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Issues in Annual Return and GST Audit Report

Date : 15th June 2019

Venue : JB Nagar

Presenter: CA Jignesh Kansara

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in it.
M/s. Jignesh Kansara & Associates

FAQs – GST Annual Return

- Which tables in Form GSTR-9 has auto-populated data from filed **Form GSTR-1** and **Form GSTR-3B**

Table	Description
4	Details of advances, inward and outward supplies made during the financial year on which tax is payable
5	Details of Outward supplies made during the financial year on which tax is not payable
6A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B)
6G	Input Tax credit received from ISD
6K-	Transition Credit through TRAN-I (including revisions if any)
6L	Transition Credit through TRAN-II
9	Details of tax paid as declared in returns filed during the financial year

FAQs – GST Annual Return

- Whether data auto-populated data from filed Form GSTR-1 and GSTR-3B in form GSTR-9 can be edited?
- Yes , except below

Table	Description
6A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B)
8A	ITC as per GSTR-2A (Table 3 & 5 thereof)
9	Details of tax paid as declared in returns filed for the financial year (Except tax payable column)

Reasons for mismatch between GSTR-2A and 8A of GSTR-9

[Source: GSTN updates dated 14-06-2019]

- Invoices saved /submitted at Portal appears in GSTR-2A even if GSTR-1 is not filed , whereas ITC will be reflected in Table 8A only after GSTR-1 is filed.
- Only invoices reported up to 30th April 2019 will appear in Table 8A.
- ITC is reflected in Table 8A after considering amendments.
- ITC is reflected in Table 8A after considering POS restrictions.
- Note : Unless Portal provides Invoice level listing of Table 8A, woes of taxpayer will continue.

Press Release dated 3rd June 2019

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

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

Particulars of the transactions for FY 2017-18 declared in returns between April 2018 to March 2019 shall be declared in **Pt. V** of FORM GSTR-9. Such particulars may contain details of amendments furnished in Table 10 and Table 11 of FORM GSTR-1.

It may be noted that irrespective of when the supply was declared in FORM GSTR-1, the principle of declaring a supply in Pt. II or Pt. V is essentially driven by when was tax paid through FORM GSTR-3B in respect of such supplies. If the tax on such supply was paid through FORM GSTR-3B between July 2017 to March 2018 then such supply shall be declared in Pt. II and if the tax was paid through FORM GSTR3B between April 2018 to March 2019 then such supply shall be declared in Pt. V of FORM GSTR-9.

Press Release dated 3rd June 2019

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

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

Many taxpayers have represented that Table 8 has no row to fill in credit of IGST paid at the time of import of goods but availed in the return of April 2018 to March 2019. Due to this, there are apprehensions that credit which was availed between April 2018 to March 2019 but not reported in the annual return may lapse. For this particular entry, taxpayers are advised to fill in their entire credit availed on import of goods from July 2017 to March 2019 **in Table 6(E) of FORM GSTR-9 itself.**

Press Release dated 3rd June 2019

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

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

Many taxpayers have represented that Table 8 has no row to fill in credit of IGST paid at the time of import of goods but availed in the return of April 2018 to March 2019. Due to this, there are apprehensions that credit which was availed between April 2018 to March 2019 but not reported in the annual return may lapse. For this particular entry, taxpayers are advised to fill in their entire credit availed on import of goods from July 2017 to March 2019 **in Table 6(E) of FORM GSTR-9 itself.**

Press Release dated 3rd June 2019

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

Suggestive Disclosure of Turnover

- **Suggestive disclosure of Turnover and Liability in Annual Return**

- Personal View of Presenter :

SN	Description	Disclosure in Annual Return	Remark
1	Outward supplies as per books for which payment has been made in 3B of July 17 to March 18	Table 4	
2	Outward supplies as per books for which payment has been made / recovered in 3B of April 18 to March 19	Table 10 and 11	
3	Outward supplies as per books for which payment was not made in 3B of 1718 and 1819 Undisclosed supply / Additional supply	Table 4	Payment in cash by way of DRC-03

Basis of disclosure in AR as per books in line with 3B

Suggestive Disclosure of Credit note

- **Suggestive disclosure of Credit Note in Annual Return**

- Personal View of Presenter :

SN	Description	Disclosure in Annual Return	Remark
1	Credit note issued in 1718 which has been disclosed in 3B of July 17 to March 18	Table 4/5	
2	Credit note issued in 1718 which has been disclosed in 3B of April 18 to Sep 18	Table 11	
3	Credit note issued in 1718 which has been not been disclosed in 3B of July 17 to March 18 & April 18 to Sep 18	No effect	Forgot such credit note now.

Suggestive disclosure of Inward Supply & ITC

- Personal View of Presenter :
- For Annual Return 1718

SN	Description	Disclosure in Annual Return	Remark
1	ITC claimed or reversed in 3B of July 17 to March 18	Table 6 / 7	
2	ITC Of 1718 claimed in 3B of April 18 to March 19	Table 13	
3	ITC Of 1718 reversed in 3B of April 18 to March 19	Table 12	
4	ITC to be claimed in Annual Return	Not allowed	
5	ITC Reversible in 1718 neither reversed in GSTR-3B of 1718 and 1819	Table 7	DRC-03 (cash)

Case Study # 1

Period	GSTR-3B	GSTR-1	Books of Accounts
July 17 to March 18	1Crore	1Crore	1Crore
18-19 (Supply pertains to 1718)	NIL	NIL	

Accept Auto populated data as no changes are required

Case Study # 2

Period	GSTR-3B	GSTR-1	Books of Accounts
July to March 18	80 Lakhs	80 Lakhs	1Crore
April 18 to September 18	10 Lakhs	10 Lakhs	
October 18 to March 19	10 Lakhs	10 Lakhs	

Table 4 : 80 Lakhs

Table 10 : 20 Lakhs (Tax paid in 3B of 1819)

Table 14: Tax payable (Tax on Rs 20 Lakhs)

Tax paid (Tax on Rs. 20 Lakhs)

Case Study # 3

Period	GSTR-3B	GSTR-1	Books of Accounts
July to March 18	80 Lakhs	90 Lakhs	1Crore
April 18 to September 18	10 Lakhs	10 Lakhs	
October 18 to March 19	10 Lakhs		

Table 4 : 80 Lakhs

Table 10 : 20 Lakhs (Tax paid in 3B of 1819)

Table 14: Tax payable (Tax on Rs 20 Lakhs)

Tax paid (Tax on Rs. 20 Lakhs)

Case Study # 4

Period	GSTR-3B	GSTR-1	Books of Accounts
July to March 18	1.2 Crore	1 Crore	1 Crore
April 18 to September 18	- 20 lakhs		
October 18 to March 19			
Table 4 : 1.2 Crore			
Table 11 : - 20 lakhs			
Table 14 : Tax payable on Rs. 20 Lakhs (negative)			
Tax paid on Rs. 20 Lakhs (negative)			

Case Study # 5

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	90	10.80	90	10.80
1819	-	-	-	-	10	1.20

	Net	Tax
Table 4	100	12.00
Table 10	0	0
Table 9		12.00 (Tax payable) 10.80 (Tax paid)
Table 14		0
DRC-03		1.20 (Cash) + Interest

Case Study # 5A

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	0	0	0	0
1819	-	-	-	-		

	Net	Tax
Table 4	100	12
Table 10	0	0
Table 9		12 (Tax payable) 0 (Tax paid)
Table 14		0
DRC-03		12 (Cash) + Interest

Case Study # 5B

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	0	0	100	12
1819	-	-	100	12		

	Net	Tax
Table 4	0	0
Table 10	100	12
Table 9		0 (Tax payable) 0 (Tax paid)
Table 14		12 (Tax payable) 12 (Tax paid)
DRC-03		0

Case Study # 6

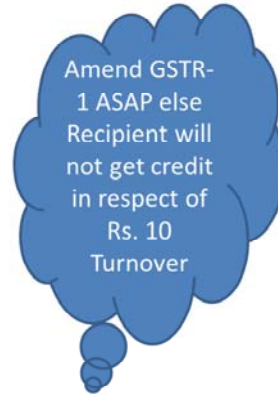
FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	90	10.80	100	12
1819	-	-	10	1.20		

	Net	Tax
Table 4	90	10.80
Table 10	10	1.20
Table 9		10.80 (Tax payable) 10.80 (Tax paid)
Table 14		1.20 (Tax payable) 1.20 (Tax paid)
DRC-03		NIL

Case Study # 7

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	100	12	90	10.80
1819	-	-				

	Net	Tax
Table 4	100	12.00
Table 10		-
Table 9		12.00 (Tax payable) 12.00 (Tax paid)
Table 14		-
DRC-03		NIL



Case Study # 8

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	100	12	110	13.20
1819	-	-				

	Net	Tax
Table 4	100	12
Table 10/11	0	0
Table 9		12.00 (Tax payable) 12.00 (Tax paid)
Table 14	0	0
DRC--03		NIL

Amend GSTR-1 ASAP, else Notice likely for shortfall.
Keep reconciliation ready

Case Study # 8A

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100 (Exempt)	0	100 (Exempt)	0	100	12
1819	-	-				

	Net	Tax
Table 5	100	0
Table 10/11	0	0
Table 9		0.00 (Tax payable) 0 (Tax paid)
Table 14		0
DRC--03		NIL



Amend GSTR-1 Asap, else Notice likely for shortfall. Keep reconciliation ready

Case Study # 8B

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	6 IGST 3 CGST 3 SGST	100	6 IGST 3 CGST 3 SGST	100	0 IGST 6 CGST 6 SGST

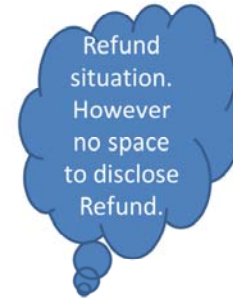
	Net	Tax
Table 4	100	6 IGST 3 CGST 3 SGST
Table 10/11	0	0
Table 9		Tax payable 6 IGST 3 CGST , 3 SGST Tax paid 6 IGST 3 CGST , 3 SGST
Table 14		NIL
DRC--03		NIL

Amend GSTR-1 ASAP else keep reconciliation ready. Notice likely

Case Study # 9

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12	100	18	100	12
1819	-	-				

	Net	Tax
Table 4	100	12
Table 10 /11		
Table 9		12.00 (Tax payable) 18.00 (Tax paid)
Table 14		
DRC		



Case Study # 10

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12 (IGST)	100	18 (IGST)	100	12 IGST
1819	-	-		-6 (IGST)		

	Net	Tax
Table 4	100	12 IGST
Table 10		
Table 9		12.00 (Tax payable) 18.00 (Tax paid)
Table 14		-0(Tax payable) -6 (Tax paid)
DRC		

Case Study # 11

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12 (IGST)	100	12 (IGST)	120	18 IGST
1819	-	-			-20	-6 IGST

	Net	Tax
Table 4 & 5	100	12 IGST
Table 10/11	0	0
Table 9		12.00 (Tax payable) 12.00 (Tax paid)
Table 14		
DRC		

Case Study # 12

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12 (IGST)	100	12 (IGST)	100	(12 C+S)
1819	-	-				-12 C +S
1819						12 IGST

	Net	Tax
Table 4 & 5	100	12 IGST
Table 10		0
Table 11		0
Table 9		12.00 (Tax payable - IGST) 12.00 (Tax paid -IGST)
Table 14		
DRC		

Case Study # 13

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12 (IGST)	100	12 (C+S)	100	12 IGST
1819	-	-		- 12 C +S		
1819				12 IGST		

	Net	Tax
Table 4	100	12 C+S
Table 10		12 IGST (Additional Liab disclosed)
Table 11		- 12 C+S (Liab reduced)
Table 9		12.00 (Tax payable - C+S) 0 (Tax payable – IGST) 0 (Tax paid –IGST) 12.00 (Tax paid –C+S)
Table 14		-12 (Tax payable C+S) 12 (Tax payable IGST) - 12 (Tax paid C+S) 12 (Tax paid IGST)

Case Study # 13A

FY	Books		3B		GSTR-1	
	Net	Tax	Net	Tax	Net	Tax
1718	100	12 (IGST)	100	12 (C+S) Paid in cash	100	12 IGST
18-19			-	-	-	-

	Net	Tax
Table 4	100	12 IGST
Table 10		-
Table 11		-
Table 9		12.00 (Tax payable -IGST) 0 (Tax paid -IGST) 0 (Tax payable -C+S) 12.00 (Tax paid -C+S)
DRC-03 Claim Refund		12 (IGST) 12 (C+S) No interest consequence

Key Points for Table 6

Global Rule for Table 6

Include

- Only ITC availed on tax invoices and debit notes of FY 1718 & declared in GSTR 3B furnished for the financial year 2017-18

Exclude

- ITC availed on tax invoices and debit notes of 1718 & declared in GSTR 3B furnished for the financial year 2018-19
- **ITC available on tax invoices and debit notes of 1718 but neither declared in GSTR 3B furnished for the financial year 2017-18 & 2018-19**
- Details of Table 6(Except Table 6A) are to be entered manually by user
- In majority of tables **ITC availed is to be classified** as ITC on inputs, capital goods and input services etc.
- **What if such bifurcation is not given? Is it Suppression of facts ?**

Table 6A - 6B of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B)	This is an auto-populated and not editable column. This is auto-populated from the details filed by the taxpayer in its GSTR-3B of FY 1718
6B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	<p>Include</p> <ul style="list-style-type: none"> • ITC availed on all inward supplies except exclusion mentioned below (Forward Charge ITC) • Supply of services received from SEZ <p>Exclude</p> <ul style="list-style-type: none"> • Inward supplies on which tax is payable on reverse charge basis • ITC which was availed, reversed and then reclaimed in the ITC ledger (180 days) • Inward Supply of goods from SEZ <p>Source Table 4A(5) of GSTR-3B of FY 1718</p>

Disclosure of Total eligible ITC of 1718 as per books

**ITC of 1718 if
availed in GSTR-
3B of FY 1718**

Details to appear
in Table 6A and
detailed
Bifurcation in
Table 6B to 6M

**ITC of 1718 if
availed in GSTR-
3B of FY 1819**

Details to appear
in Table 8C of
GSTR-9 & 13 of
GSTR-9 , No
bifurcation

**ITC of 1718 if
neither availed
in GSTR-3B of FY
1718 nor 1819**

ITC Lapsed

Table 6C of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6C	<p>Inward supplies received from unregistered persons liable to reverse charge (other than B above) on which tax is paid & ITC availed</p> <p>M/s. Jignesh Kansara & Associates</p>	<p>Include</p> <ul style="list-style-type: none"> Input tax credit availed in 1718 on all inward supplies received from an Unregistered person on which tax is payable on reverse charge basis <p>Exclude</p> <ul style="list-style-type: none"> Import of Services Tax paid on supplies received from an unregistered person and on which input tax credit has not been availed in 1718 Input tax credit availed in 1718 on all inward supplies received from an Registered person on which tax is payable on reverse charge basis 9(3)/5(3) as well as 9(4)/5(4) [up to 12th October 2017] <p>Source Table 4A(3) of GSTR-3B of FY 1718</p> <p>34</p>

Table 6D of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6D	Inward supplies received from registered persons liable to reverse charge (other than B above) on which tax is paid and ITC availed	<p>Include</p> <ul style="list-style-type: none"> Input tax credit availed in 1718 on all inward supplies received from Registered Persons on which tax is payable on reverse charge basis. <p>Exclude</p> <ul style="list-style-type: none"> Tax paid on supplies received from an Registered person and on which input tax credit has not been availed in 1718. Input tax credit availed on all inward supplies received from an Un Registered person on which tax is payable on reverse charge basis <p>Source Table 4A(3) of GSTR-3B of FY 1718</p>

Key Points for Table 6C & 6D

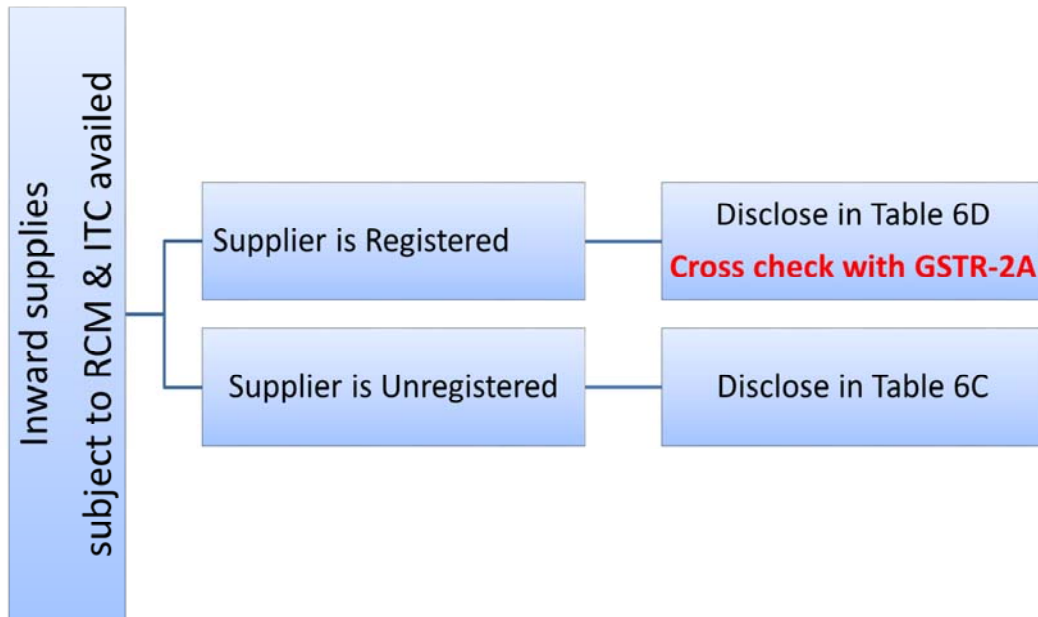


Table 6E of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6E	Import of goods (including supplies from SEZs)	<p>Include</p> <ul style="list-style-type: none"> • Input tax credit availed on import of goods • Input tax credit availed on import of goods from SEZs <p>Exclude</p> <ul style="list-style-type: none"> • Import of Services <p>Source Table 4A(1) of GSTR-3B</p> <p>No Reflection in GSTR-2A. Only IGST paid on Import eligible for Credit.</p>

FAQs – GST Annual Return

- ITC on import of goods of Rs. 1 Lakh was inadvertently shown under heading “All other ITC[4A(5) of GSTR-3B]”, in GSTR-3B, how to handle this situation in GSTR-9 ?
- Such details to be reported under “Import of Goods” Table 6E of GSTR-9?
- Corresponding credit to be reduced from Table 6B of GSTR-9

	Description	Type	CGST	SGST	IGST
6B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	Inputs			Reduce 1 Lakh from here
		Capital Goods			
		Input Services			
6E	Import of goods (including supplies from SEZs)	Inputs			Add 1 Lakh here
		Capital Goods			

Table 6F - 6G of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6F	Import of services (excluding inward supplies from SEZs)	<p>Include Input tax credit availed in GSTR-3B of 1718 on all import of services where tax has been paid under reverse charge by the recipient of services</p> <p>Exclude Inward supplies from SEZ</p> <p>Source Table 4(A)(2) of FORM GSTR 3B</p>
6G	Input Tax credit received from ISD	<p>ITC availed on ISD Invoice/Debit-Credit notes.</p> <p>Include Only Eligible portion of ISD Credit</p> <p>Exclude Blocked credit portion of ISD Credit</p>



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Table 6H - 6K of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6H	Amount of ITC reclaimed (other than B above) under the provisions of the Act	<p>Include Input tax credit which was availed, reversed and reclaimed during FY 1718</p> <p>Exclude ITC availed and reversed during 2017-18 and reclaimed in 2018-19</p>
6I	Sub-total (B to H above)	Summation of 6B to 6H (Auto Computed)
6J	Difference (I – A above)	Ideally, this amount should be zero. (Auto Computed)
6K	Transition Credit through TRAN-I (including revisions if any)	<p>Include Transition credit received in the electronic credit ledger on filing of FORM GST TRAN-I including revision of TRAN-I</p> <p>Exclude Transitional credit if TRAN-1 is filed after 31-03-2018</p>

Table 6L - 6O of GSTR-9






Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
6L	Transition Credit through TRAN-II	<p>Include Transition credit received in the electronic credit ledger after filing of FORM GST TRAN-II</p> <p>Exclude Transition credit of FORM GST TRAN-II filed after 31-03-2018</p>
6M	Any other ITC availed but not specified above	<p>Include ITC received in the electronic credit ledger during FY 1718 through FORM GST ITC-01 and FORM GST ITC-02</p> <p>Exclude ITC received in the electronic credit ledger after 31-03-2018 through FORM GST ITC-01 and FORM GST ITC-02</p>
6N	Sub-total (K to M above)	Auto computed (Special ITC not reflected in GSTR-3B)
6O	Total ITC availed (I + N above)	Auto computed (Special ITC + 3B ITC) Total credit availed in Electronic credit ledger during FY 1718

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Mapping of Table 4 of GSTR-3B of 1718 with GSTR-9

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 		Table 6E of GSTR-9		
(2) Import of services 		Table 6F of GSTR-9		
(3) Inward supplies liable to reverse charge (other than 1 & 2 above) 		Supplier is Unregistered = 6C of GSTR-9 Supplier is Registered = 6D of GSTR-9		
(4) Inward supplies from ISD 		Table 6G of GSTR-9		
(5) All other ITC 		Table 6B + Table 6H of GSTR-9		
(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				

Key Points for Table 7

Global Rule for Table 7

Include

- If disclosed in 4B(2) of GSTR-3B of 1718
- If not disclosed 4B(2) of GSTR-3B of 1718 as well as GSTR-3B 1819

Exclude

- Only if disclosed in 4B(2) of GSTR-3B of 1819

Table 7A of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
7A	As per Rule 37	<p>Applicable only if if the Registered Person fails to pay to the supplier of goods or services along with tax payable thereon within a period of 180 days from the date of issue of invoice by the supplier</p> <p>Not Applicable if</p> <ul style="list-style-type: none"> • RCM Invoices • Sch I Supplies (Deemed Supplies) • Valuation Case. Deemed value • Book Adjustment – WB AAR <p>[SENCO Gold Ltd 2019-VIL-133-AAR]</p> <p>Whether Interest is payable u/s 50(1)? If Credit is utilised If Credit is not utilised</p>

Table 7B – 7D of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
7B	As per Rule 39	ITC involved in Input Service Distributor credit note issued by Input Service Distributor during FY 17-18
7C	As per Rule 42	Only for Input and Input Services Input & Input Services used for non taxable supply Input & Input Services used for non-business Monthly Reversal Annual Reversal in September GSTR 3B of Next financial year Excess Credit to be reclaimed Short Credit reversal – Shortfall to be reversed + interest from 1 st April of next FY
7D	As per Rule 43	Only for Capital Goods Only monthly reversal Life 60 months. Interest consequences

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Table 7E of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
7E	As per section 17(5)	<p>Disclosure Only if ITC credit is claimed in respect on blocked credit at first place (4A and 4B of GSTR-3B)</p> <p>No disclosure If ITC is not claimed in respect of blocked credit, Mere disclosure in Table 4D</p> <p>Source ITC register / ledger 4B of GSTR 3B Vouching – Free samples</p>

Table 7F-7G of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
7F	Reversal of TRAN-I credit	<p>Include Reversal of TRAN-I credit is made in GSTR-3B filed during 2017-18</p> <p>Exclude Reversal of TRAN-I credit is made in GSTR-3B filed during 2018-19</p>
7G	Reversal of TRAN-II credit	<p>Include Reversal of TRAN-II credit is made in GSTR-3B filed during 2017-18</p> <p>Exclude Reversal of TRAN-II credit is made in GSTR-3B filed during 2018-19</p>

Table 7H-7J of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
7H	Other reversals (pl. specify)	ITC-03 Situation e.g. Switching over to Composition scheme Goods or services or both supplied by him become wholly exempt
7I	Total ITC Reversed (Sum of A to H above)	Auto computed
7J	Net ITC Available for Utilization (6O - 7I)	Auto computed

Disclosure of Blocked Credits in GSTR-3B and its impact

Case Study:

Mr. X has purchased Car, worth Rs. 10 Lakhs, GST paid, 2.80 Lakhs, this credit is appearing in his GSTR-2A, Advise Mr. X about how to disclose this ITC in GSTR-3B?

- 2 Different disclosure Policies followed by Tax Payer
- Policy #1 : ITC claimed in GSTR-3B, Table 4A(5) and Reversal offered in Table 4B(2) of GSTR-3B
- Policy # 2: ITC not claimed in GSTR-3B, Table 4A(5), Information disclosed in 4D(2)

Table Ref	Head notes	Disclosure Policy #1	Disclosure Policy #2
6A	Sum total of Table 4A of FORM GSTR-3B	Credit of Rs 2.8 Lakhs will be included here	Credit of Rs 2.8 Lakhs will not be included here
7E	Reversal as per 17(5)	2.8 Lakhs will appear here	This field will remain blank
7J	Net ITC Available for Utilization (60 - 7I)	2.8 Lakh effect will be nullified For Reporting 8F – details are readily available	No effect as not included For Reporting 8F – identify such credits from Books

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Disclosure of Blocked Credits in GSTR-3B and its impact

Case Study:

- Mr. X has purchased certain inputs during July 2017
- Commodity X Taxable value Rs. 10000, CGST and SGST Rs. 600 each
- Commodity Y, Taxable value Rs. 20000, CGST and SGST 1800 each
- 40% of commodity X is used for exempt supply and 10% commodity Y is used for personal purpose, Assuming ITC Reversal is carried out in GSTR-3B of July 17 to March 18 GSTR-3B, kindly explain how such ITC will have to be shown in and GSTR-9

Table Ref	Head notes	Disclosure
6A	Sum total of Table 4A of FORM GSTR-3B	1200+ 3600 Will be included in 6A
7C	Reversal as per Rule 42	40% of 1200 + 10% of 3600
7J	Net ITC Available for Utilization (6O - 7I)	60% of 1200 + 90% of 3600

Case Study on ITC Reversal

- Mr. X is a supplier of taxable as well as exempt goods. During FY 1718, Mr X has reversed total ITC of Rs 20000 on monthly basis in GSTR-3B. Further he has reversed ITC of 10,000 in September 18 GSTR-3B as Annual Reversal of 1718 (Filed on 20th October 2018). At the time of filing of Annual Return, Mr. X has reworked ITC reversal for FY 1718 as under :
- Situation 1: Total ITC reversal comes to Rs 35000 (Short ITC Reversal of 5000)
- Situation 2: Total ITC reversal comes to Rs. 25000 (Excess ITC Reversal of 10000)
- Advise Mr. X on how to reflect such reversal in GSTR-9 of FY 1718 along with relevant issue of tax and interest payment, if any.

Table Ref	Situation 1	Situation 2
7C	35000	25000
DRC-03	5000 + Interest	NIL
Interest	Interest on 10000 from 1 st April 18 to 20 th Oct 18 @ 18% pa. Interest on 5000 from 1 st April 18 till the date of DRC-03 payment @ 18%	Interest on 5000 from 1 st April 18 to 20 th Oct 18 @ 18% pa. 5000 either show as ITC Reversal of 1819 or it will lapse

Table 6 Vs Table 8

Table 6

Bifurcation of ITC as availed / claimed in 3B Return furnished for FY 1718

Table 8

Bifurcation of ITC credit as reflected in GSTR-2A

Table 8

IGST paid and Availed

Table 8A of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
8A	ITC as per GSTR-2A (Table 3 & 5 thereof)	<ul style="list-style-type: none"> • Auto computed & non editable • Credit reflected in FORM GSTR-2A of FY 1718 • ITC availed from ISD are not subject to reconciliation in Table 8. • IGST on RCM + Import of Goods not reflected in Table 8. • Only forward charge ITC

Table 3 of GSTR-2A

Invoice details of ITC

Table 5 of GSTR-2A

Debit Note / Credit Note details of ITC

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Latest on Table 8A

during the Financial Year

2. GSTR-9 can be filed online. It can also be prepared on Offline Tool and then uploaded on the Portal and filed.
3. Annual return in form GSTR-9 is required to be filed by every taxpayer registered as normal taxpayer during the relevant financial year.
4. All applicable statements in Forms GSTR-1 and returns in Form GSTR 3B of the financial year shall have been filed before filing GSTR-9.
5. In case you are required to file GSTR-9C (Reconciliation statement and Certification); shall be enabled on the dashboard post filing of GSTR-9.

1. Annual return in Form GSTR-9 once filed cannot be revised.
2. Based on GSTR-1 filed by your suppliers upto 30-04-2019, computation of ITC has been shown in your GSTR-2A. Table 8A of GSTR-9 has been auto-populated accordingly

Annual Return GSTR9

Due Date - 30/06/2019

PREPARE-ONLINE PREPARE OFFLINE

Reconciliation Statement GSTR 9C

Due Date - 30/06/2019

INITIATE-FILING PREPARE OFFLINE

As on 24th May 2019, Table 8A of GSTR-9 Auto populated for Returns filed up to 30th April 2019

Important Message

Prepare Online:-

Key Points for GSTR-2A

For Final Credit Exclude

- Remove Transactions not related to tax payer
- Ineligible Credits appearing in GSTR-2A
- Wrong reporting / double reporting by supplier
- Place of Supply outside state of Registration and CGST / SGST paid in other state

Other issues:

- Invoices not uploaded by Vendors?
- B2B supply recorded by B2C by vendor
- **Reliability of GSTR-2A and Reporting in Table 8A?**
- Press Release dated 18th October 2018, Trade Facilitation measure & does not impact the ability of taxpayer to avail ITC on self-assessment basis.
- Whether reflection in GSTR-2A means tax paid by Vendors?

- **Global Rule for Table 8 : Only forward Charge ITC**

Table 8B-8C of GSTR-9

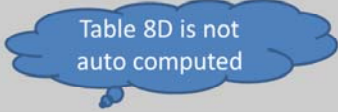
Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
8B	ITC as per sum total of 6(B) and 6(H) above	Auto computed & non editable
8C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during 2017-18 but availed during April to September 2018	Forward Charge ITC of 2017-18 availed through GSTR 3B filed for the months of April 2018 to March 2019 (Return filed by 23th April 2019) Source Table 4A(5) of GSTR-3B of 1819
8D	Difference [8A-(8B+8C)] 	<ul style="list-style-type: none"> • Difference can be Zero, Positive or Negative • If Difference is Negative = Excess Credit claimed in 3B Vis a Vis GSTR-2A [Supplier has failed to upload Invoices] • If Difference is Positive = blocked credits /reversed credit appearing in 2A, • Negative Difference = Potential case for Inquiry from department. • Copy of Invoice + payment proof + proof of receipt of goods

Table 8B-8C of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
8E	ITC available but not availed	<p>Include</p> <p>Forward Charge ITC available as per <u>GSTR-2A</u> but not availed in 3B of 1718 and 1819</p> <p>Reason for Non availment Small credits forgone Time limit of 16(4) over [23rd April 2019] Output is exempt</p> <p>Whether line wise verification of GSTR-2A ???</p>
8F	ITC available but ineligible	<p>Include</p> <p>Forward Charge ITC available as per <u>GSTR-2A</u> but ineligible</p>

Meaning of Ineligible ITC

Ineligible ITC includes

- Blocked Credit 17(5)
- ITC if not used for business
- ITC used for Exempt Outward supply
- Conditions of 16(2) not fulfilled.
- ITC Reversed on account of CGST Rule 37, 39

Ideally if 8D is positive, $8E + 8F = 8D$

8E and 8F = ITC appearing in GSTR-2A but lapsed

8E = Lapsed Voluntary

8F = Lapsed due to statutory restrictions

Table 8G-8K of GSTR-9

Table Ref	Head notes in Annual Return (GSTR-9)	Presenter Remark
8G	IGST paid on import of goods (including supplies from SEZ)	Include Actual IGST paid filing Bill of Entry during FY 1718 , irrespective of whether eligible for credit or not, whether availed or not
8H	IGST credit availed on import of goods (as per 6(E) above)	Auto As per Table 6E
8I	Difference (8G-8H)	<ul style="list-style-type: none"> • Could be Zero, Positive, Negative • Positive Difference = ITC either not availed or ineligible • Negative Difference = Notice likely from Department
8J	ITC available but not availed on import of goods (Equal to I)	<ul style="list-style-type: none"> • Equal to 8I
8K	Total ITC to be lapsed in current financial year (E + F + J)	<ul style="list-style-type: none"> • Auto

Decoding Table 6E vs 8G Vs 8H

Case Study

SN	Description	Amount
1	IGST paid on Import of Goods during FY 1718 [8G]	5 lakhs
2	IGST Credit claimed in GSTR-3B of FY 1718	4 Lakhs
3	IGST Credit claimed in GSTR-3B of FY 1819	1 Lakh

Based on above facts disclose aforesaid details in GSTR-9

8G	IGST paid on import of goods (including supplies from SEZ)	5 Lakhs
8H	IGST credit availed on import of goods (as per 6(E))	4 Lakhs
8I	Difference (8G-8H)	1 Lakh
8J	ITC available but not availed on import of goods (Equal to I)	1 Lakh
8K	Total ITC to be lapsed in current financial year (E + F + J)	1 Lakh

Expecting clarification from department on such proposed lapsed credits

Relationship between various forms for ITC availed

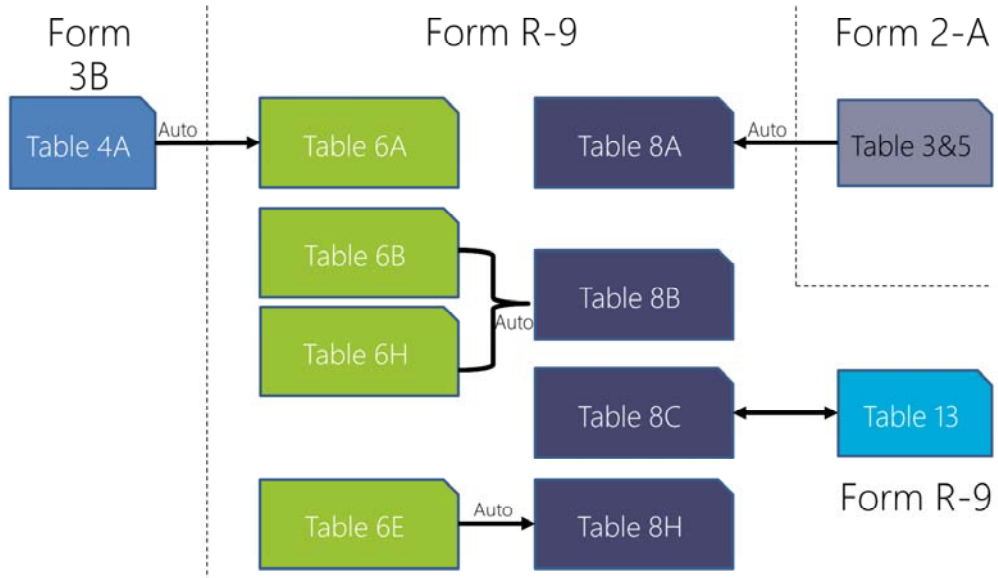


Table 13 : ITC Aailed

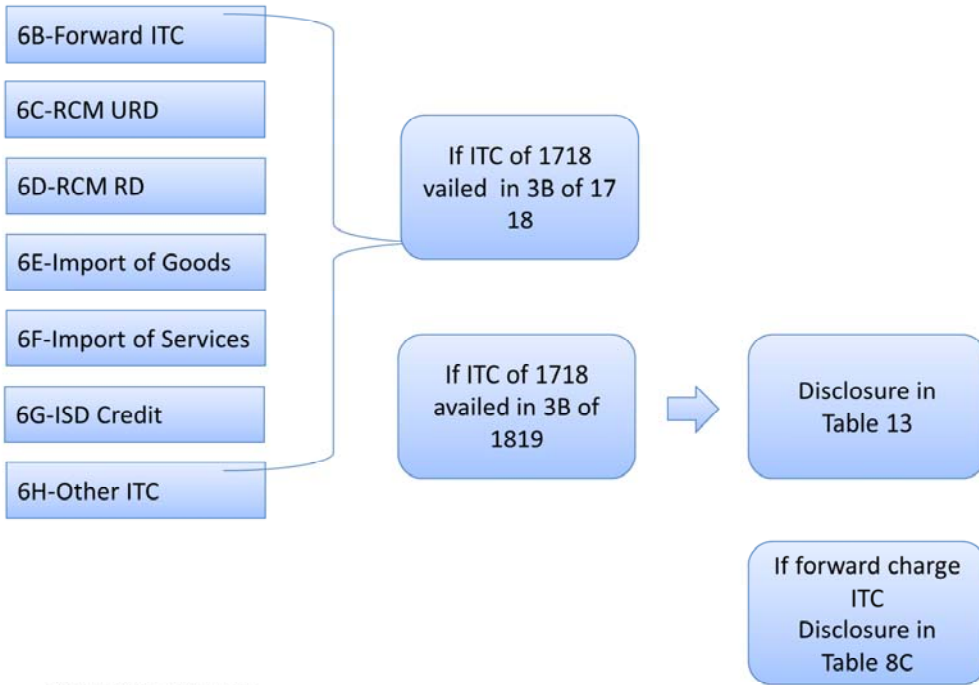
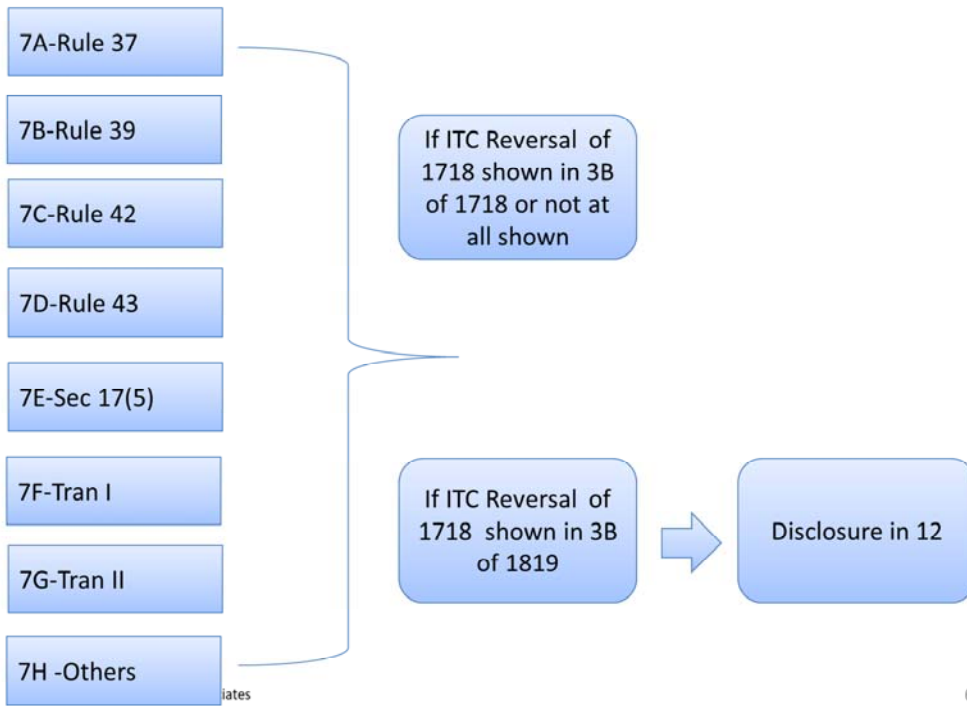


Table 12 : ITC Reversal



iates

ITC Case Study # 1


FY	Books	3B	GSTR-2A
17-18	500	500 Forward charge ITC	500
18-19		-	-

Table	ITC	Remark
Table 6A	500	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	500	Auto Populated as per GSTR-2A 1718
Table 8B	500	6B + 6H
Table 12	NIL	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	NIL	ITC of 1718 availed in 1819 (Table 4A of 3B of 1819)

ITC Case Study # 1A

FY	Books	3B	GSTR-2A
17-18	500	400 (FCM ITC)	500
18-19		100	-

Table	ITC	Remark
Table 6A	400	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	500	Auto Populated as per GSTR-2A 1718
Table 8B	400	6B + 6H
Table 8C	100	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8D	NIL	Difference (8A-(8B+8C))
Table 12	NIL	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	100	ITC of 1718 availed in 1819



ITC Case Study # 2

Tax payer as of now is not suppose to pay this amount

FY	Books	3B	GSTR-2A
17-18	550	400 FCM ITC	300
18-19		-	-

Table	ITC	Remark
Table 6A	400	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	300	Auto Populated as per GSTR-2A of 1718
Table 8B	400	6B + 6H
Table 8D	- 100	(-) Difference (8A-(8B+8C)), Extra Credit claimed
Table 8E	NIL	ITC available but not availed in 3B of 1718 and 1819
Table 8F	NIL	ITC available but ineligible
Table 12	NIL	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	NIL	ITC of 1718 availed in 1819 (Table 4A of 3B of 1819)

ITC Case Study # 2A

FY	Books	3B	GSTR-2A
17-18	550	550	700
18-19		-	-

No impact as of now on Electronic credit ledger

Table	ITC	Remark
Table 6A	550	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	700	Auto Populated as per GSTR-2A
Table 8B	550	6B + 6H
Table 8C	NIL	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8D	150	(+) Difference (8A-(8B+8C))
Table 8E	150	ITC available but not availed in 3B of 1718 and 1819 (ITC lapsed disclosure)
Table 8F	NIL	ITC available but ineligible
Table 12	NIL	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718)
Table 13	NIL	ITC reversed and ineligible as per 3B of 1718

ITC Case Study # 3


FY	Books	3B	GSTR-2A
17-18	550	300 (FCM ITC)	500
18-19		250	-

Table	ITC	Remark
Table 6A	300	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	500	Auto Populated as per GSTR-2A of 1718 Auto Populated
Table 8B	300	6B + 6H
Table 8C	250	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8D	- 50	(-) Difference (8A-(8B+8C)), Extra Credit claimed
Table 12	NIL	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	250	ITC of 1718 availed in 1819 (Table 4A of 3B of 1819)

ITC Case Study # 4

FY	Books	3B	GSTR-2A
17-18	550	300 (FCM ITC)	700
18-19		250	-

Table	ITC	Remark
Table 6A	300	ITC of 1718 availed n 3B of 1718 (Table 4A of 3B of 1718) Auto Populated
Table 7	NIL	ITC reversed and ineligible as per 3B of 1718
Table 8A	700	Auto Populated as per GSTR-2A of 1718 Auto Populated
Table 8B	300	6B+6H
Table 8C	250	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8E	150	ITC available but not availed in 3B of 1718 and 1819 ITC lapsed disclosure
Table 8F	NIL	ITC available but ineligible
Table 12	NIL	ITC reversed and ineligible of 1718 disclosed In 3B
Table 13	250	ITC of 1718 availed in 1819 (Table 4A of 3B of 1819)



ITC Case Study # 5

FY 1718	Books	GSTR-2A
Eligible	400	300
Ineligible	100	100

GSTR-3B of 1718	
Table 4A	400
Table 4B	100

Table	ITC	Remark
Table 6A	400	ITC of 1718 availed in 1819 (Table 4A of 1819) (Auto Populated)
Table 7E	100	ITC reversed and ineligible as per 3B of 1718
Table 8A	400	Auto Populated as per GSTR-2A of 1718 Auto Populated
Table 8B	400	Table 6B + 6H
Table 8C	0	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8D	0	Difference [8A-(8B+8C)]
Table 8E	NIL	ITC available but not availed in 3B of 1718 & 1819
Table 8F	100	ITC available but ineligible (ITC lapsed – Only disclosure)
Table 12	0	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	0	ITC of 1718 availed in 1819 (Table 4A of 1819)

ITC Case Study # 6

FY 1718	Books	GSTR-3B
Eligible	400	400

	GSTR-2A of 1718	
Related to Tax payer	300	
Not related to tax payer	100	No entry in books

Table	ITC	Remark
Table 6A	400	ITC of 1718 availed in 1819 (Table 4A of 1819) (Auto Populated)
Table 7E	0	ITC reversed and ineligible as per 3B of 1718
Table 8A	400	Auto Populated as per GSTR-2A of 1718 Auto Populated
Table 8B	400	Table 6B + 6H
Table 8C	0	ITC of 1718 availed in 1819 (Table 4A of 1819)
Table 8D	0	Difference [8A-(8B+8C)]
Table 8E	NIL	ITC available but not availed in 3B of 1718 & 1819
Table 8F	100	ITC available but ineligible (ITC lapsed – Only disclosure)
Table 12	0	ITC reversed and ineligible of 1718 disclosed In 3B of 1819
Table 13	0	ITC of 1718 availed in 1819 (Table 4A of 1819)

ITC Case Study # 7

FY	Books	3B
1718 RCM IGST	550 liability booked and paid	Paid in March 18, credit not claimed 1718 or 1819

Table	ITC	Remark
Table 6A	0	As per 3B of 1718 (4A of GSTR-3B)
Table 7C	0	Rule 42, Common credit reversal in 3B of 1718
Table 7E	0	Blocked Credit Reversal in 3B of 1718
Table 8A	0	Auto Populated as per GSTR-2A of 1718 Auto Populated
Table 8B	0	Table 6B + 6H
Table 8C	0	Availed in 1819
Table 8D	0	Difference
Table 8E	0	ITC available but not availed
Table 8F	0	ITC available but ineligible
Table 12	0	ITC of 1718 availed in 1819 (Table 4A of 1819)

ITC Case Study # 8

FY	Books	3B
1718 RCM IGST	550 Liability booked and paid in March 18	Paid and credit claimed March 18

Table	ITC	Remark
Table 6A	550	As per 3B of 1718 (4A of GSTR-3B)
Table 7C	0	Rule 42, Common credit reversal in 3B of 1718
Table 7E	0	Blocked Credit Reversal in 3B of 1718
Table 8A	0	
Table 8B	0	Table 6B + 6H
Table 8C	0	Availed in 1819
Table 8D	0	Difference
Table 8E	0	ITC available but not availed
Table 8F	0	ITC available but ineligible
Table 13	0	ITC of 1718 availed in 1819 (Table 4A of 1819)

ITC Case Study # 9

FY	Books	3B
1718 RCM IGST	550 only liability booked but paid in April 18	Paid in April 18 and credit claimed

Table	ITC	Remark
Table 6A	0	As per 3B of 1718 (4A of GSTR-3B)
Table 7C	0	Rule 42, Common credit reversal in 3B of 1718
Table 7E	0	Blocked Credit Reversal in 3B of 1718
Table 8A	0	
Table 8B	0	Table 6B + 6H
Table 8C	0	Availed in 1819 (Excluding RCM)
Table 8D	0	Difference
Table 8E	0	ITC available but not availed
Table 8F	0	ITC available but ineligible
Table 13	550	ITC of 1718 claimed in 1819 3B

ITC Case Study # 10

FY	Date
Import of Goods – BOE filed	19-3-18
IGST paid Rs. 5 Lakhs	03-04-18
Discharge Order received	05-04-18

Table	ITC	Remark
Table 6E	0	ITC availed on Import of goods (including supplies from SEZs)
Table 8G	0	IGST paid on import of goods (including supplies from SEZ)
Table 8H	0	IGST credit availed on import of goods (as per 6(E) above)
Table 8I	0	Difference (G-H)

ITC Case Study # 11

FY	Date
Import of Goods – BOE filed	19-3-18
IGST paid	31-03-18
Discharge Order received	05-04-18

Table	ITC	Remark
Table 6E	0	ITC availed on Import of goods (including supplies from SEZs)
Table 8G	5 Lakh	IGST paid on import of goods (including supplies from SEZ)
Table 8H	0	IGST credit availed on import of goods (as per 6(E) above)
Table 8I	5 Lakh	Difference (G-H)
Table 8J	5 Lakh	ITC available but not availed on import of goods (Equal to I)
Table 8K	5 Lakh	ITC lapsed (Clarification awaited from Govt.)

ITC Case Study # 11

FY	Date	
Import of Goods – BOE filed	19-3-18	
IGST paid	29-03-18	
Discharge Order received	31-03-18	
Credit claimed in	April 18 3B	



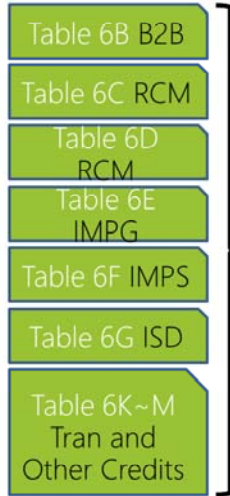
Table	ITC	Remark
Table 6E	0	Import of goods (including supplies from SEZs)
Table 8G	5 Lakh	IGST paid on import of goods (including supplies from SEZ)
Table 8H	0	IGST credit availed on import of goods (as per 6(E) above)
Table 8I	5 Lakh	Difference (G-H)
Table 8J	0	ITC available but not availed on import of goods (Equal to I) (as availed in 1819- Per Presenter view)
Table 13	5 Lakh	Credit claimed in 1819



GSTR-9C

Relationship between R-9 and 9C

Form R-9

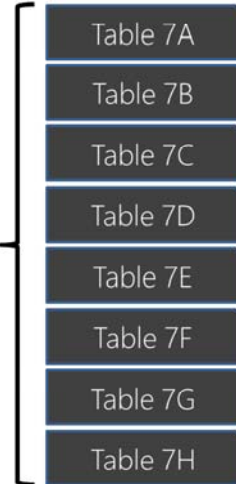


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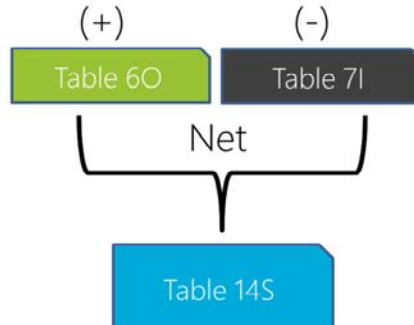
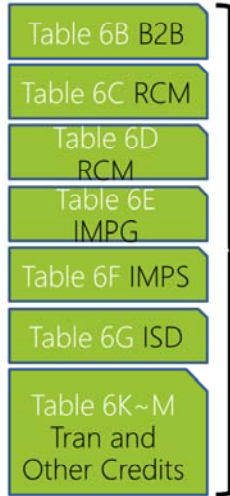
Form R-9C

Form R-9

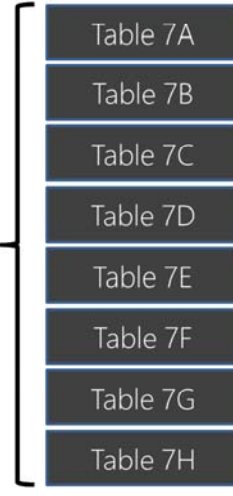


Relationship between R-9 and 9C

Form R-9



Form R-9



Form R-9C

Table 12: Reconciliation of Input Tax Credit (ITC)

PART IV

Pt. IV	Reconciliation of Input Tax Credit (ITC)	
12	Reconciliation of Net Input Tax Credit (ITC)	
A	ITC availed as per audited Annual Financial Statement for the State/ UT (For multi-GSTIN units under same PAN this should be derived from books of accounts)	After Reversal etc. Net Figure
B	ITC booked in earlier Financial Years claimed in current Financial Year	(+)
C	ITC booked in current Financial Year to be claimed in subsequent Financial Years	(-)
D	ITC availed as per audited financial statements or books of account	<Auto>
E	ITC claimed in Annual Return (GSTR9)	7J of GSTR-9
F	Un-reconciled ITC	12D-12E
		ITC 1

Case Study on Table 12 of GSTR-9C

SN	Description	Amount (Rs)
1	ITC Availed as per books	100000
2	Service Tax unconsumed credit as per last filed ST-3 Return	1000
3	Unconsumed VAT Credit as per last filed 231	2000
4	TRAN-I Credit claimed (SGST 2000, CGST 1000)	3000
5	TRAN-II Credit claimed (CGST)	500
6	KKC credit included in above unconsumed credit	100
7	KKC credit reversed in GSTR-3B of 1718	100
8	ITC credit of 1718 of claimed in 1819	1000
9	ITC of 1718 claimed in 3B of 1718 itself but not appearing in books of 1718	5000

Case Study on Table 12 of GSTR-9C

12	Reconciliation of Net Input Tax Credit (ITC)	
A	ITC availed as per audited Annual Financial Statement for the State/ UT	100000
B	ITC booked in earlier Financial Years claimed in current Financial Year (+)	2900
C	ITC booked in current Financial Year to be claimed in subsequent Financial Years (-)	1000
D	ITC availed as per audited financial statements or books of account [12A+12B-12C]	102000
E	ITC claimed in Annual Return (GSTR9)	107000
F	Un-reconciled ITC	5000
13A	ITC recorded in books in FY 1819 but claimed in 1718	5000

14 Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account				
	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	
A	Purchases	AS per Books		As determined by Auditor Source ITC Register Excluding Block Credit What about ITC Reversal?
B	Freight / Carriage			
C	Power and Fuel			
D	Imported goods (Including received from SEZs)		AS per Books	
E	Rent and Insurance			
F	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples			
G	Royalties			
H	Employees' Cost (Salaries, wages, Bonus etc.)	Qua GSTIN		
I	Conveyance charges			
J	Bank Charges			
K	Entertainment charges	No bifurcation of CGST / SGST / IGST ?? How to recommend tax payment ??		
L	Stationery Expenses (including postage etc.)			
M	Repair and Maintenance			

N	Other Miscellaneous expenses			
O	Capital goods			
P	Any other expense 1			
Q	Any other expense 2			
R	Total amount of eligible ITC availed	<<Auto>>		
S	ITC claimed in Annual Return (GSTR9)			
T	Un-reconciled ITC	ITC 2		

Table No.	Instructions
14	<p>This table is for reconciliation of ITC declared in the Annual Return (GSTR9) against the expenses booked in the audited Annual Financial Statement or books of account. The various sub-heads specified under this table are general expenses in the audited Annual Financial Statement or books of account on which ITC may or may not be available. Further, this is only an indicative list of heads under which expenses are generally booked. Taxpayers may add or delete any of these heads but all heads of expenses on which GST has been paid / was payable are to be declared here.</p>

Case Study on Table 14 of GSTR-9C

- Gross Credit availed as per 4A of GSTR-3B 1718 = Rs 1000
- Assume blocked credit was never availed
- Actual reversal worked out at the time of filing Annual Return = Rs 50
- Actual Eligible credit = Rs 950
- Assume ITC availed in Annual Return = Rs. 1000 (Without any reversal)
- Extra Credit availed was never reversed even in GSTR-3B of 1819

Bifurcation of ITC Reversal

- Purchase used for exempt supply = Rs 40
- Other Common ITC reversal of Freight and Repairs = 10

ITC As per ITC Register

- Purchase Value Rs. 5000, ITC 600
- Freight Value Rs. 2000, ITC 100
- Repairs Value Rs. 2000, ITC 300

- Kindly Help CA in disclosing aforesaid details in GSTR- 9C

Case Study on Table 14 of GSTR-9C

14	Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account			
	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	4
A	Purchases	5000	600	560
B	Freight	2000	100	97.5
M	Repairs and Maintenance	2000	300	292.5
R	Total amount of eligible ITC availed			950
S	ITC claimed in Annual Return (GSTR9)			1000
T	Unreconciled ITC			50
15A	ITC Reversal Not carried out			50
16	Tax payable on unreconciled ITC			25CGST+ 25SGST
	Auditors Recommendation on Additional Liability – Input Tax Credit			25CGST+ 25SGST ₈₇

Brain Teaser

- **How to show Transitional Credit Reversal in Table 14?**
- **Will this be Part of Table 15, Reconciliation ?**
- **Whether RCM of 1718 paid in FY 1920 can be claimed as credit on payment basis in FY 1920 or it will be hit by Section 16(4) ?**

- **Section 16 (4)**

A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier

Questions / Thanks



Thanks for
your time!

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