WORKING OF GST NETWORK



ASP AND GSP CAN BE THE SAME SYSTEM OR DIFFERENT SYSTEMS/ PERSONS.

WORKING OF GST NETWORK

HIGH LEVEL FLOW WOULD BE LIKE BELOW



NOTE :- You have to make process and Agreement with ASP to protect your personal data

➤ Important Aspects of Returns under GST

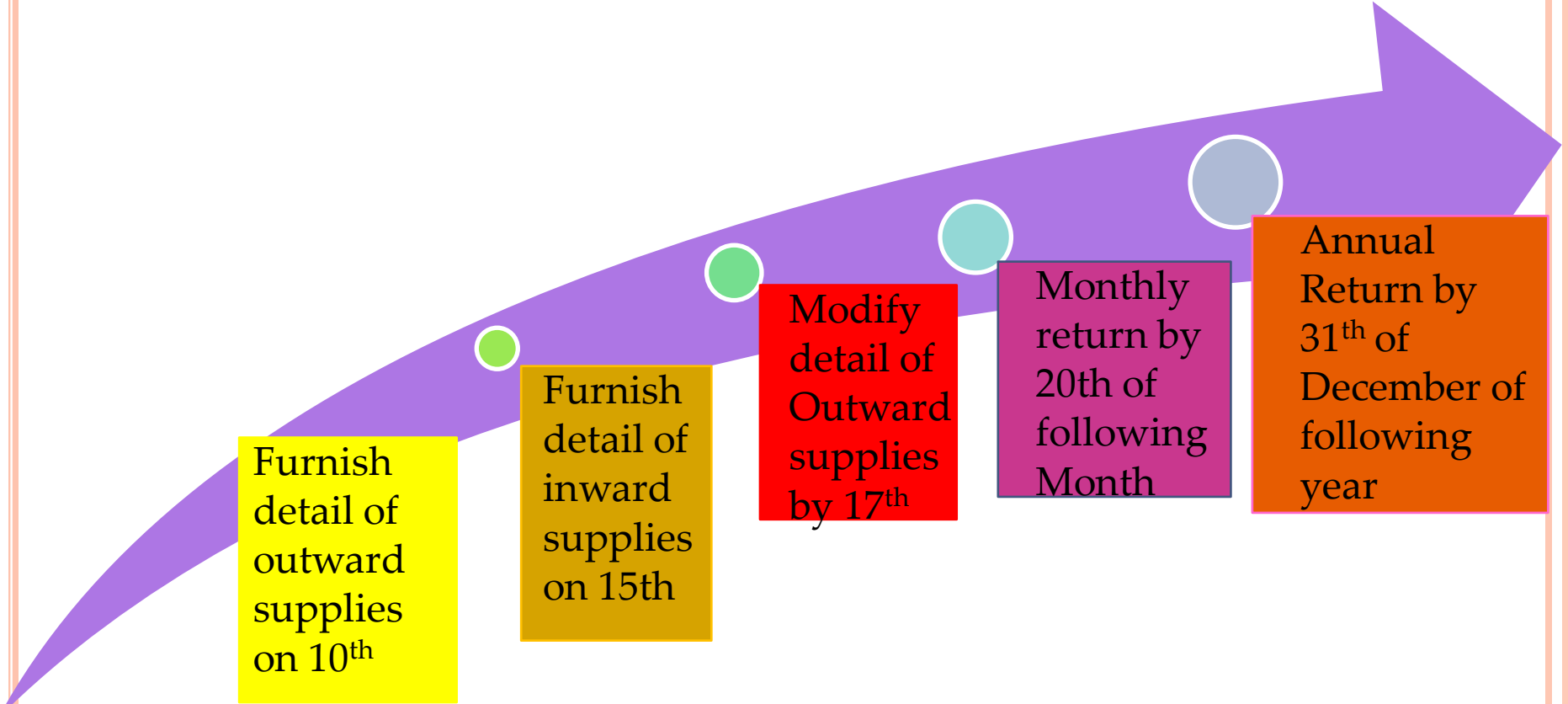
- A. Under GST all filling to be **electronic through the Common Portal**.
- B. **NO Concept of revision of returns** – All changes / corrections to be notified in the respective tables in the next return.
- C. **Corrections in 3B** can be made by necessary disclosures in GSTR-1/ GSTR-2
- D. **Time-limit to rectify** the information in the returns or claim the benefit of credit notes or input credit is **upto September of next financial year or filling of annual return which ever is earlier**.
- E. The filling of monthly return is **not allowed if the previous returns are not filed**.

➤ Important Aspects of Returns under GST

- F. **Sales / Purchases to be reflected in the returns and also matching** with the other party to the transaction to be carried out.

- G. **Reconciliation of Returns** with the Financials necessary

RETURN PROCESS SUMMARY



Furnish detail of outward supplies on 10th

Furnish detail of inward supplies on 15th

Modify detail of Outward supplies by 17th

Monthly return by 20th of following Month

Annual Return by 31th of December of following year

GSTR-1

- A. **Section 37 (1)** – Outward supplier to furnish the details of **outward supplies** of goods and services by **10th of the month**.
- B. The details to be submitted will include “details of outward supplies” i.e. **details of invoices, debit notes, credit notes and revised invoices issued** in relation to outward supplies made during any tax period.
- C. Facility of **real time uploading** of invoices.
- D. GSTR- 1 **will not be allowed to be furnished between 11-15th** of the month.
- E. The details of outward supplies of goods or services or both furnished in FORM GSTR-1 shall include inter-alia,–
 - (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.
- (d) **export invoices** issued with or without payment of IGST
- (e) **advances received** for taxable supplies during the month
- (f) supplies through **E-Commerce operator**

Table 4 of GSTR-1

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

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State/UT)
	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										

- Invoice Value for construction/insurance/air travel agent will be reduced value. Tax @18% must be declared on such abated value.
- Invoice value is the total value including all taxes.

Table 6 of GSTR-1

“6. Zero rated supplies and Deemed Exports

GSTIN of recipient	Invoice details			Shipping bill/ Bill of export		Integrated Tax			Cess
	No.	Date	Value	No.	Date	Rate	Taxable value	Amt.	
1	2	3	4	5	6	7	8	9	10
6A. Exports									
6B. Supplies made to SEZ unit or SEZ Developer									
6C. Deemed exports									
									”,

- In cases of B2B supplies, when you enter a SEZ GSTIN No., the portal should automatically unfreeze the check box of SEZ supplies with payment and SEZ supplies without payment, however in many cases the same is not happening. So, in such a case you need to inform your SEZ customer to send a mail to the GST portal to enable their GSTIN to be classified as a SEZ GSTIN
- Exempt supplies exported must be declared here

Table 9 of 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
				No	Date	No.	Date								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
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]															

End of year turnover discount – Company will have to raise separate credit note for each invoice as system does not allow multiple invoice nos.

Table 11 of 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	Amount			
			Integrated	Central	State/UT	Cess
1	2	3	4	5	6	7
I Information for the current tax period						
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)						
II Amendment of information furnished in Table No. 11[1] in GSTR-1 statement for earlier tax periods [Furnish revised information]						
Month					Amendment relating to information furnished in S. No.(select)	11A(1) 11A(2) 11B(1) 11B(2)

Invoice against advance must be shown in Table 4,5,6 and Table 11B

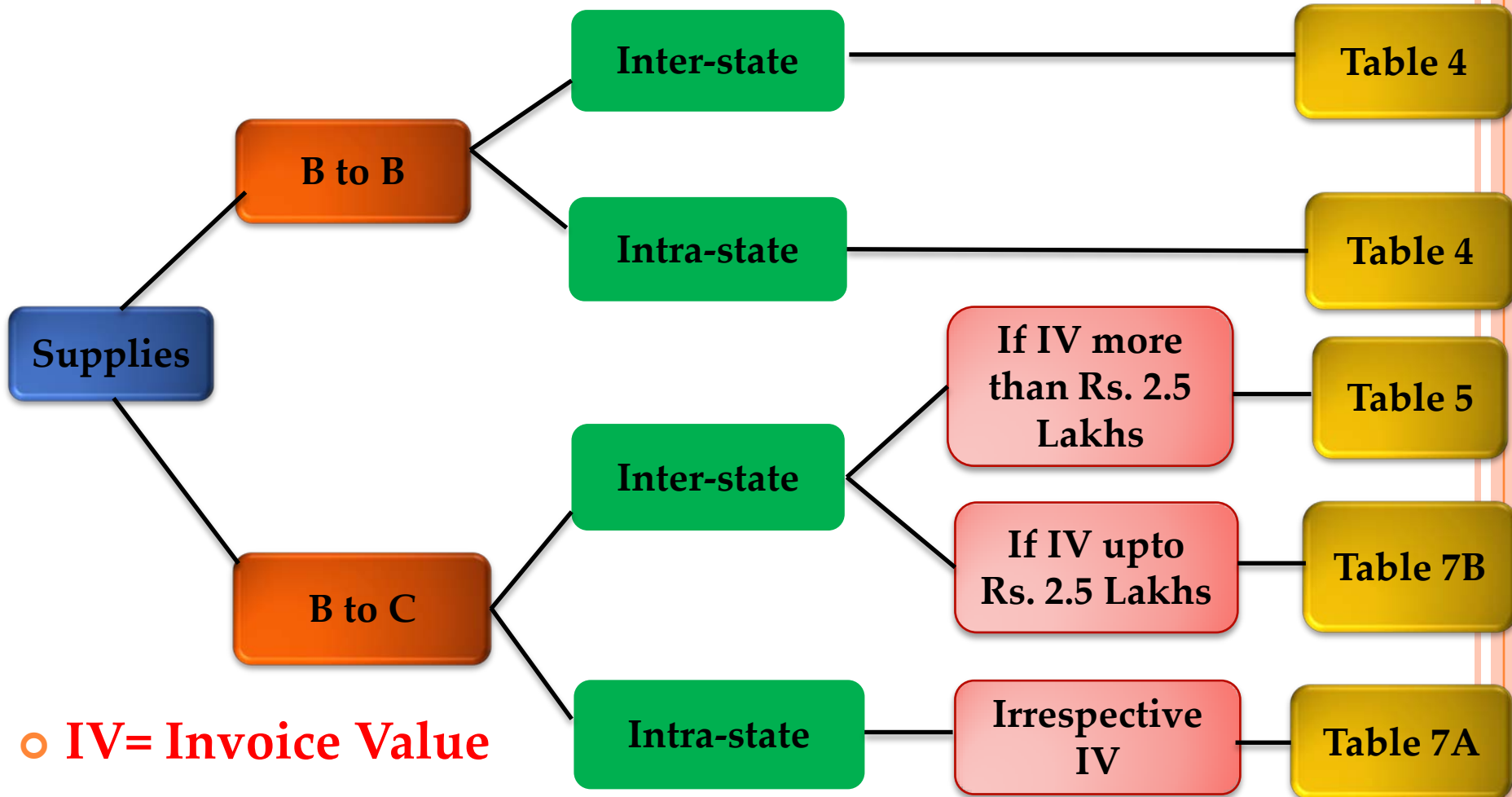
Table 12 of GSTR-1

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

For services – UQC should be selected as “Others”
– Quantity may be specified as “1”

REPORTING OF B2B & B2C IN GSTR-1 (IN A NUTSHELL)



○ **IV= Invoice Value**

Points to Remember

- If you have entered the data in tables of GSTR 1, however the values are not being reflected on outside part of the tables, then click on generate summary button in order to update the values in those tables.
- In order to file a NIL return, first click on generate summary button and then proceed to submit and file the return.
- For delayed return, penalty of Rs. 100/- per day is payable under both CGST and SGST Act.
- Delayed return penalty is applicable even for NIL return.
- Late Fee should not be 'penalty' it should be 'fee' challan.

GSTR- 1 – data is used to furnish the following to the recipient.

PART A of GSTR -2A

GSTR – 4A – which is to pertaining to the return of compounding dealer.

GSTR –6A – which is to pertaining to the return of Input Service Distributor.

GSTR-2A

- A. As per Section 37 (1) – Details of outward supplies to be made available to the made **available to the recipient**.
- B. GSTR- 2A is available on a **real – time basis**.
- C. This **cannot be modified**.
- D. Data Source in GSTR 2A – **For availment of credit**
 - **Part A** consists of data of inward supplies from GSTR-1 and GSTR-5.
 - **Part B** consists of data of inward supplies from GSTR-6. (ISD)
 - **Part C** consists of data of inward supplies from GSTR-7 (TDS)
 - **Part D** consists of data of inward supplies from GSTR-8 (TCS)

GSTR-2A Inward supplies (Auto-drafted)

Details of inward supplies as made available to the recipient in GSTR-2A.

It contains following parts:

Sr. No.	Table No.	Description of information
1.	3	Inward Supplies from Registered Person
2.	4	Inward supplies received from a registered person on which tax is to be paid on reverse charge
3.	5	Details of credit/debit notes (including amendments thereof)
4.	6	ISD Credit Received
5.	7A	TDS Credit Received
6.	7B	TCS Credit Received

GSTR-2A as Downloaded from GSTN

Purchase Details Downloaded from GSTN





 F.Y. 2017 ▼ Month July ▼

Purchase Report

Purchase For *
 Type of Purchases Made *
 Supplier Name
 From
 To

Action Required



Search Result

S.No.	Counter Party Filing status	Supplier Invoice Number	Supplier Invoice Date	Supplier Invoice Value	Place of Supply	Reverse Charge	Item Number	Taxable value of Goods or Service as per invoice	IGST Amount as per invoice	CGST Amount as per invoice	SGST Amount as per invoice	CESS Amount as per invoice	Tax Rate	Invoice type
1	Y	S008400	03/07/2016	13000.00	11	N	1	5000.00	500.00	0.00	0.00	1000.00	10	R
2	Y	S008400	03/07/2016	13000.00	11	N	2	5000.00	500.00	0.00	0.00	1000.00	10	R
3	Y	S008402	05/07/2016	13200.00	11	N	1	12000.00	0.00	600.00	600.00	0.00	10	R
4	Y	S008403	06/07/2016	16500.00	11	N	1	15000.00	1500.00	0.00	0.00	0.00	10	R
5	Y	S008404	07/07/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R
6	N	S008405	08/07/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R
7	N	S008406	09/07/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R

After reconciliation, system will give 3 reports

To Delete the invoices from purchase register

1. Invoices available in purchase register and not in GSTR-2A

Reconciliation - Purchase Register with Downloaded Purchase Details

Reconciled Result

REJECT / DELETE

ONLY IN PURCHASE REGISTER

NOT IN PURCHASE REGISTER

DIFFERENCES IN BOTH

Counter Party Filing status	Supplier Invoice Number	Supplier Invoice Date	Supplier Invoice Value	Place of Supply	Reverse Charge	Item Number	Taxable value of Goods or Service as per invoice	IGST Amount as per invoice	CGST Amount as per invoice	SGST Amount as per invoice	CESS Amount as per invoice	Tax Rate	Invoice type
	S008407	10/02/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R

2. Invoices available in GSTR-2A and not in our purchase register

Reconciliation - Purchase Register with Downloaded Purchase Details

Reconciled Result

ACCEPT / ADD

ONLY IN PURCHASE REGISTER

NOT IN PURCHASE REGISTER

DIFFERENCES IN BOTH

Counter Party Filing status	Supplier Invoice Number	Supplier Invoice Date	Supplier Invoice Value	Place of Supply	Reverse Charge	Item Number	Taxable value of Goods or Service as per invoice	IGST Amount as per invoice	CGST Amount as per invoice	SGST Amount as per invoice	CESS Amount as per invoice	Tax Rate	Invoice type
Y	S008404	07/07/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R
N	S008405	08/07/2016	11000.00	11	N	1	10000.00	0.00	500.00	500.00	0.00	10	R

To Add the invoices from purchase register

3. Invoices available in both i.e. purchase register and GSTR-2A with other mismatches

Reconciliation - Purchase Register with Downloaded Purchase Details

F.Y. 2017 Month January

Reconciled Result

ACCEPT / ADD REJECT / DELETE ONLY IN PURCHASE REGISTER NOT IN PURCHASE REGISTER DIFFERENCES IN BOTH

Counter Party Filing status	Supplier Invoice Number	Supplier Invoice Date	Supplier Invoice Value	Place of Supply	Reverse Charge	Item Number	Taxable value of Goods or Service as per invoice	IGST Amount as per invoice	CGST Amount as per invoice	SGST Amount as per invoice	CESS Amount as per invoice	Tax Rate	Invoice type
Y	S008402	05/07/2016	13200.00	11	N	1	12000.00	0.00	600.00	600.00	0.00	10	R
Y	S008402	05/07/2016	13200.00	11	N	1	12000.00	0.00	500.00	500.00	0.00	10	R

To Accept or Reject the mismatches

GSTR-2

- Section 38 (1) – **Verify, validate, modify or, if required**, delete the details relating to outward supplies, credit or debit notes, credit distributed by ISD, Tax deduction at source, etc. as communicated to him to prepare the details of his inward supplies.
- Such person may include therein, the invoice wise details of inward supplies and credit or debit notes, etc. received by him in respect of such **supplies that have not been declared by the supplier.**
- Furnish details including:
 - inward supplies on which the tax is payable **on reverse charge basis.**
 - inward supplies of goods and/or services taxable under the IGST Act. i.e. **Import of goods/ services.**
- If payment to **vendor is not made within 180 days**, then reversal of credit taken to declared in GSTR-2 in the month following the month in which such period expires.

GSTR-2

- The details of inward supplies of goods or services or both furnished in Form GSTR-2 shall include, *inter-alia*-
 - (a) **invoice wise details** of all inter-State and intra-State supplies received from registered persons or unregistered persons;
 - (b) **import of goods and services** made; and
 - (c) **debit and credit notes**, if any, received from supplier.

Table 3 of GSTR-2

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

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State/UT)	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	CES			Integrated Tax	Central Tax	State/UT Tax	Ces
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

Table 4 of GSTR-2

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/UT)	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	CES			Integrated Tax	Central Tax	State/UT Tax	Ces
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
4A. Inward supplies received from a registered supplier (attracting reverse charge)															
4B. Inward supplies received from an unregistered supplier															
4C. Import of service															

Credit of RCM is eligible in the same month

Table 8 of GSTR-2

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										

How to claim ISD credit in GSTR-2 as ISD has not filed their GSTR-6 and there is no option in GSTR-2 to add details of ISD credit manually?

Table 11 of 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
A. Information for the current tax period					
(a) Amount in terms of rule 37(2)	To be added				
(b) Amount in terms of rule 39(1)(j)(ii)	To be added				
(c) Amount in terms of rule 42 (1) (m)	To be added				
(d) Amount in terms of rule 43(1) (h)	To be added				
(e) Amount in terms of rule 42 (2)(a)	To be added				
(f) Amount in terms of rule 42(2)(b)	To be reduced				
(g) On account of amount paid subsequent to reversal of ITC	To be reduced				
(h) Any other liability (Specify)				
B. Amendment of information furnished in Table No 11 at S. No A in an earlier return					
Amendment is in respect of information furnished in the Month					
Specify the information you wish to amend (Drop down)					

Table 13 of GSTR-2

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

There are purchase invoices received by the company without having HSN mentioned or HSN mentioned at 2 digit level according to the aggregate turnover. However, the recipient is required to mention HSN at 2 or 4 digit level in HSN summary for inward supplies according to his turnover. Hence, company will have to give HSN even for purchases from unregistered vendors.

IT CHALLENGES FOR GSTR-1 & GSTR-2

1. Determination of invoice-wise eligibility;
2. Aging track for:
 - i. For reversal of ITC after 180 days if Payment is not made
 - ii. Re-claim of ITC if payment is made subsequently
3. Linkage of advance receipt with invoice
 - i. For internal control and future reference
4. Tracking & monitoring of Mis-matched ITC
 - i. Reversal of provisional ITC availed
 - ii. Reclaim of ITC after rectification
5. Mapping of
 - i. DN/CN with original invoice.
 - ii. Revised DN/CN with original DN/CN
6. Credit of items received in the beginning of the month

GSTR-1A

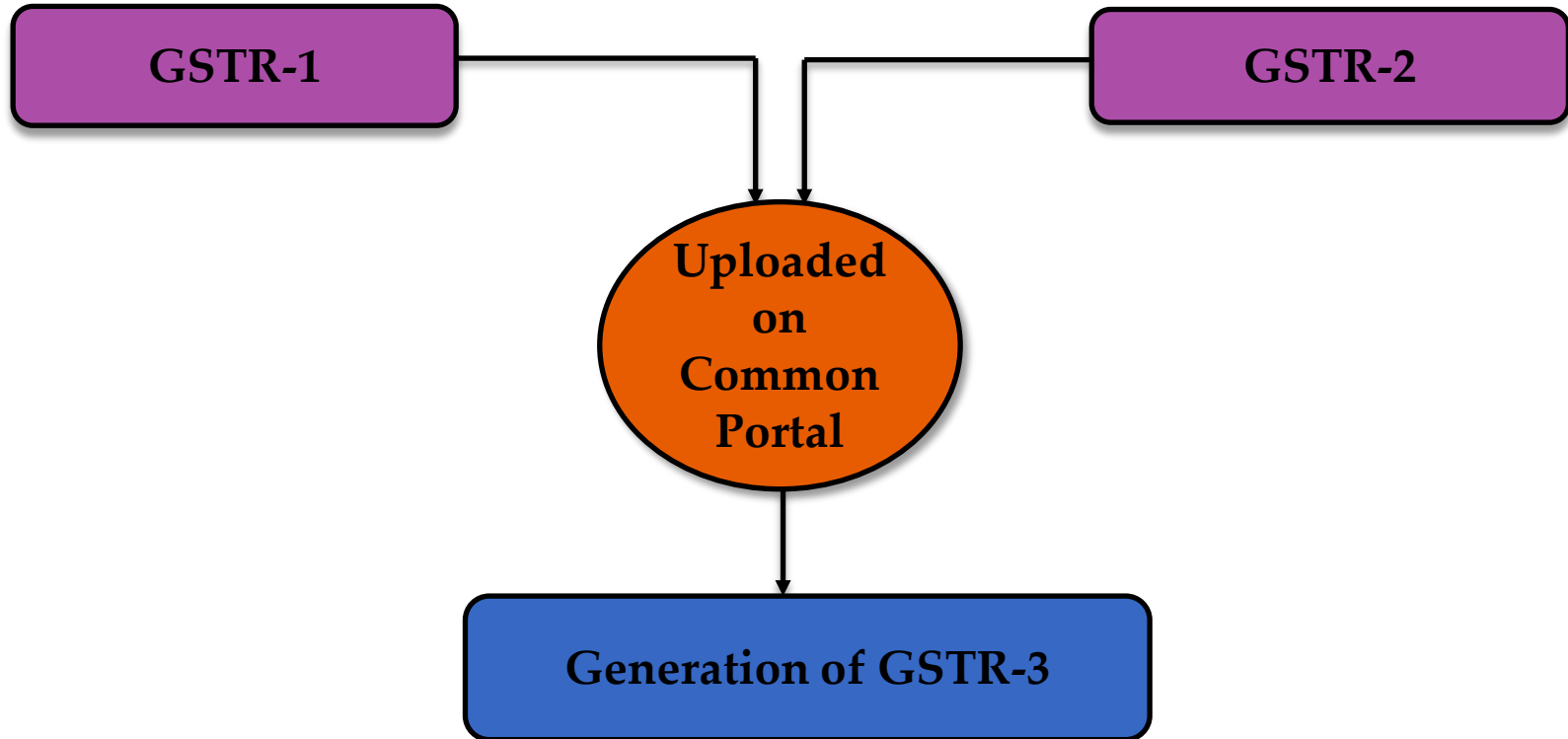
- A. The details of inward supplies **added, corrected or deleted by the recipient** in his FORM GSTR-2 under section 38 shall be **made available to the supplier** electronically in FORM GSTR-1A through the Common Portal
- B. As per Rule – GSTR 1A will be **prepared from GSTR-2 and GSTR-4.**
- C. Supplier may **either accept or reject the modifications** made by the recipient and FORM GSTR-1 furnished earlier by the supplier **shall stand amended to the extent of modifications** accepted by him.
- D. GSTR-1A will be generated after 15th and process of acceptance needs to be completed by **17th of the Next month.**

Issue – GSTR 1A will not reflect any credit claimed under GSTR-6.

- How to accept amendments of GSTR-4 as it is quarterly return?

GSTR-3

➤ Generation of GSTR-3



➤ Updation of Ledgers

**Generation of GSTR-3 will
update:**

**e-Liability
Ledger**

**e-Credit
Ledger**

**e-Cash
Ledger**

GSTR-3

```
graph TD; GSTR3[GSTR-3] --- PartA[Part A]; GSTR3 --- PartB[Part B];
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Part A

auto-populated on the basis of GSTR 1, GSTR 1A and GSTR 2.

Part B

relates to payment of tax, interest, late fee etc. by utilising credit available in electronic credit ledger and cash ledger.

GSTR – 4 COMPOSITION SCHEME

- a. GSTR-4 is required to be filed by the person opting for composition scheme. **It has to be filed quarterly before 18th.**
- b. Every registered person furnishing the return under composition scheme shall discharge his liability towards tax, interest, penalty, fees or any other amount payable under the Act or these rules **by debiting the electronic cash ledger.**
- c. The **return furnished shall include**, inter-alia:
 - (a) **invoice wise inter-State and intra-State inward supplies** received from registered and un-registered persons;
 - (b) **import of goods and services** made;
 - (c) **consolidated details of outward supplies** made; and
 - (d) **debit and credit notes issued and received**, if any;

Table 4 of GSTR-4

4. Inward supplies including 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/UT)
	No.	Date	Value			Integrated Tax	Central Tax	State/UT Tax	CESS	
1	2	3	4	5	6	7	8	9	10	11
4A. Inward supplies received from a registered supplier (other than supplies attracting reverse charge)										
4B. Inward supplies received from a registered supplier (attracting reverse charge)										
4C. Inward supplies received from an unregistered supplier										
4D. Import of service										

For the tax periods July, 2017 to September, 2017 and October, 2017 to December, 2017, serial 4A of Table 4 shall not be furnished

Table 6 of GSTR-4

6. Tax on outward supplies made (Net of advance and goods returned)

Rate of tax	Turnover	Composition tax amount	
		Central Tax	State/UT Tax
1	2	3	4

Table 7 of GSTR-4

7. Amendments to Outward Supply details furnished in returns for earlier tax periods in Table No. 6

Quarter	Rate	Original details			Revised details		
		Turnover	Central Tax	State/UT tax	Turnover	Central Tax	State/UT Tax
1	2	3	4	5	6	7	8

GSTR – 5 NON-RESIDENT TAXABLE PERSONS (FOREIGNERS)

- a. GSTR-5 is required to be filed by non-resident taxable person. It has to be **filed monthly before 20th**.
- b. Non-resident taxable person will have to **deposit tax in advance** at the time of making registration application based on the estimated tax liability.
- c. Such deposit will be **first credited to the electronic cash ledger and then it can be utilized**.
- d. The outward supplies shown in this return will be reflected in **corresponding GSTR 2, GSTR 4 and GSTR 6** of the recipient.
- e. **Credit of only imported items** is allowed to be taken under GSTR-5.

GSTR – 6 INPUT SERVICE DISTRIBUTOR

- a. GSTR-6 is required to be filed by ISD. It has to be filed **monthly before 13th**.
- b. ISD will have to **determine the eligibility of the credit received and then distribute** the credit to its branches/receiving unit.
- c. **Invoice wise details of credit distributed** to the branches/receiving unit will have to be provided in GSTR 6.
- d. Credit distributed by ISD will be **available to the branches/receiving unit in GSTR-2**.

Issue: How to pay reverse charge liability under ISD?

Table 3 of GSTR-6

3. Input tax credit received for distribution

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax			
	No	Date	Value			Integrated tax	Central Tax	State / UT Tax	CESS
1	2	3	4	5	6	7	8	9	10

Table 5 of GSTR-6

5. Distribution of input tax credit reported in Table 4

GSTIN of recipient/State, if recipient is unregistered	ISD invoice		Distribution of ITC by ISD			
	No.	Date	Integrated Tax	Central Tax	State / UT Tax	CESS
1	2	3	4	5	6	7
5A. Distribution of the amount of eligible ITC						
5B. Distribution of the amount of ineligible ITC						

Table 9 of GSTR-6

9. Redistribution of ITC distributed to a wrong recipient (plus / minus)

Original input tax credit distribution					Re-distribution of input tax credit to the correct recipient							
GSTIN of original recipient	ISD invoice detail		ISD credit note		GSTIN of new recipient	ISD invoice		Input tax credit redistributed				
	No.	Date	No.	Date		No.	Date	Integrated Tax	Central Tax	State Tax	CESS	
1	2	3	4	5	6	7	8	9	10	11	12	
9A. Distribution of the amount of eligible ITC												
9B. Distribution of the amount of ineligible ITC												

GSTR – 7 TDS RETURN

- a. GSTR-7 is required to be filed by registered person who is required to **deduct tax at source u/s 51 at the rate of 1%**. It has to be filed **monthly before 10th**.
- b. **Invoice-wise details** to be given on which Tax is deducted along with the corresponding contract details.
- c. Deductor will furnish a certificate in **Form GSTR-7A within 5 days** of the amount paid to the government.
- d. TDS deducted will be available to the deductee as **credit in GSTR-2 and GSTR-4**.

GSTR-7 TABLE 4

4. TDS details

(figures in Rs.)

GSTIN of deductee	Contract Details			Invoice/Document			Date of Payment to deductee	Value on which TDS is to be deducted	TDS_IGST		TDS_CGST		TDS_SGST	
	No	Date	Value	No	Date	Value			Rate	Amt	Rate	Amt	Rate	Amt
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)

GSTR – 8 STATEMENT OF E-COMMERCE OPERATORS

- a. GSTR-8 is required to be filed by E-Commerce operators required to collect tax at **source u/s 52 at the rate not exceeding 1%** . It has to be filed **monthly before 10th**.
- b. This will contain **invoice-wise and merchant-wise details** of supplies effected through such operator and the amount of tax collected as section 52.
- c. Tax collected will be available to the supplier as **credit in its GSTR-2**.

GSTR-8 TABLE 4

4. Details of the supplies to registered Taxable Persons made through the e-commerce operator

(figure in Rs.)

Invoice No.	Date	Merchant ID issued by e-commerce operator	GSTIN of supplier	Gross Value of supplies	Taxable value	Goods (G)/ Services (S)	HSN/ SAC	IGST		SGST		CGST		Place of Supply (State Code)
								Rate	Amt.	Rate	Amt.	Rate	Amt.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

GSTR – 9 ANNUAL RETURN

- a. Every **registered person** (other than an ISD, TDS deductor, E-commerce operator, casual taxable person and a non-resident taxable person), shall furnish an annual return **by 31st December of next financial year.**

- b. Every registered person who is required to get his accounts audited shall **furnish the annual return along with a copy of the audited annual accounts and a reconciliation statement.**

GSTR – 9A ANNUAL RETURN FOR COMPOUNDING TAXABLE PERSON

- a. GSTR 9A is a **simplified annual return** which applies to a person paying tax under the **composition scheme** given under section 10 of the GST Act.
- b. It includes details of **all incomes and expenditures** towards any goods or services for the entire year.
- c. It has to be filed by **31st December** of next financial year.

GSTR – 10 FINAL RETURN

- a. Every taxable person applying for **cancellation of registration** will have to file a **final return in GSTR-10**.
- b. Return will contain **details of closing stock** at the date of surrender as follows,
 - Inputs as such
 - Inputs in semi-finished Goods
 - Inputs in Finished Goods
 - Input services
 - Capital Goods

GSTR – 11 INWARD SUPPLIES STATEMENT FOR UIN

- a. Specialized agencies of the **United Nations Organization** or Consulate or Embassy of foreign countries shall be granted a Unique Identity Number (UIN).
- b. Such persons having UIN will have to **submit invoice wise details of inward supplies** in GSTR-11. This is to be filed **monthly by 28th**.
- c. **It shall not be auto populated.**

MATCHING OF CREDIT

CLAIM OF CREDIT OF PROVISIONAL ACCEPTANCE

- **Concept of matching** – credit is available only if tax is duly received by Government.
- Every taxable person shall, be entitled to take credit of input tax, as self-assessed, in his return and such amount shall be credited, **on a provisional basis**, to his electronic credit ledger.
- Provisional credit can be used only for **self-assessed tax liability**.
- **“valid return”** means a return furnished under on which self-assessed tax has been paid in full;

MATCHING, REVERSAL AND RECLAIM OF INPUT TAX CREDIT

- Details of every inward supply furnished by recipient for a tax period shall be matched –
 - with the **corresponding details of outward supply furnished** by the supplier in GSTR -1
 - with the **IGST paid on imports**.
 - for **duplication of claims** of input tax credit.

- Details which match with GSTR -1 of supplier will be finally accepted and will be communicated to the recipient.

MATCHING INPUT TAX CREDIT

- GSTR Rules - Matching of claim of input tax credit
- The following details relating to the claim of input tax credit on inward supplies including imports, provisionally allowed shall be matched
- **(a) GSTIN of the supplier, (b) GSTIN of the recipient,**
- **(c) Invoice/Debit Note date, (d) Invoice/Debit Note number,**
- **(e) Taxable value , (f) Tax amount:**

- The claim of input tax credit in respect of invoices and debit notes in FORM GSTR-2 **that were accepted by the recipient in FORM GSTR-2A without amendment shall be treated as matched** if the corresponding supplier has furnished a valid return.
- The claim of input tax credit shall be **considered as matched, where the amount of input tax credit claimed is equal to or less than the output tax** paid on such tax invoice or Debit Note, as the case may be, by the corresponding supplier.

➤ **Mis-match can be due to following reasons:**

- a) **Duplication of input credit in GSTR -2 by recipient**
- b) **Amount not matching with GSTR-1 of supplier**
- c) **Amount not declared by supplier in GSTR -1**

➤ **When Mis-match is due (a):**

- Discrepancy shall be communicated to the recipient
- Duplicate input tax credit i.e. extra credit shall be added to the output tax liability of recipient in the month of communication
- Interest shall be payable from the date of availment of such credit till the date of addition to output tax liability.

➤ **When Mis-match is due (b) and (c): *Please see next slide.***

Communication to both party if

- Amount not matching with GSTR-1 of supplier
- Amount not declared by supplier in GSTR -1
- Say, discrepancy pertains to April and communicated in May

If not rectified by the supplier in GSTR -1 of May

- Added to liability of recipient in GSTR -3 of June month
- Liable to pay interest from date of availment to the date of addition

Afterwards, if supplier rectifies in GSTR -1 (August)

- Recipient can reduce from output tax liability
- Interest will be refunded to recipient (maximum upto amount paid by supplier)

MATCHING, REVERSAL AND RECLAIM OF REDUCTION IN OUTPUT TAX LIABILITY (CREDIT NOTES)

- Details of every credit note relating to outward supply furnished by supplier for a tax period shall be matched-
 - with the corresponding reduction in the claim for input tax credit by the recipient in GSTR -2
 - for duplication of claims for reduction in output tax liability.

- The claim for reduction that matches with the corresponding reduction in the claim for input tax credit shall be finally accepted and communicated to the supplier.

- Process to be followed is similar as done for matching of the input credit.

- Mis-match can be due to following reasons (as given in section):
 - a) Duplication of claims for reduction in output tax liability
 - b) Reduction of output tax liability exceeds the reduction of input tax
 - c) Credit note is not declared by the recipient

- **When Mis-match is due to (a)**

- Discrepancy shall be communicated to the supplier
- Duplicate reduction of output tax liability shall be added to the output tax liability of supplier in the month of communication
- Interest shall be payable from the date of claim for reduction in output tax till the date of addition to output tax liability.

- **When Mis-match is due to (b) and (c):** *Please see next slide.*

Communication to both party if

- Reduction of output tax liability exceeds the reduction of input tax
- Credit note is not declared by the recipient
- Say, discrepancy pertains to April and communicated in May

If not rectified by the recipient in GSTR -2 of May

- Added to liability of supplier in GSTR -3 of June month
- Liable to pay interest from the date of claim for reduction in output tax till the date of addition to output tax liability

Afterwards, if recipient rectifies in GSTR -2 (August)

- Supplier can reduce from output tax liability
- Interest paid will be refunded to the supplier (maximum upto amount paid by recipient)

MATCHING OF TCS BY ELECTRONIC COMMERCE OPERATOR

- Similar process of matching of TCS between the Electronic Commerce Operator and the deductee.

Particulars	Communication to the Supplier	Communication to the Recipient	Communication to the E-commerce operator
Discrepancy in claim of ITC	GST MIS – 2	GST MIS – 1	NA
Duplicate claim of ITC	NA	GST MIS – 1	NA
Discrepancy in claim of Reduction in output tax liability	GST MIS – 3	GST MIS – 4	NA
Duplication of Claim of Reduction in output tax liability	GST MIS – 3	NA	NA
Discrepancy between the information furnished by supplier and E-Commerce Operator	GST MIS – 5	NA	GST MIS – 6

Issues in Return filing and Mismatch procedure

1. M/s ABC Ltd. has provided sponsorship services to M/s XZY Ltd. and shown in GSTR 1 in the month of Aug '17. It will auto-populate in GSTR-2 of M/s XYZ Ltd. in the same month. However, payment to vendor has been made in Sept '17 and hence liability arises in that month.
2. Goods removed from factory on 31st Aug '17 showing 100 pieces. However, it was received at factory gate of buyer on 4th Sept '17 and found that there are only 90 pieces. Supplier will upload invoice in Aug return for full 100 units. However, buyer cannot accept credit of 100 units. Further, supplier will show credit note of 10 units, which if buyer accepts, then credit will be reduced.
3. How credit note is to be disclosed in GSTR 1 or GSTR 2 for transitional cases where GSTIN does not have any record?

Practical difficulties in Return filing

1. **37 returns for one registration** as compared to 2 returns for a service provider.
2. The **books of accounts are usually not maintained state-wise.** There are no separate ledgers to record sales made from each state.
3. There is **no concept of revised returns.** Any corrections/modifications can be made in the subsequent return under **'amendment' tables or by way of debit note/ credit note.**
4. Credit in GSTR 2 flows from GSTR 1, GSTR 5 and GSTR 6. The **time gap** between filing of **GSTR 1 and GSTR 2 is only 5 days** whereas in case of **GSTR 6 and GSTR 2 it is only 2 days.**

JSON ERRORS

Error Code (as per GSTN)	Error Description	Reason	Solution
RET191106	Error in Json structure validation	You may have mentioned the wrong GSTIN	Check your GSTIN.
RET191148	No section data or Gross Turnover is available to process the request	Looks like you are not uploading any invoices	<p>If you're filing a NIL return without any invoices, you need to follow a different procedure.</p> <p>If you're not filing a NIL return, please upload your invoices before proceeding further</p>
RET191113	The GSTIN is invalid. Please provide a valid GSTIN	You may have mentioned the wrong GSTIN	<ul style="list-style-type: none">• Download JSON report and open in Word Doc• Search for the error number 'RET191113'• You will see the invoices where the issue has occurred. Note the invoice numbers• Enter the correct GSTIN and then re-upload to GSTN portal

JSON ERRORS

RET191175	The rate entered is not valid according to the Rate List	Your invoice may contain wrong tax rates	<p>Please check that the rates mentioned are one of the following:</p> <ul style="list-style-type: none">• 0,0.25,5,12,18,28 in case of IGST• 0,0.125,2.5,6,9,14 in case of CGST/SGST
RET191114	Date is Invalid. Date of invoice cannot be before registration date.	The invoice date you have mentioned is earlier than the date on which your client obtained their GSTIN registration	<ul style="list-style-type: none">• Delete the GSTIN mentioned in these invoices• Move the invoices to B2C(S) section• Re-compute B2C(S) summary• Reupload to govt portal <p>Please note that your client will not be eligible for ITC in such cases</p>
RET191179	The Place of supply and statecode of the Supplier should be different for Inter State supply	'Inter-state' supply refers to a supply of goods or services between two states. Hence, the supplier's state and the recipient's state cannot be same	<p>Check if you have entered the right state codes for the Place of Supply, and your own address</p> <p>If it is not an inter-state supply, please correct the same</p>

JSON ERRORS

RET191150	IGST is mandatory for interstate supply and CGST & SGST should not be present.	You may have mentioned CGST and SGST for an inter-state supply. Only IGST is levied on inter-state supplies	For inter-state supplies, remove SGST and CGST rates. Add only the IGST rate If it is not an inter-state supply, please correct the same
RET191124	Original Invoice is Invalid. Original invoice cannot be tracked. Please enter correct invoice number and date.	You may have missed uploading an invoice mentioned in the return form	Check the Invoice Number of the Credit/Debit Note which is showing the error. Upload the invoice first and then upload the Credit/Debit Note
RET191133	Invoice already exist with different CTIN or same CTIN. Please delete the existing invoice and re-upload again	You may be trying to upload an invoice that already exists on the govt. portal	Check if the invoice is already uploaded on govt portal: <ul style="list-style-type: none">• Ignore the error if the invoice is uploaded and you don't need to make any changes• To make changes, delete the old invoice on the government portal. Upload the changed invoice

JSON ERRORS

RET191115	Invoice number does not exist. Please enter a valid Invoice number.	You may have entered the wrong Invoice Number format	Invoice Number should be alphanumeric, a maximum of 16 characters in length, and can contain only '-' or '/' as special characters. Please check that all invoice numbers follow this format.
RET191176	Do enter the correct shipping bill date that is on or after Invoice Date and on or before today's date	You have entered a shipping bill date which is either earlier than the invoice date, or a future date	Make sure the shipping bill date is after the invoice date, and the same as, or before, the date of filing
RET191166	Decryption/Decoding failed	The data could not be successfully decoded	



ASK YOUR QUERY

THANK YOU

PRESENTED BY- CA ARCHIT AGARWAL

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