



**ISSUES IN ANNUAL RETURN
AND GST AUDIT
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ANNUAL RETURN -Section 44(1) read with Rule 80

➤ Who is required to file an Annual return

Every registered person **other than**

(a) Input Service Distributor

(b) Person paying tax under section 51 or section 52. (TDS or TCS)

(c) Casual taxable Person

(d) Non-resident Taxable Person

Shall furnish an annual return for every financial year electronically in **GSTR-9**

➤ **Composition taxable persons** are required to file annual return in **GSTR-9A**

➤ **Electronic Commerce Operator** required to collect TCS under section 52 shall file annual return in **GSTR-9B**. [applicable only from 01.10.2018-Notification No.51/2018-Central Tax dated 13.09.2018]

ANNUAL RETURN - Basics

- All returns in **GSTR-1 and GSTR-3B** for the F.Y. 2017-18 should be filed before filing the Annual return.
- Annual return is required to be filed for **each GSTIN separately**.
- Annual Return once filed **cannot be revised**.
- Registered persons having a **NIL Turnover** during the F.Y. 2017-18 are required file the Annual return.

ANNUAL RETURN - Basics

- Taxpayers **may declare additional liability** in the Annual return not declared in GSTR-1 and GSTR-3B.
- **Input tax credit unclaimed** during the F.Y. 2017-18 **cannot be claimed** through this return.
- Option available to pay the additional liability declared through **Form DRC-03**.
- The **additional liability** can only be paid through the **electronic cash ledger only**.

FORMAT OF THE ANNUAL RETURN

- **Part-I - Basic Details** [Financial Year, GSTIN, Legal Name, Trade Name (if any)]
- **Part II – Details of advances, inward and outward supplies made during the Financial year**
- **Part III - Details of Input Tax Credit (ITC) for the Financial year.**
- **Part IV-** Details of tax paid as declared in the returns filed **during the Financial year.**
- **Part V:** Particulars of **transactions for the F.Y. 2017-18 declared in returns of April to Sept 2018** or upto the date of filing the Annual return (whichever is earlier).
- **Part VI: Other Information**

GST ANNUAL RETURN-Part II

Details of Outward and Inward Supplies **made during the F.Y.**

- Notification 74/2018-Central Tax dated 31.12.2018 amended the term “**as declared in returns filed during the financial year**” to “**made during the Financial year**”.
- Accordingly, supplies made during the F.Y. as per the Financial statements are required to be reported.
- **Table 4** - Details of advances, inward and outward supplies made during the F.Y. on which **tax is payable.**
- **Table 5**- Details of advances, inward and outward supplies made during the F.Y. on which **tax is not payable.**

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which <u>tax is payable</u>	
4A	Supplies made to Unregistered Persons (B2C)	<ul style="list-style-type: none">- Supplies made to unregistered persons/consumers during the F.Y.- The information to be declared should be net of debit notes and credit notes.
4B	Supplies made to Registered Persons (B2B)	<ul style="list-style-type: none">- Gross value of supplies made to registered persons. (without adjusting credit notes and debit notes)- Shall not include supplies on which tax is payable by recipient under RCM.

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
4C	Zero Rated Supply on payment of tax	Aggregate value of exports on which tax is paid to be declared here.
4D	Supply to SEZ on payment of tax	Aggregate value of supplies made to SEZ on payment of tax shall be separately disclosed here.
4E	Deemed Exports	Aggregate value of deemed exports on which tax is paid to be declared here.
4F	Advances on which tax is paid but invoice is not issued.	Details of unadjusted advances on which tax is paid but invoice is not issued to be declared here.

GST ANNUAL RETURN-Part II

Notification No. 48/2017-Central Tax dated 18th October, 2017:

The following supplies of goods are considered **deemed exports**:

- (a) Supply of goods by a registered person against Advance Authorisation
- (b) Supply of capital goods by a registered person against Export Promotion Capital Goods Authorisation
- (c) Supply of goods by a registered person to Export Oriented Unit
- (d) Supply of gold by a bank or Public Sector Undertaking specified in the notification No. 50/2017-Customs, dated the 30th June, 2017 (as amended) against Advance Authorisation

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
4G	Inward supplies on which tax is to be paid on reverse charge basis	<ul style="list-style-type: none"> - Inward Supplies on which tax is paid by the recipient under reverse charge. [both registered and unregistered suppliers] - Supplies received from Unregistered Persons <ul style="list-style-type: none"> - Exempt 5000/- per day [from 01.07.2017 to 12.10.2017] – Notification 8/2017-Central Tax (Rate) dated 28.06.2017 - Not liable w.e.f. 13.10.2017 (Notification 38/2017-Central Tax (Rate) dated 13.10.2017) - To be declared net of debit notes and credit notes.

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
4I and 4J	Credit notes and Debit notes issued	<p>This will include credit notes/debit notes issued with respect to:</p> <ul style="list-style-type: none">- B2B supplies (4B)- Exports (4C)- SEZ (4D)- Deemed Exports (4E) <p>Supplies made to unregistered persons (B2C) and inward supplies liable to RCM already declared net of debit notes and credit notes (Row 4A and 4G)</p>

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
4K and 4L	Tax declared and reduced through amendments	This will include amendments with respect to: <ul style="list-style-type: none">- B2B supplies (4B)- Exports (4C)- SEZ (4D)- Deemed Exports (4E)- Credit Notes/Debit Notes- Refund Vouchers
4N	Supplies and Advances on which tax is to be paid	

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which <u>tax is not payable</u>	
5A	Zero Rated Supply (Export) without payment of tax	<ul style="list-style-type: none"> - Aggregate value of exports on which tax is not paid to be declared here. - This will comprise of exports made under bond or Letter of Undertaking.
5B	Supply to SEZ without payment of tax	<ul style="list-style-type: none"> - Aggregate value of supplies made to SEZ on which tax is not paid. - This will comprise of supplies made to SEZ under bond or Letter of Undertaking.

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which <u>tax is not payable</u>	
5C	Supplies on which tax is to be paid by the recipient on reverse charge.	- Details are required to be furnished by recipients whose services are covered under reverse charge for instance, Goods Transport Agencies whose services are covered under RCM
5D, 5E and 5F	Exempted, NIL Rated and Non-GST Supply	- The value of “no supply” shall be declared under Non-GST supply.

GST ANNUAL RETURN-Part II

- **Exempt Supply – Section 2(47)** - means supply of any goods or services or both which **attracts nil rate of tax** or **which may be wholly exempt from tax** under section 11, or under section 6 of the Integrated Goods and Services Tax Act, and **includes non-taxable supply**;
- **Non-GST Supply (includes “no supply”)** – This includes Schedule III items viz. **sale of land, sale of building, services by employee to employer, actionable claims other than lottery, betting and gambling.**

CLARIFICATION

Information in Table 5D (Exempted), Table 5E (Nil Rated) and Table 5F (Non-GST Supply): It has been represented by various trade bodies/associations that there appears to be some confusion over what values are to be entered in Table 5D,5E and 5F of **FORM GSTR-9**. Since, there is some overlap between supplies that are classifiable as exempted and nil rated and since there is no tax payable on such supplies, if there is a reasonable/explainable overlap of information reported across these tables, such overlap will not be viewed adversely. The other concern raised by taxpayers is the inclusion of no supply in the category of Non-GST supplies in Table 5F. **For the purposes of reporting, non-GST supplies includes supply of alcoholic liquor for human consumption, motor spirit (commonly known as petrol), high speed diesel, aviation turbine fuel, petroleum crude and natural gas and transactions specified in Schedule III of the CGST Act.**

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
5H and 5I	Credit notes and Debit notes issued	This will include credit notes/debit notes issued with respect to: <ul style="list-style-type: none">- Exports (5A)- SEZ (5B)- Tax paid under RCM (5C)- Exempted, NIL Rated and Non-GST supply (5D, 5E and 5F)

GST ANNUAL RETURN-Part II

Part II	Details of Advances, inward and Outward supplies made during the F.Y on which tax is payable	
5J and 5K	Amendments made	This will include amendments with respect to: <ul style="list-style-type: none"> - Exports (4C) - SEZ (4D) - Tax paid under RCM (5C) - Exempted, NIL Rated and Non-GST supply
5M	Total Supplies on which tax is not to be paid	
5N	Total Turnover comprising of Supplies and Advances on which tax is to be paid + Supplies on which tax is not to be paid – Inward Supplies on which tax is to be paid under RCM. [4N+5M-4G]	

POSERS

- Value of outward supplies reported in GSTR-1 and GSTR-3B is the same. However, the turnover as per the Financial Statements is higher than that reported in the GST Return. The difference is reflected by the tax payer during the Financial Year 2018-19. Advice on the manner of reporting in the Annual Return.
- Turnover declared in GSTR-1, however failed to disclose in GSTR-3B. The disclosure in GSTR-3B made subsequently in the F.Y. 2018-19. Advice on the manner of reporting in the Annual Return.
- Turnover reported short in GSTR-1 and GSTR-3B which is not rectified till date. Advice on the implications in the Annual Return.

POSERS

- B2B supplies declared as B2C supplies or vice-versa in GST Returns. How to rectify the same in the Annual Return?
- Excess sales turnover declared in GSTR-3B compared to the financial statements. Please Advise on the manner of rectification in the Annual Return.
- GST under reverse charge not discharged on receipt of Goods Transport Agency Service. Whether the tax can be discharged now in the Annual Return. Also whether the Assessee is eligible to avail input tax credit of the said tax paid.

PRESS RELEASE-CLARIFICATIONS

- 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 GSTR - 3B between April 2018 to March 2019 then such supply shall be declared in Pt. V of FORM GSTR-9.

PRESS RELEASE-CLARIFICATIONS

- 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.**

GST ANNUAL RETURN-Part III

Part III	Details of ITC for the financial year	
6A	Total amount of input tax credit availed through Form GSTR-3B	The amounts are auto-populated from the GSTR-3B filed during the F.Y, 2017-18
6B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZ's)	The total ITC availed is required to be bifurcated as ITC on inputs, capital goods and input services.

GST ANNUAL RETURN-Part III

Part III	Details of ITC for the financial year	
6C	<p>Inward supplies received from <u>unregistered</u> persons liable to reverse charge.</p>	<ul style="list-style-type: none"> - The RCM with respect to unregistered suppliers was applicable till 13.10.2017. - The input tax credit availed is required to be bifurcated into inputs, capital goods and input services.
6D	<p>Inward supplies received from <u>registered</u> persons liable to reverse charge.</p>	<ul style="list-style-type: none"> - Such supplies liable for reverse charge include, legal fees charged by advocates, services received from a goods transport agency etc. - The details to be bifurcated into inputs, capital goods and input services.

GST ANNUAL RETURN-Part III

Part III	Details of ITC for the financial year	
6E	Import of goods (including supplies from SEZ's)	The Integrated GST (IGST) paid on the import of goods is required to be bifurcated into inputs and capital goods.
6F	Import of Services (excluding inward supplies from SEZ)	The IGST paid on import of services is required to be disclosed here.
6G	Input tax credit received from ISD.	

GST ANNUAL RETURN-Part III

Part III	Details of ITC for the financial year	
6H	Amount of ITC reclaimed	<ul style="list-style-type: none"> - Where the recipient fails to pay to the supplier of goods and/or service the value of supply along with the tax within 180 days from the date of issue of invoice, such credit is required to be reversed. - However, once the payment is made, the said credit is allowed to be reclaimed.
6K and 6L	Transition credit through TRAN-I and TRAN-2.	<p>TRAN-I- CENVAT credit carried forward from the pre-GST regime.</p> <p>TRAN-2- CENVAT credit availed on stock</p>

GST ANNUAL RETURN-Part III

Part III	Details of ITC for the financial year	
6M	Any other ITC availed	ITC-01 : Credit availed on stock when a person opts out of composition scheme. ITC-02 : Transfer of credit on account of sale, merger, demerger etc.
6O	Total ITC availed	

GST ANNUAL RETURN-Part III

Part III	Details of ITC Reversed and Ineligible ITC for the F.Y	
7A	As per Rule 37	Reversal of ITC on account of non-payment of value of supply along with tax thereon to the vendor within 180 days.
7B	As per Rule 39	Reversal of ITC by input service distributor
7C	As per Rule 42	Reversal of input tax credit on input and input services used for taxable and exempt supplies
7D	As per Rule 43	Reversal of input tax credit on capital goods used for business and non-business purpose.

GST ANNUAL RETURN-Part III

Part III	Details of ITC Reversed and Ineligible ITC for the F.Y	
7E	As per section 17(5)	<p>Ineligible ITC under section 17(5) i.e. Blocked Credits which include:</p> <ul style="list-style-type: none">a) Motor Vehicle and other conveyancesb) Food and Beverages, Health Insurance, Club Membership, Rent a Cabc) Works contract services [other than a supplier of works contract service]d) goods and/or services used for personal consumption etc.

GST ANNUAL RETURN-Part III

Part III	Details of ITC Reversed and Ineligible ITC for the F.Y	
7F and 7G	Reversal of TRAN-1 and Tran II Credit	Any reversals made under TRAN-I and TRAN-II is required to be declared here.
7H	Other reversals	<ul style="list-style-type: none"> - Wrong credits taken - Excess credits taken - Credit reversed on account of opting for composition. (ITC-03)
7I	Total ITC Reversed	
7J	Net ITC Available for Utilization (60-7I)	

GST ANNUAL RETURN-Part III

Part III	Other ITC Related information	
8A	ITC as per GSTR-2A	Auto-populated from the system [All invoices for the F.Y. 2017-18]
8B	ITC as per sum total of 6B and 6H [i.e total ITC availed other than transition credit.]	To be auto-populated

GST ANNUAL RETURN-Part III

Part III	Other ITC Related information	
8C	ITC on inward supplies received during 2017-18 but availed during April-Sept-18.	(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. [Date extended to 31.03.2019]

GST ANNUAL RETURN-Part III

Part III	Other ITC Related information
8E and 8F	The difference between GSTR-2A and the credit availed to be bifurcated into: <ul style="list-style-type: none">- ITC available but not availed- ITC available but ineligible
8G and 8H	Details of IGST paid on import of goods and details of credit availed (including SEZ supplies)
8K	Total ITC lapsed [ITC available but not availed + ITC available but ineligible + ITC available but not availed on import of goods]

QUESTIONS?

- ITC claimed in GSTR-3B is higher compared to GSTR-2A. It has been identified that certain vendors have not filed GST Returns. In the scenario whether credit reversal is required to the extent of the credit not appearing in GSTR-2A?
- Assessee wrongly availed input tax credit on food and beverages. Whether the said credit wrongly availed not reversed till date can be reversed in the Annual Return?
- **Whether the following incomes requires to be disclosed in the Annual Return?**
 - Interest on Fixed Deposit/Bank Interest
 - Dividend
 - Profit on sale of securities

PRESS RELEASE-CLARIFICATIONS

- 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**.
- 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**.

GST ANNUAL RETURN-Part IV

- Part IV comprises of the **actual tax paid during the F.Y.**
- The actual tax paid is auto-populated by the system **[tax payable is editable]**
- The details are to be obtained from the GSTR-3B filed during the F.Y. 2017-18.
- The tax paid comprises of tax paid through cash and tax paid by utilizing input tax credit.
- The table also includes **any interest, late fee or penalty paid during the F.Y. 2017-18.**

GST ANNUAL RETURN-Part V

- Part V deals with **transactions declared in return of April to September 2018 pertaining to the F.Y. 2017-18**

Part V		
10 and 11	Supplies/tax declared through amendments	Details of additions or amendments made during the period April to September 2018 pertaining to supplies already declared in the return for F.Y. 2017-18
12	Reversal of ITC availed during the previous F.Y.	Reversals of ITC made in April to September 2018 pertaining to ITC availed in returns during the F.Y. 2017-18 to be declared here.

GST ANNUAL RETURN-Part V

Part V		
13	ITC availed for the previous F.Y.	<ul style="list-style-type: none">- Details of ITC on goods or services received in the F.Y. 2017-18 but ITC availed during the period April to September 2018 to be declared here.- It should be noted that ITC reversed in the F.Y. 2017-18 and reclaimed in the year 2018-19 after payment to the vendor pertains to the F.Y. 2018-19 only.

GST ANNUAL RETURN-Part VI-OTHER INFORMATION

Part VI	Particulars of Demands and Refunds
15	<ul style="list-style-type: none">➤ Aggregate value of Refunds claimed during the F.Y. 2017-18➤ Aggregate value of Refunds sanctioned➤ Aggregate value of Refunds Rejected.➤ Aggregate value of refunds pending for processing.[This will not include provisional refunds received]➤ Total demands of taxes, total payments made and pending is also to be disclosed here.

GST ANNUAL RETURN-Part VI-OTHER INFORMATION

Part VI	Information on supplies received from composition tax payers, deemed supply under section 143 and goods sent on approval basis	
16A	supplies received from composition tax payers	Aggregate value of supplies received from composition tax payers.
16B	Deemed supply under section 143	Inputs/capital goods sent for job work which are neither received back by the Principal nor are they supplied from the place of business of the job worker within a period of 1 or 3 years respectively are considered to be deemed supplies on the day the said inputs or capital goods are sent out.

GST ANNUAL RETURN-Part VI-OTHER INFORMATION

Part VI	Information on supplies received from composition tax payers, deemed supply under section 143 and goods sent on approval basis	
16C	Goods sent on approval basis but not returned	The details of goods sent on approval but not returned within 180 days should be declared here.

GST ANNUAL RETURN-Part VI-OTHER INFORMATION

Part VI	HSN wise summary of outward and inward supplies
17 and 18	<ul style="list-style-type: none">➤ Optional for taxpayers having turnover of upto Rs 1.5 crore➤ Mandatory to report HSN code at two digits for taxpayers having annual turnover in the preceding year above 1.5 crore but upto 5 crore.➤ Mandatory to report HSN code at four digits for taxpayers having annual turnover in the preceding year above 5 crore➤ UQC to be furnished for supply of goods only.➤ Quantity to be reported net of returns.➤ HSN summary of inward supplies to be provided of supplies which in value independently account for 10% or more of the total value of inward supplies.

GST ANNUAL RETURN-Part VI-OTHER INFORMATION

	Late fee Payable and Paid
	<ul style="list-style-type: none">➤ Section 47(2) of the CGST Act and SGST Act- Rs 200 for every day during which the failure continues [Rs 100 CGST and Rs 100 SGST- Subject to maximum at 0.5% of turnover in State or UT [0.25% under CGST and 0.25% under SGST]

GST AUDIT

AUDIT UNDER SECTION 2(13) of the CGST Act

“audit” means the **examination of records, returns and other documents** maintained or furnished by the registered person under this Act or the rules made thereunder or under any other law for the time being in force to **verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance** with the provisions of this Act or the rules made thereunder;

RECORDS TO BE MAINTAINED UNDER SECTION 35(1)

- (1) 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:

AUDIT UNDER SECTION 35(5)

➤ Who is liable for Audit?

A registered person whose **turnover** in a **financial year exceeds** the **prescribed limit** shall get his accounts audited.

➤ Who can conduct GST Audit?

A Chartered Accountant or a Cost Accountant.

➤ What are the records to be verified

(i) record of production or manufacture of goods;

(ii) inward and outward supply of goods or services or both;

(iii) stock of goods;

(iv) input tax credit availed;

(v) output tax payable and paid and other relevant particulars prescribed.

TURNOVER

Section 2(112): Turnover in a State

- Aggregate Value of **taxable** supplies;
- **Exempt** supplies;
- **Exports** of goods or services;
- Supplies made **within the state and interstate supplies** of goods and/or services;

Excludes

- Value of **inwards supplies** on which **tax is payable on reverse charge basis**;
- **central tax, state tax, union territory tax, integrated tax and cess.**

PRESCRIBED LIMIT-RULE 80(3) OF CGST RULES

- A registered person;
- whose **aggregate turnover** during a financial year;
- exceeds **two crore rupees**;
- shall get his accounts audited under section 35(5);

POSER

- A. M/s Confused Ltd has a turnover of 50 lakhs during the period April to June 2017. The turnover for the period July to March 2018 is Rs 1.75 crores. M/s Confused Ltd is of the view that no GST Audit is required since the total turnover during the GST regime is less than two crores. Further VAT Audit for the period April to June 2017 is already undertaken. Whether M/s Confused Ltd is liable for GST Audit?
- B. Mr. A, a professional maintains accounts on cash basis and has a turnover of Rs 1.8 crores. However, invoices of Rs 2.2 crores are issued during the Financial year. Whether Mr. A is liable for GST Audit?

CLARIFICATION

It may be noted that the aggregate turnover i.e. **the turnover of all the registrations having the same Permanent Account Number is to be used for determining the requirement of filing of reconciliation statement.** Therefore, if there are two registrations in two different States on the same PAN, say State A (with turnover of Rs. 1.2 Crore) and State B (with turnover of Rs. 1 Crore) they are both required to file reconciliation statements individually for their registrations since their aggregate turnover is greater than Rs. 2 Crore. **The aggregate turnover for this purpose shall be reckoned for the period July, 2017 to March, 2018.**

RELEVANT AREAS OF RECONCILIATION- GSTR-9C

II. RECONCILIATION OF GROSS TURNOVER

No	Particulars	Remarks
	Turnover as per Audited Financial statements for the State/Union-Territory	GSTIN Wise turnover to be determined
<u>ADD</u>		
1.	Unbilled Revenue at the beginning of the year	Provisions of Income made in the last F.Y. for which GST invoices are raised in the current year.
2.	Unadjusted advances at the end of the Financial year	Advances on which GST is paid but has not been recognized as revenue
3.	Deemed Supply under Schedule 1	Supplies made without consideration <ul style="list-style-type: none">- Supplies between related parties- Transfer of Assets on which ITC is claimed- Transactions between principal and agent.

RELEVANT AREAS OF RECONCILIATION- GSTR-9C

II. RECONCILIATION OF GROSS TURNOVER

No	Particulars	Remarks
4.	Trade discounts /Credit Notes accounted in the audited Financial Statements but are not permissible under GST	Trade discounts and credit notes accounted reducing the turnover in the Books of Accounts to be increased as not adjusted in GST Returns.
<u>LESS</u>		
1.	Credit Notes issued after the end of the financial year but reflected in the annual return.	Credit Notes issued in the F.Y, 2018-19 pertaining to the F.Y. 2017-18 to be reduced from the turnover as per the Financial Statements.
2.	Turnover from April to June 2017	The turnover in the Pre-GST regime to be excluded.

RELEVANT AREAS OF RECONCILIATION- GSTR-9C

II. RECONCILIATION OF GROSS TURNOVER

No	Particulars	Remarks
3.	Unbilled Revenue at the end of the Financial year	Provisions of Income made in the books of accounts in the end of the year not liable for GST to be reduced from the turnover as per the Financial Statements.
4.	Unadjusted Advances at the beginning of the Year	Advances on which GST is already paid in the last Financial Year , but invoices issued in the current year to be reduced .
	<u>ADD/LESS</u> adjustments on account of valuation provisions/exchange rate fluctuations and any other adjustments.	

RELEVANT AREAS OF RECONCILIATION-GSTR-9C

II. RECONCILIATION OF GROSS TURNOVER

Particulars	Remarks
Annual Turnover after adjustments	This will be auto-populated as per the calculations made
<p>The Annual Turn over as above will be bifurcated into:</p> <ul style="list-style-type: none">- Exempted, NIL Rated, Non-GST supplies, No-Supply- Zero-rated supplies- Supplies on which tax is to be by the recipient under reverse charge.- And Taxable Turnover	
<p>The taxable turnover as above should be as per the liability declared in the Annual Return. [4N – 4G (+/-) 10 & 11]</p>	
<p>Unreconciled Turnover- Reasons to be provided</p>	

RELEVANT AREAS OF RECONCILIATION

III. RECONCILIATION OF TAX PAID

- **Bifurcation** of tax payable to be done rate-wise
- **Total tax paid** to be declared **as per the Annual return.**
- Reasons to be provided for the unreconciled payment of amount
- **Additional liability**, if any can be **discharged by cash through DRC-03**

RELEVANT AREAS OF RECONCILIATION

IV. RECONCILIATION OF INPUT TAX CREDIT IN ANNUAL RETURN WITH ITC AVAILED ON EXPENSES AS PER ANNUAL FINANCIAL STATEMENTS

Sr.No	Particulars	
	ITC availed as per audited Financial Statements for the State/UT	XXX
ADD	ITC booked in earlier Financial year claimed in current Financial Year	XXX
LESS	ITC booked in current Financial Year to be claimed in subsequent Financial Years	(XXX)
	ITC availed as per audited financial statements or books of accounts	
	ITC claimed in Annual Return	
	Unreconciled ITC	

RELEVANT AREAS OF RECONCILIATION

IV. RECONCILIATION OF INPUT TAX CREDIT IN ANNUAL RETURN WITH ITC AVAILED ON EXPENSES AS PER ANNUAL FINANCIAL STATEMENTS

Sr. No	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
A	Purchases			
B	Freight/Carriage			
C	Power and Fuel			
D	Imported Goods (including received from SEZs)			
E	Rent and Insurance			

RELEVANT AREAS OF RECONCILIATION

IV. RECONCILIATION OF INPUT TAX CREDIT IN ANNUAL RETURN WITH ITC AVAILED ON EXPENSES AS PER ANNUAL FINANCIAL STATEMENTS

Sr. No	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
F	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples			
G	Royalties			
H	Employees Cost			

RELEVANT AREAS OF RECONCILIATION

IV. RECONCILIATION OF INPUT TAX CREDIT IN ANNUAL RETURN WITH ITC AVAILED ON EXPENSES AS PER ANNUAL FINANCIAL STATEMENTS

Sr. No	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
I	Conveyance charges			
J	Bank Charges			
K	Entertainment charges			
L	Stationery Expenses			
M	Repair and maintenance			
N	Other Miscellaneous expenses			

RELEVANT AREAS OF RECONCILIATION

IV. RECONCILIATION OF INPUT TAX CREDIT IN ANNUAL RETURN WITH ITC AVAILED ON EXPENSES AS PER ANNUAL FINANCIAL STATEMENTS

Sr. No	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
O	Capital Goods			
P	Any other expense			
	Total amount of eligible ITC availed			
	ITC claimed in Annual Return			
	Un reconciled ITC (reasons to be provided)			

AUDITORS RECOMMENDATION ON ADDITIONAL LIABILITY

Description	Value	To be paid through Cash			
		Central Tax	State Tax/UT Tax	Integrated Tax	Cess, if applicable
5%					
12%					
18%					
28%					
3%					
0.25%					
0.1%					
Input Tax Credit					

THANK YOU

CA PARITA J. SHAH

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